

Finance and Resources Committee

10.00am, Friday, 1 February 2019

Summary Report on Property Transactions concluded under Delegated Authority

Item number	8.1
Report number	
Executive/routine	Routine
Wards	City Wide
Council Commitments	

Executive Summary

To advise the Committee of all lease agreements, etc. concluded in terms of the Council's 'Scheme of Delegation to Officers'.

This delegated authority currently extends to the conclusion of all new leases of up to five years in length where the rental is no greater than £50,000 per annum and rent reviews where the rental is no greater than £50,000 per annum. The authority also includes the sale of property which has been declared surplus to the requirements of the Council and sold on the open market to the highest bidder. Any transactions outwith these parameters are reported separately to Committee.

Summary Report on Property Transactions concluded under Delegated Authority

1. Recommendations

1.1 That Committee:

- 1.1.1 Notes the 18 transactions detailed in the attached Appendix have been concluded in terms of the Council's 'Scheme of Delegation to Officers'.

2. Background

- 2.1 Under the Council's Scheme of Delegation to Officers it is the responsibility of the Chief Executive or relevant Director to keep the elected members appropriately informed about activity arising within the scope of the delegated authority under the Scheme. Reporting on a quarterly basis is considered the appropriate manner and frequency of keeping members advised.

3. Main report

- 3.1 Appendix 1 provides details of 18 transactions completed under delegated authority since the last quarterly report.
- 3.2 These transactions include 6 new leases, 2 disposals, 4 lease renewal/extensions, 5 rent reviews and 1 license for works totalling £980,885.70, additional income of £130,000 per annum, one off income of £7,200 and capital receipts of £687,351.70.

4. Measures of success

- 4.1 Not applicable.

5. Financial impact

- 5.1 There are no financial implications as a result of this report.

6. Risk, policy, compliance and governance impact

- 6.1 There are no risk, policy, compliance or governance impacts as a result of this report.

7. Equalities impact

- 7.1 Equalities and Rights Impact Assessments have been carried out on all of the enclosed transactions.

8. Sustainability impact

- 8.1 There are no sustainability impacts as a result of this report.

9. Consultation and engagement

- 9.1 Not applicable.

10. Background reading/external references

- 10.1 Not applicable.

Stephen S. Moir

Executive Director of Resources

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11. Appendices

- 11.1 Appendix 1 - Schedule of property transactions

APPENDIX 1

NEW LEASES

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
1. AM RV-U03	Ward 3 – Drum Brae / Gyle	General Property (GP)	1 st Floor East, Phase 1 - Ratho Park, Edinburgh (4,328 sq ft)	Scotland Food & Drink	Office	Old Rent: £ 0 per annum New Rent: £36,624 per annum Lease Period: 07/08/18 to 06/08/23 Payable: Monthly in advance

REMARKS: New open market letting

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS	TENANT	USE	TERMS
2. SI 35/W380N/9	Ward 7 – Sighthill / Gorgie	General Property (GP)	Unit 9 West Gorgie Park Edinburgh (715 sq ft)	The Conservation Volunteers	Warehouse	Old Rent: £ 0 per annum New Rent: £ 8,500 per annum Lease Period: 01/10/18 to 30/09/2023 Payable: Monthly in advance

REMARKS: New open market letting following closing date 24/08/18.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
3. AM PP-01-U08	Ward 17 – Portobello / Craigmillar	General Property (GP)	Unit 11 Peffermill Parc, Edinburgh (1,500 sq ft)	Football Nation Ltd	Warehouse	Old Rent: £10,000 per annum New Rent: £12,600 per annum Lease Period: 01/10/18 to 30/09/2022 Payable: Monthly in advance

REMARKS: New open market letting following closing date 29/08/18.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
4. SI 17324/1	Ward 17 – Portobello / Craigmillar	General Property (GP)	19 Stanley Street Edinburgh (3,396 sq ft)	Edinburgh Palette	Yard and Warehouse	Old Rent: £ 0 per annum New Rent: £ 24,000 per annum Lease Period: 20/08/18 to 19/08/2023 Payable: Monthly in advance

REMARKS: New open market letting following closing date 11/07/18.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
5. AM PEF01-U04	Ward 17 – Portobello & Craigmillar	General Property (GP)	Block 3 Unit 1 Peffermill Industrial Estate, Edinburgh (2,400 sq ft)	Ms Honorata Zwolinska	Warehouse	Old Rent: £ 14,500 per annum New Rent: £ 18,150 per annum Lease Period: 31/12/18 to 30/12/2021 Payable: Quarterly in advance

REMARKS: New open market letting following a closing date 14/11/18.

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
6. AM PEF01-U17	Ward 17 – Portobello & Craigmillar	General Property (GP)	Block 7 Unit 4 Peffermill Industrial Estate, Edinburgh (2,400 sq ft)	CSG Projects Limited	Warehouse	Old Rent: £ 0 per annum New Rent: £ 16,800 per annum Lease Period: 17/12/18 to 16/12/2023 Payable: Quarterly in advance

REMARKS: New open market letting following a closing date 21/11/18.

