

# Finance and Resources Committee

10.00am, Tuesday, 30 April 2024

## Units C&D Newkirkgate Shopping Centre, Edinburgh – Proposed Lease Extension to the City of Edinburgh Council

Executive/routine  
Wards

Routine  
13- Leith

### 1. Recommendations

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- 1.1 That Finance and Resources Committee approve a five year lease extension for the provision of Willow Women’s Justice Service at Units C&D Newkirkgate Shopping Centre, 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

## Units C&D Newkirkgate Shopping Centre, Edinburgh – Proposed Lease Extension to the City of Edinburgh Council

### 2. Executive Summary

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- 2.1 Willow Women's Justice Service occupy an office unit at Newkirkgate Shopping Centre which the Council lease on an agreement which expires on 15 November 2025. This report seeks approval for a five year lease extension for the provision of Willow Women's Justice Service on the terms and conditions outlined below.

### 3. Background

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- 3.1 The Willow Service is a partnership between the City of Edinburgh Council, NHS Lothian and Third Sector organisations and leases accommodation within Newkirkgate Shopping Centre shown shaded pink on the attached plan.
- 3.2 The Service provides both statutory interventions and voluntary support to all women aged 18+, who are resident in Edinburgh and have had some contact with the Justice system within the past 12 months.
- 3.3 The Service has trauma informed and gender specific principles embedded in the design, in keeping with the research and evidence base relating to this population.
- 3.4 The interventions, supports and opportunities offered take account of the prevalence and impact of complex trauma in the population.
- 3.3 There is a strong mental health emphasis to support women's recovery, improve self-efficacy and support a move away from situations that potentially expose the women themselves or others to risk.

### 4. Main Report

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- 4.1 The existing lease expires on 15 November 2025 and the landlord is willing to grant the Council a five year lease extension, effective from 16 November 2025.
- 4.2 The following renewal terms have been proposed at this time:
- 4.2.1 Subjects: Units C&D Newkirkgate Shopping Centre, Edinburgh;

- 4.2.2 Landlord: Newriver Trustee 5 Limited
  - 4.2.3 Tenant: City of Edinburgh Council;
  - 4.2.4 Lease Extension: Five years;
  - 4.2.5 Date of Entry: 16 November 2025;
  - 4.2.6 Rent £85,000 per annum or market rent (whichever the greater);
  - 4.2.7 Rent Free Period: 12 months;
  - 4.2.8 Repair: tenant full repairing obligation; and
  - 4.2.9 Costs: tenant responsible.
- 4.3 The rental figure is competitive in terms of market rent within the shopping complex and whilst the service charge is comparatively higher than that within, say, a dedicated office block, the unit is well balanced in terms of its location, accessibility, and user discretion.

## **5. Next Steps**

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

## **6. Financial impact**

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- 6.1 The existing lease rent is £74,000 per annum and agreement to renew the lease will increase this to £85,000 per annum or Market Rental Value (whichever the greater). However, in either case the Council will benefit from a 12 month rent free concession.
- 6.2 The uplift in the proposed rent can be contained within existing service budgets for the property.

## **7. Equality and Poverty Impact**

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- 7.1 The extension to the lease will allow a valuable and statutorily required community service to continue to be delivered.

## **8. Climate and Nature Emergency Implications**

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- 8.1 It is not considered that there are any new direct Climate and Nature Emergency implications from extending a lease where the Council is already in occupation.

## **9. Risk, Policy, Compliance, Governance and community Impact**

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

- 9.2 Since the lease is due to expire on 15 November 2025, an extension of the existing lease is required to secure Willow Women's Justice Service use. Conversely, failure to agree renewal terms may result in termination of the lease on 15 November 2025. Above all, this scenario would leave Willow Women's Justice Service at risk of losing an important resource. Sourcing an alternative facility in the short to medium-term would be challenging and incur substantial additional costs.
- 9.3 There is a risk that the rent when the lease extension is due to commence will be higher than £85,000 per annum. However, it is the view of qualified valuers within the Estates team that, if this is the case, any increase would be nominal.

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

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- 10.1 None.

