

# Finance and Resources Committee

10a.m., Thursday, 23 May 2019

## Summary Report on Property Transactions concluded under Delegated Authority

Executive/routine	Routine
Wards	City wide
Council Commitments	<a href="#">2,10</a>

### 1. Recommendations

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1.1 That Committee:

- 1.1.1 Notes the 27 transactions detailed in the attached Appendix have been concluded in terms of the Council's 'Scheme of Delegation to Officers.'

**Stephen S. Moir**

Executive Director of Resources

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# Report

## Summary Report on Property Transactions concluded under Delegated Authority

### 2. Executive Summary

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- 2.1 To advise the Committee of all lease agreements, etc. concluded in terms of the Council's 'Scheme of Delegation to Officers'.
- 2.2 This delegated authority currently extends to the conclusion of all new leases of up to five years in length where the rental is no greater than £50,000 per annum and rent reviews where the rental is no greater than £50,000 per annum. The authority also includes the sale of property which has been declared surplus to the requirements of the Council and sold on the open market to the highest bidder. Any transactions outwith these parameters are reported separately to Committee.

### 3. Background

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- 3.1 Under the Council's Scheme of Delegation to Officers it is the responsibility of the Chief Executive or relevant Executive Director to keep the elected members appropriately informed about activity arising within the scope of the delegated authority under the Scheme. Reporting on a quarterly basis is considered the appropriate manner and frequency of keeping members advised.

### 4. Main report

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- 4.1 Appendix 1 provides details of 27 transactions completed under delegated authority since the last quarterly report. Leased properties which have been vacant for more than 6 months are shown at a previous rent of nil.
- 4.2 The financial benefit to the Council of these transactions is summarised below:
  - 7 new leases producing an additional £47,740 per annum;
  - 9 lease renewal/extensions producing an additional £9,699 per annum;
  - 2 rent reviews producing an increase of £3,570 per annum;
  - 4 disposals producing capital receipts totalling £3,893,550; and

- A one off payment of £570 has been received from the two servitudes and a nominal £1 in each case from the 3 licence agreements.

## **5. Next Steps**

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- 5.1 The report sets out transactions which have been completed, under delegated authority, since the Finance & Resources Committee on 1 February. There are no further steps in relation to these transactions.

## **6. Financial impact**

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- 6.1 The financial impact of the transactions noted are set out above.

## **7. Stakeholder/Community Impact**

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- 7.1 Not applicable.

## **8. Background reading/external references**

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- 8.1 Not applicable.

## **9. Appendices**

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- 9.1 Appendix 1 – Schedule of Property Transactions

## APPENDIX 1

**NEW LEASES**

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
1. 01/T278T/23 SI	Ward 1 – Almond	General Property	Unit 23, The Loan, Viewforthbank Industrial Estate, South Queensferry, EH30 9SD	Hugo Greaves	Warehouse	<b>Old Rent:</b> £0 per annum <b>New Rent:</b> £9,000 per annum <b>Lease Period:</b> 01/04/2019 to 31/03/2024 <b>Payable:</b> Monthly in advance
<b>REMARKS: New open market letting following a closing date. Vacant for more than 6 months.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
2. PEN01/U06 AM	Ward 5 – Sighthill and Gorgie	General Property	Unit 4 Pentad, 17F South Gyle Crescent EH12 9EB	Little Lunches Ltd	Soft Play Cafe	<b>Old Rent:</b> £0 per annum <b>New Rent:</b> £17,000 per annum <b>Lease Period:</b> 04/01/2019 to 03/01/2023 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New open market letting following a closing date. Vacant for more than 6 months.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
3. 8043B SI	Ward 7 – Sighthill and Gorgie	General Property	48 Dalry Road, Edinburgh EH11 2BA	Otilia and Sons Ltd	Retail Bakery	<b>Old Rent:</b> £8,500 per annum <b>New Rent:</b> £11,500 per annum <b>Lease Period:</b> 05/04/19 to 04/04/2024 <b>Payable:</b> Monthly in advance

**REMARKS:** New open market letting following a closing date.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
4. 16317/3 FM	Ward 9 – Fountainbridge / Craiglockhart	General Property	7 Hutchison Place, Edinburgh EH14 1QU	Diana-Marcela Bernal	Office	<b>Old Rent:</b> £0 per annum <b>New Rent:</b> £4,740 per annum <b>Lease Period:</b> 08/03/2019 to 07/03/2024 <b>Payable:</b> Monthly

**REMARKS:** New open market letting following a closing date. Vacant for more than 6 months.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
5. SM	Ward 11 – City Centre	General Property	103-105 Morrison Street, Edinburgh EH3 8BX	Adam Dymidowski Yavor Dimitrov	Dental Laboratory	<b>Old Rent:</b> £12,500 per annum <b>New Rent:</b> £13,500 per annum <b>Lease Period:</b> 01/04/2019 to 31/03/2024 <b>Payable:</b> Monthly in advance

