

Finance and Resources Committee

10.00am, Tuesday, 12 June 2018

Land at the Wisp (Plot 3c) – Proposed Disposal

Item number	7.16
Report number	
Executive/routine	
Wards	17 – Portobello/Craigmillar
Council Commitments	C10

Executive Summary

The Council retain ownership of an area of land at The Wisp known as Plot 3c. Springfield Properties Plc own, or have secured a legal interest in, the adjoining land and has made a direct approach to the Council to purchase Plot 3c for residential development.

This report seeks authority to progress the disposal to Springfield Properties Plc on the terms outlined in the report

Land at the Wisp (Plot 3c) – Proposed Disposal

1. Recommendations

- 1.1 That Committee:
 - 1.1.1 Approves the disposal of the Plot 3c at The Wisp to Springfield Homes on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

2. Background

- 2.1 On 13 December 2017, the Housing and Economy Committee approved a number of property transactions between several parties that were required to facilitate the release of land to provide a replacement car park at Little France, to allow the new Sick Kids Hospital to be built; the purchase of the Bioquarter expansion lands by Scottish Enterprise; the release of land as New Greendykes for residential development by Persimmons Homes; and the land and funding for the Niddrie Burn Restoration project and public transport link between the Royal Infirmary and Edinburgh.
- 2.2 As part of the above transactions, the Council was gifted an area of land at The Wisp, known as Plot 3c. In 2016, the Council sold part of the site, extending to 0.64 ha (1.6 acres) to Thistle Timber Limited to allow an extension to their existing yard.
- 2.3 The remainder of the site extends to 1.59 hectares (3.92 acres) as shown outlined in red on the plan attached as Appendix 1. The plot has no designated zoning in terms of land use within the Local Development Plan. The land to the south and west is zoned for residential purposes.
- 2.4 As part of the sale to Thistle Timber, a right of access to Plot 3c was retained across the land immediately to the south, which is in separate ownership. Springfield Properties Plc own the land to the south of this access strip and has secured a legal interest in the access land and will therefore own up to the southern boundary of the Plot 3c. In addition, Springfield also own a strip of land which runs along the western boundary of Plot 3c.

3. Main report

- 3.1 Springfield Properties Plc is progressing with a residential development on their land. To complete the land assembly have made an approach to the Council to acquire Plot 3c to allow a continuation of their residential development in the area.
- 3.2 Following negotiation, the following main terms and conditions have been agreed:
- Purchaser: Springfield Properties Plc
 - Subjects: Land at the Wisp (Plot 3c), Edinburgh
 - Purchase Price: £1,500,000;
 - Conditions: Purchaser receiving planning permission in principle for residential development on the site;
 - Overage: The purchaser will pay an additional £20,000 per plot for any private sale units above 100 for which planning permission in principle is granted;
 - Costs: The purchaser will pay the Council's reasonably incurred legal and surveyor costs.
- 3.2 Springfield are currently progressing with a planning permission in principle application for a development of 136 residential units on the site.
- 3.2 The purchase price is a net price and allows for all abnormal costs for ground conditions and S75 contributions. The purchaser proposes to complete the application of the site prior to the submission of a detailed planning application.

4. Measures of success

- 4.1 The disposal of the land will result in additional housing being delivered, including affordable units, on an area of land that has little alternative economic use.

5. Financial impact

- 5.1 A capital receipt of £1,500,000 will be received by the General Fund Account, assuming planning permission in principle is granted, in financial year 2018/19.

6. Risk, policy, compliance and governance impact

- 6.1 This is a risk that the sale will not complete if planning permission in principle is not obtained by the purchaser.

7. Equalities impact

- 7.1 The proposal in this report will result in development in an area which is primarily zoned in the Local Development Plan for residential use therefore it is not considered that this will have an additional impact on people, equalities, the economy and the environment.

8. Sustainability impact

- 8.1 There are no sustainability issues arising from this report.

9. Consultation and engagement

- 9.1 Ward elected members have been made aware of the recommendations of this report.

10. Background reading/external references

- 10.1 Not applicable.

