

Finance and Resources Committee

10.00am, Tuesday, 30 April 2024

Unit 7 – 10 Clocktower, Flassches Yard, Edinburgh - Proposed New Lease

Executive/routine
Wards

Routine
3 – Drum Brae/Gyle

1. Recommendations

- 1.1 That Finance and Resources Committee approve a new lease from 27 August 2024 until 27 October 2035 to Pulsant Limited of Unit 7-10 Clocktower, 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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2. Executive Summary

- 2.1 The industrial premises at Unit 7-10 Clocktower are due to become vacant on 26 August 2024. Pulsant Limited already occupy several units in the Clocktower estate and to facility their expanding business has requested to lease the property. This report seeks approval to grant a new lease from 27 August 2024 until 27 October 2035 to Pulsant Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 The premises known as Unit 7-10 Clocktower extends to 1,955sq m (21,043sq ft) or thereby and is shown outlined in red on the attached plan.
- 3.2 The existing tenant of Unit 7-10 does not wish to renew their lease beyond 26 August 2024. The current rent is £165,000 per annum.
- 3.3 Pulsant Limited currently occupy several other units in the Clocktower estate and due to business growth have a requirement for additional space. As Unit 7-10 is close to their existing operation they have identified this as a suitable property for expansion and requested a lease from 27 August 2024 until 27 October 2035, to coincide with the expiry dates of their other leases.

4. Main report

- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: Unit 7-10 Clocktower, Flassches Yard, Edinburgh;
 - 4.1.2 Tenant: Pulsant Limited;
 - 4.1.3 Lease term: 27 August 2024 until 27 October 2035;
 - 4.1.4 Rent: £205,169 per annum;
 - 4.1.5 Rent free period: 6 months from the date of entry;

- 4.1.6 Rent review: 27 August 2029 and 2034;
 - 4.1.7 Break option: tenant break option on 28 October 2030;
 - 4.1.8 Use: data/computer centre (continuing the use of the current tenant);
 - 4.1.9 Repair: full repairing and maintaining obligation;
 - 4.1.10 Other terms: as per the Councils standard commercial lease; and
 - 4.1.11 Costs: tenant responsible for the Councils legal costs.
- 4.2 Pulsant Limited has performed in accordance with the terms of the existing leases on three 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 August 2024 the annual rent will be increased from £165,000 per annum to £205,169 per annum. The income is credited to the General Property Account.

7. Equality and Poverty Impact

- 7.1 This is a new lease from 27 August 2024 until 27 October 2035 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 new lease to Pulsant Limited.

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

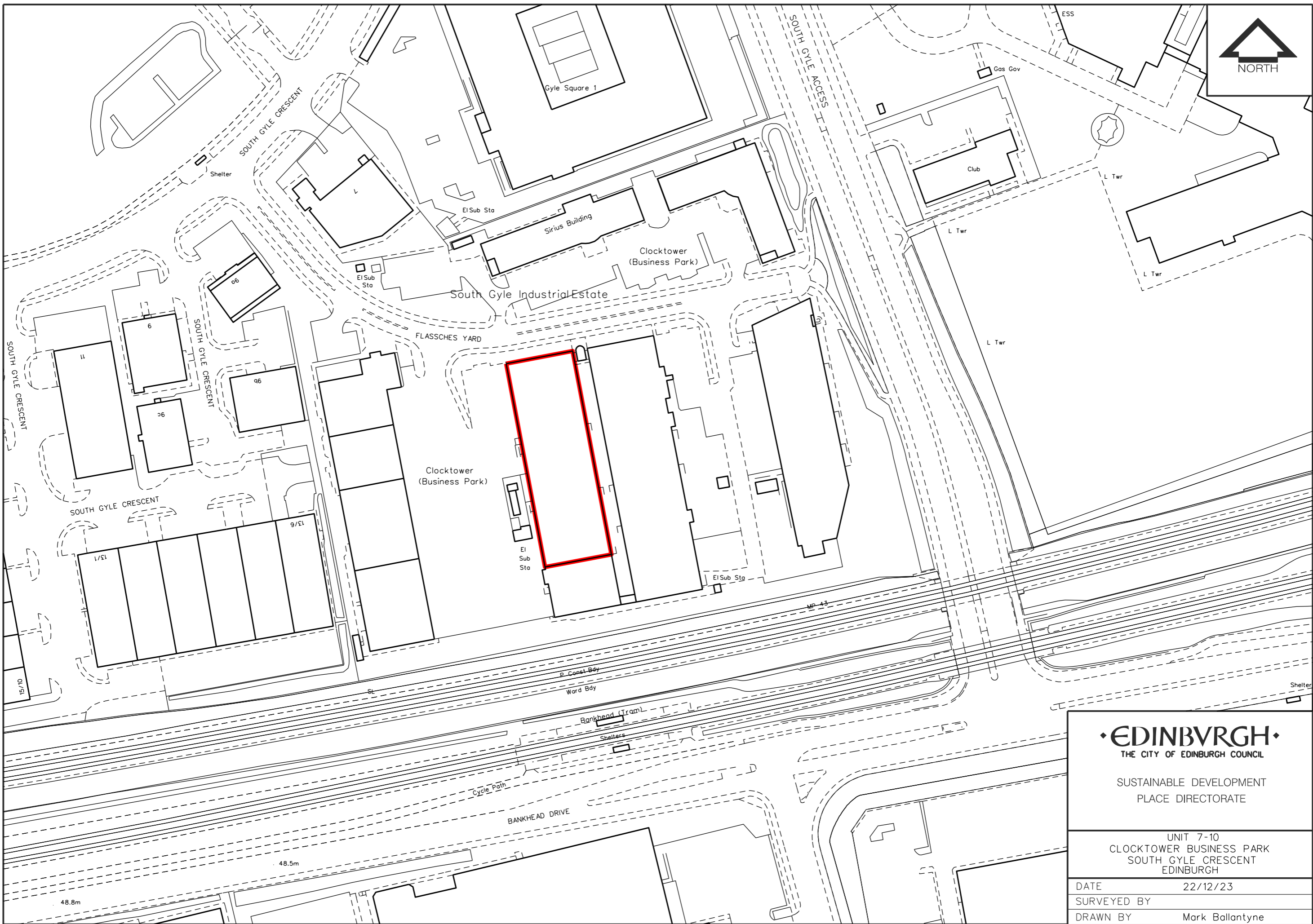
- 9.1 Ward members have been aware of the recommendations of this report.
- 9.2 The proposed lease is in keeping with the Commercial Property Portfolio Strategy that was approved by Committee on 20 June 2023.

10. Background reading/external references

10.1 [Commercial Property Portfolio Strategy](#).

11. Appendices

11.1 Appendix 1 – Location plan.



SITE PLAN

SCALE 1:1250

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
UNIT 7-10 CLOCKTOWER BUSINESS PARK SOUTH GYLE CRESCENT EDINBURGH	
DATE	22/12/23
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/1941b

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