

Finance and Resources Committee

10.00am, Friday, 6 December 2019

Murrayburn Depot, Murrayburn Road, Edinburgh – Proposed Transfer to Housing Revenue Account

Executive/routine	Routine
Wards	2 – Pentland Hills
Council Commitments	1, 2, 10, 11

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves the transfer of Murrayburn Depot, Murrayburn, Edinburgh to the Housing Revenue Account (HRA) on the terms and conditions as outlined in the report and on other terms and conditions to be agreed by the Executive Director of Resources.

Stephen S. Moir

Executive Director of Resources

Contact: Graeme McGartland, Investments Senior Manager,

Property and Facilities Management Division, Resources Directorate

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Report

Murrayburn Depot, Murrayburn Road, Edinburgh – Proposed Transfer to Housing Revenue Account

2. Executive Summary

- 2.1 The Council's depot strategy to reduce the number of operational buildings will release the depot at Murrayburn. The depot has been identified as an opportunity to assist with the delivery of the Council's affordable housing targets. This report seeks approval to transfer the depot to the Housing Revenue Account.

3. Background

- 3.1 On 2 February 2016, the Finance and Resources Committee approved a report setting out the investment strategy for the Council's depots estate. Revised at Finance and Resources Committee on 4 December 2018, the Depots Gateway Review is going much further than previously proposed, consolidating from 16 to six depot sites. This included addressing the Council's ambition to expand and increase its housing supply by disposing of Murrayburn Depot, and other sites, for mixed tenure housing.
- 3.2 On 10 October 2019, the Finance and Resources Committee approved the Depot Strategy: Collections for the Future Report which set out the proposal to create a single, accessible collections storage facility (Collections Hub) and to revise current Council physical records storage arrangements to enable the delivery of the Council's Depot Strategy and the Culture Services Review, both contained within the Council's Change Strategy.
- 3.3 The Murrayburn depot site extends to approximately 2.44 hectares (6.03 acres) as shown outlined and hatched in red on the attached plan.
- 3.4 The [Strategic Housing Investment Plan \(SHIP\)](#) Strategic Housing Investment Plan (SHIP) sets out the Council's commitment to deliver 20,000 affordable homes over the next 10 years alongside its housing association partners.

4. Main report

- 4.1 The Council's house building programme continues to make good progress with 553 homes completed, over 700 under construction and a further 3000 in design

development. The programme does however need additional development sites to continue with the programme.

- 4.2 An initial feasibility study by the HRA suggests the subject site is viable of a mixed tenure housing development of approximately 200 units.
- 4.3 Transferring the site to the HRA will allow the drawdown of allocated Affordable Housing Supply Programme (AHSP) funding from the Scottish Government for new affordable homes.
- 4.4 A transfer figure of £3.6 million has been agreed. The site value is based on the assessment by Property and Facilities Management of the value of the site for an affordable led housing development.
- 4.5 Whilst it is possible that a higher gross land value could be achieved should the site be placed on the market, a transfer to the HRA gives certainty over the level of receipt which would be payable within a shorter timescale as it is not conditional on detailed planning consent being in place.
- 4.6 Retaining the site in Council ownership also provides future place making/ regeneration opportunities in the wider Murrayburn area.

5. Next Steps

- 5.1 Following approval of the terms by Finance and Resources Committee, the site will transfer from the General Fund to the Housing Revenue Account.

6. Financial impact

- 6.1 A capital receipt of £3.6 million (inclusive of fees) will be received by the General Fund.

