

# Finance and Resources Committee

10.00am, Tuesday, 25 April 2023

## Unit 1-3 Peffermill Parc, Edinburgh – Proposed Lease Extension

Executive/routine Wards Council Commitments	Routine 17 – Portobello / Craigmillar
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### 1. Recommendations

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- 1.1 That Finance and Resources Committee approve a 10-year lease extension to The British Electrical and Manufacturing Company Limited of Unit 1-3 Peffermill Parc, Edinburgh, on the terms and conditions outlined in this report.

**Paul Lawrence**

Executive Director of Place

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# Report

## Unit 1 – 3 Peffermill Parc, Edinburgh – Proposed Lease Extension

### 2. Executive Summary

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- 2.1 The property at Unit 1-3 Peffermill Parc is leased to The British Electrical and Manufacturing Company Limited. The existing lease expires on 24 November 2023 and the tenant has requested a 10-year lease extension. This report seeks approval to grant a new 10-year lease extension on the terms and conditions outlined in the report.

### 3. Background

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- 3.1 The property known as Unit 1-3 Peffermill Parc extends to 376.61 sq m (4,054 sq ft) and is shown outlined in red on the plan at appendix 1.
- 3.2 The British Electrical and Manufacturing Company Limited have occupied the property since November 2008 and operate an Electrical Wholesale business. The current rent is £29,390 per annum.
- 3.3 The existing lease expires on 24 November 2023 and the tenant has requested a 10-year lease extension until 24 November 2033.

### 4. Main report

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- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: Unit 1-3 Peffermill Parc, Edinburgh;
  - 4.1.2 Tenant: The British Electrical & Manufacturing Company Limited;
  - 4.1.3 Lease extension: 10 years from 25 November 2023;
  - 4.1.4 Rent: £32,500 per annum (current market value);
  - 4.1.5 Rent review: 5 yearly;
  - 4.1.6 Break Option: tenant break option on the 5<sup>th</sup> anniversary;
  - 4.1.7 Repair: tenant full repairing liability; and

4.1.8 Costs: tenant responsible for Council's legal costs.

4.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing lease.

## **5. Next Steps**

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

## **6. Financial impact**

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6.1 Effective from 25 November 2023 the annual rent will be increased from £29,390 per annum to £32,500 per annum credited to the General Property Account.

