

Finance and Resources Committee

10.00 a.m., Thursday, 16 January 2014

Management of Common Good Assets

Item number	7.19
Report number	
Wards	All

Links

Coalition pledges	P24 , P30 , P31 , P33
Council outcomes	CO20 , CO23 , CO25
Single Outcome Agreement	SO2 , SO3 , SO4

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Executive summary

Management of Common Good Assets

Summary

The Finance and Budget Committee on 29 August 2013 was advised that the Director of Services for Communities would provide a report on how the Council makes best use of the Common Good assets to maximise Best Value.

Recommendations

That Committee notes the content of this report.

Measures of success

Common Good assets are managed in the same way as all other Council property assets. Success is measured through investment in these assets and financial return to the Common Good Account.

Financial impact

Rental income raised from short term lets and events as shown in Appendix 1.

Equalities impact

As this report does not change the policy or services provided at Common Good sites and properties, there is no impact on Equality and Rights but there will be Equality and Rights Impact Assessments carried out when proposing significant changes to individual or groups of Common Good Assets.

Sustainability impact

The impacts of this report in relation to the three elements of the Public Bodies Duties in the Climate Change (Scotland) Act 2009, have been considered, and the outcomes are summarised below.

- The proposals in this report will neither increase nor reduce carbon emissions because there are no changes to the Common Good land or property as a result of this report and therefore there are no proposals which will directly result in less need for energy use, improved energy or fuel efficiency or reduce the need to travel.
- The need to build resilience to climate change impacts is not relevant to the proposals in this report because there no changes to Common Good land or property as a result of this report. Therefore there are no proposals which reduce future flood proofing or produce building management solutions.

- There are no proposals in this report that will help achieve a sustainable Edinburgh because it proposes no changes to Common Good assets and so there will be no resulting impact on social justice, economic wellbeing or environmental good stewardship.

Consultation and engagement

None.

Background reading / external references

Minutes of Culture and Leisure Committee, 26 April 2011 (Old Observatory House, Calton Hill).

Minutes of Finance and Resources Committee, 1 November 2011 (Collective Gallery: Relocation from Anchor's Close to the Old City Observatory).

Management of Common Good Assets

1. Background

- 1.1 On 31 July 2012 the Finance and Resources Committee requested that the 2012/13 annual report addressed the best use of Common Good assets to maximise best value.
- 1.2 On 29 August 2013 the Finance and Budget Committee was asked to note that a separate report from the 2012/13 annual report would be provided by the Director of Services for Communities.

2. Main report

- 2.1 Common Good assets continue to be managed as part of the Council's operational portfolio. The majority of assets are managed on a day to day basis by Services for Communities Neighbourhood Offices with a strategic overview by Parks and Greenspace or Corporate Governance's Culture and Sport service, Corporate Property Estates Services provide professional property advice to all these functions.
- 2.2 As previously reported to Committee there are legal restrictions on the appropriation and alienation of whole or parts of Common Good assets. The challenge in addressing the best use of Common Good assets to maximise best value is, in very general terms, identifying opportunities to raise revenue or the transfer of maintenance costs to third parties while maintaining the public use of the asset in question, assuming that the Council does not otherwise wish to sell or dispose of it. If it is considered that it would be appropriate to sell or dispose of the asset, then it may be that court consent is required to do so.
- 2.3 There has been significant investment in parks regarded as Common Good. Notably landscape works, access improvements in Princes Street Gardens, and additional sporting provision at Leith Links and Inverleith Park. The 2013 Park Quality Assessments clearly show that these investments have raised the quality of each park, a factor also recognised in the Green Flag awards for Princes Street Gardens and Inverleith Park, as well as the Gold Medal and Best Large City award at the 2013 Britain in Bloom Awards.
- 2.4 The Council advertises the availability of Common Good venues for events, through the Events Edinburgh website and its special events team and thus raises revenue attributable to Common Good assets. There are a range of venues available from the Ross Bandstand, to the Meadows and the City Chambers. Estates Services also advertise catering concession opportunities which produce a substantial income. Income from events and catering stances in 2012 are shown in Appendix 1.