7. Stakeholder/Community Impact

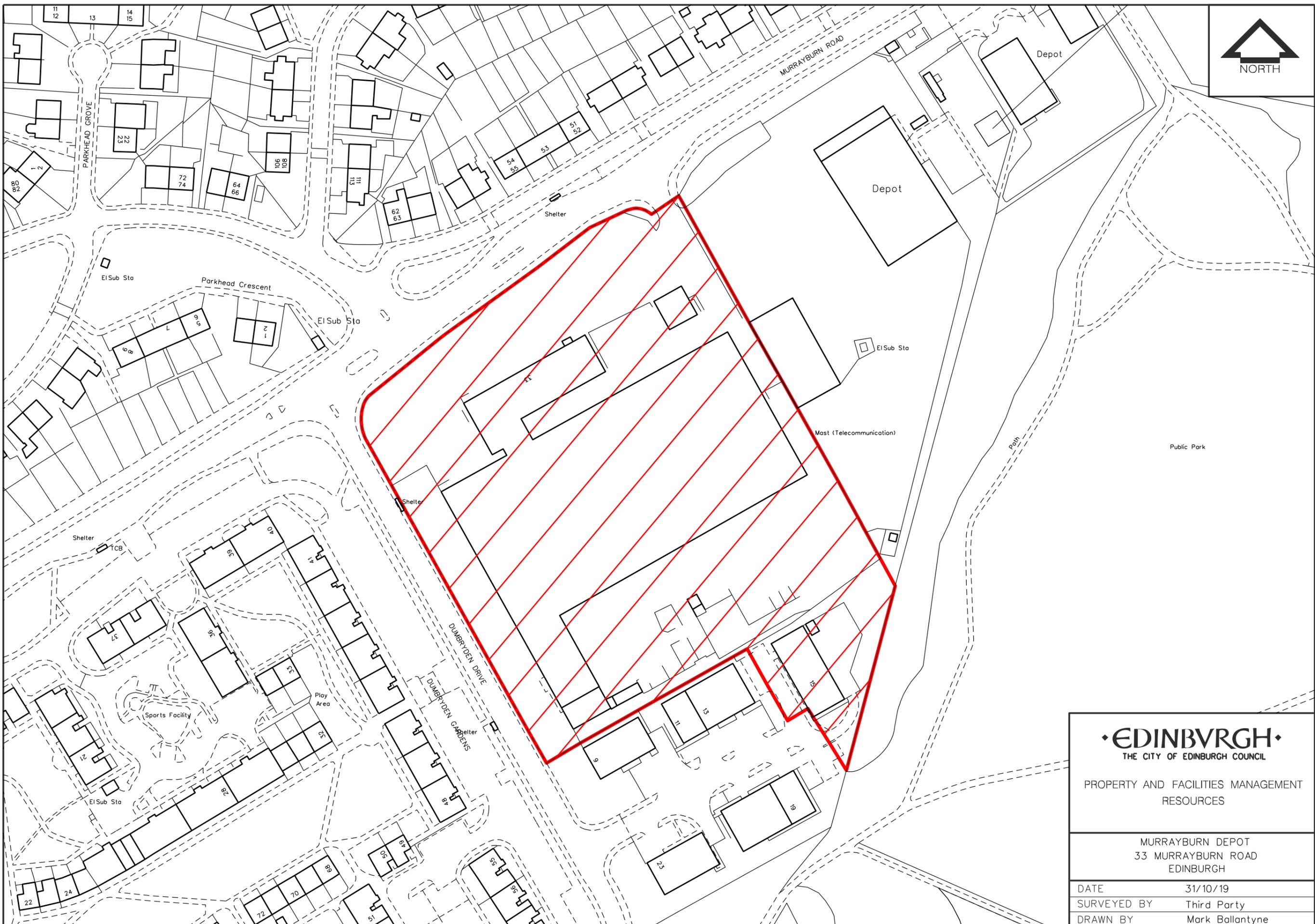
- 7.1 Ward elected members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 [Depot Strategy: Collections for the Future](#)

9. Appendices

Appendix 1 - Location Plan



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 THE CITY OF EDINBURGH COUNCIL
 PROPERTY AND FACILITIES MANAGEMENT
 RESOURCES

MURRAYBURN DEPOT
 33 MURRAYBURN ROAD
 EDINBURGH

DATE	31/10/19
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/2191

LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE