## **Finance and Resources Committee**

### 2.00 p.m, Wednesday, 13 May 2015

### Proposed Sale of Land at 12-24 Bothwell Street, Edinburgh

Item number	8.5
Report number	
Executive/routine	Routine
Wards	12 - Leith Walk

#### **Executive summary**

Downing Edinburgh Ltd (DEL) owns a site at Bothwell Street, and has approached the Council to acquire the adjoining Council site to incorporate into a wider student housing development.

The Council site is currently an area of overgrown open space. DEL intends to use the majority of the site as landscaped open space for use by both local residents and student occupiers.

This report seeks authority to sell the site to DEL on the main terms contained within the report.

Links	
Coalition pledges	<u>P17</u>
Council outcomes	<u>CO7, CO8</u>
Single Outcome Agreement	<u>SO1</u>

# Report

### Proposed Sale of Land at 12-24 Bothwell Street, Edinburgh

#### **Recommendations**

It is recommended that Committee:-

1.1 Approves the disposal of the land at Bothwell Street, extending to 0.0929 Ha (0.229 acre) or thereby, to Downing Edinburgh Limited (DEL) on the terms and conditions outlined in this report, and on such terms and conditions to be agreed by the Acting Director of Services for Communities and the Head of Legal, Risk and Compliance.

#### Background

2.1 The site, as shown shaded red on the attached plan, is owned by the Council and extends to 0.0929 Ha (0.229 acre) or thereby. It is designated as open space but is assessed as low quality (CEC Open Space Strategy 2010). It comprises overgrown derelict land and has a substantial retaining wall on the north east boundary. The site is subject to fly-tipping and requires regular clearance by the local Neighbourhood Team.

#### Main report

- 3.1 DEL owns the adjoining site, shown outlined black on the attached plan, and has approached the Council to acquire its site to provide a comprehensive redevelopment of the combined site, comprising student accommodation and public open space.
- 3.2 DEL's site already benefits from a planning consent for residential development, and an application has been submitted for student accommodation.
- 3.3 The Council owned site would provide the majority of the open space for the development and DEL will undertake improvements to the site in the form of hard and soft landscaping. DEL will be responsible for maintaining the site as landscaped open space, and ensuring it is accessible to the public.
- 3.4 The purchaser will also take over ownership and responsibility for maintaining the retaining wall to Sunnyside, which requires repairs costing an estimated £78,000.
- 3.5 DEL will also be relocating and improving access to Bothwell Street and the new access will form an integral part of the City's cycle network.

Finance and Resources Committee – 13 May 2015

- 3.6 Negotiations have taken place with DEL and the following main terms and conditions have been provisionally agreed:-
  - Subjects: 0.0929 Ha (0.229 acre) or thereby;
  - Purchaser: Downing Edinburgh Limited;
  - Purchase Price: £45,000 exclusive of VAT and fees;
  - Use: Open space/part development;
  - Conditions: The purchaser will be responsible for carrying out repairs to the retaining wall to Sunnyside estimated at £78,000;

The purchaser will maintain the open space and allow access to the public at all times. Use will be restricted to open space apart from a small area to be developed for student housing; and

- Costs: The purchaser will meet the Council's reasonable legal and property costs.
- 3.7 The purchase price reflects the use as open space and significant repair costs of maintaining the retaining wall, together with the fact that only a small part of the site will include the proposed student housing development.

#### Measures of success

- 4.1 A derelict area of open space within a high density residential area will be brought back into beneficial use, with student accommodation and new public open space.
- 4.2 The Council will no longer require to carry out rubbish clearance from the area, and will be relieved of the long term maintenance responsibility for the land and retaining wall.

#### **Financial impact**

- 5.1 The Council will relinquish responsibility for maintaining an area of ground that includes a retaining wall (estimated repair cost £78,000).
- 5.2 A capital receipt of £45,000 will be received in financial year 2015/16 which will be credited to the general fund account, and the Council's Corporate Property and legal costs will be recovered from the purchaser.

#### Risk, policy, compliance and governance impact

6.1 This open space is not regularly maintained by the Council but the local Neighbourhood Team carries out periodic clean-ups. The land is zoned as open space of low quality, and the proposals met with support from local residents at consultation meetings for the proposed development.

