

Finance and Resources Committee

10.00am, Thursday, 14 March 2024

Unit 3 Bonnington Business Centre, Jane Street, Edinburgh - Proposed New Lease

Executive/routine
Wards

Routine
13- Leith

1. Recommendations

- 1.1 That the Finance and Resources Committee approve a 20-year lease to Campervan Brewery Limited of the industrial premises at Unit 3 Bonnington Business Centre, Jane Street, Edinburgh 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

Unit 3 Bonnington Business Centre, Jane Street, Edinburgh - Proposed New Lease

2. Executive Summary

- 2.1 The premises at Unit 3 Bonnington Business Centre, Jane Street, Edinburgh will be vacated by the current tenant in May 2024. Campervan Brewery Limited, who occupy the neighbouring unit, has requested a 20-year lease to facilitate business expansion. This report seeks approval to grant a 20-year lease to Campervan Brewery Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 The premises known as Unit 3 Bonnington Business Centre extends to 243sq m (2,616sq ft) or thereby as shown outlined in red on the attached plan. The existing tenant of Unit 3 does not want to renew their lease beyond the expiry date of 26 May 2024.
- 3.2 Campervan Brewery Limited currently occupy the adjoining Unit 4 with the Committee [approving](#) a new 20-year lease on 25 January 2024.
- 3.3 To facilitate further business expansion, Campervan Brewery are seeking a similar new lease on Unit 3 when it is vacated.

4. Main report

- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: Unit 3 Bonnington Business Centre, Jane Street, Edinburgh;
 - 4.1.2 Tenant: Campervan Brewery Limited;
 - 4.1.3 Lease term: 20 years from 27 May 2024;
 - 4.1.4 Rent: £19,800 per annum;
 - 4.1.5 Break option: Tenant only on 27 May 2034 and 2039;
 - 4.1.6 Rent Review: Five yearly to open market value;

4.1.7 Repair: Tenant full repairing obligation; and

4.1.8 Costs: Tenant responsible for the Councils legal costs.

4.2 Campervan Brewery Limited has performed in accordance with the terms of the existing leases on two other Council owned properties.

5. Next Steps

5.1 Following approval of the terms by the Finance and Resources Committee, solicitors will be instructed to conclude the legal documentation.

6. Financial impact

6.1 Effective from 27 May 2024 the annual rent will be £19,800 per annum. The income goes to the General Property Account.

7. Equality and Poverty Impact

7.1 This is a new 20-year lease for a property that has been in business use for many years. It is considered this proposal does not have any equality or poverty implications.

8. Climate and Nature Emergency Implications

8.1 It is considered there are no direct Climate and Nature Emergency Implications from offering a lease extension to the established tenant.

9. Risk, policy, compliance, governance and community impact

9.1 Ward members have been aware of the recommendations of this report.

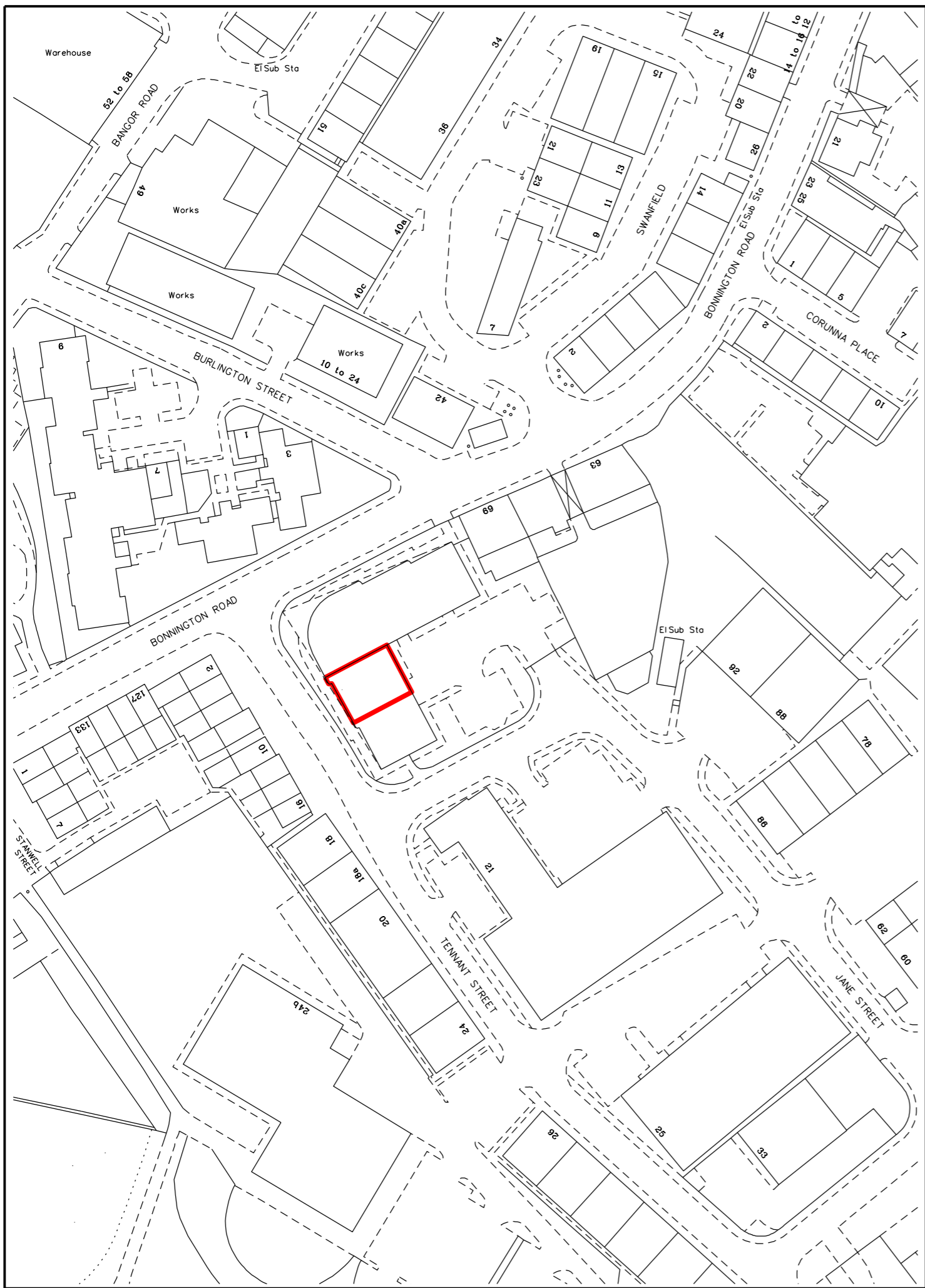
9.2 The proposed lease is in keeping with the Commercial Property Portfolio Strategy that was approved by Committee on 20 June 2023.

