

Finance and Resources Committee

10.00am. Thursday, 10 October 2019

The Wood Centre, 100 Westburn Gardens – Proposed Disposal

Executive/routine	Routine
Wards	2- Pentland Hills
Council Commitments	10

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves the sale of the property at The Wood Centre, 100 Westburn Gardens to Prospect Community Housing Limited on the terms and conditions as outlined in this 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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Property and Facilities Management Division, Resources Directorate

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The Wood Centre, 100 Westburn Gardens – Proposed Disposal

2. Executive Summary

- 2.1 As part of the rationalisation of the Council's operational estate, the Wood Centre at 100 Westburn Gardens has been vacated.
- 2.2 Prospect Community Housing Limited own the adjoining land and has made an approach to the Council to purchase the property to undertake an affordable housing development.
- 2.3 This report seeks approval to dispose of the property to Prospect Community Housing Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 A key element of the Asset Management Strategy (AMS) approved at Finance and Resources Committee on 24 September 2015 is to create a fit for purpose, right sized estate. To achieve this the Estate Rationalisation workstream seeks to identify buildings which could be released to reduce the size of the office estate.
- 3.2 One of the opportunities identified was The Wood Centre at 100 Westburn Gardens. The building is situated on a site which extends to approximately 0.32 hectares (0.80 acres) as shown outlined in red on the attached plan as appendix 1.
- 3.3 Releasing the building would support the AMS objectives by:
 - reducing the size of the estate;
 - creating savings in property running costs to apply against AMS Estate Rationalisation targets;
 - creating an opportunity for a capital receipt to apply against targets in the Investment Optimisation work stream; and
 - assist in improving the condition of the estate by releasing a capital receipt to be reinvested in the remaining estate.

- 3.4 The mail team which were in the Wood Centre have been relocated to Council owned premises at the Clocktower estate in South Gyle.

4. Main report

- 4.1 Prospect Community Housing Limited (Prospect) were established in 1988 with the aim of developing affordable housing in Wester Hailes. Prospect now own over 900 homes in the area consisting of a mix of new build and refurbished properties.
- 4.2 Prospect own the land immediately to the south of the Wood Centre and has approached the Council with an offer to purchase the property for an affordable housing development which will be social rent led.
- 4.3 Provisional terms have been agreed with Prospect as follows:
- Subjects: The Wood Centre, 100 Westburn Gardens;
 - Purchaser: Prospect Community Housing Limited;
 - Purchase Price: £375,000 inclusive of Council property costs and legal fees;
 - Conditions: Planning permission for residential development;
Prospect receiving Scottish Government Funding for the proposed development;
- 4.3 In order to reduce holding costs while Prospect take forward their planning application, the Council will proceed with the demolition of the property. Prospect will refund the cost of the demolition in addition to the purchase price.

5. Next Steps

- 5.1 If Committee approval is granted, the Council will seek to enter into the agreement to dispose of the property to Prospect in accordance with the terms and conditions outlined within this report.

6. Financial impact

- 6.1 The sale of the property will produce a receipt of £375,000, inclusive of costs, to the Housing Revenue Account.
- 6.2 The Council instructed Jones Lang LaSalle to provide an independent valuation of the property to ensure that the offer received from Platform represented best value. The valuation supports the purchase price.
- 6.3 Vacating the property has realised a revenue saving of £35,000 per annum.

