

# Finance and Resources Committee

10.00am, Thursday, 4 March 2021

## 16 Canning Street Lane, Edinburgh – Proposed Lease Extension

Executive/routine	Routine
Wards	11 – City Centre
Council Commitments	<u>2</u>

### 1. Recommendations

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- 1.1 That Committee approves a 15-year lease extension to Telewest Communications (Scotland) Limited of premises at 16 Canning Street Lane, Edinburgh on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

**Stephen S. Moir**

Executive Director of Resources

Contact: Iain Lamont, Investment Portfolio Officer,

Property and Facilities Management Division, Resources Directorate

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# Report

## 16 Canning Street Lane, Edinburgh – Proposed Lease Extension

### 2. Executive Summary

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- 2.1 The property at 16 Canning Street Lane is currently let to Telewest Communications (Scotland) Limited on a lease which expires on 16 August 2024. The tenant has requested a 15-year lease extension to commence from 17 August 2024. This report seeks approval to grant a 15-year lease extension to Telewest Communications (Scotland) Limited on the terms and conditions outlined in the report.

### 3. Background

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- 3.1 The property known as 16 Canning Street Lane extends to 72.62 sq m (782 sq ft) as shown outlined in red on the attached plan.
- 3.2 Since August 1999, Telewest Communications (Scotland) Limited has been the tenant operating a data and telecommunications facility. The current rent is £13,500 per annum.
- 3.3 The existing lease expires on 16 August 2024 and the tenant has requested that the Council grants a 15-year lease extension from 17 August 2024 to provide enhanced security of tenure and facilitate longer term financial planning.

### 4. Main report

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- 4.1 The following terms have been provisionally agreed:
- Subjects 16 Canning Street Lane, Edinburgh;
  - Lease: 15-year extension from 17 August 2024 until 16 August 2039;
  - Rent: £13,500 per annum; (current passing rent);
  - Rent Review: 17 August 2024 and 5 yearly thereafter;
  - Use: Data and Telecommunication facility;

- Repairs: Tenant full repairing and insuring obligation;
- Costs: Tenant responsible for all the Councils legal costs; and,
- Other Terms: As contained in the standard Council lease.

4.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing lease

## **5. Next Steps**

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5.1 Following Committee approval, Legal Services will be instructed to progress the preparation of a new lease.

## **6. Financial impact**

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6.1 The current rent is considered to be at market rental value. Effective from 17 August 2024, and five yearly thereafter, the rent will be reviewed in an upwards only direction. Any increases in rent will go to the General Fund.

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

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

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

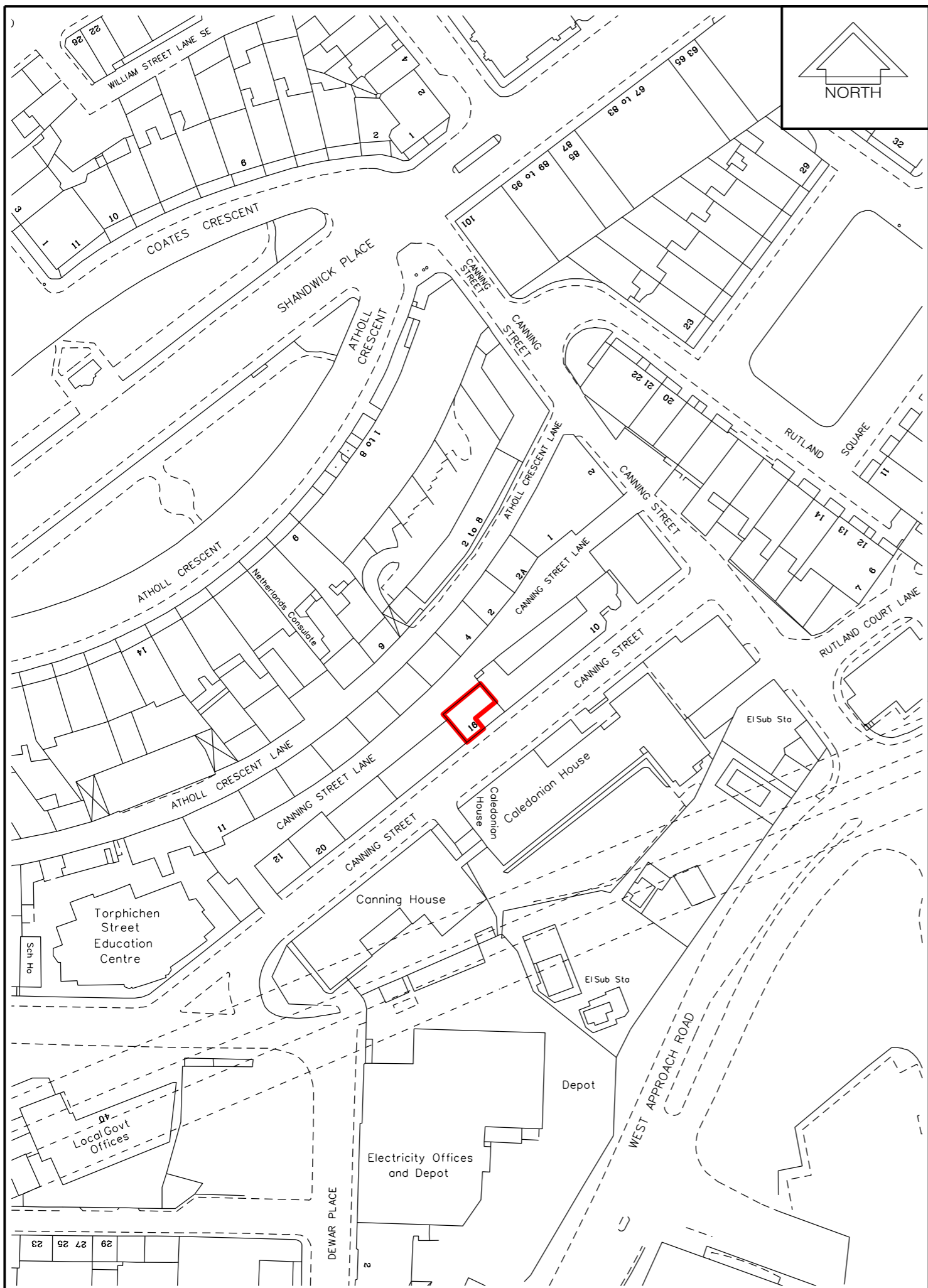
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8.1 The existing lease on the property was entered into in 1999. This predates online records to provide a hyperlink to the relevant report to be provided.