10. Background reading/external references

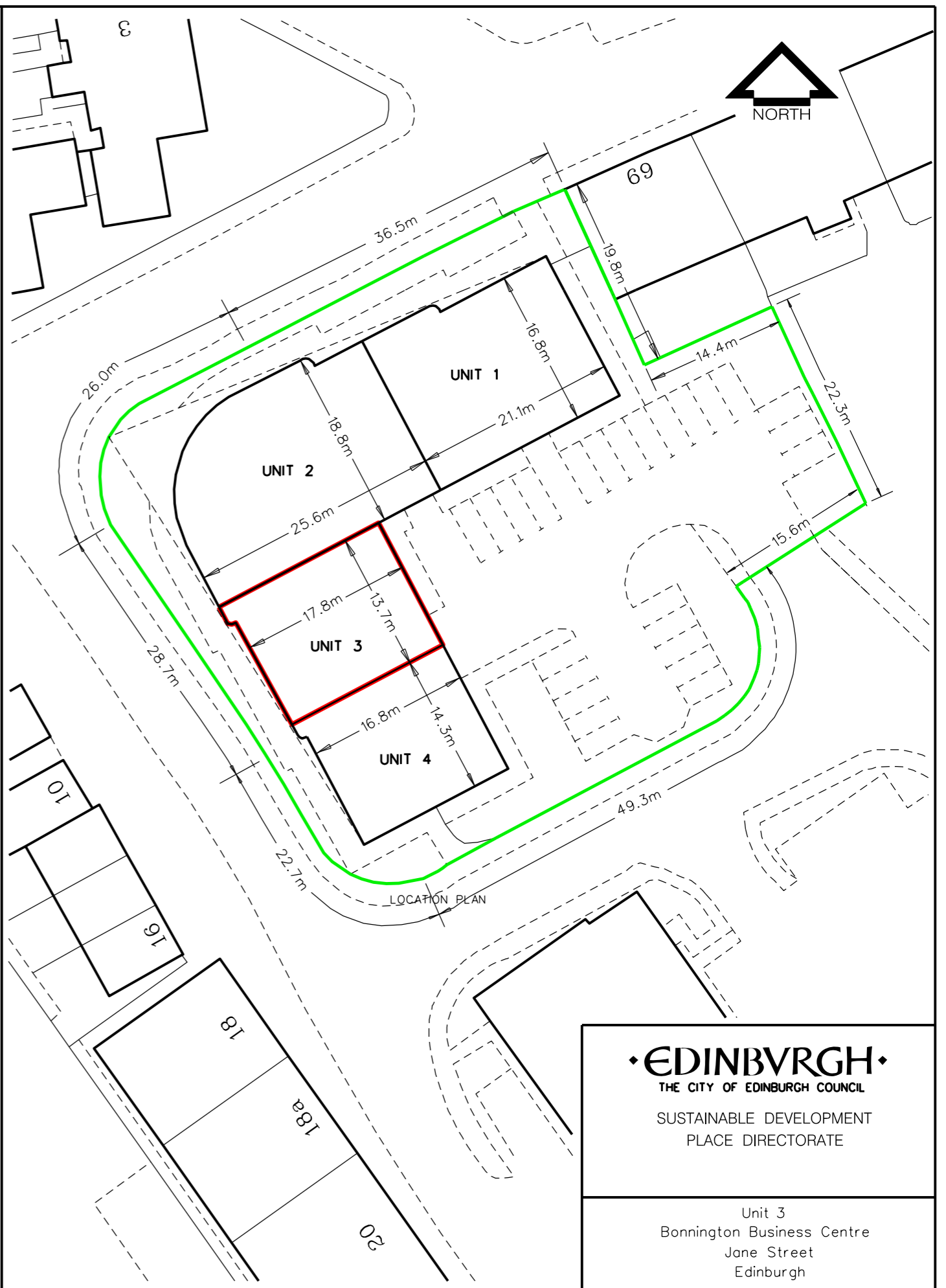
10.1 [Commercial Property Portfolio Strategy](#).

11. Appendices

11.1 Appendix 1 – Location plan.



SCALE 1:1250



SITE PLAN

SCALE 1:500

• EDINBURGH •
 THE CITY OF EDINBURGH COUNCIL
 SUSTAINABLE DEVELOPMENT
 PLACE DIRECTORATE

Unit 3
 Bonnington Business Centre
 Jane Street
 Edinburgh

AREA OF LEASE SHOWN OUTLINED RED

DATE	15/2/24
DRAWN BY	Mark Ballantyne
FILE NO.	17426/2
NEG. NO.	NT 2625/A3/395