

Finance and Resources Committee

10.00am, Tuesday, 23 January 2018

Accelerating Housing Delivery and Brownfield Regeneration – Update Report

Item number	7.18
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	C1 , C2 , C4 , C7 , C10 , C12 , C18 , C27 , C47

Executive Summary

This report seeks Committee approval to transfer three surplus sites to the Housing Revenue Account (HRA) to support the development of affordable housing and help meet the Council's commitment to deliver a programme to build at least 10,000 social and affordable homes over the next five years, and 20,000 by 2027.

The report recommends transferring the sites to the HRA for a value of £658,000. Transfer of the sites will be through a debt transfer from General Fund (GF) to HRA.

This report also asks Committee to note the progress with the development of sites previously approved for transfer for affordable housing development in [February 2015](#) and [March 2017](#).

Accelerating Housing Delivery and Brownfield Regeneration – Update Report

1. Recommendations

- 1.1 That Committee:
 - 1.1.1 Agrees the transfer of three sites to the HRA for the development of affordable housing for a transfer value of £658,000; and
 - 1.1.2 Notes the progress with the development of the original transfer sites approved for transfer to the HRA in February 2015 and March 2017.

2. Background

- 2.1 On [13 February 2015](#), the Economy Committee approved the transfer of three sites held on the General Fund (GF) to the Housing Revenue Account (HRA) for the purpose of affordable housing development. These sites, plus another two sites held on the HRA, formed the Small Sites Affordable Housing Project ('Small Sites').
- 2.2 On [23 March 2017](#), Finance and Resources Committee agreed to the transfer of 14 brownfield sites to the HRA for the development of affordable housing. This transfer will take place in two phases as and when the properties are vacated.
- 2.3 On 24 August 2017, The Council committed within the [Programme for the Capital – The City of Edinburgh Business Plan 2017 – 22](#) to deliver a programme to build at least 10,000 social and affordable homes over the next five years, with a plan to build 20,000 by 2027.

3. Main report

- 3.1 The Council owns three sites that are no longer required for operational purposes, but would assist in the delivery of the Council's housing and brownfield regeneration strategies. The subject sites are shown on the plans on Appendix 1. Development of the sites could be delivered over the next five years if they were included in the pipeline for the house building programme.
- 3.2 The transfer value for the three sites is £658,000, which would result in a debt transfer from the HRA and GF. The cost of demolishing any buildings remaining on the sites will be deducted from the transfer value e.g. the remaining former Council building at Murrayburn Gate, where this has not already been accounted for.

3.3 Details of the sites recommended for transfer and the development proposal are noted in the following table:

Site	Previous Use	Development Proposals	New Homes
Murrayburn Gate	Former Social Work office	To combine this site with the adjoining HRA land which was previously leased to the NHS for a medical centre.	The combined site will accommodate circa. 50 new homes
Burdiehouse Crescent	Former Community Centre	The property was in very poor state of disrepair and has now been demolished. The adjacent site is HRA and will be combined with this site.	The combined site will accommodate circa. 65 new homes
Dumbryden Drive	Part of Former Primary School Site	The school was demolished creating a site with capacity for around 100 homes. Part of the site was transferred to Housing in 2015 with the remainder of the site retained on the General Fund (see 3.4).	Circa 50 new homes

Progress with Sites Transferred in 2015 and 2017

3.4 Four of the seven ‘Small Sites’ (five of which were transferred to the HRA in 2015) are currently under construction. The remaining three (Royston, Crewe Road Gardens and Dumbryden phase 1) have received planning permission and will commence once all relevant statutory consents have been obtained. Dumbryden phase 1 will provide 49 new affordable homes and the transfer of the remainder of the site, which is the subject of this report, would enable approximately 50 additional affordable homes to be built in the area (phase 2).

3.5 The sites transferred in 2017 are at the early stages of the development process. Five of the sites have design teams appointed, four sites are the subject of ongoing discussions to ensure the best mix of uses and tenure and the remaining five sites are currently operational’ and will be transferred as a second tranche, once they are no longer required.

4. Measures of success

- 4.1 Accelerated development of brownfield sites and delivery of the Council's housing strategy.
- 4.2 Support for the local economy through creating opportunities for local businesses and supporting jobs in construction and housing related services.
- 4.3 Development of vacant surplus Council sites to meet the Council's affordable housing target.
- 4.4 Development of accessible homes including 10 % wheelchair homes to meet a range of housing needs.

