

# Finance and Resources Committee

10.00am, Thursday, 7 October 2021

## Summary Report on Property Transactions concluded under Delegated Authority

Executive/routine	Routine
Wards	Ward 4 - Forth
Council Commitments	<a href="#">2, 10</a>

### 1. Recommendations

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- 1.1 It is recommended that Finance and Resources Committee notes the 22 transactions detailed in Appendix 1 have been concluded in terms of the Council's 'Scheme of Delegation' to Officers.

**Paul Lawrence**

Executive Director of Place

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# Report

## Summary Report on Property Transactions concluded under Delegated Authority

### 2. Executive Summary

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- 2.1 The purpose of this report is to advise Committee of all lease agreements, etc. concluded in terms of the Council's 'Scheme of Delegation to Officers'.

### 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 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.
- 3.2 The 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.

### 4. Main report

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- 4.1 Appendix 1 provides details of 22 transactions completed under delegated authority since the last quarterly report. Leased properties which have been vacant for more than six months are shown at a previous rent of zero.
- 4.2 The financial benefit to the Council of these transactions is summarised below:
- 4.2.1 Nine new leases producing an additional £63,100 per annum;
  - 4.2.2 Two lease renewal/extensions maintaining the current rental income £21,000 per annum from those assets;
  - 4.2.3 Seven new licenses producing an income of £36,359; and
  - 4.2.4 Four disposals totalling £97,771.

## **5. Next Steps**

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- 5.1 The report sets out transactions which have been completed, under delegated authority. 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 None.

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

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- 8.1 None.

## **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. MB T278T/19	Ward 1 – Almond	General Property (GP)	Unit 19, Viewforthbank Industrial Estate, South Queensferry (2,953 sq ft)	Daybreak Ltd	Industrial	<b>Old Rent:</b> £0 <b>New Rent:</b> £13,000 per annum <b>Lease Period:</b> 01/11/20 to 31/10/25 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New open market letting. Subject unit was vacant from 2019 following the former tenant vacating to new premises. 9 months rent free granted on entry</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
2. MB T278T/25	Ward 1 – Almond	General Property (GP)	Unit 25, Viewforthbank Industrial Estate, The Loan, South Queensferry (3,766 sq ft)	Zalewski Limited	Industrial	<b>Old Rent:</b> £0 <b>New Rent:</b> £28,000 per annum <b>Lease Period:</b> 08/11/20 to 07/11/25 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New open market letting. Subject unit was vacant from 2019 following the former tenant vacating to new premises. 9 months rent free granted on entry</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
3. MB T278T/27	Ward 1 – Almond	General Property (GP)	Unit 27, Viewforthbank Industrial Estate, The Loan, South Queensferry (3,766 sq ft)	Kozłowska Limited	Industrial	<b>Old Rent:</b> £0 <b>New Rent:</b> £14,000 per annum <b>Lease Period:</b> 08/11/20 to 07/11/25 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New open market letting. Subject unit was vacant from 2019 following the former tenant vacating to new premises. 12 months rent free granted on entry</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
4. MB CLO-U02	Ward 3 – Drumbrae / Gyle	General Property (GP)	Unit 2 Clocktower Estate, Flassches Yard Edinburgh (5,031 sq ft)	Four Squared Limited	Industrial	<b>Old Rent:</b> £38,000 per annum <b>New Rent:</b> £38,000 per annum <b>Lease Period:</b> 10/06/21 to 09/09/21 <b>Payable:</b> Monthly in advance
<b>REMARKS: New Short Term Lease – 3 Months (Month to Month Thereafter). Subject unit was vacated following tenant entering administration.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
5. MB 17314/4/2	Ward 7 – Sighthill/ Gorgie	General Property (GP)	4/2 Broomhouse Workspace, New Lairdship Yards, (850 sq ft)	Colinton Vans Ltd	Office	<b>Old Rent:</b> £8,450 per annum <b>New Rent:</b> £8,450 per annum <b>Lease Period:</b> 01/02/21 to 31/01/22 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New lease to neighbouring occupier following mutual agreement to renounce existing lease (due to CV19 pressure). No void period or rent free and debt cleared as part of our consent.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
6. AM 17314/4/1	Ward 7 – Sighthill/ Gorgie	General Property (GP)	4/1 Broomhouse Workspace, New Lairdship Yards, (5,461 sq ft)	Commercial Industrial Heat Limited	Office	<b>Old Rent:</b> £6,500 per annum <b>New Rent:</b> £6,500 per annum <b>Lease Period:</b> 06/11/20 to 05/11/23 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New lease to neighbouring occupier following mutual agreement to renounce existing lease (due to CV19 pressure). No void period or rent free and debt cleared as part of our consent.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
7. MB EHBP/6	Ward 7 – Sighthill / Gorgie	General Property (GP)	Unit 6, East Hermiston Business Park, Cultins Road, Edinburgh (1,067 sq ft)	C2C Windows Limited	Industrial	<b>Old Rent:</b> £9,700 per annum <b>New Rent:</b> £11,300 per annum <b>Lease Period:</b> 22/02/21 to 21/02/26 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New open market letting. Subject unit was previously leased but tenant vacated due to downturn in business and sought to surrender their lease.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
8. MB 20370/4	Ward 9 – Fountainbridge / Craiglockhart	General Property (GP)	Unit 38 West Gorgie Park, Hutchison Road Edinburgh (3,190 sq ft)	I - Hybrid	Industrial	<b>Old Rent:</b> £18,000 per annum <b>New Rent:</b> £23,000 per annum <b>Lease Period:</b> 15/03/21 to 14/03/26 <b>Payable:</b> Quarterly in advance
<b>REMARKS: New open market letting following closing date. Subject unit was vacated following lease termination. 3 month rent free period granted on entry.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
9. MB 35/W380N/5	Ward 9 – Fountainbridge / Craiglockhart	General Property (GP)	Unit 5 West Gorgie Park, Hutchison Road Edinburgh (775 sq ft)	Fraser Graham	Industrial	<b>Old Rent:</b> £6,500 per annum <b>New Rent:</b> £8,000 per annum <b>Lease Period:</b> 02/08/21 to 01/08/26 <b>Payable:</b> Monthly in advance
<b>REMARKS:</b> New open market letting following closing date. Agreed in February 2021. Subject unit was vacated October 2020 following lease termination. 3 month rent free period granted on entry.						



