



Glasgow City Council

Contracts and Property Committee

Item 4

5th February 2026

Report by Executive Director of Neighbourhoods, Regeneration and Sustainability

Contact: George McMillan Ext: 76151

APPROVAL OF THE OFF-MARKET DISPOSAL OF LAND AT ABBOTSHALL AVENUE/DUNKENNY ROAD/DRUMRY ROAD EAST TO WHEATLEY HOUSING GROUP LIMITED.

Purpose of Report:

To seek Committee approval for the off-market disposal of land at Abbotshall Avenue/Dunkenny Road/Drumry Road East to Wheatley Housing Group Limited.

Recommendations:

That Committee:

1. notes the content of this report.
2. approves the off-market disposal of the subject to Wheatley Housing Group Limited, subject to the terms and conditions outlined in this report; and
3. authorises the Executive Director of Neighbourhoods, Regeneration and Sustainability in consultation with the Director of Legal and Administration to progress the disposal.

Ward No(s): 14 -
Drumchapel/Anniesland

Citywide: ✓

Local member(s) advised: Yes No ✓ consulted: Yes No ✓

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Report to: Contracts and Property Committee

From: Managing Director of City Property (Glasgow) LLP

Date: 5 February 2026

Subject: Approval of the Off-Market Disposal of land at Abbotshall Avenue/Dunkenny Road/Drumry Road East to Wheatley Housing Group Limited

1 Description

- 1.1 The subject is located approximately 6.5 miles northwest of Glasgow City Centre in the Drumchapel area of the city.
- 1.2 The subject is situated to the south of Abbotshall Avenue, west of Dunkenny Road and north of Drumry Road East.
- 1.3 The subject comprises the former Drumry Primary School which is now demolished and leaves a vacant site. The land is predominately rectangular in shape and comprises of overgrown vegetation and ground slabs.
- 1.4 The subject extends to 1.93 hectares (4.77 acres) or thereby, as shown hatched and edged black on the enclosed plan.

2 Planning

- 2.1 The [Glasgow City Development Plan](#) was adopted on 29 March 2017. The new local development plan replaces Glasgow City Plan 2 (2009) and sets out the Council's land use strategy providing the basis for assessing planning applications. The City Development Plan does not identify land use zones to direct particular types of development. Instead, overarching policies CPD1 Placemaking and CDP 2 Sustainable Spatial Strategy encourage development to be informed by a placed base approach.

3. Background

- 3.1 This report relates to the proposed off-market disposal of the above-mentioned subject to Wheatley Housing Group Limited (the purchaser).
- 3.2 City Property (Glasgow) LLP (City Property) was instructed by Neighbourhoods, Regeneration and Sustainability (NRS) – Property and

Consultancy Services on 24 October 2023 to progress with the disposal of the subject to Wheatley Housing Group Limited and to negotiate the Heads of Terms for the disposal on the basis that the above-mentioned authority is granted.

- 3.3 The subject was declared surplus following the procedural non-operational process with no notes of interest being received.
- 3.4 The Contracts and Property Committee granted authority to negotiate with Wheatley Housing Group Limited at its meeting of 1 February 2024. [Link to Committee Report](#).
- 3.5 The City Administration Committee at its meeting on 10 October 2019 approved a policy for off-market disposals ([see link Report Details](#)). It is considered that the proposed disposal is compliant with 3.1.5 of the policy “disposals to registered social landlords in support of the Council’s housing objectives”.

4. Current Position

- 4.1 This report seeks authority to progress with the proposed disposal based on the terms and conditions which have been agreed with Wheatley Housing Group Limited, subject to committee approval.
- 4.2 Wheatley Housing Group Limited propose to develop the subject, as shown hatched and edged black on the enclosed plan, to accommodate a residential development of 81 social rented units, comprising of 48 flatted units and 33 housing units.
- 4.3 The purchaser had submitted a planning application on 4 September 2023 for the erection of a residential development of 67 units ([23/02194/FUL](#)). Which has since been discussed and revised with planning.
- 4.4 The subjects are not currently included in the Glasgow City Council’s log of opted to tax property.
- 4.5 It is considered that the subjects do not form part of the Council’s Common Good.

5. Purchaser

- 5.1 Wheatley Housing Group Limited (Company No. SC426094) (Registered Scottish Charity No. SC034054)

6. Terms and Conditions

- 6.1 The gross price shall be ONE MILLION, TWO HUNDRED AND NINETY SIX THOUSAND POUNDS STERLING (£1,296,000), exclusive of Value Added Tax (VAT), if applicable.

