

To: Planning & Property Policy Board

On: 24 January 2017

Report by: Director of Finance & Resources

Heading: Lochfield Road, Paisley

Barnardo's- GAP Homes

# 1. Summary

1.1 This report is to seek authority from the Board for the Council to agree to the disposal of the site of the former Todholm Library, Lochfield Road, Paisley to Barnardo's, for their GAP Homes initiative.

#### 2. Recommendations

- 2.1 It is recommended that the Policy Board agree to the disposal of the surplus site indicated on the attached plan E2569 to Barnardo's, for their GAP Homes initiative subject to the terms and conditions detailed within the body of this report.
- 2.2 Request the Head of Corporate Governance to conclude the disposal of the site to Barnardo's.
- 2.3 Note, that this proposed disposal is subject to Barnardo's reaching an appropriate arrangement with Children's Services in respect of nomination and servicing costs for any young adults, which the Council are looking to assist via this housing/through-care initiative
- 2.4 Note that should Barnardo's be unable to secure an agreement with Children's Services, the necessary funding for this project or necessary statutory consents for this proposal, then the site will remain with the Council on its surplus list as available.

### 3. **Background**

- 3.1. The Council closed the former Todholm Library on the 31 May 2008 and demolished the Library the following April 2009.
- 3.2. The site which measures 890 sqm or thereby, has lain vacant throughout this time, while being advertised as available as a development opportunity for a house plot.
- 3.3. Barnardo's have been developing a through-care service. Many young adults who have spent the majority of their time in care, quite often struggle to come to terms with the requirements to manage on their own and in particular to retain a tenancy of their own.
- 3.4. While recognising that the Council has in existence a through-care facility at Charleston Square, which consists of 10 flatted units for young adults 16+, who have been part of the care community and was developed in 2013, Barnardo's are looking to augment and complement this service provision. They hope to offer an additional wraparound service to assist the young adults by constructing two 1 bedroom semi-detached properties on the site.
- 3.5. Barnardo's as well as approaching the Council to help them pilot this new initiative, have secured the assistance of Saint Gobain UK, a leading construction materials company with over 17,000 UK & Ireland employees in group companies such as British Gypsum, Jewson, Graham Weber, Glass Solutions being the more familiar names, amongst a few less well known names.
- 3.6. Saint Gobain as a major supplier of construction materials will partner Barnardo's with this GAP Homes initiative offering support, fundraising as well as assisting in terms of offering employment opportunities to the young adults.
- 3.7. Children's Services and Barnardo's have been and continue to discuss the benefits to the Council and the young adults which could be derived from the GAP Homes initiative. At the time of preparing this report no agreement has been reached on the cost of such a service, but discussions are at an advanced stage.
- 3.8. Barnardo's ask that the Council dispose of this site to them for a nominal sum, to assist their funding proposal. This will keep the cost of this proposed wraparound service to a minimum making it more cost effective, and enabling them to offer the service to the Council's Children's Services at a more economical level.
- 3.9. The Council when disposing of any Asset must bear in mind the legal requirements to comply with Section 74 of the Local Government (Scotland) Act 1973 to seek the best consideration and also The Disposal of Land by Local Authorities (Scotland) Regulations 2010 which enables disposal at less

than the best consideration, without Scottish Ministers consent when certain circumstances are achieved. Primarily local authorities must via procedures appraise and compare the costs and other disbenefits and benefits of the proposal and determine whether the regulations are met through the procedures and circumstances.

- 3.10. The circumstances are; the local authority is satisfied that the disposal is reasonable and is likely to contribute to the promotion or improvement of at least one of the following: economic development or regeneration; health; social wellbeing; or environmental wellbeing of the whole or part of the local authority area or any person resident or present in that area.
- 3.11. There is a £10,000 threshold or where the price sought is less than 25% of the market value, whereby the Council could approve the disposal without considering the items listed in 3.10 above. However, as this plot of land was being marketed seeking offers in the region of £40,000, and the Council had received an offer of £38,000, just prior to Barnardo's approach for this site, the Council would if Board agrees to the request to dispose of the site for £1, if asked, be foregoing a potential capital receipt of £38,000, and this would be the opportunity cost. For this reason, it must consider whether the proposal meets any of the circumstances listed in paragraph 3.10. I am of the view that an agreement with Barnardo's for this through-care service will meet a number of the circumstances, health, social wellbeing as well as regeneration.
- 3.12. In addition, there is a requirement to consider the disposal does not fall within European State Aid rules, which has a threshold of 200,000 euros in any three year period. The market value of the site or opportunity cost foregone, could be stated as being £38,000, and well within the State Aid threshold. Clarification should be sought with Barnardo's, that the threshold will not be breached as it is for Barnardo's as a whole, and not just the value of the contract it has with the Council which must be considered.