#### **Equalities impact**

7.1 The sale of the land will provide accessible, maintained open space for people of all abilities in an area with a lack of open space. This will promote accessibility for all and wellbeing for neighbouring residents.

#### Sustainability impact

- 8.1 There are no sustainability issues from this report as DEL will maintain the land as part of its proposed student development.
- 8.2 The development of the student housing will be built to modern standards, and will comply with current building regulations to minimise impact on the environment.

#### **Consultation and engagement**

- 9.1 DEL is currently the only land owner who can utilise this site as it owns the adjoining site comprising vacant warehouse and workshops. DEL has consent for a residential development, and has also lodged an application for student housing that would see this site primarily developed as open space for use by both residents of the development and local residents.
- 9.2 Local residents have been consulted as part of the formal consultation process in determining both planning applications for residential and student housing use.

#### **Background reading/external references**

None

#### John Bury

#### Acting Director of Services for Communities

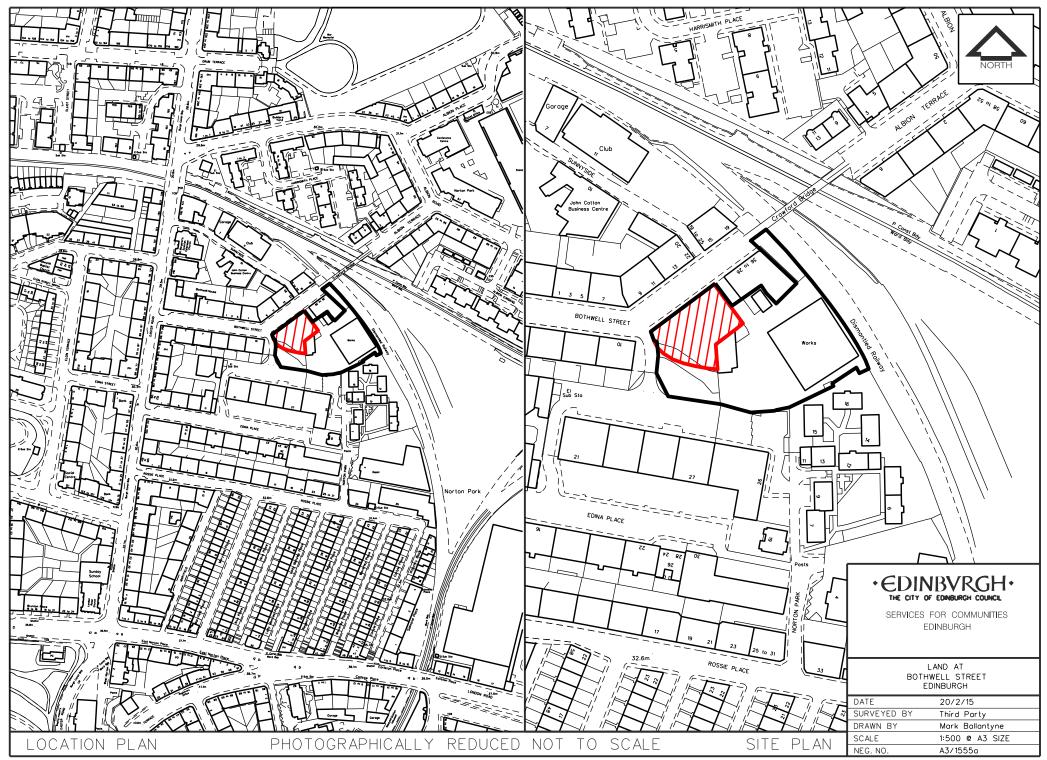
Contact: Richard Willson, Estates Surveyor, Estates Services, Corporate Property E-mail: Richard.willson@edinburgh.gov.uk | Tel: 0131 529 4624

#### Links

Coalition pledges	P17 – Continue efforts to develop the city's gap sites and encourage regeneration.
Council outcomes	CO7 – Edinburgh draws new investment in development and

Finance and Resources Committee – 13 May 2015

	regeneration. CO8 – Edinburgh's economy creates and sustains job opportunities.
Single Outcome Agreement	SO1 – Edinburgh's Economy Delivers increased investment, jobs and opportunities for all.
Appendices	Location Plan.



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