2.5 The Council have identified opportunities with external parties to fund improvements to Common Good assets but some of these have not been progressed because of legal restrictions, and, in the case of the principal parks, the impact of the City of Edinburgh District Council Order Confirmation Act 1991 which prohibits certain development in those parks.

2.6 Some current examples of proposed improvements to Common Good assets are:

James Craig House, Calton Hill - The Council carried out extensive work to the external fabric and advertised the building for let. Vivat Trust offered to lease the building on the basis that the Council would make the building available for a long term period. They carried out internal improvements making the house suitable for holiday accommodation, and it is presently let to Vivat on a short term lease for this purpose. On the basis that the property might be considered inalienable Common Good, the Council is petitioning the Court of Session for consent to grant Vivat a 25 year lease.

Observatory, Calton Hill – The Collective Gallery propose to change the use of the Observatory buildings to a gallery, but to access grant funding for the refurbishment, it requires a long term lease of the property. In a similar manner to James Craig’s House, the Council is petitioning the Court of Session for consent to do this.

In both the above cases, there will be rental income receivable in the future, but more importantly, buildings on the Common Good Account which had fallen into disrepair will be improved and made available for use by the public, albeit on a restricted basis.

Roseburn Park – Negotiations are taking place with Murrayfield DAFS Cricket Club and Friends of Roseburn Park, with a view to leasing them (respectively) The Roseburn Armoury Storage Building (currently used as a pavilion on a short term basis by the cricket club) and the former toilet block on the park, now disused. If these lettings proceed, and subject to the legal restrictions mentioned above, this would enable the buildings to be brought back into long term use, and improved to the benefit of the Park as a whole.

4-8 Market Street – This comprises a gap site and derelict building adjacent to the City Art Centre for which there is Council approval to sell to the EDI Group. It has been established that part of the site (foot-path) is held on the Common Good Account. Consequently, the Council is petitioning the Court of Session to have the land declared alienable. Should the whole site be sold, a pro-rata share of the purchase price will be credited to the Common Good Account.

2.7 In summary, Corporate Property, Estates Service continue to review the status of property which might be considered a Common Good asset when a query is raised regarding its Title or a request is received requiring a lease, sale or change of use. The assets are managed in a similar fashion to all other Council owned assets. However, the management is balanced against the legal restrictions that Common Good assets are subject to.

3. Recommendations

3.1 That Committee notes the contents of the report.

Mark Turley

Director of Services for Communities

Links

Coalition pledges	<p>P24 - Maintain and embrace support for our world-famous festivals and events</p> <p>P30 - Continue to maintain a sound financial position including long-term financial planning</p> <p>P31 - Maintain our City's reputation as the cultural capital of the world by continuing to support and invest in our cultural infrastructure</p> <p>P33 - Strengthen Neighbourhood Partnerships and further involve local people in decisions on how Council resources are used</p>
Council outcomes	<p>CO20 – Culture, sport and major events – Edinburgh continues to be a leading cultural city where culture and sport play a central part in the lives and futures of citizens</p> <p>CO23 - Well engaged and well informed – Communities and individuals are empowered and supported to improve local outcomes and foster a sense of community</p> <p>CO25 - The Council has efficient and effective services that deliver on objectives</p>
Single Outcome Agreement	<p>SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health</p> <p>SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential</p> <p>SO4 - Edinburgh's communities are safer and have improved physical and social fabric</p>
Appendices	<p>Appendix 1</p>

Appendix 1

Rents received from Events during 2012

Park	Rent received
Calton Hill	£1,500
Princes Street Gardens West	£5,570
Roseburn Park	£1,300
The Meadows	£23,100
Total	£31,470

Rents received from Catering Stances during 2012

Park	Rent received
The Meadows	£14,000
East Princes Street Gardens	£60,750
West Princes Street Gardens	£50,800
Total	£125,550