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# Implications of the Report

- 1. **Financial** Opportunity Cost of £38,000 with the disposal of the Asset to the Barnardo's for £1, if asked.
- 2. HR & Organisational Development None
- 3. **Community Planning**

**Children and Young People** – Creating additional through-care facilities and employment opportunities for young adults who have been part of the care community

**Empowering our Communities** – None

**Greener** – New modern housing with good energy efficiency

**Safer and Stronger** – Improved environment for the local residents seeing a site developed for new housing, rather than a gap site.

- 4. **Legal** –There will be a requirement for Legal Services to undertake a conveyance of the site in relation to the proposed disposal.
- 5. **Property/Assets** The disposal of the Asset will be concluded following an agreement being reached with Children's Services on the wraparound service provision
- 6. **Information Technology** None
- 7. Equality & Human Rights -
- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
- 8. **Health & Safety** None
- 9. **Procurement** None
- 10. Risk Barnardo's and Children's Services cannot reach an agreement as to the cost of the wraparound service provision for the young adults who will benefit from this service. Barnardo's are unable to finalise their funding or obtain all statutory consents for their proposal.
- 11. **Privacy Impact** None

## **List of Background Papers**

(a) none

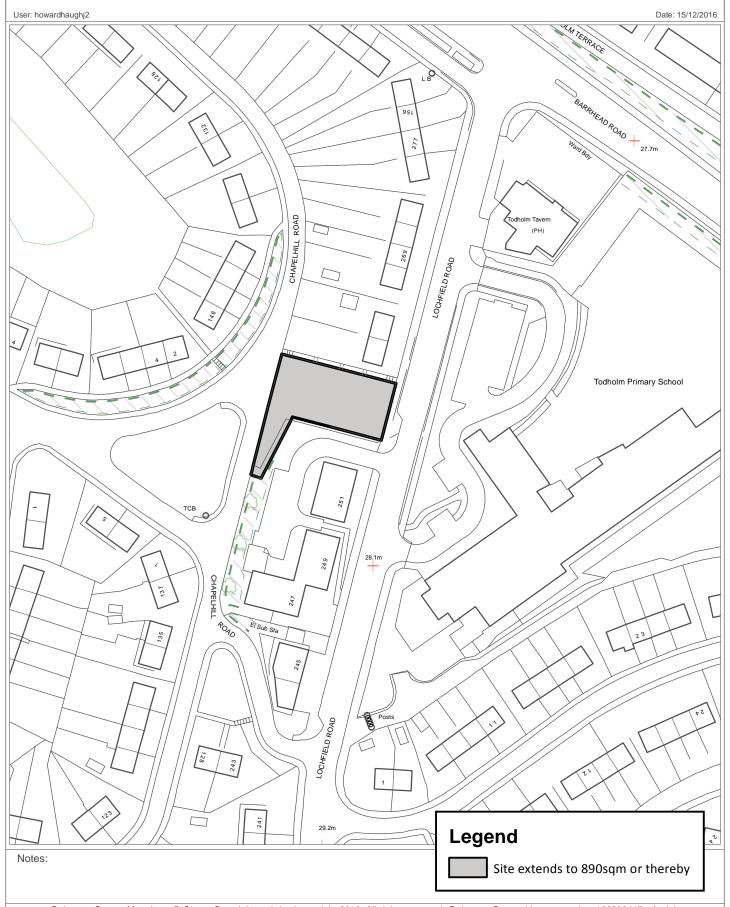
The foregoing background papers will be retained within Finance & Resources for inspection by the public for the prescribed period of four years from the date of the meeting.

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# Proposed Transfer, Lochfield Road, Paisley Report Plan Ref. E2569





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