**REMARKS:** New open market letting following a closing date.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
6. Madelvic/5 AM	Ward 4 – Forth	General Property	Upper floor (Part) Madelvic House EH5 1HS	Forth Children’s Theatre	Office / Rehearsal Space	<b>Old Rent:</b> £0 per annum <b>New Rent:</b> £3,000 per annum <b>Lease Period:</b> 03/01/2019 to 02/01/2020 <b>Payable:</b> Quarterly in advance
<b>REMARKS:</b> New open market letting. Vacant for more than 6 months.						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
7. Waterfront/5 AM	Ward 4 – Forth	General Property	Car Park (Part) at 28 West Harbour Road EH5 1PN	Midlothian Motor Company	Car Sales	<b>Old Rent:</b> £0 per annum <b>New Rent:</b> £10,000 per annum <b>Lease Period:</b> 04/01/2019 to 03/01/2020 <b>Payable:</b> Quarterly in advance
<b>REMARKS:</b> New open market letting following a closing date. Vacant for more than 6 months.						

## DISPOSALS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	PURCHASER	USE	TERMS
8. FM	Ward 7 – Sighthill and Gorgie	General Property	Springwell House & Grounds, gorgie Road EH11 2LA	AMA Homes	Residential development	<b>Net Purchase price:</b> £1,237,700 <b>Date of sale:</b> 08/03/2019

**REMARKS:** Transaction includes disposal of breast screening clinic to NHS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	PURCHASER	USE	TERMS
9. GM	Ward 8 – Colinton/ Fairmilehead	General Property	Former Hunter's Tryst Primary School, 4 Oxgangs Green EH14 9JE	Hopefield Partnership	Residential development	<b>Net Purchase price:</b> £1,806,000 <b>Date of sale:</b> 08/03/2019

**REMARKS:** Disposal following open marketing.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	PURCHASER	USE	TERMS
10. FM	Ward 8 – Colinton/ Fairmilehead	Health and Social Care	Former Firrhill Day Centre Stables, 257 Colinton Road, Edinburgh EH14 1DW	TGR Development Ltd, 3 Torphichen Street, Edinburgh EH3 8HX	Dwellinghouse	<b>Purchase price:</b> £165,550.50 <b>Date of sale:</b> 08/03/2019

**REMARKS:** Disposal following a closing date.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
11. FM	Ward 14 – Craigentinny/ Duddingston	Health and Social Care	Lochend House (aka Lochend Castle, or Restalrig Castle), 33- 35 Lochend Road South, Edinburgh EH7 6BR	Khwaja Akbar Mir and Mrs Sabira Akbar Mir	Residential	<b>Purchase price:</b> £684,300 <b>Date of sale:</b> 13/03/2019

**REMARKS:** Disposal following a closing date.



**LEASE RENEWALS/EXTENTIONS**

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
12. 18778 GM	Ward 4 - Forth	Health and Social Care	19 Dudley Gardens EH6 4PU	The Action Group	Supported Accommodation	<b>Old Rent:</b> £15,600 per annum <b>Rent:</b> £19,200 per annum <b>Lease Period</b> 01/04/2019 to 31/03/2024 <b>Payable:</b> In arrears (quarterly)
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
13. SM	Ward 7 – Sighthill/ Gorgie	Culture and Sport	Redhall Pavilion, Inglis Green Road EH14 2HG	Chris McArthur, Per Redhall Star Youth FC	Pavilion	<b>Old Rent:</b> £1 <b>New Rent:</b> £500 per annum <b>Lease Period:</b> 01/04/2019 to 31/03/2024 <b>Payable:</b> Annually
<b>REMARKS: Lease renewal</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
14. 16496/10 IL	Ward 7 – Sighthill / Gorgie	General Property	Unit 10 Sauchiebank, Russell Road Industrial Estate, Edinburgh, EH11 2NN	James Erskine Limited	Business Use  Class 4	<b>Old Rent:</b> £6,500 per annum <b>New Rent:</b> £6,800 per annum <b>From:</b> 01/02/2019 to 31/01/2024 <b>Payable:</b> Monthly in Advance
<b>REMARKS: GIA = 66.42 sq m (715 sq ft)</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
15. 16496/20 IL	Ward 7 – Sighthill / Gorgie	General Property	Unit 20 Sauchiebank, Russell Road Industrial Estate, Edinburgh, EH11 2NN	Jasmine Holdings (Edinburgh) Limited	Business Use  Class 4	<b>Old Rent:</b> £15,000 per annum <b>New Rent:</b> £15,500 per annum <b>From:</b> 07/03/2019 to 06/03/2024 <b>Payable:</b> Quarterly in Advance
<b>REMARKS: GIA = 206.24 sq m (2,220 sq ft)</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
16. 17426/3 IL	Ward 13 – Leith	General Property	Unit 3, Bonnington Business Centre, Jane Street, Edinburgh, EH6 5HG	Warehouse Express Limited	Business Use  Class 4	<b>Old Rent:</b> £17,300 per annum <b>New Rent:</b> £18,300 per annum <b>From:</b> 27/01/2019 to 26 /01/2024 <b>Payable:</b> Quarterly in Advance
<b>REMARKS: GIA = 243.02 sq m (2,616 sq ft)</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
17. 723/8A IL	Ward 13 – Leith	General Property	Unit 28, Tennant Street, Edinburgh, EH6 5NA	David Neilson & Simon Hay t/a Ranch Studios Scotland	Workshop  Class 4	<b>Old Rent:</b> £12,000 per annum <b>New Rent:</b> £12,400 per annum <b>From:</b> 05/01/2019 to 04/01/2024 <b>Payable:</b> Quarterly in Advance
<b>REMARKS: GIA = 179.48 sq m (1,932 sq ft)</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
18. 18778 GM	Ward 13 – Leith	Health and Social Care	60 East Restalrig Terrace EH6 8EE	The Action Group	Supported Accommodation	<b>Old Rent:</b> £12,600 per annum <b>Rent:</b> £15,000 per annum <b>Lease Period:</b> 01/04/2019 to 31/03/2024 <b>Payable:</b> In arrears (quarterly)
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
19. PP-01-U07 IL	Ward 15 – Portobello / Craigmillar	General Property	Unit 7&8 Peffermill Parc EH16 5UY	Football Nation Ltd	Warehouse	<b>Old Rent:</b> £16,353 per annum <b>New Rent:</b> £16,353 per annum <b>Lease Period:</b> 01/04/19 to 31/03/2024 <b>Payable:</b> Monthly in advance
<b>REMARKS: GIA = 278.70 sq m (3,000 sq ft)</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
20. 17896/4&6 IL	16 – Liberton / Gilmerton	General Property	Block B, Units 1 – 2, Gracemount Pavilions, Captain's Road, Edinburgh, EH17 8QF	Omega Lift Services Limited	Workshop  Class 4	<b>Old Rent:</b> £14,000 per annum <b>New Rent:</b> £15,000 per annum <b>From:</b> 18/12//2018 to 17/12/2023 <b>Payable:</b> Quarterly in Advance
<b>REMARKS: GIA = 151.42 sq m (1,630 sq ft)</b>						

