

Finance and Resources Committee

10.00am, Thursday, 21 January 2021

3-11 West Granton Road, Edinburgh – Proposed Lease

Executive/routine Wards Council Commitments	Executive Ward 4 – Forth 2
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1. Recommendations

- 1.1 That the Finance and Resources Committee:
 - 1.1.1 Notes the outcome of the marketing exercise for the property at 3-11 West Granton Road, Edinburgh;
 - 1.1.2 Decides which of the options presented in the report should be approved; and,
 - 1.1.3 Directs the Council to enter into a lease agreement on the terms outlined in this report for the preferred option and on other terms and conditions to be agreed by the Executive Director of Resources.

Stephen S. Moir

Executive Director of Resources

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Report

3-11 West Granton Road, Edinburgh – Proposed Lease

2. Executive Summary

- 2.1 The former school at 3-11 West Granton Road was most recently used as a Youth Centre before being vacated. The property was subsequently marketed with offers invited for a lease of the building. This report outlines the four bids received and seeks a decision from the Committee on the preferred option.

3. Background

- 3.1 The property at 3-11 West Granton Road is a former Victorian School located close to the junction with Granton Square. The building extends to approximately 479 sq m (5,160 sq ft) as shown shaded pink on the attached plan.
- 3.2 The building was most recently used as a youth centre until being vacated in 2019. Initially, several parties showed an interest in the property without an occupier being secured.
- 3.3 A formal marketing exercise was progressed in February 2020 but was subsequently put on hold for several months until the Covid-19 pandemic lockdown restrictions were relaxed.
- 3.4 In total, 10 viewings of the property were held with a closing date was set on 30 November 2020.

4. Main report

- 4.1 At the closing date four bids were received, which are summarised in the table below, together with further detail taken directly from the bids submitted at the closing date:

Bidder	Lease Terms	Proposed Use
Liminal Space	20-year lease, rent £31,000 per annum	Community Arts Space
Scottish Turkey Solidarity Foundation	30-year lease, rent £5,000 per annum	Establish a community centre to include a food bank, soup kitchen and citizens advice bureau and youth centre
Empty Kitchens Full Hearts	3- 5-year lease, rent £1 per annum	For food production, distribution, training, education and to tackle issues of food poverty and food waste
Al-Huda Trust Edinburgh	N/A – Trust seeking to purchase	To be used for religious education and community services

Liminal Space

- 4.2 Liminal Space is a newly formed charity whose purpose is to facilitate arts classes and workshops for the general public; to run programme and exhibitions and events exploring art, craft and design; and to provide workspaces for artists and craftspeople. While the charity has been newly formed, the entity has been in operation for over eight years known as the Mud Station Pottery with a base at Montrose Terrace and Craftotheque based at St Margaret's House.
- 4.3 The charity consists of six individuals and intends to raise revenue to meet its financial obligations principally by renting workspaces to artists and craftspeople who will, in turn, run a regular programme of workshops some of which will be charged.
- 4.4 The charity also intends to create the following community assets: a fully equipped pottery studio, with resources for teaching, an analogue photography darkroom, a makers' space with an on-site tool library, a curated gallery space and a community café.

Scottish Turkey Solidarity Foundation

- 4.5 The Foundation is a registered charity which aims to bring the Turkish and Scottish communities together as well as providing activities for all age groups in the local community.
- 4.6 The Foundation intend to provide the following services: food bank; soup kitchen (providing free food for those in need, citizens advice bureau; youth activity group; and, coffee mornings and classes (e.g. exercise, baking, sewing).
- 4.7 They have been active in Edinburgh for 15 years and have currently no property base. The bid confirms that they have funds to refurbish the property.

Empty Kitchen Full Hearts

- 4.8 Empty Kitchens/Full Hearts is a volunteer movement that was set up during the Covid-19 pandemic to address the issues of food poverty and food waste.
- 4.9 Food donations are received and converted into packs for distribution throughout Edinburgh. In the first 9 months of operation 320,000 meals have been distributed. Much of the ingredients in the meals that have been provided are created from food that would otherwise be sent to landfill with the carbon saving estimated at 250 tons of CO₂. There has been a 5.5% weekly increase in demand
- 4.10 Currently the operation runs from a temporary base at Thomas Morton Hall. However, the increase in demand has caused significant growth resulting in the need for larger permanent premises. The bid is predicated on the opportunity to bind their service to the Council's commitment to act upon the recommendations of the Edinburgh Poverty Commission.

Al-Huda Trust Edinburgh

- 4.11 Al-Huda Trust is a charity that was established in 2016 with the aim of servicing the local community through the provision of religious education and community services. The community consists of 500 members within North West Edinburgh, originating from a wide range of countries.
- 4.12 The intention is to create a mosque and community centre with the aim to bring all people together, regardless of faith or background, and build unity in the community. The space is to be used for individual and congregational worship and as a community. The centre would provide classes (religion, language, social clubs for the elderly, keep fit etc), local support and public/community advice, particularly to those members of the community whose first language is not English who may need general support in tackling social engagement
- 4.13 The charity wishes to purchase the property albeit the bid does not offer a purchase price but commits to providing paying full price in the future.