**LEASE RENEWALS/EXTENTIONS**

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
10. AM 17768/9	Ward 17 – Portobello & Craigmillar	General Property (GP)	Unit 9 Peffer Business Centre, North Peffer Place (760 sq ft)	The Edinburgh Pottery Studio Limited	Warehouse	<b>Old Rent:</b> £6,000 per annum <b>New Rent:</b> £6,000 per annum <b>Lease Period:</b> 08/01/21 to 07/01/24 <b>Payable:</b> Quarterly in advance
<b>REMARKS: Lease assignation / renunciation. 2 months rent free period granted on entry. Part of larger transaction to facilitate existing occupiers' expansion to larger CEC unit.</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
11. AM PEF01-U06	Ward 17 – Portobello / Craigmillar	General Property (GP)	Block 3 Unit 3 Peffermill Ind Est, King's Haugh (2,400 sq ft)	Pk Packaging Ltd	Warehouse	<b>Old Rent:</b> £15,000 per annum <b>New Rent:</b> £15,000 per annum <b>Lease Period:</b> 01/01/21 to 31/12/26 <b>Payable:</b> Quarterly in advance
<b>REMARKS: Lease renounced (due to occupier passing away). Re-let as part of existing tenant's expansion into larger premises. 3 months rent free granted on entry.</b>						

## NEW LICENSES

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
12. FM	7 – Sighthill/ Gorgie	Places (Parks and Greenspace)	Sighthill Public Park	WK Taylor	Colour Bomb Carnival	<b>Rent, including management fee: £5,000</b> <b>Surveyor's Fee: £250</b> <b>Lease Period: 6 – 17 August 2021</b>
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
13. FM	11 – City Centre	General Property Account	Festival Square	Brewdog Plc	Tables and Chairs	<b>Legal fee: £750</b> <b>Surveyor's Fee: £250</b> <b>Lease Period: 26 Apr - 31 Sept 2021</b>
<b>REMARKS: No rent charged this year, in line with other tables and chairs permits managed by CEC</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
14. FM	11 – City Centre	General Property Account	Festival Square	Arts Exchange Ltd	Ladyboys of Bangkok	<b>Rent:</b> £18,908 <b>Surveyor's Fee:</b> £300 <b>Lease Period:</b> 4 – 31 August 2021
<b>REMARKS:</b> Rent is projected, as the final amount will depend on audience capacity permitted by the Scottish Government						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
15. FM	11 – City Centre	Places (Parks and Greenspace)	Red Blaize, West Princes Street Gardens	Bubbleparc	Bungydome attraction	<b>Rent, including management fee:</b> £9,300 <b>Surveyor's Fee:</b> £300 <b>Lease Period:</b> 16 Jul – 31 Aug 2021
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
16. FM	11 – City Centre	Places (Parks and Greenspace)	Calton Hill	Alan Lawson	Seven Hills of Edinburgh race	<b>Rent, including management fee: £460</b> <b>Surveyor's Fee: £250</b> <b>Lease Period: 27 June 2021</b>
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
17. FM	13 – Leith Links	Places (Parks and Greenspace)	Leith Links	ELREC	Edinburgh Climate Festival	<b>Rent, including management fee: £441</b> <b>Surveyor's Fee: £250</b> <b>Lease Period: 14 August 2021</b>
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
18. FM	17 – Portobello/ Craigmillar	Places (Parks and Greenspace)	Area within Craigmillar Castle Park	Mallinson Television Production Company Ltd	Filming for an advertisement	<b>Rent:</b> £1,500 <b>Surveyor's Fee:</b> £500 <b>Lease Period:</b> 13 – 14 Jan 2020
<b>REMARKS:</b>						

## DISPOSALS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	PURCHASER	USE	TERMS
19. MB	6 - Corstorphine/ Murrayfield	CEC	Land at 100 Corstorphine High Street – 79 sq m	Mrs Lisa Connelly 67 Feather Avenue	New Driveway	£4,000
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	PURCHASER	USE	TERMS
20. MB	5 - Inverleith	CEC	Land at 2 Dean Path – 14 sq m	Tina Cameron	Public Use. Class 2.	£1,500
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
21. FM 15325	13 – Leith	General Property	53 Prince Regent Street, Edinburgh EH6 4AR 43.18 sq m (465 sq ft) on one floor	Duddingston Developments Ltd	Private residential dwelling	<b>Purchase price:</b> £91,271 <b>Date of entry:</b> 7 May 2021 <b>Sale concluded:</b> 7 May 2021
<b>REMARKS:</b>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
22. FM	14 Craigenlinny/ Duddingston	LRC Transportation Account	Site of former police box at junction of London Road and Restalrig Road South extending to 2.64 sq m	Black and White Investments	Development with adjoining property.	£1,000. Purchaser to meet CEC costs.
<b>REMARKS:</b>						