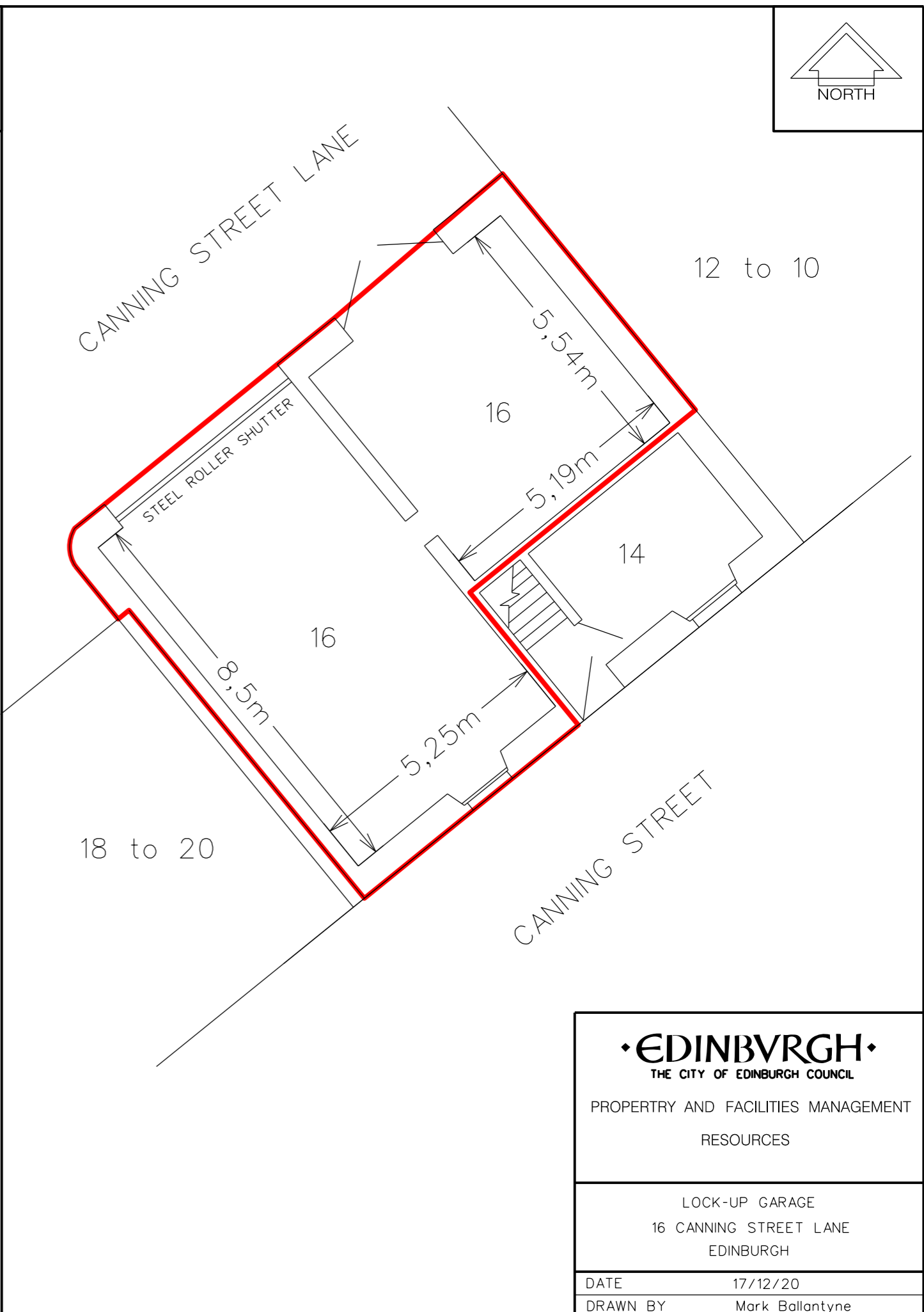
## **9. Appendices**

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9.1 Appendix 1 – Location Plan



LOCATION PLAN SCALE 1:1250



SITE PLAN SCALE 1:100

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
LOCK-UP GARAGE 16 CANNING STREET LANE EDINBURGH	
DATE	17/12/20
DRAWN BY	Mark Ballantyne
SCALE	1:100 @ A3 SIZE
NEG. NO.	A3/172a