

# Report

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Report to:	<b>Estates Committee</b>
Date of Meeting:	<b>31 May 2005</b>
Report by:	<b>Executive Director (Enterprise Resources)</b>

Subject:	<b>Proposed Sale of Land at Blairbeth Road, Rutherglen</b>
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## 1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ report on the successful marketing of the land at Blairbeth Road, Rutherglen and to recommend acceptance of the offer received from Carronvale Homes Limited.
- ◆ note the action taken to authorise the conclusion of this transaction in terms of Standing Order No 36(c)

## 2 Recommendation(s)

2.1 The Committee is asked to approve the following recommendation(s):-

- (1) agree the sale of the site at Blairbeth Road extending to 0.66 hectares (1.63 acres) or thereby to Carronvale Homes Limited in terms of the principal conditions as contained in section 5 of this report.
- (2) that the Executive Director (Enterprise Resources) in consultation with the Head of Legal Services, if appropriate, be authorised to conclude all matters and enter into necessary legal agreements in terms which are in the best interest of the Council, to complete the sale of the subjects.
- (3) that, in view of the requirement to progress this matter as soon as possible in terms of Standing Order No 36(c), the action taken by the Executive Director (Enterprise Resources) in consultation with the Chair and an ex-officio member in authorising the sale of the above site to Carronvale Homes Limited be noted.

## 3 Background

3.1 The site, currently a vacant grassed area, located between Blairbeth Road and the railway line was identified as a suitable potential development site. The site, which extends to 0.66 hectares (1.63 acres) is located within a predominantly residential location and has been marketed with an appropriate Planning brief.

## 4 Marketing

4.1 The site was marketed with a Planning brief proposing flatted dwellings with ancillary car parking and amenity space. The site was offered for sale on the open market for a period of two weeks from the 24 January 2005 in the local and national press. 224 marketing particulars were sent to developers, property professionals and members of the public with a closing date of 15 March 2005.

4.2 At the closing date of 15 March 2005, seven offers were received. Subsequent to discussions with Planning Services, the offer from Carronvale Homes Limited of £2,450,000 proposing the erection of 40 flats with appropriate parking and amenity provision is considered the best financial offer which is compliant with the Planning brief and the residential development guidelines. The top offer financially was considered to be over-development of the site and failed to meet the criteria of the development brief. The proposed development will be erected over four storeys with frontages on Mill Street and Blairbeth Road and the access being from Blairbeth Road with the parking areas to the rear of the properties.

4.3 Carronvale Homes Limited are a Falkirk based builder/developer who are involved in a number of residential schemes throughout Scotland and financial enquiries have revealed them to be a low risk developer with a good commercial rating. The developer has provided a letter from Clydesdale Bank PLC confirming their financial means to provide the funding necessary to complete the acquisition of the site.

## **5 Proposal**

5.1 It is proposed therefore to dispose of the site at Blairbeth Road, Rutherglen extending to 0.66 hectares (1.63 acres) as shown on the enclosed indicative plan to Carronvale Homes Limited on the following principal terms:-

5.1.1 The purchase price shall be £2,450,000, exclusive of VAT subject to the necessary consents being granted for the development of forty residential units and the Council's reasonably incurred legal expenses being met by the purchasers.

## **6 Planning and Roads**

6.1 Planning Services have advised that the initial submission received from Carronvale Homes Limited is compliant with the development brief for the site and is, in principle, acceptable in planning terms. Furthermore, subject to a detailed application, Roads and Transportation Services have confirmed that the proposed access is acceptable.

## **7 Legal**

7.1 Legal Services have confirmed that the offer submitted on behalf of Carronvale Homes Limited is a valid legal offer, consistent with a transaction of this nature and have advised that the Council should proceed by way of an offer of sale.

## **8 Employee Implications**

8.1 There are no employee implications.

## **9 Financial Implications**

9.1 Disposal of the site will generate a Capital Receipt of £2,450,000 for the Council's Non Housing Programme subject to the reduction of any abnormal costs following the appropriate site investigations. Such a deduction would also be the subject of a further report to Committee.

## **10 Other Implications**

10.1 There are no other implications.

## **11 Consultation**

11.1 Consultations have taken place between the developer and Planning Services and Roads and Transportation Services have also been consulted.

11.2 Consultation has taken place with Legal Services who advised that the Council should proceed by way of an offer to sell.

**Iain Urquhart**  
**Executive Director (Enterprise Resources)**

5 May 2005

**Link(s) to Council Objectives**  
None

**Previous References**  
None

**List of Background Papers**

- Local Plan

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Gerry McParland, Capital Transactions Section, Estates and Support Services

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## LOCATION PLAN

Land at Blairbeth Road  
Rutherglen



## ESTATES SERVICES



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