

Finance and Resources Committee

10.00 am, Tuesday 2 February 2016

Redevelopment at Coatfield Lane – referral from the Health, Social Care and Housing Committee

Item number	7.10
Report number	
Wards	Ward 13

Executive summary

The Health, Social Care and Housing Committee on 26 January 2016 considered a report from the Executive Director of Place seeking approval to proceed with proposed plans for redevelopment of homes, garages and car park at Coatfield Lane.

Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

Terms of Referral

Redevelopment at Coatfield Lane

Terms of referral

- 1.1 The properties at 1-9 Coatfield Lane and 13-31 Giles Street were built in the 1960s. In total there are 21 properties; five are privately owned and 16 are owned by the Council, four of the Council properties are occupied by tenants.
- 1.2 The Coatfield Lane properties consist of four one bedroom and seven two bedroom flats in a three storey block. The Giles Street properties are a single storey block made up of nine one bedroom flats and one three bedroom flat, built partly over a pond and partly over an underground car park.
- 1.3 The blocks are in poor condition and would require substantial investment to meet the Scottish Housing Quality Standard (SHQS). Bringing the properties up to SHQS would not represent value for money for the Housing Revenue Account.
- 1.4 There are 25 Council owned garages to the rear of these blocks, two of which are vacant. A number of the garages are leased to non-residents of the immediate area. The area around the garages is a frequent site of fly tipping and anti social behaviour and is a great concern to local residents. The underground car park covers a considerable area and has been securely closed off for a considerable period of time due to serious drug related anti social behaviour concerns.
- 1.5 The high levels of anti social behaviour in recent years have been challenging and resource intensive for the Leith Neighbourhood team. This along with property conditions and layout of the buildings has contributed to difficulties in letting the properties as prospective tenants were unwilling to reside in the blocks. The layout and design of the area is poor. An improved layout based on 'Secured by Design' principles would protect public safety and deter vandals.
- 1.6 A project team made up of officers from the Leith Neighbourhood office and the Regeneration team was formed in 2014 to consider options for the area.
- 1.7 Complete demolition of the site is the preferred option as this would allow all issues to be addressed fully and create a higher number of new sustainable homes to replace those demolished. This will contribute to meeting housing need and demand in the area. This approach was also the preference of Edinburgh Tenants Federation (ETF) and the majority of local residents who took part in consultation.
- 1.8 The Health, Social Care and Housing Committee agreed:
 - 1.8.1 To approve the demolition of the area, subject to compliance with the Edinburgh City Local Plan (ECLP) and the Scottish Historic Environmental Policy (SHEP).

- 1.8.2 To agree to receive a progress report on housing development proposals following completion of a capacity study.
- 1.8.3 Approves the re-housing of existing Council tenants.
- 1.8.4 To refer the report to the Finance and Resources Committee to seek approval of the purchase of five properties and for approval to end leases for 25 Council owned garages at 17 Coatfield Lane.

For Decision/Action

- 2.1 The Finance and Resources Committee is asked to approve the purchase of five properties and for approval to end leases for 25 Council owned garages at 17 Coatfield Lane.

Background reading / external references

Health, Social Care and Housing Committee 26 January 2016.

Carol Campbell

Head of Legal and Risk

Contact: Blair Ritchie, Assistant Committee Clerk

E-mail: blair.ritchie@edinburgh.gov.uk | Tel: 0131 529 4085

Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

Health, Social Care & Housing Committee

10.00am, Tuesday, 26 January 2016

Redevelopment at Coatfield Lane

Item number

Report number

Executive/routine

Executive

Ward

Ward 13

Executive summary

This report seeks approval to proceed with proposed plans for redevelopment of homes, garages and car park at Coatfield Lane. There are 21 properties in two blocks at Coatfield Lane and Giles Street. Five properties are privately owned, four are rented to Council tenants and the remaining 12 Council properties are vacant.

The layout and design of these properties, and the surrounding garages and underground car park, contribute significantly to a high level of anti social behaviour in the surrounding area.

A project team was formed in 2014 to consider the options for the area and consultation has been undertaken with the local community. Demolition and future redevelopment for affordable housing were identified as being the preferred options.

A housing capacity study of the area is currently being undertaken, this study will form the basis of a delivery plan for the redevelopment of the site. Progress with re-housing residents and development proposals for the site will be reported to Committee within three committee cycles.

Links

Coalition pledges

[P8,P17](#)

Council outcomes

[CO10, CO16, CO19, CO21, CO23](#)

Single Outcome Agreement

[SOA4](#)

Redevelopment at Coatfield Lane

Recommendations

It is recommended that the Health, Social Care & Housing Committee:

- 1.1 Approves the demolition of the area, subject to compliance with the Edinburgh City Local Plan (ECLP) and the Scottish Historic Environmental Policy (SHEP).
- 1.2 Agrees to receive a progress report on housing development proposals following completion of a capacity study.
- 1.3 Approves the re-housing of existing Council tenants.
- 1.4 Agrees to refer this report to Finance & Resources Committee to approve the purchase of five properties and for approval to end leases for 25 Council owned garages at 17 Coatfield Lane.

