

Finance and Resources Committee

10.00am, Thursday, 26 January 2023

Land at Eyre Place, Edinburgh - Proposed Disposal

Executive/routine Wards Council Commitments	Routine 5 - Inverleith
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee approve the disposal of 552 sq m of land at Eyre Place, Edinburgh to Eyre Place Properties Limited on the terms and conditions outlined in this report.

Paul Lawrence

Executive Director of Place

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Report

Land at Eyre Place, Edinburgh - Proposed Disposal

2. Executive Summary

- 2.1 The Council owns 552 sq m (0.137 acres) of land at 49-51 Eyre Place. An approach was made, from a developer of an adjoining site, to purchase the Council's land to facilitate a larger development. This report seeks approval to sell the land on the terms and conditions outlined in the report.

3. Background

- 3.1 The subject site extends to 552 sq m (0.137 acres) of land at 49-51 Eyre Place, as shown outlined in red on the attached indicative plan. It comprises the solum of a former residential tenement, which was demolished several years ago and is held on the Housing Revenue Account (HRA).
- 3.2 To the west of the site is the former Smithies Ale House, which has recently been marketed for residential development. The site, in part, adjoins the boundary of the Council owned land. Property developer Eyre Place Properties Limited (EPPL) has secured a legal position to acquire the former public house for development.
- 3.3 Subsequently, due to their adjacent owner status, EPPL has approached the Council with an offer to purchase the subject site for the purposes of land assembly. This will permit the larger site to be developed in a single project thereby delivering a more coherent residential scheme.

4. Main report

- 4.1 The subject site is too small to be considered suitable for stand-alone development by the HRA and therefore its marriage with the adjacent site adds to the viability for development. Initial discussions between the planning service and EPPL suggest a low-rise development of 11 units in total would be the best option for the combined sites. An affordable housing contribution will not be required under the terms of the Council's Affordable Housing Policy.
- 4.2 The following terms have been provisionally agreed for the disposal:

- 4.2.1 Site: 552 sq m as shown outlined in red on the attached indicative plan at 49-51 Eyre Place, Edinburgh;
 - 4.2.2 Purchaser: Eyre Place Properties Limited;
 - 4.2.3 Price: £505,000 inclusive of costs and legal fees; and
 - 4.2.4 Conditions: the disposal is conditional on i) site surveys, ii) all necessary consents including Full Planning Permission, Demolition Warrant, Building Warrant and Sewer Connection Permit for the construction of a Development of 11 residential properties on the assembled property.
- 4.3 The Council instructed an independent valuation of the area of land based on the proposed development. The agreed purchase price is based on this valuation.
- 4.4 The principals of EPPL have over 40 years combined experience as architect, main contractor, and property developer. As developers, they have completed over 40 residential properties in the past 10 years, over 35 of which are in Edinburgh.

5. Next Steps

- 5.1 Following approval of the terms by Committee, Legal Services will be instructed to progress with the documentation for the disposal.

6. Financial impact

- 6.1 The capital receipt of £505,000, inclusive of costs, will be credited to the HRA once the suspensive conditions have been purified. It is estimated that the transaction will complete in Quarter 3 of 2023.
- 6.2 The receipt will be reinvested in the delivery of new Council homes in North Edinburgh through the Council's affordable housebuilding programme.

7. Stakeholder/Community Impact

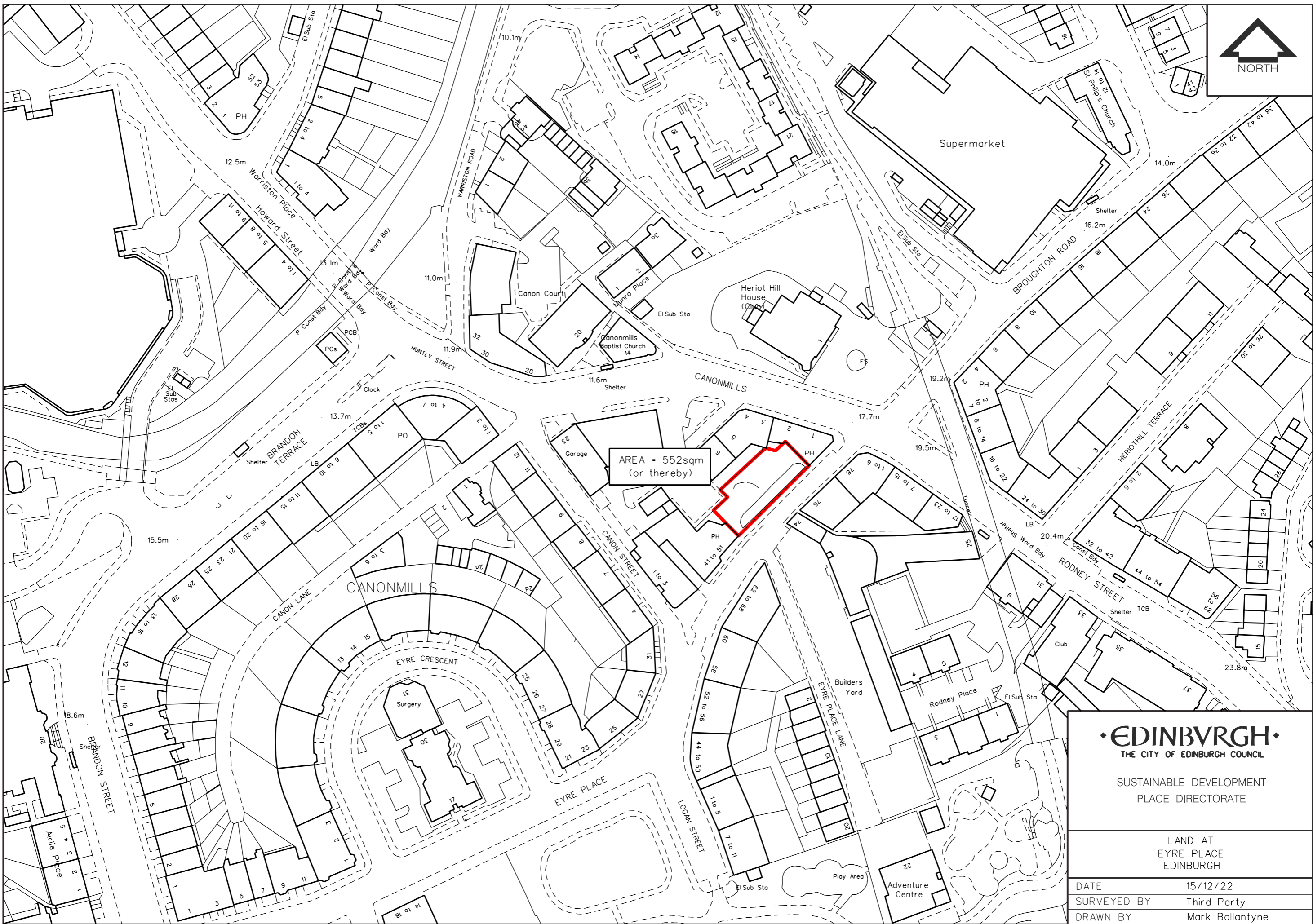
- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 – Location Plan.



AREA - 552sqm
(or thereby)

EDINBURGH
THE CITY OF EDINBURGH COUNCIL

SUSTAINABLE DEVELOPMENT
PLACE DIRECTORATE

LAND AT
EYRE PLACE
EDINBURGH

DATE	15/12/22
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/2286

LOCATION PLAN

SCALE 1:1250