7. Stakeholder/Community Impact

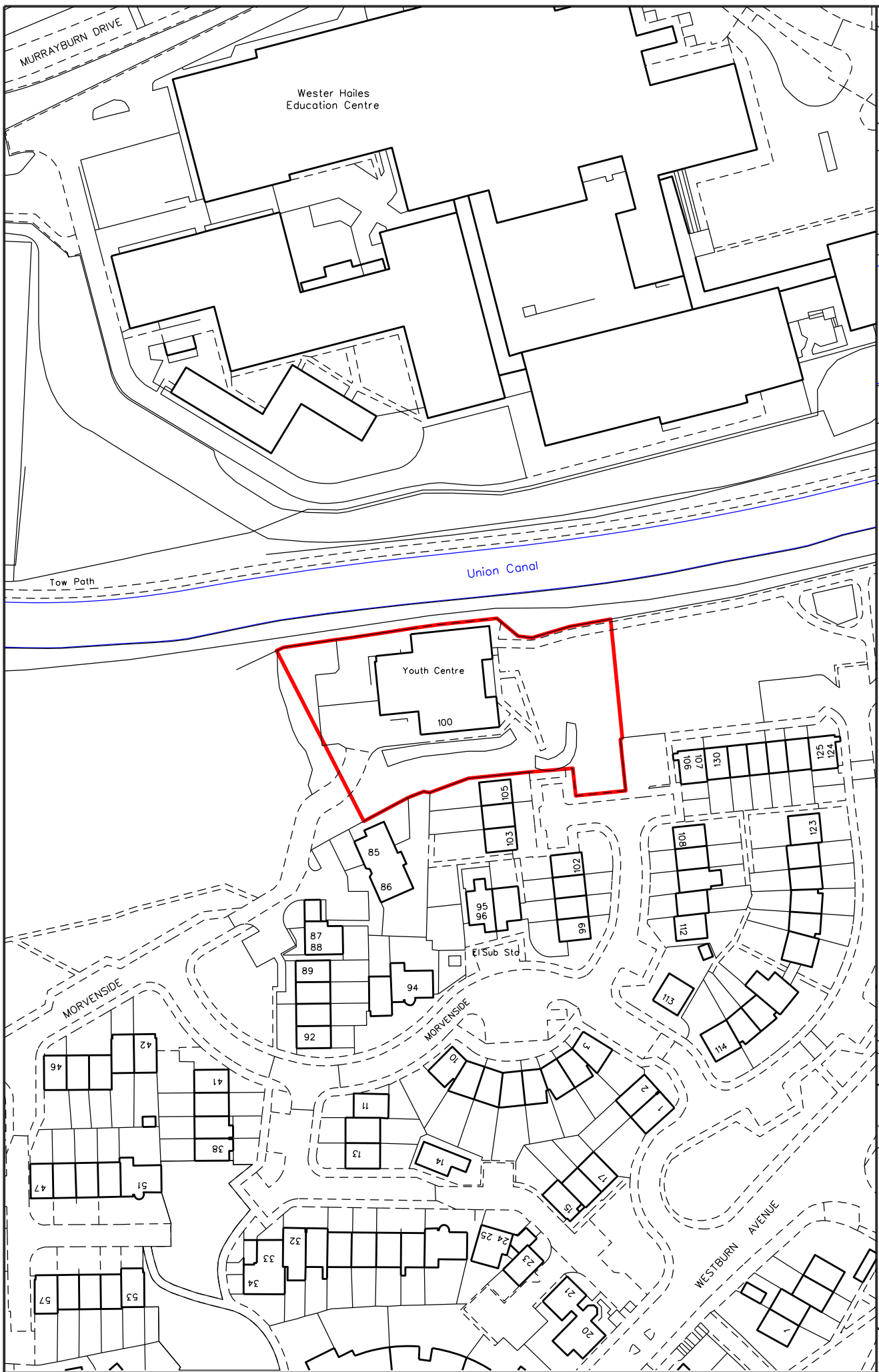
- 7.1 Ward elected members have been made aware of the recommendations of this report.

