

Finance and Resources Committee

10.00am, Thursday, 16 June 2022

Westfield House, Kirk Loan, Edinburgh – Proposed Short Term Lease

Executive/routine	Routine
Wards	6 – Corstorphine/Murrayfield
Council Commitments	

1. Recommendations

- 1.1 That the Finance and Resources Committee approves a monthly lease of Westfield House to Corstorphine Community Centre on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

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Report

Westfield House, Kirk Loan, Edinburgh – Proposed Short Term Lease

2. Executive Summary

- 2.1 Corstorphine Community Centre has submitted a Community Asset Transfer (CAT) request for the former Council office building at Westfield House. While finalising their stage 2 submission, they are currently located in temporary accommodation but are required to vacate by 23 June 2022. This report seeks approval to grant a monthly lease of Westfield House, on the terms and conditions outlined in the report, until the sale of the asset can be completed via the CAT process.

3. Background

- 3.1 Westfield House, in Kirk Loan, Corstorphine, ceased to be an operational Council property in 2020 and has been vacant since that time.
- 3.2 On [5 March 2020](#), the Finance and Resources Committee approved that no action should be taken to dispose of the property until Corstorphine Community Centre (CCC), a registered Scottish Charitable Incorporated Organisation (SCIO), has determined whether it could feasibly acquire it via a CAT.
- 3.3 Following the above decision, a Stage 1 CAT application was received from CCC and was considered, and approved, by a Stage 1 panel in February 2021.
- 3.4 The Stage 2 CAT process, including full business case, was delayed while the Council considered the possibility of relocating the existing Corstorphine library as part of the proposed community hub however, following technical feasibility studies, the proposal is not financially viable.
- 3.5 CCC continue to pursue the CAT and a grant for technical assistance, from the Scottish Land Fund (SLF), has been utilised for valuation, structural and condition surveys on Westfield House. A stage 2 application to the SLF is in preparation together with the business plan for the Stage 2 CAT application along with proposed community consultation.

4. Main report

- 4.1 Following the fire at their former premises in Kirk Loan, CCC have been temporarily located in commercial premises in St John's Road. The temporary nature of occupation is due to the impending redevelopment of the property and they have now been asked to vacate by 23 June 2022.
- 4.2 Due to the loss of the St John's Road premises and while the Stage 2 CAT is progressing, CCC has approached the Council to explore the potential of taking a short-term lease of Westfield House in order to continue to provide services to the local community. This would be a temporary arrangement while the CAT process continues and will eventually be replaced by the sale of the property to CCC through the CAT process.
- 4.3 It has been provisionally agreed to offer CCC a monthly lease of Westfield House based on the following main terms and conditions:-
 - 4.3.1 Subjects: Westfield House, Kirk Loan, Edinburgh;
 - 4.3.2 Tenant: Corstorphine Community Centre;
 - 4.3.3 Lease Term: one month from date of entry and continuing on a monthly basis until such time as either party serves 30 days notice to terminate the agreement;
 - 4.3.4 Rent: £1 per annum;
 - 4.3.5 Running Costs: CCC will be responsible for all running costs including utilities and non-domestic rates; and
 - 4.3.6 Repair: the tenant will accept the premises in its current condition and maintain the building as required for their occupation (major items of repair to be notified to the Council who are under no obligation to carry out the works).
- 4.4 Prior to accepting the premises, CCC will satisfy themselves that the condition of the premises is suitable for their required purposes. The Council will not undertake any works to the building in advance or during occupation.

5. Next Steps

- 5.1 Following approval of the terms by Committee, the missive for the period of let will be put in place.
- 5.2 Discussions on the Stage 2 CAT will continue in the expectation that it will be completed as soon as possible.

6. Financial impact

- 6.1 Westfield House is currently vacant with the Council paying empty rates, standing utilities charges and security costs. A short-term lease to CCC will remove this liability, in the region of £115k on an annual basis, from the Council's budget while the CAT process continues.

- 6.2 Westfield House was originally leased by the Council until 2018, however the landlord's interest was acquired through prudential borrowing in 2010. The cost of the borrowing is currently £238k per annum.
- 6.3 The expectation is that CCC will pay market value for Westfield House through the CAT process. To meet this cost, and fund future investment in the asset, CCC are seeking funding from the SLF and have their former community centre site on the market for sale as a redevelopment opportunity.