5. Financial impact

- 5.1 Transfer of the GF sites to the HRA will result in a resource transfer of £658,000 to the GF which will be carried out by way of a debt transfer.
- 5.2 The site values may be adjusted following site investigations if extra ordinary additional costs of ground stabilisation and decontamination works are identified. This can only be established after intrusive ground investigations works have been carried out.
- 5.3 Funding is available within the HRA for site acquisitions. Scottish Government grant funding is available to support the development of new affordable homes. The costs of developing new build homes will be contained within the approved HRA budget. Committee approvals will be sought for housing development proposals and award of contracts to housebuilders.
- 5.4 As the capital expenditure outlined in this report forms part of the approved HRA Capital Investment Programme, funding will be met from the revenue loan charges budget earmarked to meet overall capital investment programme borrowing costs.

6. Risk, policy, compliance and governance impact

- 6.1 Subject to the approval of Committee to proceed with the transfer of sites, further consideration will be given to risk, policy and compliance matters for individual sites as development progresses and business cases are developed.

7. Equalities Impact

- 7.1 A range of positive impacts has been identified against the areas of rights and protected characteristics. These include:
 - 7.1.1 More accessible homes that are suitable for people who have mobility difficulties;
 - 7.1.2 More affordable homes to enable people to have a good standard of living;
 - 7.1.3 More people able to access housing which enhances rights in relation to privacy and family life; and
 - 7.1.4 Community benefits secured through housing contracts can enhance rights to education and learning through development of links with schools.

8. Sustainability impact

- 8.1 The developments will be designed to an improved sustainability standard (Silver Standard). The standard includes a number of energy efficient and environmentally friendly design proposals such as heat recovery, space heating, improved natural lighting and space solutions. Silver Standard exceeds the minimum requirement of the Scottish Building Regulations (Bronze Standard). A renewable energy strategy including potential for district heating will be explored as part of the development appraisal for each site.
- 8.2 The development of the sites aligns with the Council's commitment to prioritise use of brownfield sites and work with public sector and private landowners to develop land for affordable housing.

9. Consultation and engagement

- 9.1 Consultation has taken place with Council tenants regarding their priorities for HRA investment. Development of new build affordable housing has been identified by tenants as a high priority. Consultation will take place with local communities as housing proposals are developed for sites.
- 9.2 The appropriate ward councillors have been informed of the recommendations of the report

10. Background reading/external references

- 10.1 [HRA Budget Strategy, Report to The City of Edinburgh Council, 21 January 2016](#)
- 10.2 http://www.edinburgh.gov.uk/download/meetings/id/46179/item_712_-_transfer_of_general_fund_sites_to_housing_revenue_account_for_housing
- 10.3 http://www.edinburgh.gov.uk/download/meetings/id/53684/item_712_-_strategy_%E2%80%93_accelerating_housing_delivery_and_brownfield_regeneration
- 10.4 http://www.edinburgh.gov.uk/downloads/file/9797/council_business_plan_2017-22

