

Finance and Resources Committee

10.00am, Thursday, 21 September 2023

21(10) Observatory Road, Edinburgh - Proposed New Lease

Executive/routine
Wards

Routine
15- Southside/Newington

1. Recommendations

- 1.1 That the Finance and Resources Committee approve a new 20-year lease to the Science & Technology Facilities Council of the outdoor car park at 21(10) Observatory Road, Edinburgh on the terms outlined in this report.

Paul Lawrence

Executive Director of Place

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Report

21(10) Observatory Road, Edinburgh - Proposed New Lease

2. Executive Summary

- 2.1 The outdoor car park known as 21(10) Observatory Road is let to the Science & Technology Facilities Council on an annual basis. At their request, this report seeks approval to grant them a new 20-year lease to the Science & Technology Facilities Council on the terms and conditions outlined in the report.

3. Background

- 3.1 The outdoor car park at 21(10) Observatory Road extends to 630 sq m (6,781 sq ft) or thereby and is shown outlined in red on the attached plan.
- 3.2 The Science & Technology Facilities Council has occupied the car park since May 1988. It provides supplementary vehicle parking to the Royal Observatory at Blackford Hill. The current rent is £3,800 per annum. The tenant has requested a new 20-year lease to provide enhanced security of tenure.

4. Main report

- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: 21(10) Observatory Road, Edinburgh;
 - 4.1.2 Tenant: The Science and Technology Facilities Council;
 - 4.1.3 Lease term: 20 years from date of entry;
 - 4.1.4 Rent: £4,500 per annum;
 - 4.1.5 Rent Review: five yearly;
 - 4.1.6 Break Option: tenant five yearly break option on providing six months written notice;
 - 4.1.7 Repair: full repairing obligation; and
 - 4.1.8 Costs: tenant responsible for the Councils legal costs.

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

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 When the lease is completed, the rent will increase from £3,800 to £4,500 per annum, to be credited to the General Property Account.

7. Equality and Poverty Impact

- 7.1 This is a new 20-year lease to an established tenant who has occupied the car park since May 1998. It is not considered this proposal has 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 the established tenant.