DISPOSALS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
7. FM	2 – Pentland Hills	Housing and Revenue	Land, Murrayburn Park/Murrayburn Gardens, Edinburgh (691 sq ft)	Wanda Antonina Sepiol-Wojcik	Garden ground only	Purchase price: £1,926.70 Date of entry: 23/11/2018 Sale concluded: 23/11/2018
REMARKS: <i>Corporate Property costs of £500 paid on top of purchase price.</i>						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
8. FM	14 – Craigentinny/ Duddingston	Health and Social Care	Lochend House, 33-35 Lochend Road South, Edinburgh (4,390 sq ft)	K & S Mir	Residential conversion and development	Purchase price: £685,425 Date of entry: tbc Sale concluded: tbc
REMARKS: <i>Open market disposal.</i>						

LEASE RENEWALS/EXTENSIONS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
9. IL 16496/11	7 – Sighthill / Gorgie	General Property	Unit 11 Sauchiebank, Russell Road Ind Est, Edinburgh (1,422 sq ft)	AM Foods Limited	Business Use Class 4	Old Rent: £12,800 per annum New Rent: £13,500 per annum From: 1/10/2018 to 30/09/2023 Payable: Monthly in Advance
REMARKS: GIA = 132.10 sq m (1,422 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
10. IL 7189	9 – Fountainbridge / Craglockhart	General Property	36a Grove Street, Edinburgh (540 sq ft)	Johan Mary Borrett	Shop Class 1	Old Rent: £5,500 per annum New Rent: £5,750 per annum From: 01/07/2018 to 30/06/2023 Payable: Monthly in Advance
REMARKS: NIA = 50.20 sq m (540 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
11. IL35/W380N/ 10	9 – Fountainbridge / Craiglockhart	General Property	Unit 10 West Gorgie Park, Edinburgh (627 sq ft)	Thomas Kelly	Workshop Class 4	Old Rent: £6,400 per annum New Rent: £6,800 per annum From: 01/09/2018 to 31/08/2023 Payable: Quarterly in Advance

REMARKS: NIA = 58.23 sq m (627 sq ft)

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
12. IL DM110400/2	16 – Liberton / Gilmerton	General Property	15 Newtoft Street, Edinburgh (627 sq ft)	William Goodbrand & Peter O'Connor	Office Class 2	Old Rent: £6,400 per annum New Rent: £7,200 per annum From: 01/09/2018 to 31/08/2023 Payable: Monthly in Advance

REMARKS: GIA = 132.10 sq m (1,422 sq ft)

RENT REVIEWS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
13. IL 13849/76A	11 – City Centre	General Property	36/38 High Street, Edinburgh (485 sq ft)	Mustafa Azgan	Cafe Class 1	Old Rent: £23,250 per annum New Rent: £31,910 per annum From: 11/11/2018 to 10/11/2023. Payable: Monthly in advance.
REMARKS: NIA = 45.11 sq m (485 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
14. IL 13849/64	11 – City Centre	General Property	28 High Street, Edinburgh (905 sq ft)	B & G S Landa Limited	Shop Class 1	Old Rent: £31,000 per annum New Rent: £55,000 per annum From: 01/04/2018 to 31/03/2023. Payable: Quarterly in advance.
REMARKS: NIA = 84.09 sq m (905 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
15. IL 13849/63	11 – City Centre	General Property	24 High Street, Edinburgh (391 sq ft)	Balwidar Singh Landa	Shop Class 1	Old Rent: £16,750 per annum New Rent: £28,200 per annum From: 01/04/2018 to 31/03/2023. Payable: Quarterly in advance.
REMARKS: NIA = 36.30 sq m (391 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
16. IL 16336/4	17 – Portobello / Craigmillar	General Property	119 Portobello High Street, Edinburgh (617 sq ft)	Adam Rankine	Shop Class 1	Old Rent: £10,750 per annum New Rent: £11,200 per annum From: 01/09/2018 to 31/08/2023. Payable: Monthly in advance.
REMARKS: NIA = 57.29 sq m (617 sq ft)						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
17. IL PEF01-U05	17 – Portobello / Craigmillar	General Property	Block 3, Unit 2, Peffermill Ind Est, Edinburgh (2,381 sq ft)	Trades Training School Limited	Industrial Class 4	Old Rent: £14,900 per annum New Rent: £15,100 per annum From: 27/09/2018 to 26/09/2023. Payable: Monthly in advance.
REMARKS: GIA = 221.19 sq m (2,381 sq ft)						

LICENSE FOR WORKS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
18. FM	11 – City Centre	Places (Parks and Greenspace)	Princes Street Gardens West, Edinburgh	Network Rail Infrastructure Ltd	Site compound for rail works	Rent: £2,200, for the period Surveyor's Fee: £300 Lease Period: 12/12/2018 to 08/01/2019
REMARKS: 1						