Stephen S. Moir

Executive Director of Resources

Contact: Elaine Scott, Housing Services Manager

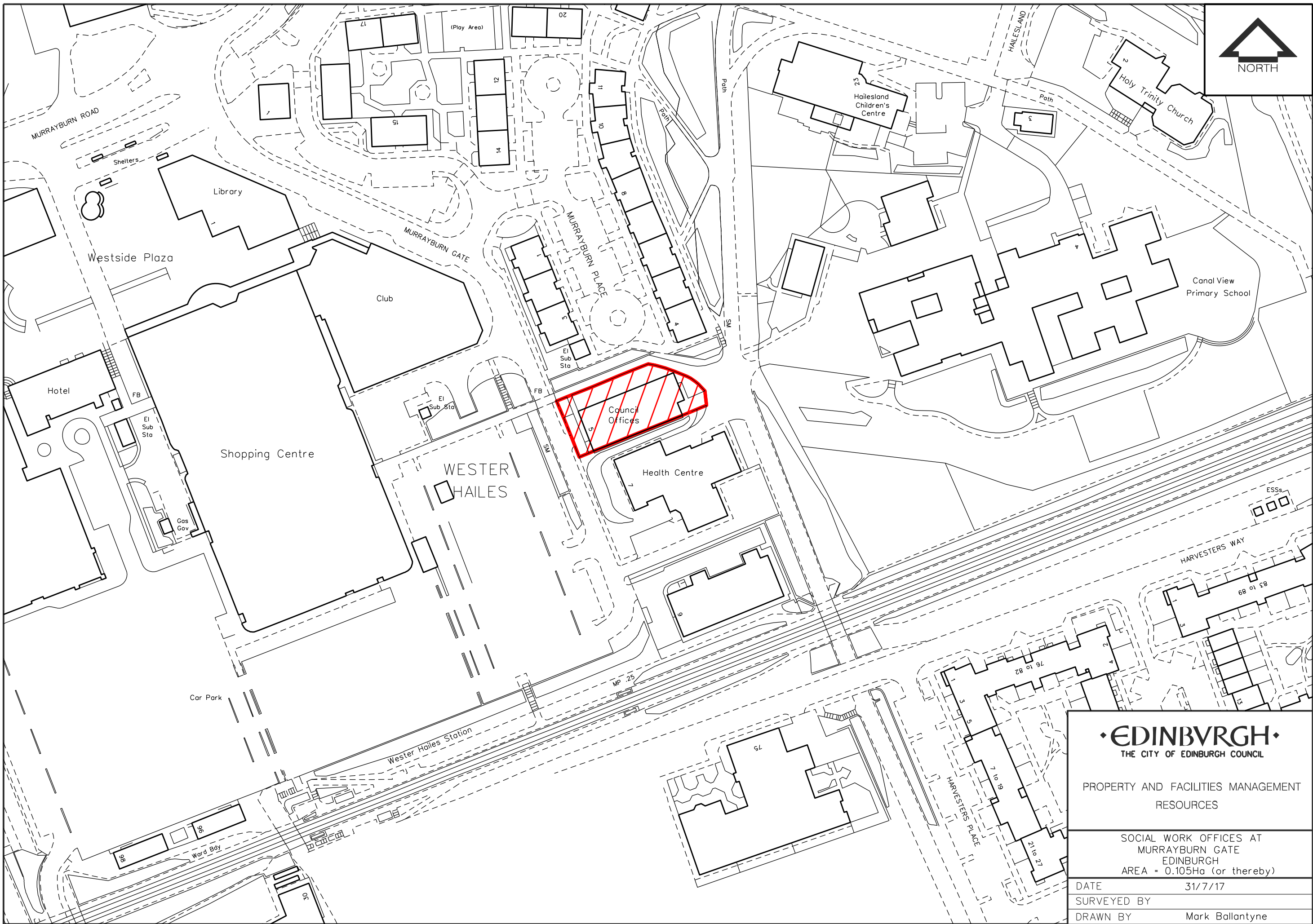
E-mail: elaine.scott@edinburgh.gov.uk | Tel: 0131 529 2277

Contact: Graeme McGartland, Investments Senior Manager

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

11. Appendices

Appendix 1 – Location Plans of Proposed Sites for Transfer



• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
SOCIAL WORK OFFICES AT MURRAYBURN GATE EDINBURGH AREA = 0.105Ha (or thereby)	
DATE	31/7/17
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	N.T.S.
NEG. NO.	A3/1811

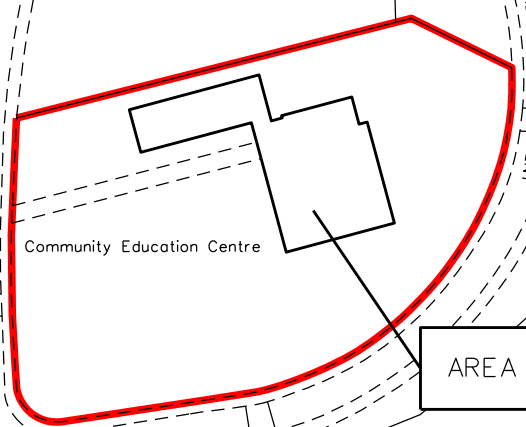
SITE PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

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SOUTHHOUSE



AREA = 0.402Ha

Community Education Centre

Community Centre

Burdiehouse Burn

SOUTHHOUSE BROADWAY

BURDIEHOUSE LOAN

BURDIEHOUSE CROSSWAY

BURDIEHOUSE STREET

BURDIEHOUSE DRIVE

LB

37

18.6m

120.7m

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THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
RESOURCES

