

# Finance and Resources Committee

10.00am, Thursday, 5 March 2020

## Land at Meadowbank (Site C), Edinburgh – Proposed Transfer to Housing Revenue Account

<b>Executive/routine</b>	Routine
<b>Wards</b>	14 – Craighentiny/Duddingston
<b>Council Commitments</b>	<a href="#">1</a> , <a href="#">2</a> , <a href="#">10</a> , <a href="#">11</a>

### 1. Recommendations

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1.1 That Committee:

- 1.1.1 Approves the transfer of land referred to as Site C Meadowbank, 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

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# Report

## Land at Meadowbank (Site C), Edinburgh – Proposed Transfer to Housing Revenue Account

### 2. Executive Summary

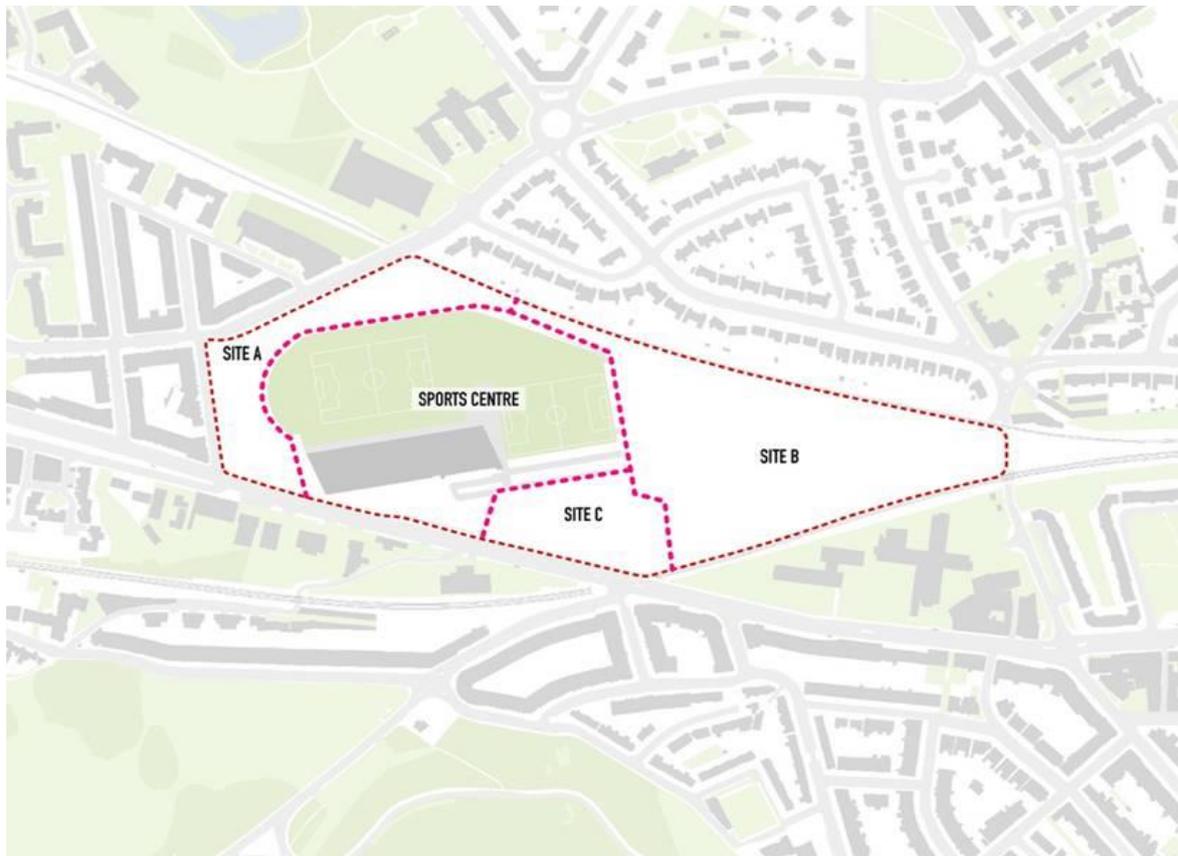
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- 2.1 In March 2016, the Council approved the transfer of Sites A and B within the surplus land at Meadowbank to the Housing Revenue Account (HRA) for residential development. At that time, it was proposed that the remaining site, site C, would be placed on the open market for sale for private development.
- 2.2 In response to extensive community consultation, the masterplan for the wider site now proposes that site C is high density housing for rent and forms part of the Council led development. In order to progress with the delivery of new homes and to secure grant funding to support the delivery of affordable housing this report seeks approval to transfer Site C to the Housing Revenue Account.

### 3. Background

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- 3.1 On 10 March 2016, [the City of Edinburgh Council](#) approved a report outlining the proposed funding package for the new Meadowbank Sports Centre. The report noted that capital receipts from the disposal of the surplus land adjoining the new sports centre was a key element of the funding package for the new facility.
- 3.2 The surplus land has been divided into three areas – A, B and C – as shown below. Following work to assess the viability of the site for a Council led housing development, the March 2016 report approved the transfer of Sites A and B to the HRA.



- 3.3 On 29 June 2018, the Council's Development Management Sub Committee granted planning permission in principle (PPP) for the mixed-use development of the surplus land. The possible permitted uses included residential, student accommodation, commercial and retail use.
- 3.4 A condition of the planning permission in principle was for extensive community and stakeholder consultation to be undertaken before submitting further proposals for the surplus land.

## 4. Main report

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- 4.1 Since the approval to transfer Sites A and B to the HRA, in March 2016, several options have been considered for Site C which included placing the site on the market for commercial development or development of the site as student accommodation.
- 4.2 Following extensive community engagement since the PPP was granted, it has become apparent that community aspirations are for predominately residential led development with ancillary commercial space. Therefore, a commercial/student led development of Site C would be incompatible with these place making aspirations for the site and surrounding area.
- 4.3 Consequently, all areas of the land surrounding the new sports centre (A, B and C) will be taken forward as a housing led development within a wider masterplan for submission to the Planning Committee. The delivery strategy setting out the

objectives for the site was agreed at the Housing, Homelessness and Fair Work Committee on the 29 August 2019. This includes a minimum of 35% affordable housing.

- 4.4 On the basis that Site C will be developed for residential use, it is logical to transfer the land to the HRA in addition to Sites A & B. This will allow the HRA to have overall control of the site and provide options for the procurement of a development partner similar to the process underway at Fountainbridge.
- 4.5 Transferring the site to the HRA will also allow the drawdown of Affordable Housing Supply Programme (AHSP) grant funding from the Scottish Government for new affordable homes.
- 4.6 A transfer figure of £6.3 million has been agreed. The figure is based on the assessment by Property and Facilities Management of the value of the site for residential led development with the standard level of affordable provision.
- 4.7 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.
- 4.8 Retaining the site in Council ownership also provides flexibility in the future place making/regeneration opportunities for the wider Meadowbank area.

## **5. Next Steps**

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- 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**

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- 6.1 A capital receipt of £6.3 million (inclusive of fees) will be received by the General Fund.
- 6.2 The receipt will form part of the funding package for the Meadowbank Stadium project. While this is less than might have been achieved through an open market sale, an adjustment to the capital programme through the budget process means the proposed transfer does not lead to a shortfall in the funding package.

## **7. Stakeholder/Community Impact**

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

## **8. Background reading/external references**

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8.1 Not applicable

## **9. Appendices**

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9.1 Not applicable.