

Economy Committee

10.00 a.m., Tuesday, 19 November 2013

Proposed new lease – Unit 12, Broomhouse Workspace, Edinburgh

Item number	8.1.5
Report number	
Wards	7 – Sighthill/Gorgie

Links

Coalition pledges	
Council outcomes	C08
Single Outcome Agreement	S02

Mark Turley

Director of Services for Communities

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Executive summary

Proposed new lease – Unit 12, Broomhouse Workspace, Edinburgh

Summary

To seek committee approval to grant an annual lease of the industrial premises at Unit 12, Broomhouse Workspace, Edinburgh to Edinburgh North West Foodbank.

Edinburgh North West Foodbank (<http://edinburghnw.foodbank.org.uk/>) is a registered charity supporting individuals in crisis with nutritionally balanced food packs covering at least three meals for three days. Food is donated to the Foodbank and then sorted into the food packs and stored. Food pack vouchers are issued to individuals only through front line care professional (GP's, social workers etc)

Unit 12, Broomhouse Workspace has been vacant and on the market since the expiry of the previous lease on 30/09/2012. The market rent for the property is approximately £17,000 per annum. Authority is sought to lease the unit at a reduced rent with the deficit supported through a grant from Services for Communities, Corporate Property.

Recommendations

The Committee:-

- 1) Approve a new annual lease to Edinburgh North West Foodbank of the industrial property at Unit 12, Broomhouse Workspace, Edinburgh on the terms outlined in paragraph 2.3 and on other terms and conditions to be agreed among, the Director of Services for Communities, the Head of Legal, Risk and Compliance and Edinburgh North West Foodbank.
- 2) Note that the rental deficit will be supported via a grant from Services for Communities, Corporate Property; and
- 3) Refers this report to the Finance and Resources Committee for ratification.

Measures of success

After only nine months in operation, Edinburgh North West Foodbank has supported over 1,000 individuals in crisis. By providing food packs covering three meals for three days the Foodbank has provided almost 10,000 meals. This has been achieved from

operating out of a residential garage and two small lock-ups. It is anticipated that with the correct property these figures will improve greatly.

Financial impact

The Council will receive an annual rental income starting at £5,000 in year one and rising to £10,000 in year four. The deficit between the rent charged and the market rent of £17,000 per annum will be funded via a direct grant from Services for Communities, Corporate Property account for the four year period.

Equalities impact

An Equalities and Rights Impact Assessment has been carried out

The main enhancement of rights for the population of Edinburgh will be the improvement of health through the provision of nutrition to people in need. Positive impacts were also identified with a letting to the Foodbank assisting in eliminating discrimination by addressing poverty and health in equality across the protected characteristics. Furthermore, by allowing the Foodbank to expand the letting will advance equality of opportunity. Finally, by providing more accessible and appropriate premises, this letting will assist with fostering good relations with the service users.

The only potential infringement of rights identified was to other parties with a potential interest in the property as we are not setting a closing date. This is a minor issue as the property has been on the market for some time without any other serious interest. It is our consideration that the positive impacts far outweigh the slight potential for infringement of rights

Sustainability impact

There are no sustainability issues arising from this report.

Consultation and engagement

Not applicable

Background reading / external references

Not applicable.

Proposed new lease – Unit 12, Broomhouse Workspace, Edinburgh

1. Background

- 1.1 Edinburgh North West Foodbank (ENWF) (<http://edinburghnw.foodbank.org.uk/>) is a registered charity supporting individuals in crisis with nutritionally balanced food packs covering at least three meals for three days. Food is donated to the Foodbank and then sorted into the food packs and stored. Food pack vouchers are issued to individuals only through front line care professional (GP's, social workers etc). The operation is currently run from a residential garage and two small lock ups.
- 1.2 Unit 12, Broomhouse Workspace comprises an industrial unit extending to 2,271 sq ft as shown hatched on the attached plan. The unit has been vacant and on the market since the expiry of the previous lease on 30 September 2012. The market rent is estimated at approximately £17,000 per annum.

2. Main report

- 2.1 ENWF wish to lease the subject premises to set up a base for the distribution of food to referred clients. The premises will provide a more suitable base on which to deliver their services. In the first nine months of operation ENWF has supported over 1,000 individuals providing over 10,000 meals.
- 2.2 ENWF does not have the financial ability to meet the estimated rental value of the unit and have offered a stepped rent over a four year period. Current policy is against concessionary lets unless specifically approved by Committee and the deficit is supported via grant funding from a Council department. In this particular instance, Services for Communities, Corporate Property is prepared to offer grant funding between the rent charged and the estimated rental value of £17,000 per annum. It is considered that the social benefits of the proposals add a proportionate value to make the proposed lease arrangements justifiable.
- 2.3 The following main terms and conditions have been provisionally agreed:-
 - Subjects: All and whole of the industrial unit known as Unit 12, Broomhouse Workspace, Edinburgh, extending to 2,271 sqft

- Term: initial twelve months with option to extend at the end of each 12 month period up to a period four years.
- Rent: £6,000 gross year one (£5,000 plus VAT), £8,000 gross year two (£6,666 plus VAT), £10,000 gross year three (£8,333 plus VAT) and £12,000 gross year 4 (£10,000 plus VAT)
- Rent Reviews: rent would need to be renegotiated should the tenant wish to remain longer than the four year period
- Use: storage of food, packaging of food packs
- Repairs: internal; repairing (CEC retains liability for external repairs)

2.4 In order to allow ENWF to move in early, a temporary licence has been granted under delegated powers in consultation with the Convenor of the Economy Committee. ENWF have fully accepted the risks in the event that this report is not approved.

3. Recommendations

3.1 That Committee:-

- 1) Approve an annual lease to Edinburgh North West Foodbank of the industrial property at Unit 12, Broomhouse Workspace, Edinburgh on the terms in paragraph 2.3 and on other terms and conditions to be agreed among, the Director of Services for Communities, the Head of Legal, Risk and Compliance and Edinburgh North West Foodbank;
- 2) Note that the rental deficit will be supported via a grant from Services for Communities, Corporate Property; and
- 3) Refers this report to the Finance and Resources Committee for ratification.

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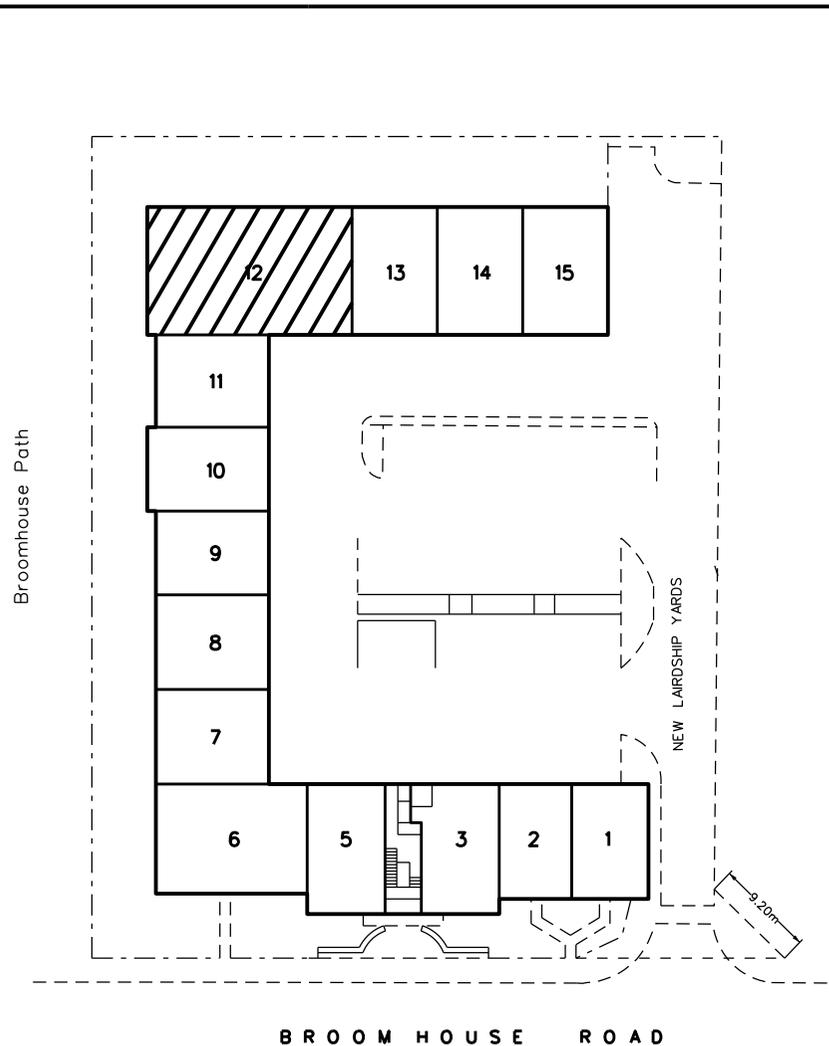
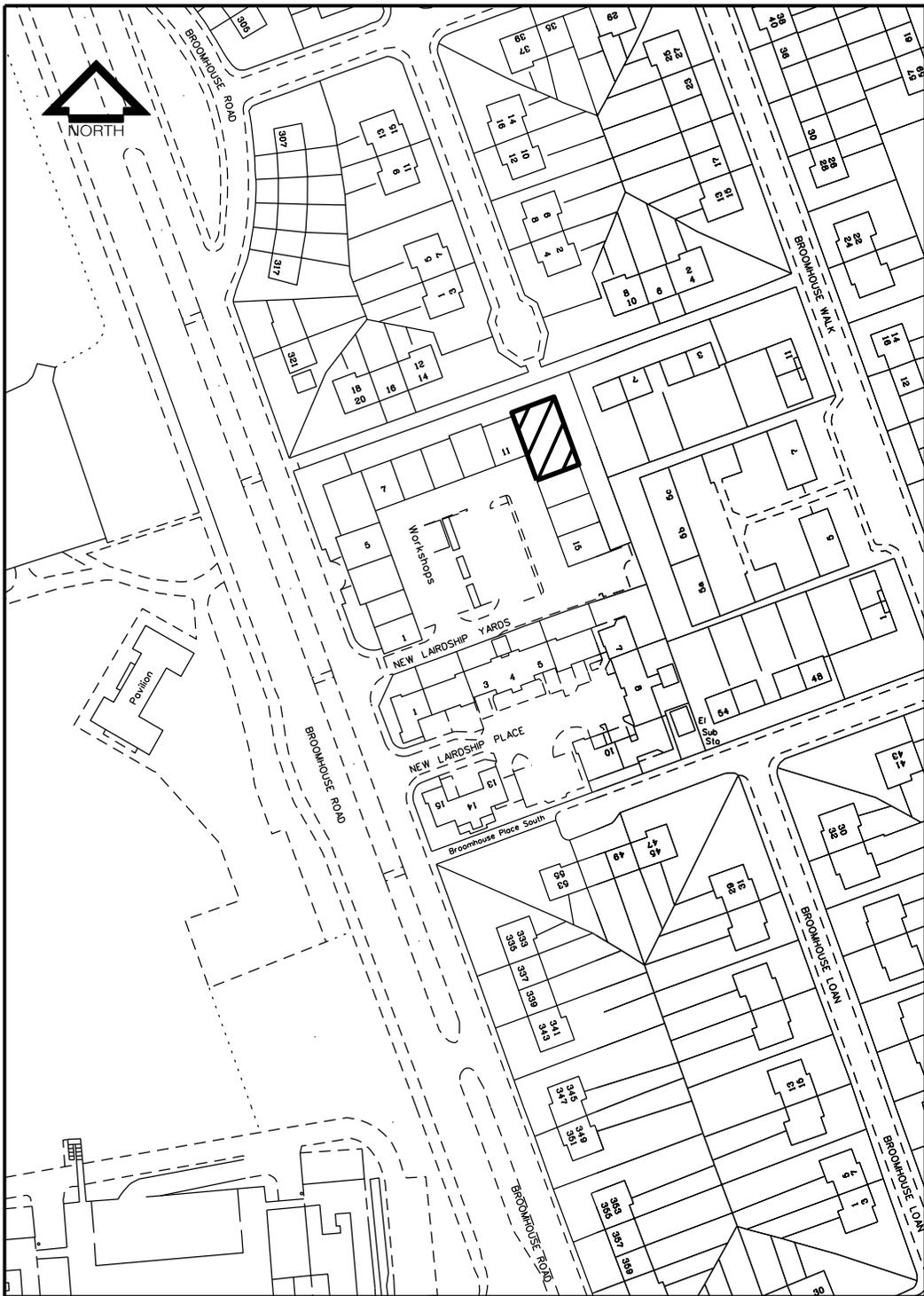
Links

Coalition pledges

Council outcomes C08 - Improved health and reduced inequalities

Single Outcome Agreement S02 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health -

Appendices



LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL SERVICES FOR COMMUNITIES EDINBURGH	
Units 12 Broomhouse Workspace New Lairdship Yards Broomhouse Road Edinburgh	
DATE	7/10/2013
SURVEYED BY	
DRAWN BY	Mark Ballantyne
FILE NO.	
NEG. NO.	A3/186a

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