SFC LAND FOR THE
PROPOSED RESIDENTIAL SCHEME AT
BURDIEHOUSE
EDINBURGH

DATE 4/6/14

SURVEYED BY

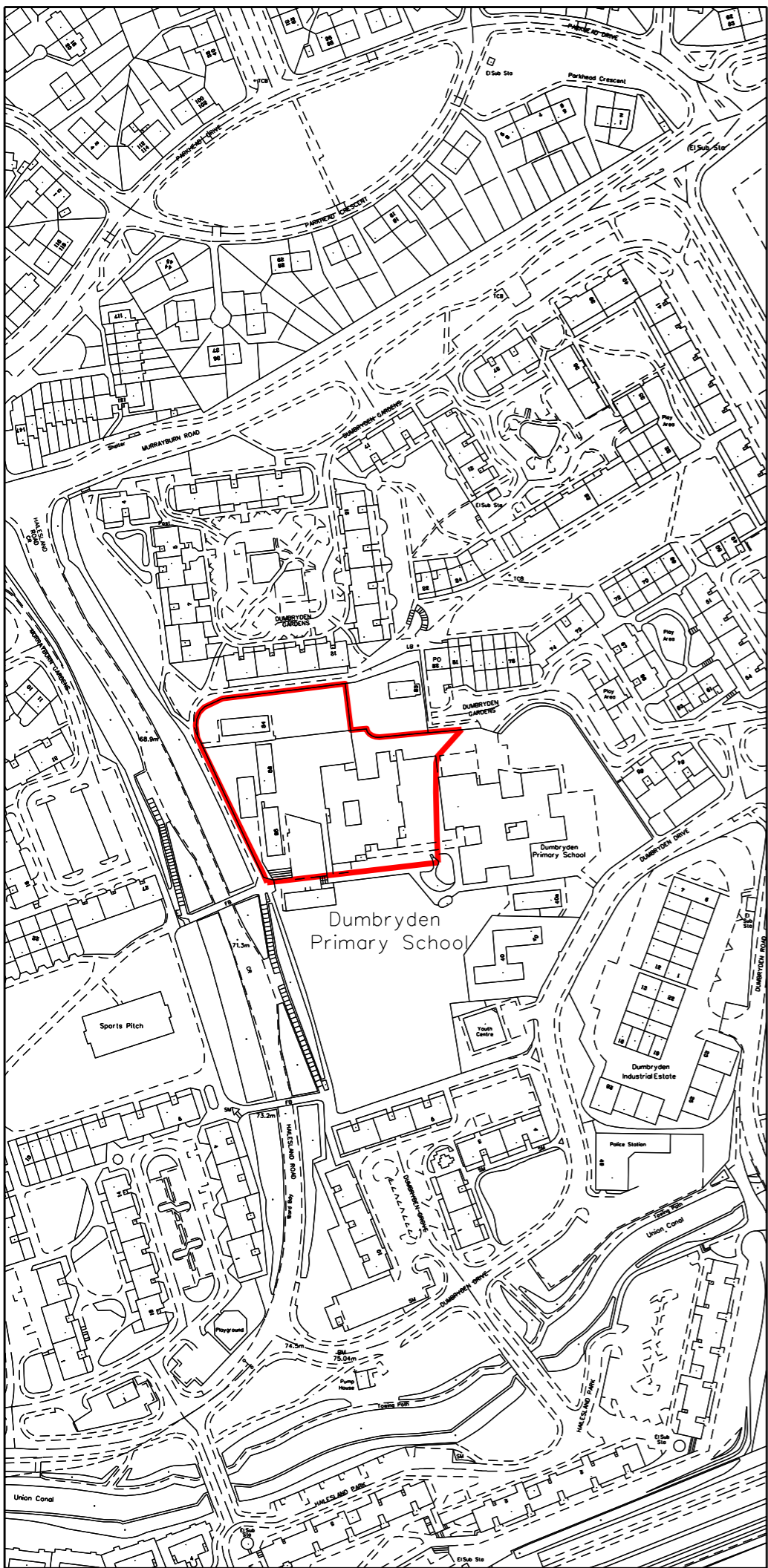
DRAWN BY Mark Ballantyne

SCALE 1:1250 @ A3 SIZE

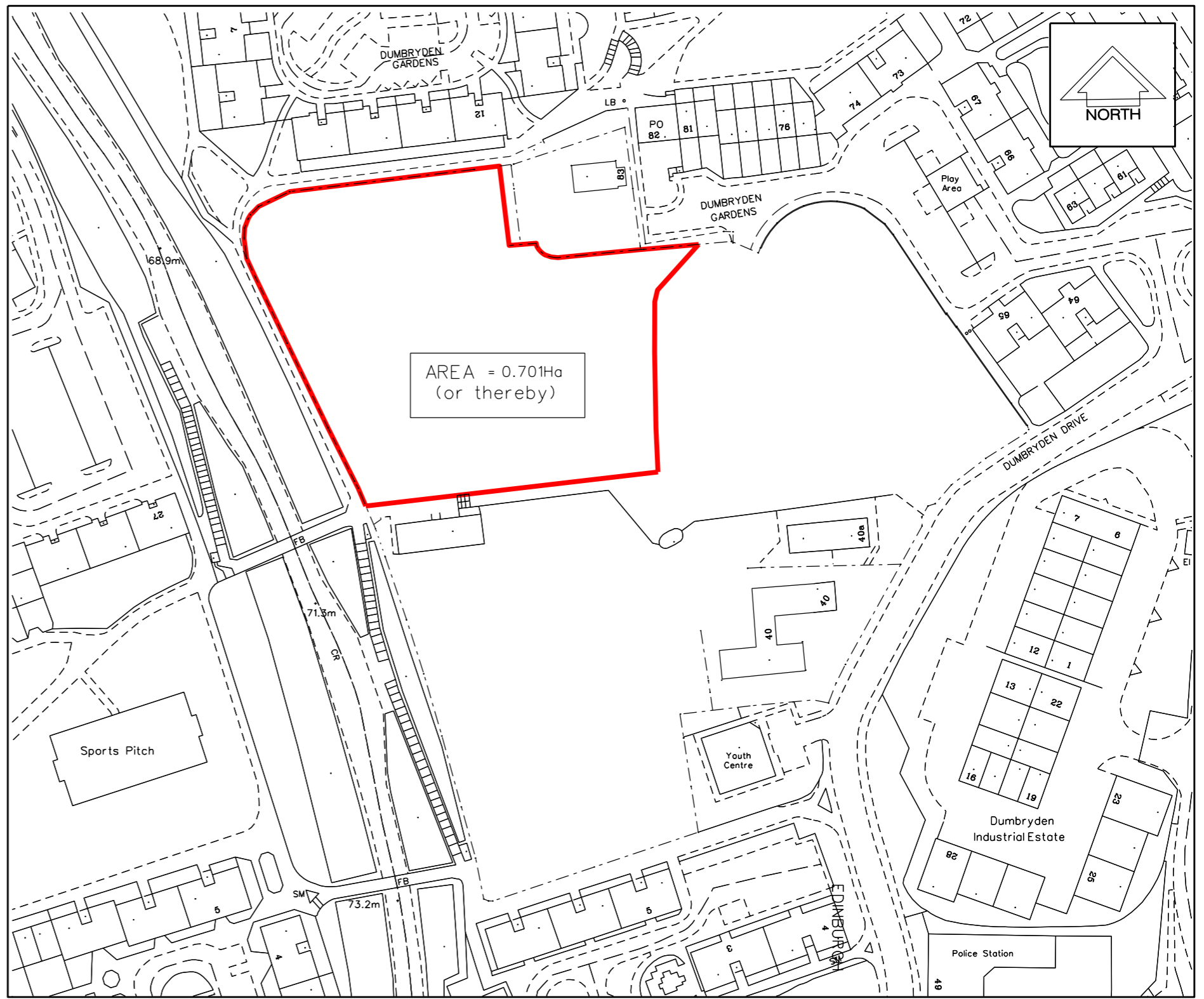
NEG. NO. A3/1473

SITE PLAN

SCALE 1:1250



LOCATION PLAN NOT TO SCALE



SITE PLAN

SCALE 1:1250

•EDINBURGH• THE CITY OF EDINBURGH COUNCIL	
CITY DEVELOPMENT EDINBURGH	
DUMBRYDEN PRIMARY SCHOOL DUMBRYDEN DRIVE EDINBURGH	
DATE	1/8/17
SURVEYED BY	Mark Ballantyne
DRAWN BY	MB
FILE NO.	
NEG. NO.	A3/1070