## **11. Appendices**

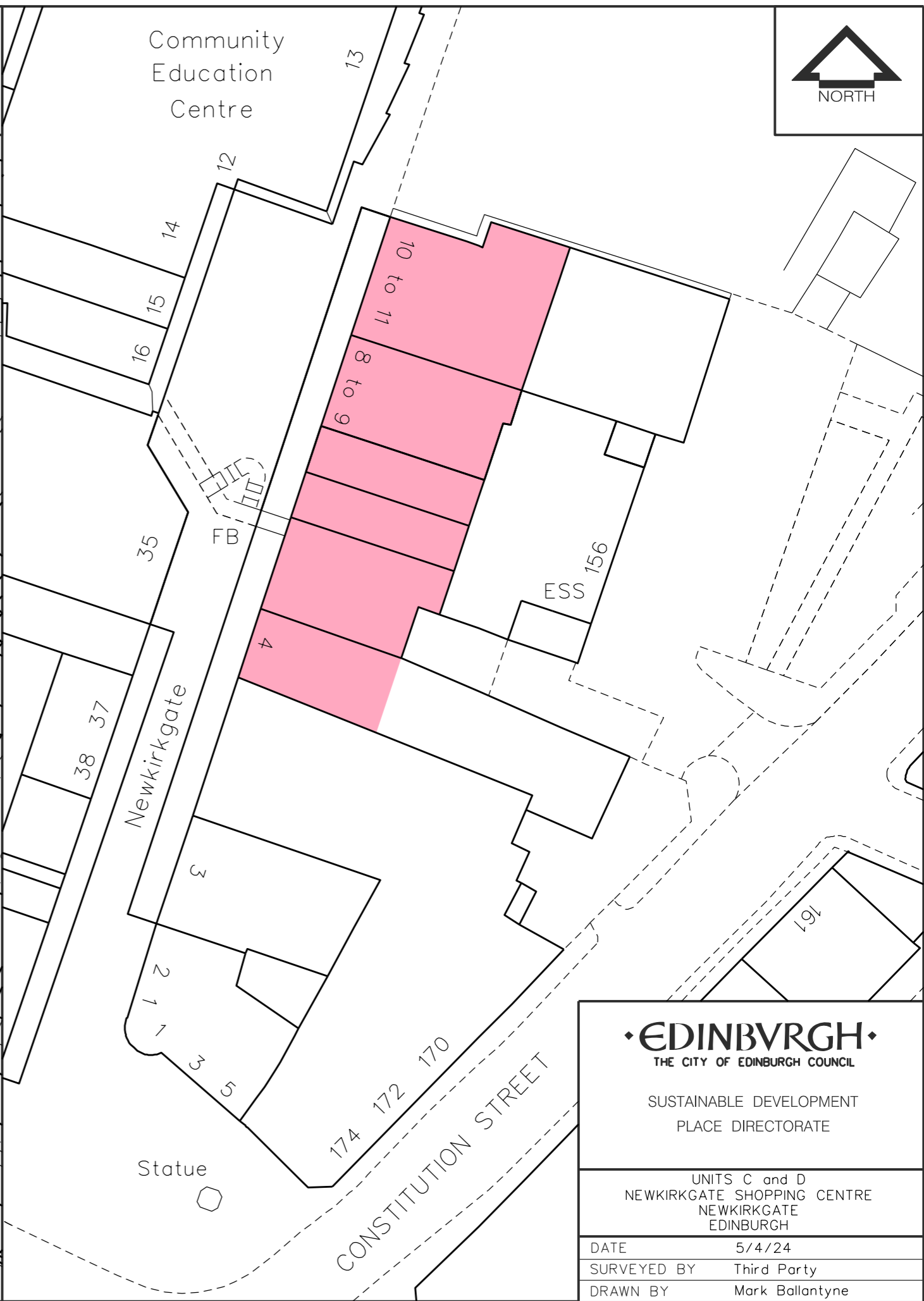
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- 11.1 Appendix 1 – Location plan.



PLAN A

SCALE 1:1250



PLAN B

SCALE 1:500

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL	
SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
UNITS C and D NEWKIRKGATE SHOPPING CENTRE NEWKIRKGATE EDINBURGH	
DATE	5/4/24
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:200 @ A3 SIZE
NEG. NO.	A3/2677