
To: Infrastructure, Land and Environment Policy Board

On: 25 January 2023

Report by: Chief Executive

Heading: Affordable Housing Sites in Renfrewshire – transfer to Housing Revenue Account

1. Summary

- 1.1 This report seeks authority to transfer land from the Council's General Services Account to its Housing Revenue Account to facilitate the delivery of new housing within the context of the approved Renfrewshire Strategic Investment Plan 2023–28.
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2. Recommendations

It is recommended that the Board:

- (i) Agree to the transfer of the four sites listed from the General Services Account to the Housing Revenue Account at the net values listed in Table 1 of this report.
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3. Background

- 3.1 The Renfrewshire Strategic Housing Investment Plan 2023-2028 sets out how Scottish Government funding for affordable housing will be targeted to achieve the objectives set out in Renfrewshire's Local Housing Strategy.
- 3.2 A key element of this is the use of existing land in the Council's ownership to develop new affordable homes across Renfrewshire. This can involve transfers of land from the General Services Account to the Housing Revenue Account as well as disposal of Council land to housing association partners.

- 3.3 This report seeks to facilitate the transfer of land to enable the delivery of new social rented housing on four sites.
- 3.4 Table 1 below lists four sites contained within the Renfrewshire Strategic Housing Investment Plan 2023–2028. Authority from the Board is sought to transfer land at these four sites from the General Services Account to the Housing Revenue Account at the net values shown, provided by valuation surveyors in the Council's Estates Team with assistance on abnormal costs provided by Property Services., in order to facilitate the delivery of social rented housing,
- 3.5 Sales from the General Fund must represent best value and usually this is demonstrated by marketing the site. In this case the value of the sites has been assessed using market evidence and considering the use of the site following the transfer. Officers have therefore considered the density of a new housing scheme appropriate to a local authority standard rather than what might be expected in the wider market.
- 3.6 Any land transaction for development will involve negotiation on abnormals (additional or unusual costs required to facilitate the development) due to site conditions. It would be usual that the value of any agreed abnormals would be deducted from the price. In this case the Council has not undertaken new site investigations but has estimated site specific costs based on data already on file and values assessed on other sites historically, with adjustments made for site size and anticipated numbers of housing units. The exception to this is the site at Carbrook Street which had been fully investigated for a previous transaction that did not proceed and agreement reached on abnormal costs. The figures for this site have been updated in line with current costs and a percentage contingency added so that they reflect market value.
- 3.7 Detailed descriptions of the four sites are as follows:
- 3.7.1 **Blackstoun Road, Paisley**
The site, extending to 0.49 hectares, is located in the west of Paisley, in the Ferguslie area, opposite St Fergus and Glencoats Primary Schools. It was formerly occupied by a community and sports centre and was declared surplus on 29 May 2008 by the Education Policy Board. The site has been cleared for some time. The most recent layout showed 22 units in a combination of cottage flats and houses.
- 3.7.2 **Carbrook Street, Paisley**
The site, extending to 0.33 hectares, is located to the west of Paisley town centre, adjacent to Woodside Cemetery. It was formerly occupied by a child guidance centre and was declared surplus on 31 May 2005 by the Community and Family Care Policy Board. The site was marketed in November 2006 however the developer withdrew prior to completion due to poor economic conditions. The site has been cleared for some time.

The site is now part of the Ferguslie/Broomlands Housing Regeneration Area, one of eight such Areas which make up the first phase of the Council's Housing-Led Regeneration and Renewal Programme, and the currently proposed housing layout comprises a variety of houses and flats, 18 units in all.

3.7.3 Former Garthland House

The site, extending to 0.78 hectares, is located close to Paisley town centre, close to St Mirin's Cathedral and Abercorn Bowling Club. It was formerly occupied by a care home and was declared surplus on 8 November 2005 by the Community and Family Care Policy Board. It was marketed in July 2007 but the preferred developer withdrew due to challenging economic conditions. The site has been cleared for some time. The most recent layout showed 32 units.

3.7.4 Former Cochrane Castle Primary School

The site, extending to 1.69 hectares, is located south-west of Johnstone town centre, between Johnstone High and Cochrane Castle Primary. It is one of two sites which were previously occupied by primary schools and which were declared surplus by the Council on 17 December 2004. The sites have been cleared for some time. The sites were marketed in 2008 and again in 2018. The developer withdrew due to economic conditions in 2008. In 2018 an acceptable price could not be agreed with the developer. Development of the site to the north-east is restricted by drainage and the line of culverted watercourses and will not be developed for housing. As such the current scheme only requires the south-western site which is a key element of the Howwood Road Area Housing Regeneration Area with a potential capacity for some 55 units.

Table 1: Council-owned SHIP sites

Plan	Site	Area (ha)	No of houses	Gross value (£)	Estimated abnormal cost (£)	Net value (£)
A	Blackstoun Road, Paisley	0.49	22	220,000	158,870	61,130
B	Carbrook Street, Paisley	0.33	18	252,000	95,150	156,850
C	Former Garthland House, Paisley	0.78	32	480,000	252,830	227,170
D	Former Cochrane Castle Primary School, Johnstone	1.69	55	715,000	474,730	240,270

Implications of the Report

- 1. Financial** – provision has been made within the HRA Budget in relation to the projects where the Council is the developing organisation. Provision has been made in the Renfrewshire Strategic Housing Investment Plan for all acquisitions.
- 2. HR & Organisational Development** – None.

3. Community/Council Planning –

- *Building strong, safe and resilient communities* – increasing the supply of affordable housing and regenerating communities.

4. Legal – None.

5. Property/Assets – None.

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 – risks will be identified and managed for individual projects.

11. Privacy Impact – None.

12. COSLA Policy Position – None.

13. Climate Risk – the Strategic Housing Investment Plan 2023-2028 aims to deliver high quality, energy efficient homes in sustainable locations across Renfrewshire.

List of Background Papers

None.

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