
To: Infrastructure, Land and Environment Policy Board

On: 29 May 2019

Report by: Director of Finance & Resources

Heading: Disposal of land at Millarston Drive, Paisley

1. Summary

- 1.1 This report advises the Board of a proposed disposal of land at Millarston Drive, Paisley to Link Housing Association, (part of the Link Group) for the development of affordable housing.
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2. Recommendations

It is recommended that the Board:-

- 2.1 Authorise the Head of Property and the Head of Corporate Governance to dispose of the land at Millarston Drive shown indicated on the attached plan E2806 to Link Housing Association, on the terms and conditions detailed within this report.
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3. Background

- 3.1 Renfrewshire's Strategic Housing Investment Plan 2019/20 – 2023/24 was approved by the Communities Housing & Planning Board at its meeting on 30 October 2018 and sets out how investment in affordable housing will be targeted to achieve the objectives of the Local Housing Strategy. This was approved following consultation and engagement with Community Planning partners, including the Housing Associations operating in Renfrewshire.

- 3.2 The plan identified Link Housing Association as the partner for the development of the site at Millarston Drive identified on plan E2806, and on 23rd January 2019, Board approved the provisional sale to Link at an in principle price of £1,104,000, based at that time on the erection of 92 units on the Council's site. This was however a headline rate agreed in advance of any detailed Site Investigation reports being undertaken and provided for analysis. Board should note that the proposal now is for Link Housing Association to develop approximately 84 new affordable homes, mainly for social rent, on the area of ground shown indicated on the attached plan, plus an additional 15 units on an adjacent site already within its ownership. This has amended the headline purchase price to £1,008,000.
- 3.3 Link have also now undertaken detailed site investigations, and provided reports confirming that ground conditions are very poor, such that abnormal development costs in excess of £1,850,000 are required on the Council's site. These costs effectively eradicate the agreed site valuation of £1,008,000, therefore Link are looking to acquire this site at nil cost. Council officers have analysed the accuracy of the abnormal cost reports received, and although this figure has been reduced through negotiation, extraordinary development costs greater than £1,008,000 still exist, supporting a site transfer at nil value.
- 3.4 Deemed consent for the transfer of land from the Housing Revenue Account to a Registered Social Landlord will be provided in terms of Scottish Government Guidance on the Disposal of Assets from the Housing Revenue Account.
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4. **Proposed terms and conditions of sale**

- 4.1 The following provisional terms and conditions of sale have been agreed with Link Housing Association;
- 4.1.1 The purchase price payable for the land shown outlined on the attached plan, which extends to approximately 3.85 Hectares, shall be £1.00, if asked.
- 4.1.2 The sale of the land is subject to the purchasers obtaining all planning and statutory consents required for their proposed development.
- 4.1.3 Each party shall bear their own legal and professional expenses incurred in concluding the sale with the purchaser responsible for meeting any land transaction taxes and registration dues.
- 4.1.4 Any other reasonable terms and conditions considered necessary by the Head of Corporate Governance and the Head of Property to protect the Council's interest.

Implications of the Report

1. **Financial** – No capital receipt to be received
2. **HR & Organisational Development** – None.
3. **Community Planning**

Building strong, safe and resilient communities. Increasing the supply of affordable housing and regenerating communities.
4. **Legal** – Disposal of land required.
5. **Property/Assets** – As per this report.
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 because no groups or individuals have any involvement currently at the property. 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** – Not applicable.
10. **Risk** – None.
11. **Privacy Impact** – Not applicable.
12. **Cosla Policy Position** – Not applicable.

