

Finance and Resources Committee

10.00am, Tuesday, 30 April 2024

133 Lauriston Place, Edinburgh - Proposed New Lease

Executive/routine
Wards

Routine
11- City Centre

1. Recommendations

- 1.1 That Finance and Resources Committee approve a 10-year lease to Hidden Door at 133 Lauriston Place, 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

Contact: Seli McVittie, Trainee Estates Surveyor

E-mail: seli.mcvittie@edinburgh.gov.uk | Tel: 07784 237 917

Report

133 Lauriston Place, Edinburgh - Proposed New Lease

2. Executive Summary

- 2.1 The premises at 133 Lauriston Place, Edinburgh, has been vacant since January 2021. This report seeks approval to grant a 10-year lease to Hidden Door on the terms and conditions outlined in the report.

3. Background

- 3.1 The premises, 133 Lauriston Place, Edinburgh, extend to approximately 150 sq m (1,615 sq ft) and consists of a retail unit over ground and basement floors as shown shaded in pink on the attached plan.
- 3.2 The property has been vacant since 2021 following extensive damage caused by a flood to the basement area.
- 3.3 Hidden Door Festival has been seeking a new permanent base for their operations and have identified the property as being a suitable option. Hidden Door has a proven track record of being able to operate within buildings/locations in need of upgrading and have offered to lease the property at a reduced rental in return for undertaking repairs to the building.

4. Main report

- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: 133 Lauriston Place, Edinburgh;
 - 4.1.2 Tenant: Hidden Door;
 - 4.1.3 Lease term: 10 years from date of entry;
 - 4.1.4 Rent: Years 1 and 2 - £600 per annum,
Years 3 and 4 - £900 per annum,
Year 5 - £1,200 per annum.
Years 6 - 10 - £2,400 per annum.
 - 4.1.5 Break option: tenant only after five years, on providing six months' notice;

4.1.6 Repair: tenant full repairing obligation plus an undertaking to carry out refurbishment/repair works to be approved in advance by the Council; and

4.1.7 Costs: tenant responsible for the Council's legal costs.

4.2 Hidden Door intend to use the property as an office and creative hub. A permanent location throughout the term of the lease will provide the charity with greater organisational security and stability, improved accessibility and improved collaboration opportunities.

4.3 The rent is concessionary as the market rent for the unit in lettable condition would be circa £15,000 per annum. However, it is estimated that the Council would require to spend in excess of £75,000 on repairs to bring the unit up to a standard to achieve a market rent.

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 the commencement of the lease, a rental income of £600 per annum, will be accrued to the General Fund, which will increase as outlined in paragraph 4.1 above.

6.2 By leasing the property, the Council will remove empty holding costs and non-domestic rate charges. In addition, Hidden Door will undertake improvements to the property, which if undertaken by the Council would take a number of years to recoup through an open market letting.

7. Equality and Poverty Impact

7.1 This is a new 10-year lease for a property that has vacant and in need of refurbishment. 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 over a property that has previously been used for commercial purposes.

