

Finance and Resources Committee

10.00am, Thursday, 25 January 2024

Land at West Shore Road – Proposed Acquisition

Executive/routine
Wards

Routine
4 - Forth

1. Recommendations

- 1.1 That the Finance and Resources Committee approve the acquisition of a leasehold interest in 450 sq m of land at West Shore Road, Edinburgh from Waterfront Edinburgh Limited on the terms and conditions outlined in this report.

Paul Lawrence

Executive Director of Place

Contact: Graeme McGartland, Head of Estates

E-mail: graeme.mcgartland@edinburgh.gov.uk | Tel: 0131 529 5956

Land at West Shore Road – Proposed Acquisition

2. Executive Summary

- 2.1 In order to facilitate the liquidation of Waterfront Edinburgh Limited, a subsidiary of The EDI Group Limited, Committee is recommended to approve the Council acquiring a leasehold interest in 450 sq m of land at West Shore Road, Edinburgh for £1 with an additional one-off payment of £150,000.

3. Background

- 3.1 The EDI Group Limited (EDI) is an arm's length company of the Council of which the subsidiary Waterfront Edinburgh Limited (WEL) forms part. In 2017, the Council agreed that the EDI group of companies should be wound-up. As part of the closure process, in 2018, WEL's ownership of land and buildings was transferred to the Council. This was understood at that time to constitute all of WEL's interests in Granton (excluding its interest in the Caledonian Waterfront (Harbour Road) Limited joint venture, which being resolved separately).
- 3.2 WEL is now in liquidation. As part of this process, a further check has been carried out to establish that no land holdings are being "left behind". This check has identified that WEL retains a leasehold interest in a plot of land which does not appear on EDI's Property Register, is not mentioned in its files, and appears to have been overlooked in the 2018 transaction.
- 3.3 The land is a circa 450 sq m plot on the south side of West Shore Road, Edinburgh, immediately to the east of the Speirs Bruce Way and north of Granton Castle Walled Garden as shown outlined in red on the attached plan. The plot is partially occupied by an electrical substation that was constructed in the 2000s; the remainder of the plot is undeveloped and covered in trees and bushes.
- 3.4 The land is leased by WEL until 30 August 2107 at a rent of £1,500 per annum. In turn, the part of the land occupied by the substation is subleased until 30 August 2107 at a peppercorn rent.

4. Main report

- 4.1 To enable WEL to be liquidated, its leasehold interest in the land must be disposed of. It is therefore recommended that WEL's leasehold interest be acquired by the Council. Given the mismatch between the rent payable and the rent receivable, it is further recommended that the Council take a one-off payment from WEL to cover any existing and future rent liabilities.
- 4.2 The following terms have been agreed with EDI/WEL:
 - 4.2.1 Subjects: land extending to 450 sqm as shown outlined in red on the appended plan, held under title MID108695;
 - 4.2.2 Vendor: Waterfront Edinburgh Limited;
 - 4.2.3 Term: Leasehold
 - 4.2.4 Purchase Price: £1;
 - 4.2.5 Costs: EDI/WEL will cover all costs reasonably incurred by the Council; and
 - 4.2.6 Other conditions: EDI/WEL will make a one-off payment of £150,000 to the Council.
 - 4.2.7 The transaction was approved by the EDI Board on 12 December 2023.

5. Next Steps

- 5.1 Following approval of the terms by Committee, Legal Services will be instructed to progress with the documentation to complete the acquisition of the leasehold interest in the land.

6. Financial impact

- 6.1 The legal fees associated with the transfer will be met by EDI/WEL.
- 6.2 The Council will receive a payment of £150,000 from EDI/WEL as set out above, representing overall net expenditure to the Council of £149,999.

7. Equality and Poverty Impact

- 7.1 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 arising from the transfer of a long leasehold interest.

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

- 9.1 The transfer of the land is necessary to deliver the transition strategy for the closure of the EDI group as agreed by the Housing and Economy Committee on [2 November 2017](#).
- 9.2 Ward members have been aware of the recommendations of this report.

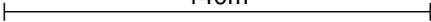
10. Background reading/external references

- 10.1 The EDI Group Ltd – Transition Strategy – Housing and Economy Strategy, 2 November 2017 (B agenda).

11. Appendices

- 11.1 Appendix 1 – Title plan.

APPENDIX 1

 LAND REGISTER OF SCOTLAND	Officer's ID / Date	TITLE NUMBER
	4573 14/2/2012	MID108695
	ORDNANCE SURVEY NATIONAL GRID REFERENCE	140m 
	NT2277SW NT2277SE NT2277NW NT2277NE	Survey Scale 1/1250

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