Conclusions

- 4.14 Each of the proposals provide wide and varying community benefits together with variations in terms of the length of lease term and financial benefit. Liminal Space is the only offer with a commercial rent and while the Al-Huda Trust is seeking to acquire the property and pay for it in the future, they have not indicated how this can be achieved. All the offers have indicated that they are capable of meeting the obligations of their bid.
- 4.15 The Committee is reminded that a lease at less than market value is justified when additional benefits empower communities and align with local and national priorities to enable the delivery of Best Value across the public sector as a whole. The benefits should also contribute to an authority's policy objectives and local priorities.

5. Next Steps

- 5.1 Following a Committee decision, Legal Services will be instructed to progress the preparation of a new lease with the preferred option.

6. Financial impact

- 6.1 The financial impact, in terms of rent received to the Council depends on the preferred option of the Committee. The property has not previously been rented on commercial terms. In each case, a vacant building will be brought into operational use which will alleviate Council holding costs.

7. Stakeholder/Community Impact

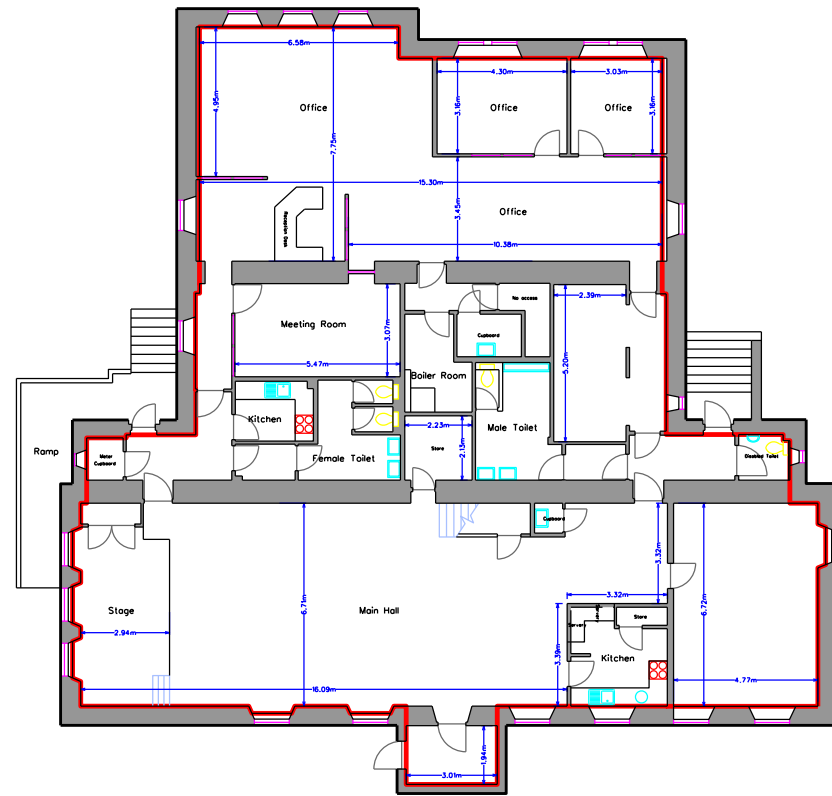
- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

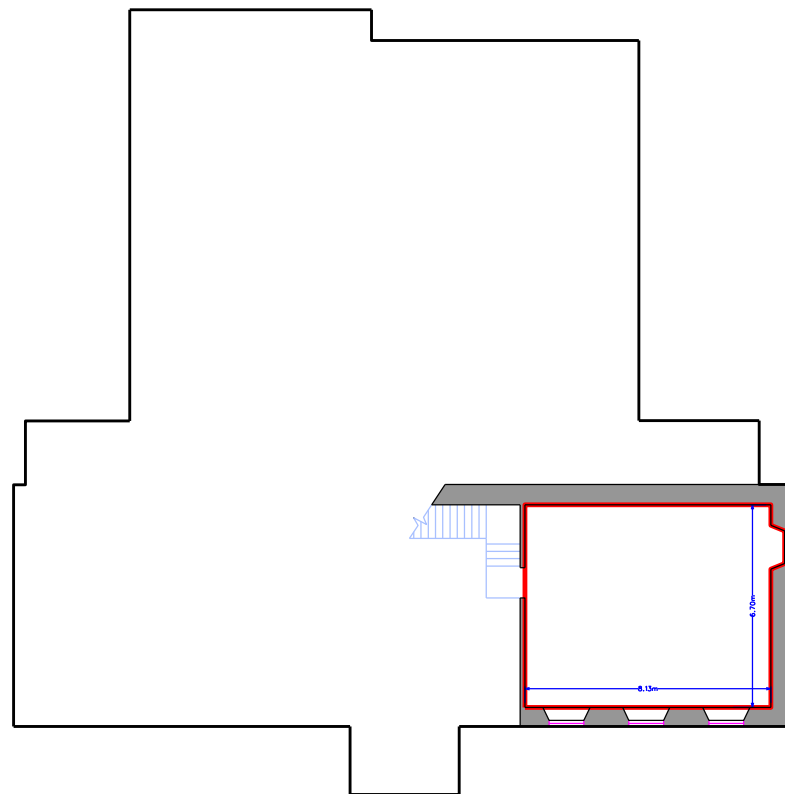
- 8.1 Not applicable.

