

Finance and Resources Committee

10.00am, Thursday, 9 December 2021

3 Muirhouse Avenue, Edinburgh – Proposed New Ground Lease

Executive/routine	Routine
Wards	Ward 4 - Forth
Council Commitments	2, 10

1. Recommendations

- 1.1 It is recommended that the Finance and Resources Committee approves a new 25-year ground lease to Muirhouse Medical Centre at 3 Muirhouse Avenue, 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

3 Muirhouse Avenue, Edinburgh – Proposed New Ground Lease

2. Executive Summary

- 2.1 Muirhouse Medical Group, occupy land at Muirhouse Avenue on an annual rolling lease, have requested a longer agreement to provide security of tenure for investment. The report seeks approval to grant a 25-year lease to Muirhouse Medical Group on the terms and conditions outlined in the report.

3. Background

- 3.1 The site, located at 3 Muirhouse Avenue on the junction of Muirhouse Place East, extends to 0.123 hectares (0.30 acres) as shown outlined in red on the attached plan. The site is currently used as a carpark and for a temporary building extension connected to the adjacent main surgery building.
- 3.2 The existing lease to Muirhouse Medical Group (The Group) commenced in December 2009 at an annual rental of £4,950 per annum and has rolled over annually since 2012. A new lease has been requested to provide security of tenure and allow The Group to invest in their facilities.

4. Main report

- 4.1 Following discussions with the tenant, the following terms have been provisionally agreed:
- 4.1.1 Subjects: car park to the rear of 3 Muirhouse Avenue, Edinburgh.;
 - 4.1.2 Lease term: 25-years from date of entry;
 - 4.1.3 Rent: £5,000 per annum;
 - 4.1.4 Rent Review: the rent will be reviewed on an RPI linked, upward only basis, at each five-year anniversary of the commencement date;
 - 4.1.5 Repair: full repairing and insuring lease;
 - 4.1.6 Use: the subjects of let shall be used for the purpose of a carpark and space to locate additional building structures to expand The Group's existing building;

4.1.7 Costs: both parties responsible for their own costs; and

4.1.8 Other conditions: as contained in the subjects existing lease.

4.2 Prior to any work taking place, the tenant will provide a detailed copy of the proposed works, fit out and signage proposals (where applicable) for approval.

4.3 The tenant will be responsible for securing all relevant consents for any works to the site.

5. Next Steps

5.1 Following approval of the terms by Committee, Legal Services will be instructed to progress with the documentation for the new lease.

6. Financial impact

6.1 A rental of £5,000 per annum will be payable to the Housing Revenue Account (HRA).

7. Stakeholder/Community Impact

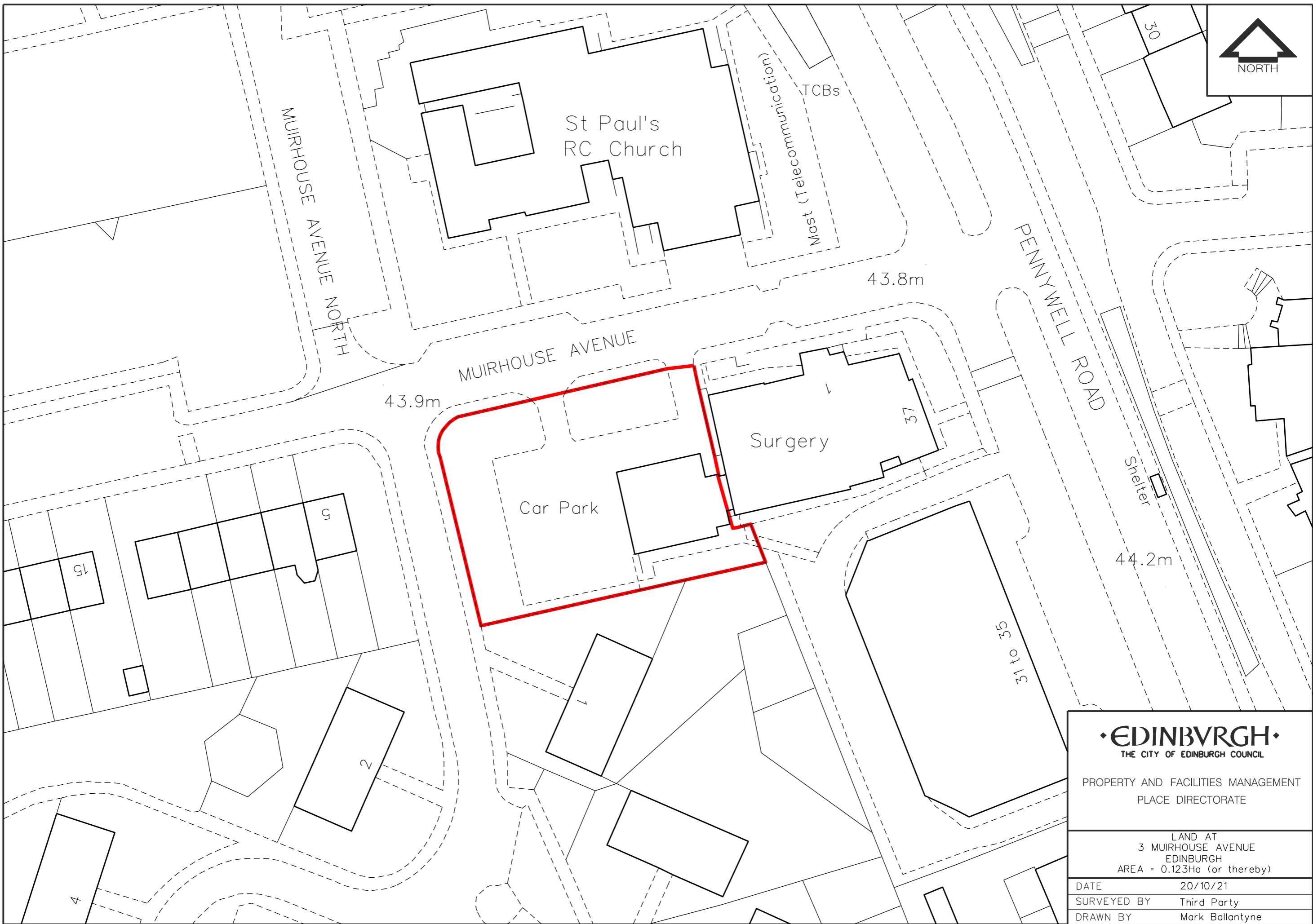
7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 Appendix 1 – Location Plan.



SITE PLAN

SCALE 1:500

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT PLACE DIRECTORATE	
LAND AT 3 MUIRHOUSE AVENUE EDINBURGH AREA = 0.123Ha (or thereby)	
DATE	20/10/21
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/2390