Background

- 2.1 The properties at 1-9 Coatfield Lane and 13-31 Giles Street were built in the 1960s. In total there are 21 properties; five are privately owned and 16 are owned by the Council, four of the Council properties are occupied by tenants.
- 2.2 The Coatfield Lane properties consist of four one bedroom and seven two bedroom flats in a three storey block. The Giles Street properties are a single storey block made up of nine one bedroom flats and one three bedroom flat, built partly over a pond and partly over an underground car park.
- 2.3 The blocks are in poor condition and would require substantial investment to meet the Scottish Housing Quality Standard (SHQS). Bringing the properties up to SHQS would not represent value for money for the Housing Revenue Account.
- 2.4 There are 25 Council owned garages to the rear of these blocks, two of which are vacant. A number of the garages are leased to non-residents of the immediate area. The area around the garages is a frequent site of fly tipping and anti social behaviour and is a great concern to local residents.
- 2.5 Under the current lease arrangements, garage tenants can be given 30 days notice to vacate. Should Committee agree to the recommendations of this report, notice will be extended to 90 days prior to demolition to allow garage tenants additional time to relocate.
- 2.6 The underground car park covers a considerable area and has been securely closed off for a considerable period of time due to serious drug related anti social behaviour concerns.

- 2.7 The high levels of anti social behaviour in recent years have been challenging and resource intensive for the Leith Neighbourhood team. This along with property conditions and layout of the buildings has contributed to difficulties in letting the properties as prospective tenants were unwilling to reside in the blocks. The layout and design of the area is poor. An improved layout based on 'Secured by Design' principles would protect public safety and deter vandals.
- 2.8 The site is part of a direct thoroughfare between the recently improved and high footfall areas of Leith Walk / the Kirkgate and the Shore area, popular with local residents and tourists.
- 2.9 It is also in the middle of a high number of other Council housing properties, including two multi story blocks, managed by the Council's concierge service which includes estate management of the immediate surrounding area.
- 2.10 The area lies in the Leith Conservation Area, and under the SHEP. Conservation Area Consent is therefore required for demolition of unlisted buildings.
- 2.11 Prior to Conservation Area Consent being granted, policy ENV 5 of the ECLP requires a detailed planning application to be submitted for a replacement development which enhances or preserves the character of the area. The purpose of this is to avoid gap sites in conservation areas.

Main report

- 3.1 A project team made up of officers from the Leith Neighbourhood office and the Regeneration team was formed in 2014 to consider options for the area.
- 3.2 To help identify the options, an assessment of the buildings was carried out which led to two options being identified for improving the area:
 - Complete demolition of 13-31 Giles Street and 1-9 Coatfield Lane, the adjacent garages and underground car park and redevelopment of the site for affordable housing provision.
 - Demolition of four flats at 25-31 Giles Street built over the pond and refurbishment of the other properties. This would include extensive environmental works around the blocks.
- 3.4 The option of partial demolition and refurbishment of the remaining 17 properties would allow for the improvement of the buildings and some improvement to the external environment. However, this would not exploit the opportunities to use the underground car park and garage areas to increase the number of homes built, or address some of the Secured by Design and anti social behaviour issues.
- 3.3 Complete demolition of the site is therefore the preferred option as this would allow all issues to be addressed fully and create a higher number of new sustainable homes to replace those demolished. This will contribute to meeting housing need and demand in the area.
- 3.4 This approach was also the preference of Edinburgh Tenants Federation (ETF) and the majority of local residents who took part in consultation.

- 3.5 Re-housing of Council tenants and the purchase of five properties is required to proceed with redevelopment of the site and it is possible that this could take 12 to 18 months.
- 3.6 Due to the poor condition of the Giles Street properties, the Leith Neighbourhood Office is seeking alternative accommodation for the remaining tenants. All three tenants in this block have requested moves and suitable properties nearby are being sought. The one remaining Council tenant in the Coatfield Lane block will require to be re-housed if demolition and redevelopment are approved.
- 3.7 Smith Scott Mullan have been appointed to undertake a housing capacity study of the area, reflecting the SHEP and ECLP requirements, to establish the potential capacity of the site and to provide an estimate of the cost of construction. An initial assessment suggests that the site could be suitable for future development of up to 40 new homes; there are currently 21 homes in this area.
- 3.8 On completion of the capacity study, a delivery plan for the site will be developed and reported to the Health, Social Care and Housing Committee. The options to be considered for delivery are:
 - Development by the Council's 21st Century Homes programme for affordable housing.
 - Disposal of the site to a Registered Social Landlord for affordable housing.
 - Disposal of the site on the open market for housing development.
- 3.9 A follow up report setting out progress with re-housing existing residents and development proposals for the site will be provided to Committee on 21 June 2016.