List of Background Papers

Background Paper 1 – Report to Infrastructure, Land & Environment Policy Board on 23rd January 2019 entitled 'Disposal of land at Millarston Drive, Paisley'

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Renfrewshire
Council

Land at Millarston, Paisley

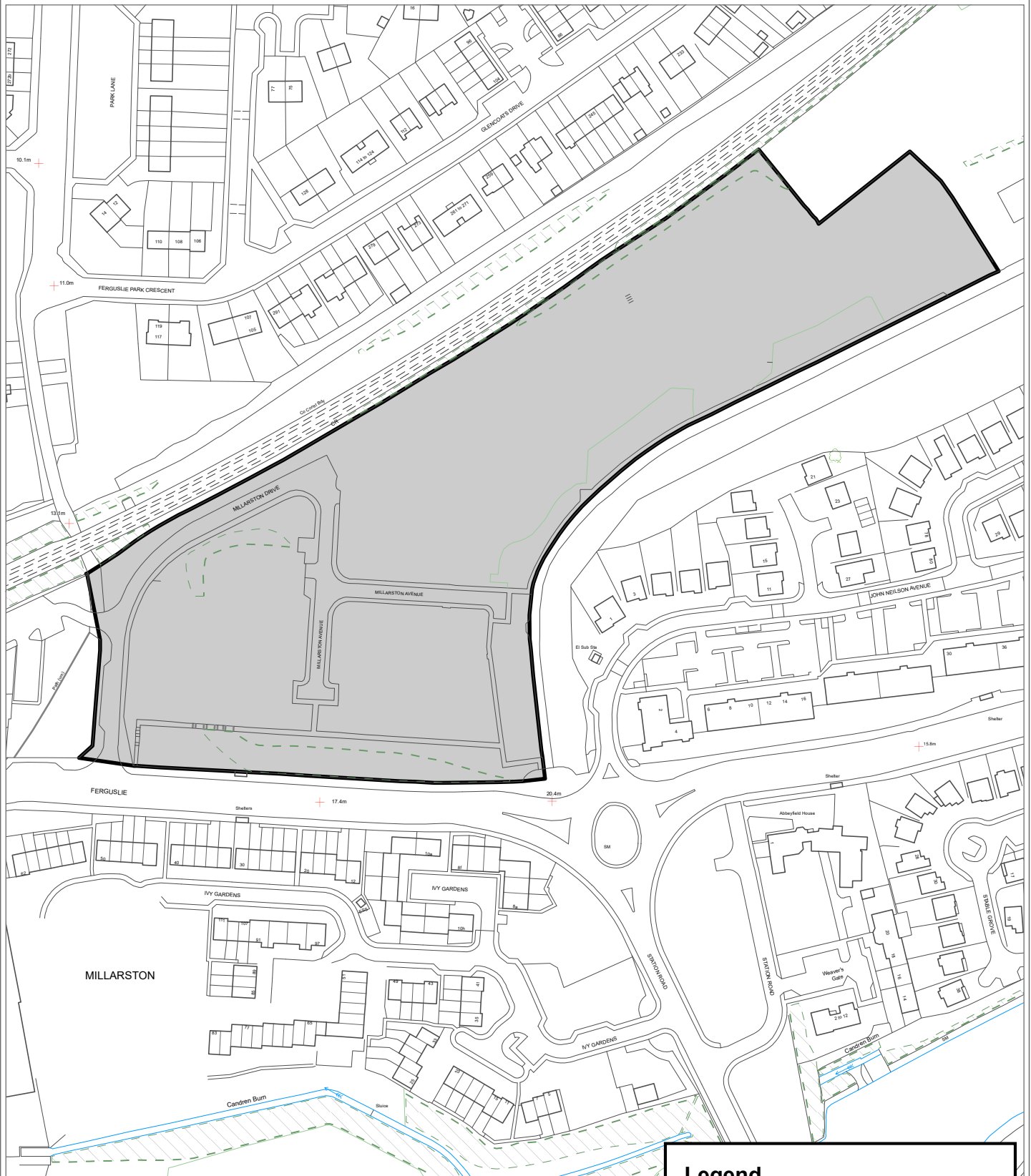
Report Plan Ref. E2806



1:2,200


User: howardhaughj2

Date: 14/12/2018



Notes:

Legend

 Area extends to 3.85 hectares or thereby

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