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

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

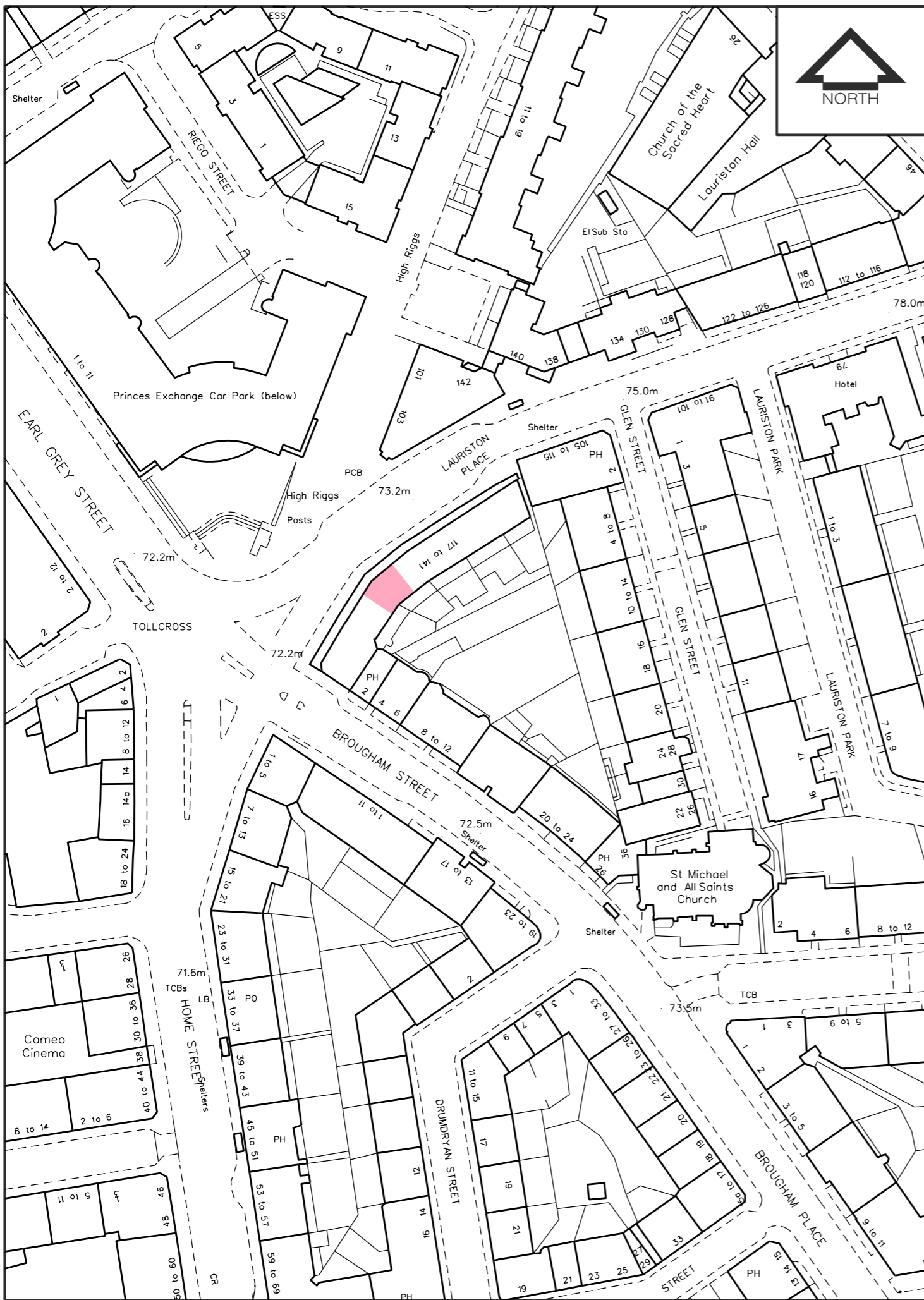
9.2 The proposed lease is in keeping with the [Commercial Property Portfolio Strategy](#) (approved by Committee on 20 June 2023).