## SERVITUDES

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
21. 20003/1 GM	01 - Almond	City Development	Gas pipe at Lauriston Farm Road. EH4 5EX	SGN	Gas Servitude	<b>Rent:</b> £500 (in grassum) <b>Lease Period:</b> N/A <b>Payable:</b> In arrears

**REMARKS:** £500 Surveyors Fee

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
22. 21523 GM	15 – Southside/ Newington	Parks	Gas pipe at 2 Buccleuch Street/ 33 Chapel Street. EH8 9AY	SGN	Gas Servitude	<b>Rent:</b> £70 (in grassum) <b>Lease Period:</b> N/A <b>Payable:</b> In arrears

**REMARKS:** £500 Surveyors Fee

## LICENSE AGREEMENTS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
23. 3367 GM	02 – Pentland Hills	Housing	Dumbryden Gardens EH14 2NY	Robertson's	Site compound for Housing development	<b>Rent:</b> £1 (if asked) <b>Lease Period:</b> 01/04/19 to 31/12/19 <b>Payable:</b> In arrears

**REMARKS:** £250 Surveyors Fee

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
24. 21554 GM	08 – Colinton/ Fairmilehead	Housing	Grassed amenity ground adj. to 54 Oxgangs Avenue EH13 9HY	Maxi Construction Ltd.	Site compound for construction of new YPC	<b>Rent:</b> £1 (if asked) <b>Lease Period:</b> 01/11/18 to 02/09/19 <b>Payable:</b> In arrears

**REMARKS:** £250 Surveyors Fee

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
25. 19001/16/1 GM	17 – Portobello/ Craigmillar	Housing	Niddrie Mains Terrace EH16 4PA	CCG Scotland Ltd.	Construction of SUDs outfall pipe	<b>Rent:</b> £1 (if asked) <b>Lease Period:</b> 17/12/18 to 06/12/19 <b>Payable:</b> In arrears

**REMARKS:** £250 Surveyors Fee

## RENT REVIEWS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
26. 6737 IL	11 – City Centre	General Property	56a Candlemaker Row, Edinburgh, EH1 2QE	Mrs Elizabeth Thompson	Shop  Class 1	<b>Old Rent:</b> £7,800 per annum <b>New Rent:</b> £8,950 per annum <b>From:</b> 01/12/2018 to 30/11/2023. <b>Payable:</b> Monthly in advance.
<b>REMARKS: NIA = 36.16 sq m (389 sq ft)</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
27. 8161 IL	17 – Portobello / Craigmillar	General Property	10 Westbank Street, Edinburgh, EH15 1DR	Powerleague Fives Limited	Five-a-side Football Facility  Class 11	<b>Old Rent:</b> £19,300 per annum <b>New Rent:</b> £21,820 per annum <b>From:</b> 23/01/19 to 22/01/2024. <b>Payable:</b> Half yearly in advance.
<b>REMARKS: Area = 1.30 Hectares (3.215 Acres)</b>						