

ANGUS COUNCIL

**POLICY AND RESOURCES – 8 JUNE 2021
COMMUNITIES COMMITTEE – 17 AUGUST 2021**

LAND AT FORMER KINLOCH PRIMARY SCHOOL, DUNDEE STREET, CARNOUSTIE

REPORT BY IAN COCHRANE, DIRECTOR OF INFRASTRUCTURE

ABSTRACT

This report seeks approval to withdraw the land at the former Kinloch Primary School, Dundee Street, Carnoustie from the open market for sale and its appropriation to the Housing Revenue Account for the delivery of affordable housing.

1. RECOMMENDATION

1.1 It is recommended that the Committee:

- (i) Approve the withdrawal of this site for sale on the open market for commercial purposes.
- (ii) Approve the appropriation of this site to the Housing Revenue Account (HRA) at nil cost for the delivery of affordable housing.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/COUNCIL PLAN

2.1 This report contributes to the following outcomes contained within the Angus Local Outcomes Improvement Plan 2017 - 2030 and Locality Plans:

PLACE

- An enhanced, protected, and enjoyed natural and built environment.
- A reduced carbon footprint
- Safe, secure, vibrant, and sustainable communities

3. BACKGROUND

3.1 The site at the former Kinloch Primary School is a vacant cleared area of ground at Dundee Street, Carnoustie extending to approximately 3,360 sqm as shown on the Location Plan - Appendix 1. The site was transferred from Education to Economic Development in March 2016 (Report 85/16) to market for commercial purposes and declared surplus in May 2016 (Report 212/16).

3.2 The Carnoustie Charrette identified a preference for a supermarket on the site and there was also a desire for a public space element. The site was marketed openly in 2016 with a targeted approach to deliver this objective. This resulted in a legal agreement in 2017 with a developer, subject to planning permission and other matters. The development however subsequently did not proceed due to corporate changes from the interested food store.

3.3 The site was openly remarketed again in late 2018 and gathered only nominal interest and offers from a small number of residential developers. Whilst a preferred bidder was identified, because of site constraints and financing, the successful bidder has not performed or delivered as agreed.

3.4 Economic Development subsequently began to explore alternative end uses and entered discussions with the Housing team to explore the feasibility of delivering affordable housing on the site.

4. CURRENT POSITION

- 4.1 The Housing team, in collaboration with Infrastructure, Assets officers, have undertaken a number of potential site layouts and identified the optimal proposal that combines both an appropriate number of new supply council houses and provision of an amenity space that can be utilised by the local community.
- 4.2 The local elected members have been fully informed throughout this process and are supportive of the appropriation to the Housing Revenue Account for the provision of council housing in Carnoustie in accordance with Financial Regulations.
- 4.3 Housing have reviewed this as a new affordable housing project against its prioritisation framework and have assessed this as a suitable project to be delivered through the Strategic Housing Investment Plan in Angus.
- 4.4 The council's appropriation policy, set out in Report 509/13, requires an appraisal to ensure compliance with the Scottish Government's guidance on the Disposal of Land by Local Authorities (Scotland) Regulations 2010. The appraisal criteria for consideration are set out in Appendix 2.
- 4.6 In the interim an agreement at nil cost was entered into with the Community Council in 2018 to allow the site to be used for community events whilst the site remained unsold. This agreement can be terminated by either party on giving one week's notice.

5. PROPOSALS

- 5.1 Economic Development will withdraw from current negotiations due to being unable to conclude a legal contract with the residential developer.
- 5.2 Due to the current economic uncertainty and experience with this site, Economic Development will not remarket it.
- 5.3 The site will be appropriated to the Housing Revenue Account for delivery of around 14 council houses and a small amenity area for community use.
- 5.4 In accordance with the 'Alternative Valuation Methodology' agreed in Report 319/18 at both Communities and Policy and Resources Committees the appropriation to the HRA will be at Nil value.

6. FINANCIAL IMPLICATIONS

- 6.1 The appropriation the HRA will be at Nil value following the appraisal as set out in Appendix 2
- 6.2 There will be a loss of a potential capital receipt to the General Fund Reserve.

7. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required for the appropriation of the land.

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Report 85/16 – Property Transactions - Communities Committee – 1 March 2016
- Report 212/16 – Surplus Property – Dundee Street/Links Avenue, Carnoustie – Communities Committee – 24 May 2016
- Report 319/18 - Appropriation of surplus site, Dunarn Street, Newtyle from General Fund to the Housing Revenue Account (HRA) using an Alternative Valuation Methodology – Policy & Resources Committee – 13 November 2018
- Report 01/21 – Strategic Housing Investment Plan 2021/22

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List of Appendices:

Appendix 1 Location Plan

Appendix 2 Appraisal criteria