

EAST RENFREWSHIRE COUNCIL

CABINET

2 November 2023

Report by Director of Environment

HRA LAND SALE LOCATED AT SPRINGFIELD ROAD, BARRHEAD

PURPOSE OF REPORT

1. The purpose of the report is to seek approval in accordance with Contract Standing Orders to vary an existing contract with Ironside Farrar consultants who are acting for the council in relation to the sale of land at Springfield Road, Barrhead.

RECOMMENDATION

2. The Cabinet is recommended to approve the request to vary the existing contract with Ironside Farrar.

BACKGROUND

3. Members will be aware of the report considered and approved by Council on 28th June to progress and complete the disposal for sale of the land located at Springfield Road, Barrhead.

REPORT

4. Ironside Farrar were appointed to assist in preparations for the sale of the Housing Revenue Account (HRA) land at Barrhead South under a consultancy framework for a fee of £115,250. The scope of the initial appointment included both masterplanning advice and technical investigations including pre-application consultation, environmental screening, public consultation, masterplanning layout, utilities and infrastructure investigations, and reports on environmental conditions including noise, archaeology, geo-environmental, flood risk assessment, drainage strategy, transport assessment, topographical study and associated project management.

5. The Ironside Farrar work provided technical information for the marketing and promotion of the land holding to potential residential developers which resulted in seven offers being received. An amount of £6,500 of planned expenditure was not spent on consultation with planning case officers, other council departments and statutory consultees in connection with the planning permission in principle determination which was considered unnecessary. However, additional elements of work, in addition to the original scope, were included at a cost of £9,375 to cover technical advice around abnormal costs to support the District Valuer's consideration of value. This brought the current commitment to Ironside Farrar to £118,128.

6. As negotiations progress with the preferred developer to conclude a deal, we now require additional advice to review the developer's site investigation scope and proposals. This work will continue to the end of 2023, at an additional cost of £9,875 bringing the total

commitment to Ironside Farrar to £128,000. This is £12,750 and some 11% above the initial contract value of £115,250.

7. Contract Standing Orders paragraph 14 notes that

In the case of contracts for goods and services above £50,000, the contract value may be exceptionally extended by a sum in excess of 10% of the initial contract value provided the appropriate authorisation route is complied with. The route outlined requires that the variation must be referred to the Chief Officer – Legal and Procurement for consideration of its legal implications and if sanctioned by him, it must then be reported to Cabinet for approval prior to the variation being instructed.

8. The Chief Officer – Legal and Procurement has already sanctioned the variation, and as a consequence Cabinet approval is sought to vary the value of the contract.

FINANCE AND EFFICIENCY

9. This proposal fee for Ironside Farra is £12,750. This sum will be met by the Housing Revenue Account.

CONSULTATION AND PARTNERSHIP WORKING

10. Advice from relevant services across the Council has been sought in the preparation of the report including Procurement, Major Capital Projects, Estates, Accountancy and Legal.

IMPLICATIONS OF THE PROPOSALS

11. There are no implications with these proposals in terms of staffing, legal, property or sustainability.

CONCLUSIONS

12. The approval of the recommendation contained within this report will permit the council to conclude the sale of the HRA land located at Springfield Road, Barrhead in a timely and with appropriate expert assistance from an external organisation to support and inform the negotiations.

RECOMMENDATION

13. The Cabinet is recommended to approve the request to vary the existing contract with Ironside Farrar.

Director of Environment

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