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

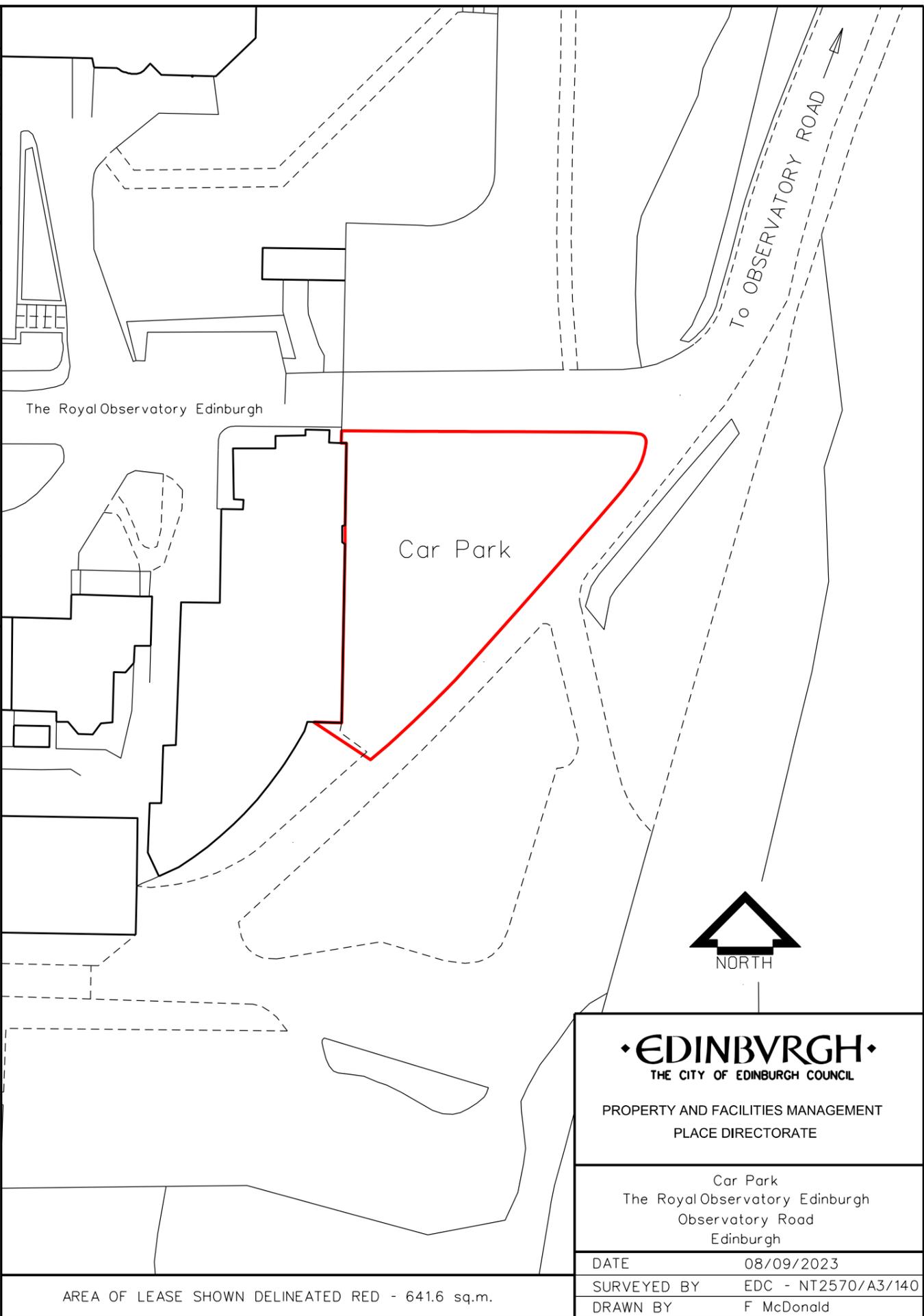
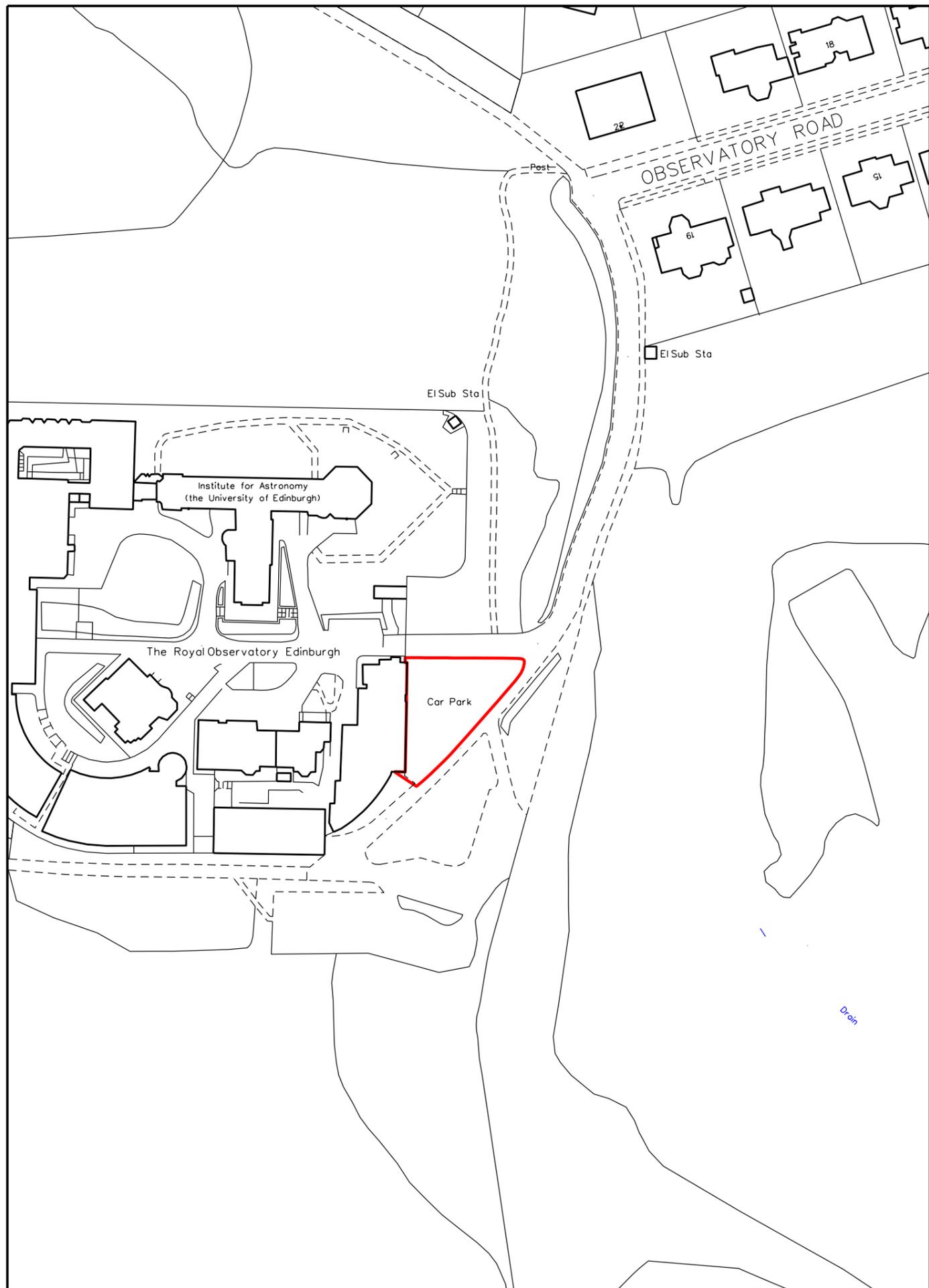
- 9.1 Ward members have been aware of the recommendations of this report.
- 9.2 The proposed lease is in keeping with the Commercial Property Portfolio Strategy that was approved by Committee on 20 June 2023.

10. Background reading/external references

- 10.1 [Commercial Property Portfolio Strategy](#).

11. Appendices

- 11.1 Appendix 1 – Location plan.



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THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
PLACE DIRECTORATE

Car Park
The Royal Observatory Edinburgh
Observatory Road
Edinburgh

DATE	08/09/2023
SURVEYED BY	EDC - NT2570/A3/140
DRAWN BY	F McDonald
SCALE	To scale @ A3
PLAN. NO.	NT2570/A3/2608

AREA OF LEASE SHOWN DELINEATED RED - 641.6 sq.m.

LOCATION PLAN

SCALE 1:1250

SITE PLAN

SCALE 1:500

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