Stephen S. Moir

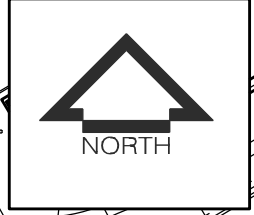
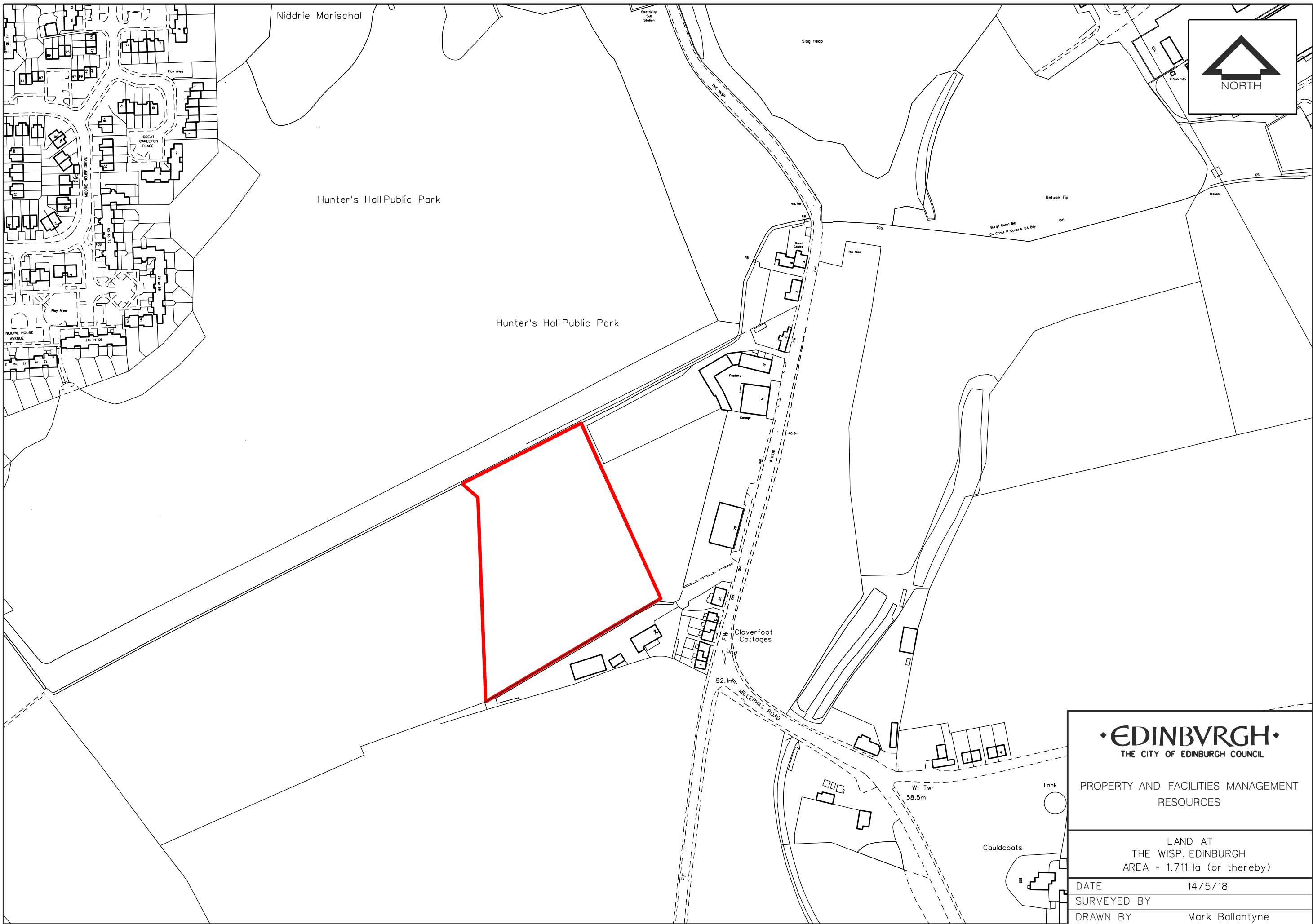
Executive Director of Resources

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11. Appendices

- 11.1 Appendix 1 – Location Plan



SITE PLAN

SCALE 1:2500

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
LAND AT THE WISP, EDINBURGH AREA = 1.711Ha (or thereby)	
DATE	14/5/18
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/1961

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