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

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

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

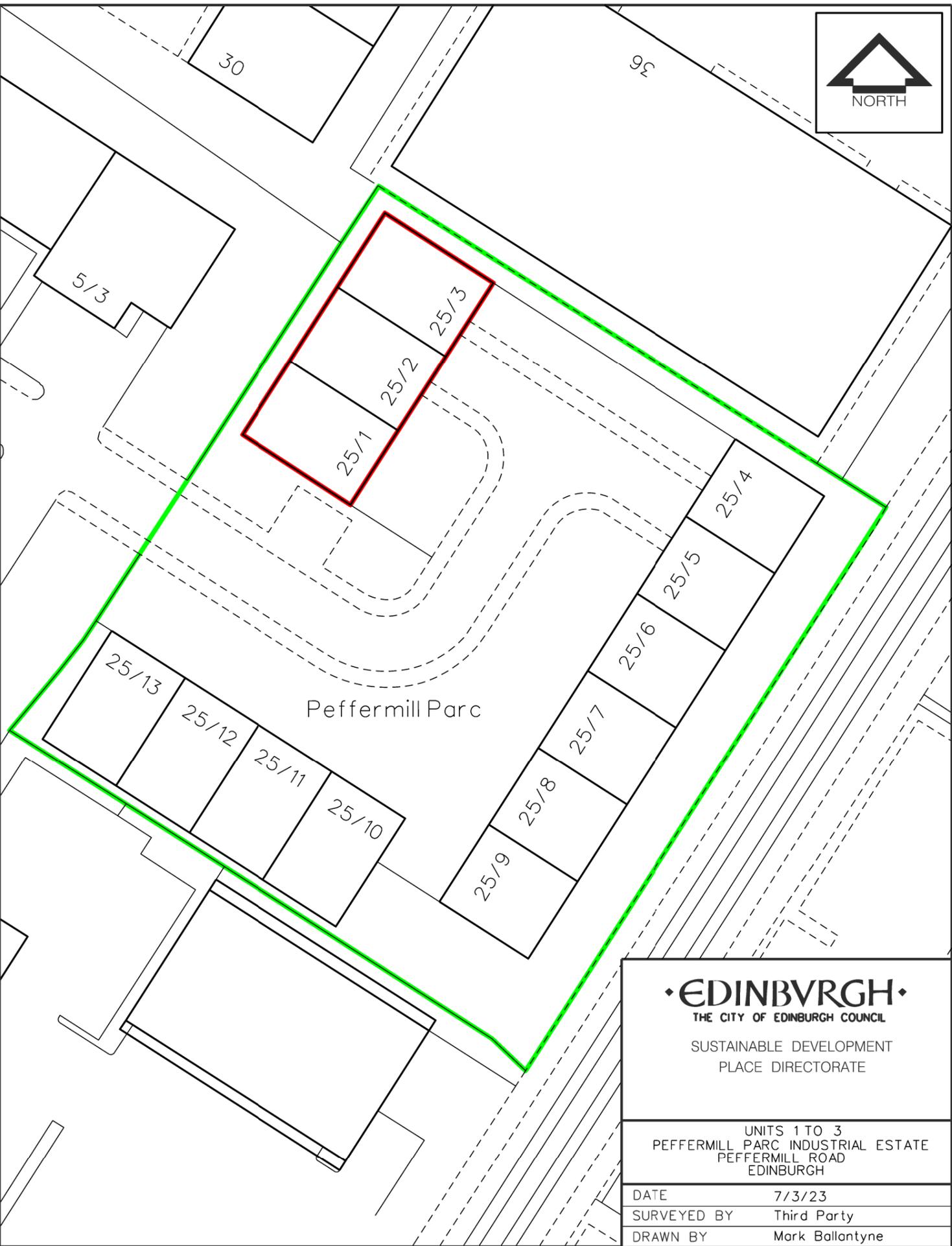
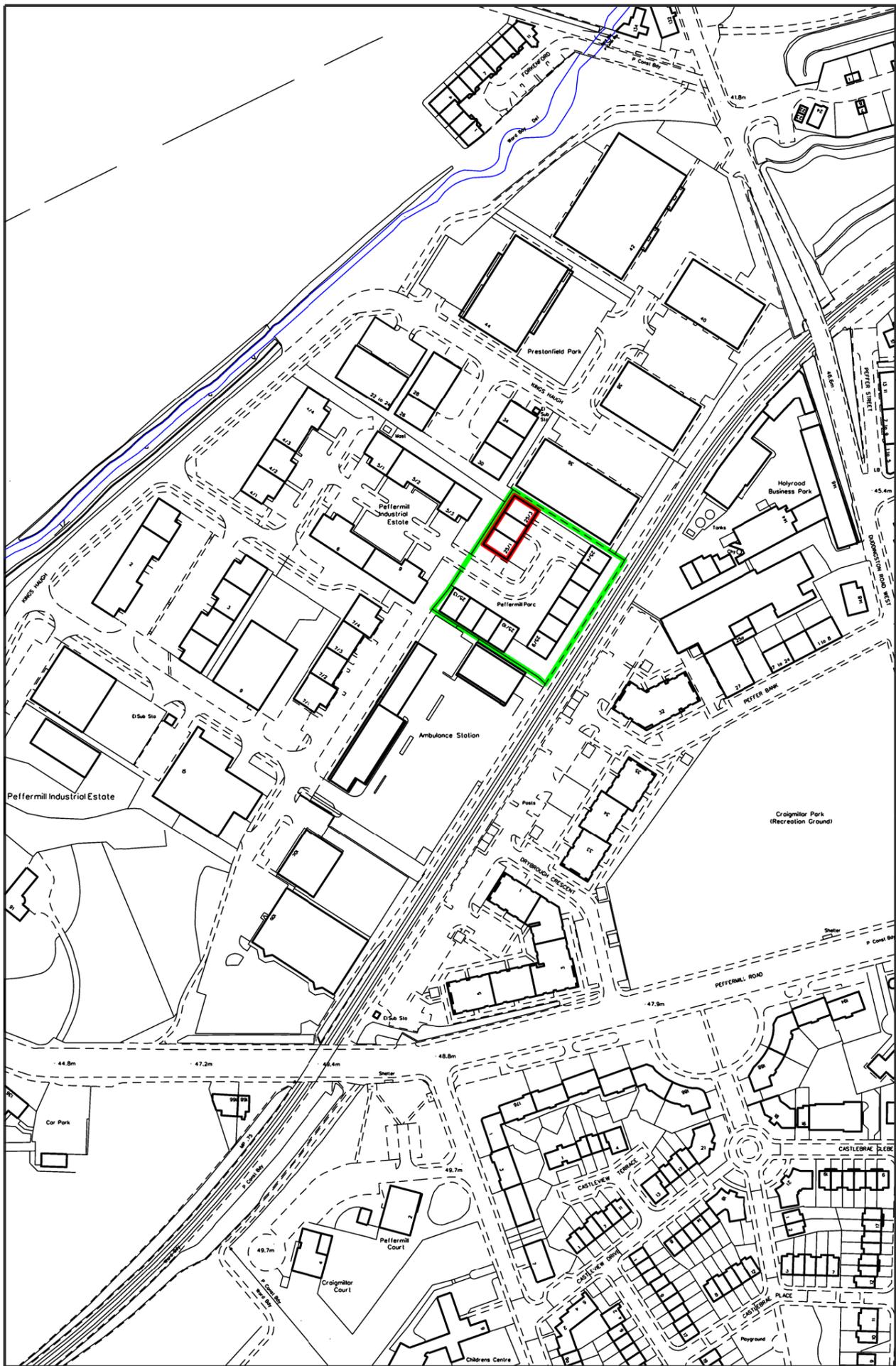
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8.1 None.

## **9. Appendices**

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9.1 Appendix 1 – Location plan.



LOCATION PLAN

SCALE 1:2500

SITE PLAN

SCALE 1:500

**EDINBURGH**  
THE CITY OF EDINBURGH COUNCIL

SUSTAINABLE DEVELOPMENT  
PLACE DIRECTORATE

UNITS 1 TO 3  
PEFFERMILL PARC INDUSTRIAL ESTATE  
PEFFERMILL ROAD  
EDINBURGH

DATE	7/3/23
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/1427