Measures of success

- 4.1 The existing site would be replaced with an increased number of new, sustainable homes. The surrounding area would be improved, creating a safer, cleaner and more pleasant environment for the local community.
- 4.2 Redevelopment of the site will provide new affordable homes which will:
 - Increase the supply of energy efficient, cheap to heat homes on brownfield sites;
 - Bring in additional Council tax revenue;
 - Provide a positive effect on the local economy, through creating opportunities for local businesses as well as jobs in construction;
 - Provide opportunities for community engagement and co-operative approaches to the management of homes; and
 - Deliver an improved environment through 'place making' and reinstating the important and historic link from the Foot of the Walk through to the Shore, thus better integrating the development with the Leith community.

Financial impact

- 5.1 The total cost of demolition is estimated to be £350,000. This includes demolition of the 25 garages, 1-9 Coatfield Lane, 13-31 Giles Street and the underground car park to leave a cleared site.
- 5.2 In order to carry out the demolition, the Council needs to buy back five flats which will be concluded through negotiation with the owners. Valuations have not been carried out on these properties. The most recent sales are of 9/3 Coatfield Lane in June 2009 for £86,000 and 9/6 Coatfield Lane in December 2010 for £11,000 (this property was bought at auction). Funding is available within the HRA capital programme for buy backs and demolition.
- 5.3 There will be a loss of income to the General Fund of around £14,000 from rental of garages.
- 5.4 Development of new affordable homes on the site by 21st Century Homes would provide income to the Housing Revenue Account and additional Council tax revenue.

Risk, policy, compliance and governance impact

- 6.1 The demolition work will be carried out under an existing Housing Asset Management framework, so risk of additional costs from unforeseen circumstances are vastly reduced. Where variations are necessary, the contract provides defined agreed costs, so variations will have a known maximum price.
- 6.2 In the event that Committee chose to transfer the site to a Registered Social Landlord partner or private ownership for redevelopment, consent would be required from Scottish Ministers under Section 12 (5) of the Housing (Scotland) Act 1987.
- 6.3 Lease terms for garage tenants is a minimum of 30 days, however tenants will be given 90 days notice to relocate prior to demolition.
- 6.4 SHEP requires Conservation Area Consent for demolition of unlisted buildings in a Conservation area.
- 6.5 Policy ENV 5 of the ECLP requires a detailed planning application to be submitted for a replacement building which enhances or preserves the character of the area. Should Conservation Area Consent be granted it will be subject to assurances that demolition does not begin until Planning are satisfied that contracts have been agreed for the approved replacement development.

Equalities impact

- 7.1 Delivery of new homes will contribute to the three key Public Sector Equality Duties. The homes will contribute to improving the health, physical security, standards of living and the right to an individual, family or social life for the future tenants.

- 7.2 The project will deliver new, energy efficient and affordable homes. All homes will be built to modern Building Standards, which will help reduce fuel poverty in the city.
- 7.3 The 'Place Making' opportunity to deliver environmental improvements will significantly improve pedestrian access and movement in a high density area.
- 7.4 Consultation with the community and other stakeholders will continue throughout the duration of the project.

Sustainability impact

- 8.1 An environmental impact appraisal will be undertaken to identify potential risks. Mitigation measures will be built into any demolition contract to minimise the environmental impact to air, land and water.
- 8.2 Demolition and redevelopment will:
 - Deliver affordable homes on a brownfield site, reducing pressure on Edinburgh's green belt.
 - Provide energy efficient, sustainable homes that meet or exceed building standards.
 - Enhance the character of the Leith Conservation area.

Consultation and engagement

- 9.1 In November 2014, letters and questionnaires were sent to 250 residents in the area, including all residents of Linksvie House.
- 9.2 Residents were also invited to a consultation event that took place in St Marys Star of the Sea hall in December 2014. Around 25 residents attended the event with 11 in favour of demolition and a further 10 residents in favour of the area being developed but remaining open to how this is achieved.
- 9.3 Only four attendees were in favour of partial demolition and refurbishment with these residents mainly having concerns over a current lack of parking in the area.
- 9.4 A number of garage tenants also stated a preference for refurbishment as this would not affect their current garage lease.
- 9.5 Representatives from ETF visited the site in October 2014 and were in favour of the site being demolished and redeveloped for affordable housing.

Background reading/external references

[Policy Env 5 - Conservation Areas - Demolition of Buildings](#)

[Scottish Historic Environment Policy \(SHEP\) Guidance Note on Demolition](#)

Paul Lawrence

Executive Director of Place

Contacts: Elaine Scott, Programme Manager, 21st Century Homes

elaine.scott@edinburgh.gov.uk Tel: 0131 529 2277

Links

Coalition pledges	<p>P8 Make sure the city's people are well housed, including encouraging developers to build residential communities, starting with brownfield sites.</p> <p>P17 Continue efforts to develop the city's gap sites and encourage regeneration.</p>
Council outcomes	<p>CO10 Improve health and reduce inequalities.</p> <p>CO16 Well-housed – People live in a good quality home that is affordable and meets their needs in a well managed Neighbourhood.</p> <p>CO19 Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and public realm.</p> <p>CO21 Safe – Residents, visitors and businesses feel that Edinburgh is a safe city.</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>
Single Outcome Agreement	<p>SO4 Edinburgh's communities are safer and have improved physical and social fabric.</p>
Appendices	<p>N/A</p>