9. Appendices

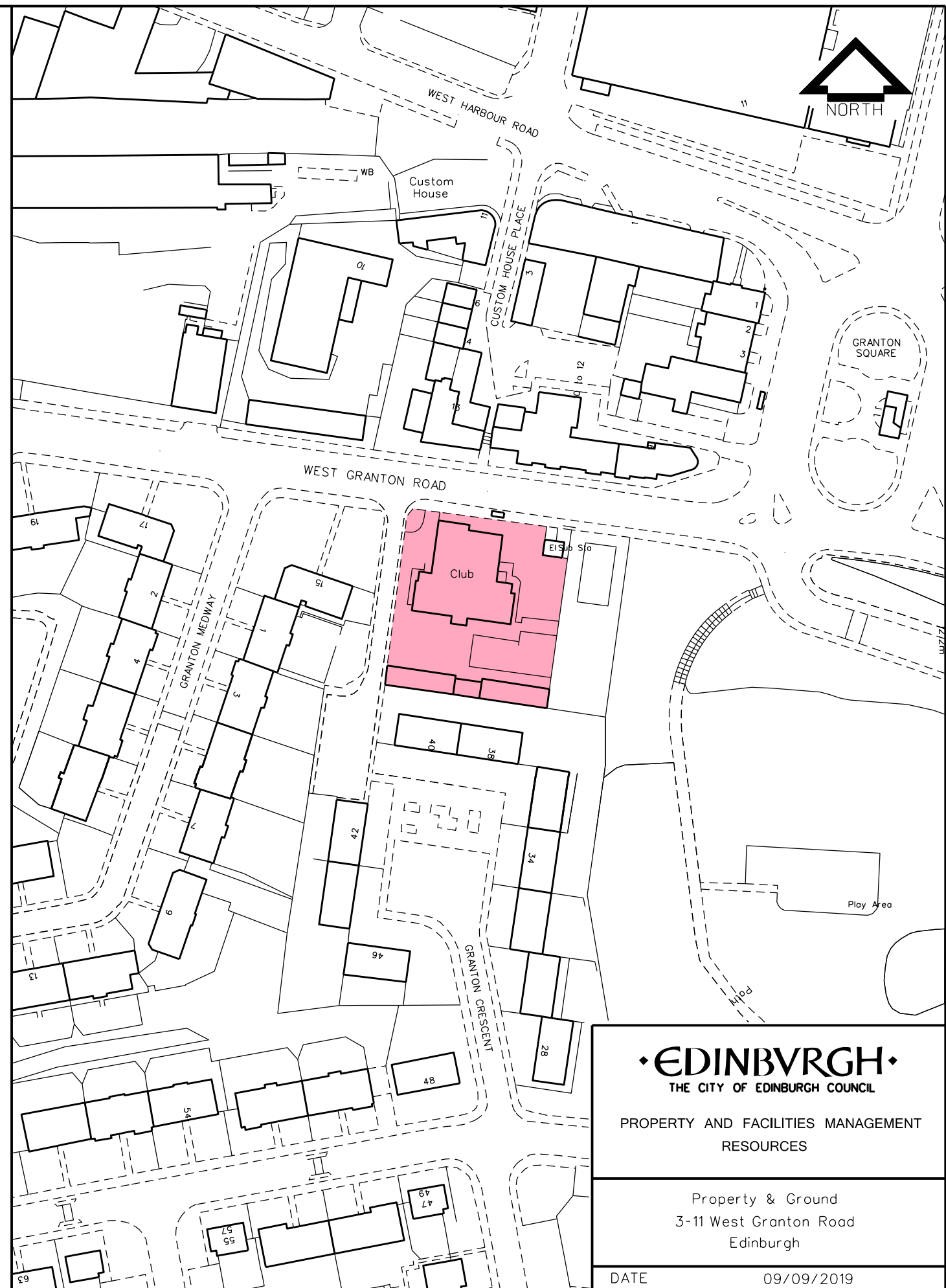
- 9.1 Appendix 1 – Location Plan



GROUND FLOOR
G.I.A. = 424.60 sq.m.



UPPER FLOOR
G.I.A. = 55.05 sq.m.



AREA SHOWN COLOURED PINK - 0.187 ha 0.463 Acre, or thereby

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THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
RESOURCES

Property & Ground
3-11 West Granton Road
Edinburgh

DATE	09/09/2019
SURVEYED BY	F McDonald
DRAWN BY	F McDonald
SCALE	As shown
PLAN. NO.	NT 2377/A3/2175

FLOOR PLAN

SCALE 1:250

LOCATION PLAN

SCALE 1:1250