7. Stakeholder/Community Impact

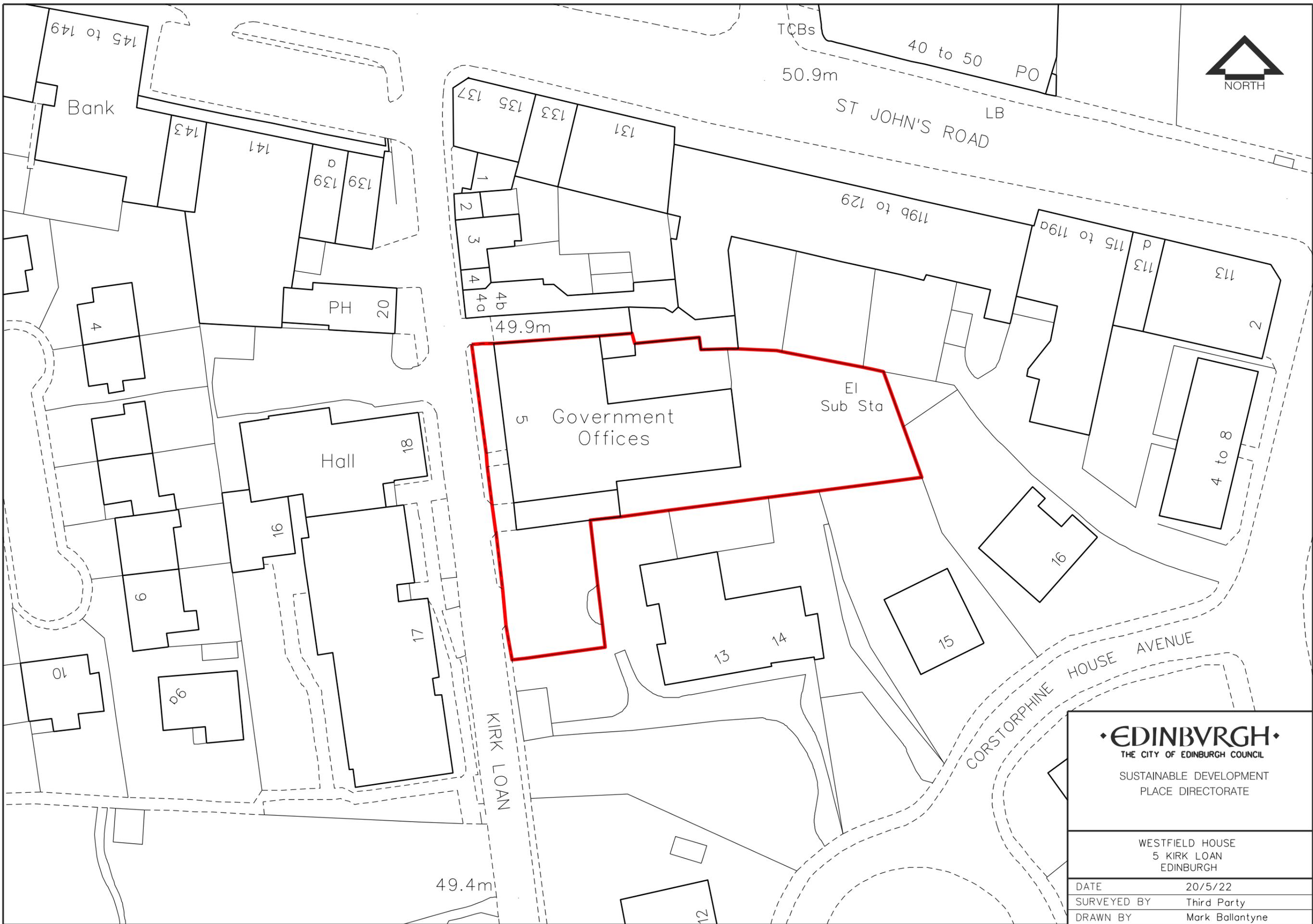
- 7.1 Local members have been made aware of the recommendations of this report.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Location plan.



SITE PLAN

SCALE 1:500

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
WESTFIELD HOUSE 5 KIRK LOAN EDINBURGH	
DATE	20/5/22
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/1445

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