

To: Infrastructure, Land & Environment Policy Board

On: 9 November 2022

Report by: Chief Executive

Heading: Disposal of land at Maple Drive, Johnstone Castle – Regeneration Phase 2

1. Summary

- 1.1 This report seeks the consent of the Policy Board for the disposal of land at Maple Drive, Johnstone which currently sits on the Housing Revenue Account to Link Group Limited (incorporating Link Housing Association), for the development of affordable housing.

2. Recommendations

2.1 It is recommended that the Board:-

- (i) Authorise the Head of Economy and Development and the Head of Corporate Governance to undertake the necessary processes to complete the disposal of land at Maple Drive shown indicated on the attached plan E3228A to Link Group Limited, on the terms and conditions detailed within this report.

3. Background

- 3.1 Renfrewshire's Strategic Housing Investment Plan 2023/28 was approved by the Communities and Housing Policy Board at its meeting on 25 October 2022 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 This report refers to an area of ground that was declared surplus by the Communities, Housing and Planning Policy Board in August 2018 which identified land extending to 2.02 Ha or thereby as suitable for development by a Housing Association. Subsequent discussions with Link Group Limited highlighted the requirement to adjust the boundaries of the site to accommodate the planned development layout and this revised area (as shown on drawing E3228A, extending to 2.24 Ha or thereby) was declared surplus at the Communities and Housing Policy Board on 16 August 2022.
- 3.3 This revised site has been independently valued on behalf of by D M Hall Chartered Surveyors at a value of £935,000.
- 3.4 The site is not fully cleared, and Link will undertake demolition of the remaining properties following land acquisition (42 flats contained within 4 No. 3 storey blocks). Link have provided reports and quotations for the demolition works which were assessed on behalf of the Council by Reid Associates, Chartered Quantity Surveyors.
- 3.5 Link have undertaken detailed site investigations for the cleared site and provided reports confirming that ground conditions are such that abnormal development costs in the region of £1,300,000 are required. These abnormal costs together with the demolition costs negate the headline site valuation of £935,000, and therefore it is considered appropriate that Link are looking to acquire this site at nil cost.
- 3.6 Reid Associates, Chartered Quantity Surveyors have analysed the accuracy of the abnormal cost reports received, and although this figure has been reduced through negotiation, extraordinary development costs greater than £1,300,000 still exist, supporting a site transfer at nil value.

4. Proposed terms and conditions of sale

- 4.1 The purchase price payable for the land shown outlined on the attached plan, which extends to approximately 2.24 Hectares, shall be £1.00, if asked.
- 4.2 Link will complete the demolition and site clearance as per the demolition arrant drawing number J5235-D01 Revision A dated 17 January 2022, within 6 months of the later of (i) date of entry and (ii) completion of the removal of all existing meters and full-service disconnection or such other date as agreed between the parties. It is the Council's understanding that Link have appointed a demolition contractor and anticipate commencing demolition as soon as practical after sale of the land.
- 4.3 The transfer of the land to Link is subject to the Housing Association obtaining all necessary planning and statutory consents required for their proposed development.
- 4.4 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.

- 4.5 Any other reasonable terms and conditions considered necessary by the Head of Corporate Governance and the Head of Economy and Development shall be pursued if it considered necessary 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**

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4. **Legal** – conveyancing work associated with the land transfer.

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.

13. **Climate Risk** – None.

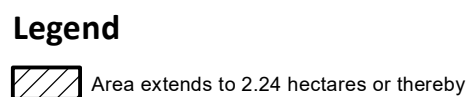
List of Background Papers

- (a) Report to Communities, Housing and Planning Policy Board; 21 August 2018; Draft Strategic Housing Investment Plan 2019/20 to 2023/24.
- (b) Report to Communities and Housing Policy Board, 16 August 2022: 'Land at Maple Drive, Johnstone Castle – Regeneration Phase 2.'

- (c) Report to Communities and Housing Policy Board, 25 October 2022: 'Renfrewshire's Strategic Housing Investment Plan 2023/28.'
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Date: 12/05/2022



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