10. Background reading/external references

10.1 None.

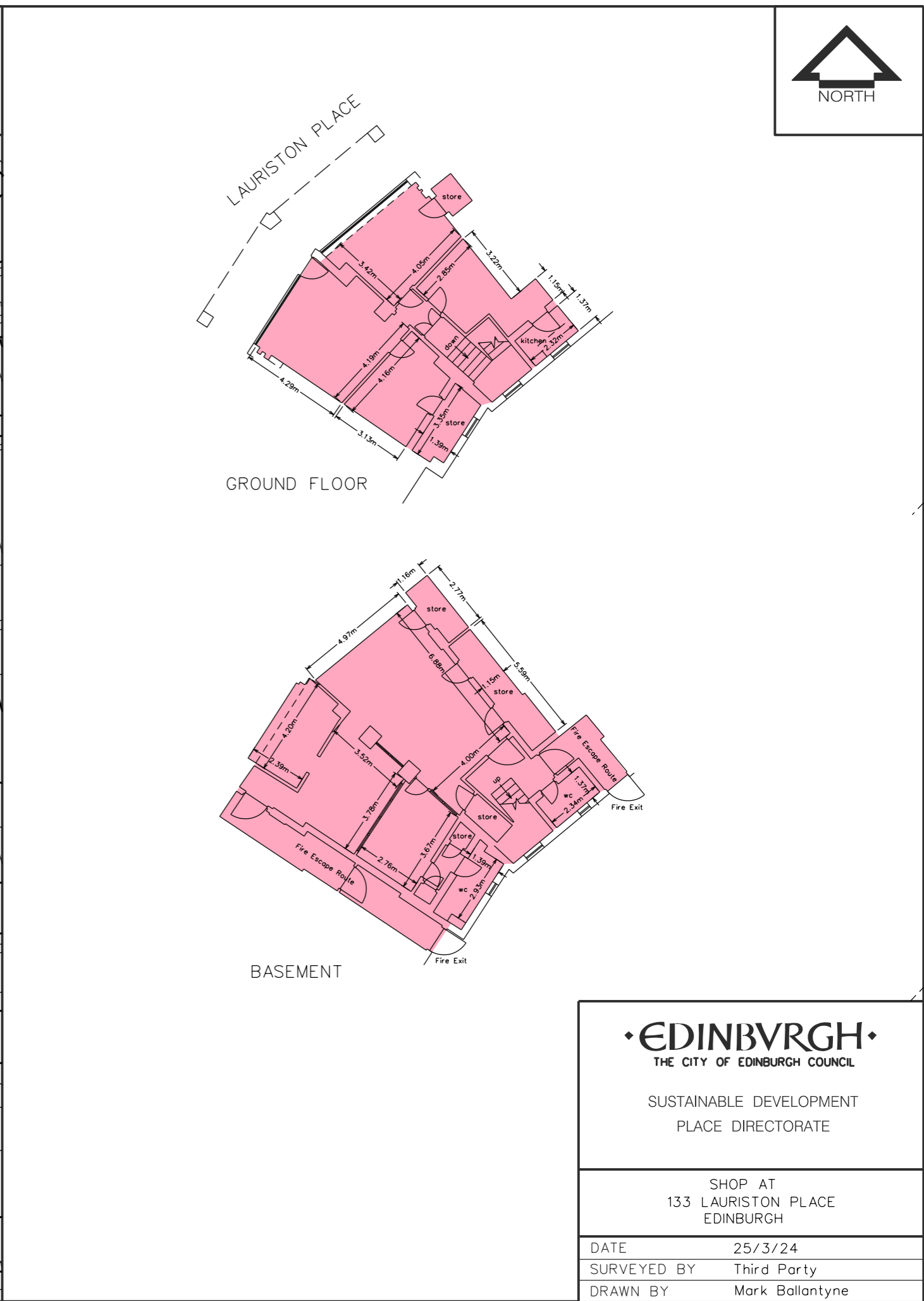
11. Appendices

11.1 Appendix 1 – Location plan.



PLAN A

SCALE 1:1250



PLAN B

SCALE 1:200

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
SHOP AT 133 LAURISTON PLACE EDINBURGH	
DATE	25/3/24
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:200 @ A3 SIZE
NEG. NO.	A3/2668

THIS MAP IS REPRODUCED FROM ORDNANCE SURVEY MATERIAL WITH PERMISSION OF ORDNANCE SURVEY ON BEHALF OF THE CONTROLLER OF HER MAJESTY'S STATIONARY OFFICE CROWN COPYRIGHT. UNAUTHORISED REPRODUCTION INFRINGES CROWN COPYRIGHT LICENCE NUMBER 100023420. CITY OF EDINBURGH 2013 AND MAY LEAD TO PROSECUTION OR CIVIL PROCEEDINGS.