

# Policy and Sustainability Committee

10.00am, Thursday, 9 July 2020

## New Mart Road, Edinburgh- Proposed New Lease Restructure

Executive/routine	Routine
Wards	9 – Fountainbridge / Craiglockhart
Council Commitments	<a href="#">2</a>

### 1. Recommendations

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- 1.1 That Committee approves a 99 year ground lease to ESP Electricity Ltd at New Mart Road, Edinburgh, on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

**Stephen S. Moir**

Executive Director of Resources

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# Report

## New Mart Road, Edinburgh- Proposed New Lease Restructure

### 2. Executive Summary

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- 2.1 ESP Electricity Limited are seeking to enter a ground lease for an area of land at New Mar Road for a new substation. This report seeks approval to grant a new 99 year lease to ESP Electricity Ltd on the terms and conditions outlined in the report.

### 3. Background

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- 3.1 On 16 August 2018, the Finance and Resources Committee approved a 20-year ground lease with City Fibre Limited to deliver a full fibre network to nearly every home and business in Edinburgh. There is insufficient grid capacity in the area to support the new datacentre therefore a new substation is required.
- 3.2 ESP Electricity have identified a small area of land in New Mart Road as a suitable location for a substation. The area extends to 8 sq.m (86 sq.ft) or thereby and is shown outlined red on the attached plan.

### 4. Main report

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- 4.1 The following terms have been provisionally agreed:
- Subjects 8 sq m (or thereby) at New Mart Road, Edinburgh;
  - Lease: 99 years from 1<sup>st</sup> August 2020 to 31<sup>st</sup> July 2119;
  - Rent: £1.00 per annum (to be effective from 1 August 2020);
  - Use: Substation
  - Repairs: Full repairing and maintaining obligation;
  - Other Terms: Lift and shift provision subject to wider redevelopment of the area if required;
  - Costs: Tenant responsible for all Council's legal costs.

## **5. Next Steps**

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- 5.1 Subject to Committee approval, Legal Services will be instructed to progress with the essential documentation to achieve the proposed new ground lease at New Mart Road, Edinburgh.

## **6. Financial impact**

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- 6.1 There will be limited direct financial benefit to the Council from this lease however it will support the infrastructure investment which in turn will provide both social and economic opportunities for communities and businesses across Edinburgh.

## **7. Stakeholder/Community Impact**

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Ward members have been made aware of the recommendations of the report.

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

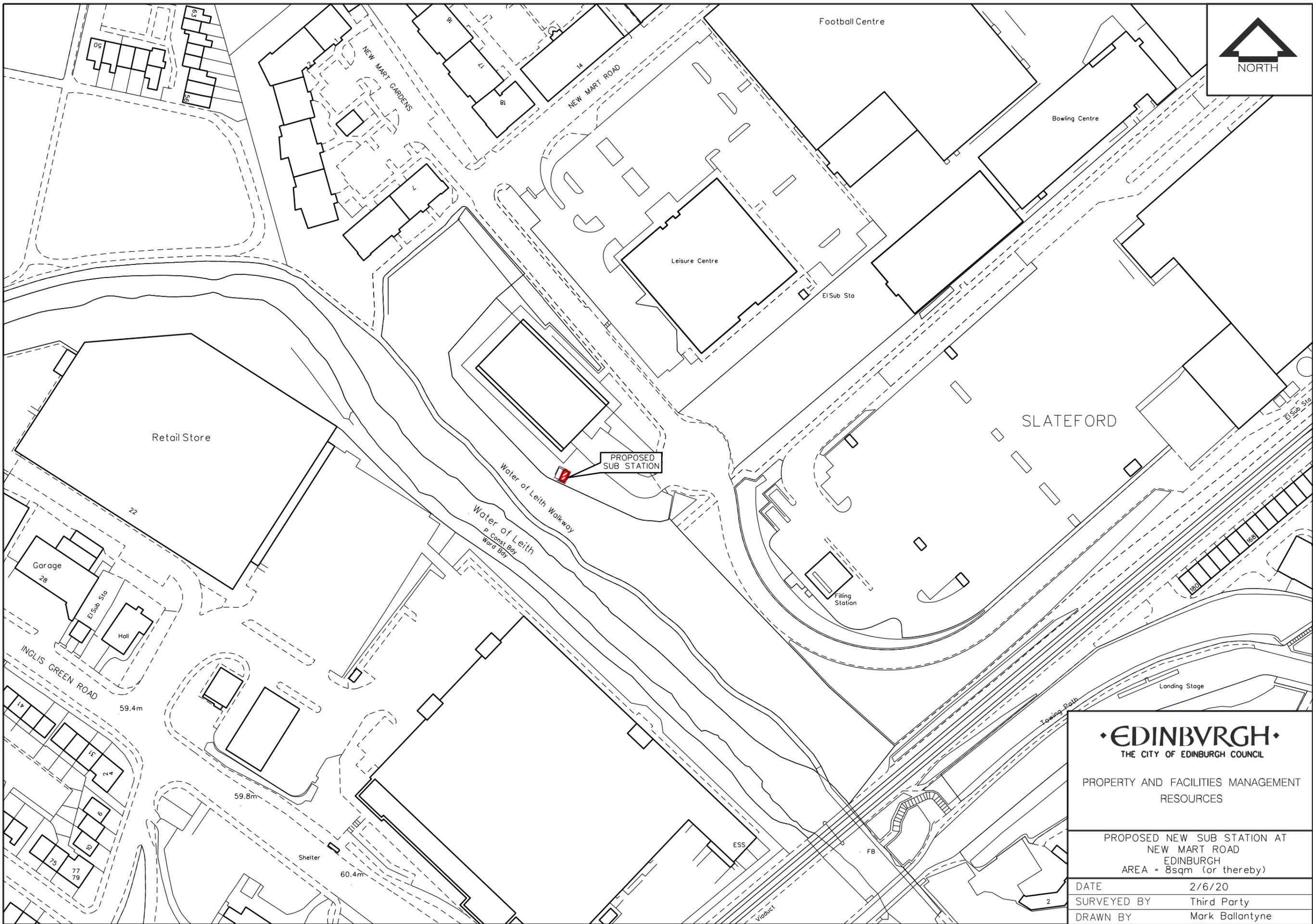
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- 8.1 N/A.

## **9. Appendices**

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- 9.1 Appendix 1 – Location Plan



SITE PLAN

SCALE 1:1250

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
PROPOSED NEW SUB STATION AT NEW MART ROAD EDINBURGH AREA = 8sqm (or thereby)	
DATE	2/6/20
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/1986b

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