8. Background reading/external references

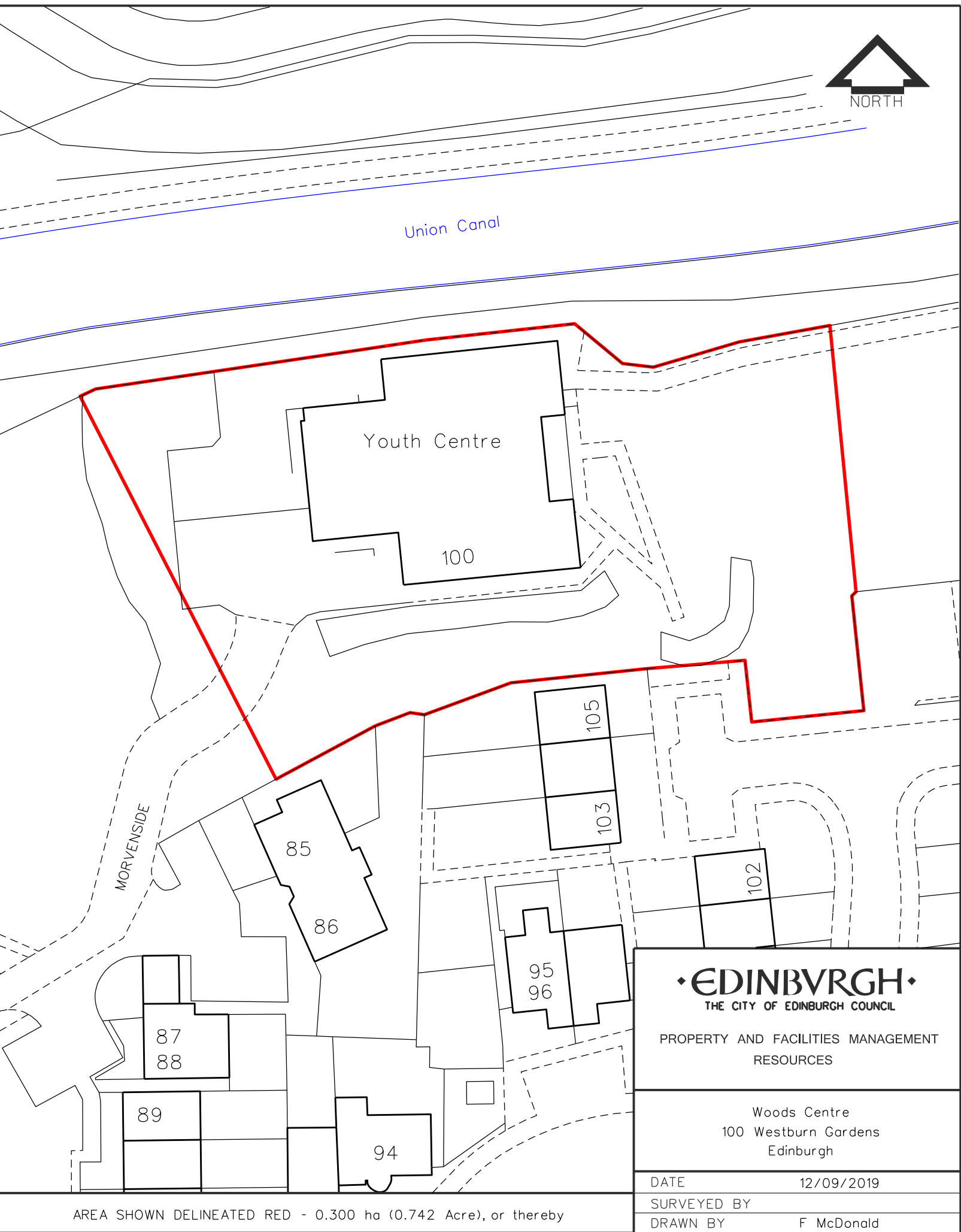
- 8.1 N/A.

9. Appendices

- 9.1 Appendix 1 – Location Plan



LOCATION PLAN SCALE 1:1250



SITE PLAN SCALE 1:500



• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
Woods Centre 100 Westburn Gardens Edinburgh	
DATE	12/09/2019
SURVEYED BY	
DRAWN BY	F McDonald
SCALE	As shown
PLAN. NO.	NT1970/A3/269 A

AREA SHOWN DELINEATED RED - 0.300 ha (0.742 Acre), or thereby