- 6.2 The gross price is based on the Purchaser's current proposal for the erection of a residential development of 81 units on the site shown hatched and edged black.
- 6.3 For the avoidance of doubt the agreed gross price per unit is £16,000.
- 6.4 The net purchase price shall not be known until agreement of abnormal cost deductions with the Purchaser.
- 6.5 The guaranteed minimum price shall be THREE HUNDRED AND TWENTY FOUR THOUSAND POUNDS STERLING (£324,000), exclusive of Value Added Tax.
- 6.6 For the avoidance of doubt the guaranteed minimum price has been arrived at by applying the agreed de minimis rate per unit of £4,000 to the purchaser's current proposal of 81 units on the site shown hatched and edged black.
- 6.7 A 'remaining balance' (as hereafter described) shall be payable on or before the date of entry. The 'remaining balance' will be the sum, in pounds sterling, arrived at by applying the following formula:-

Remaining Balance = GP – GMP – AC

Where:

GP = £1,296,000

GMP = £324,000

AC = Abnormal Costs

- 6.8 Abnormal Costs must be agreed, as being proper and reasonable on an open book basis with 3rd party expert determination, on referral by either party, of what is proper and reasonable in the event of a dispute.
- 6.9 An itemised breakdown of Abnormal Costs must be submitted to the seller. Costs will only be accepted as abnormal if they are provided for within the Guidance on Abnormal Costs/Works.
- 6.10 Abnormal costs will be limited to NINE HUNDRED AND SEVENTY TWO THOUSAND POUNDS STERLING (£972,000).
- 6.11 In the event that the parties are unable to agree on the matters that should be included as Abnormal Costs/Works, then the dispute shall be resolved by an Independent Expert, who will be professionally qualified for at least ten years in the field in which the dispute arises.
- 6.12 The net purchase price shall be payable upon the date of entry.
- 6.13 The date of entry shall be no later than 31 March 2026.

- 6.14 The subject, hatched and edged black on the plan, shall be used solely for accommodating a residential development of 81 units and for no other use whatsoever without the prior written consent from the seller which shall be granted at their absolute discretion. Enforceable by economic development burden.
- 6.15 The purchaser shall satisfy itself with regard to the seller's title including any tree preservation orders.
- 6.16 The purchaser shall be responsible for the seller's reasonable legal expenses in connection with this transaction, together with City Property's (Glasgow) LLP's fee of £2,500, plus VAT.
- 6.17 The purchaser shall also pay an admin fee of £750 plus VAT for any amendment to the agreed heads of terms such as the purchaser name as agreed above, which will be subject to appropriate authority being sought.
- 6.18 This subject has not been opted to tax.
- 6.19 In the event that the purchaser disposes the subject prior to the proposed development commencing, then the purchaser shall pay to the seller 100% of all sales proceeds in excess of the agreed net purchase price, subject to the deduction of any costs incurred by the purchaser during the sales process. Any clawback will be payable by the purchaser to the seller within 14 days of the date of onward sale of the subject failing which the purchaser will pay on demand to the seller any interest accrued from the date the amount became due until the date of payment.
- 6.20 It is agreed that the purchaser shall pay to the seller 100% of any uplift in the market value of the subject less any costs incurred in the event that planning consent for a more valuable land use is gained.
- 6.21 Planning overage will be payable by the purchaser to the seller within 14 days of planning permission being granted.
- 6.22 In the event that planning consent is obtained for a development of more than 81 units on the site shown hatched and edged black, then the purchaser shall pay to the seller a sum of £16,000 gross, for each and every additional unit constructed thereon, subject always, to the deduction of any Additional Abnormal Costs incurred as a direct result of an increase in unit numbers. For the avoidance of doubt, Additional Abnormal Costs will be limited to £12,000 per each additional unit and will be subject to verification.
- 6.23 The purchaser must provide the seller with an itemised breakdown of all additional abnormal costs within three months of planning consent being granted. Payment of an 'additional balance' arrived at by applying the following formula shall be made no later than six months from the date of any revised planning consent.

$$AB = (AU * £16,000) - (AAC)$$

Where: AB = Additional Balance

AU = Additional Units in excess of 81 units for the area shown hatched and edged black on the attached plan.

AAC = Additional Abnormal Costs

- 6.24 The purchaser shall notify the seller within 14 days of the granting of planning permission for additional units.
- 6.25 In the event that the parties are unable to agree on the matters detailed in clause 6.19 to 6.23 then the dispute shall be resolved by an Independent Expert, who will be professionally qualified for at least 10 years in the field in which the dispute arises.
- 6.26 The overage conditions contained herein shall be secured by way of economic development burdens enforceable by the Seller as local authority burdening the title of the whole subject from the date of entry.
- 6.27 The purchaser will not be entitled to assign in whole or in part its rights under the contract of sale without the Seller's consent which shall be granted at its absolute discretion.
- 6.28 All third-party determination in the contract of sale shall be by an independent expert and not by way of arbitration.
- 6.29 In the event that the purchaser instructs ground investigation works, site surveys, habitat surveys, EIA surveys or any other such survey or report, prior to the date of entry then the costs of such works/surveys shall be borne by the Purchaser. For the avoidance of doubt the seller shall not reimburse the purchaser for any such costs whatsoever whether the sale completes or not.
- 6.30 The Executive Director of Neighbourhoods, Regeneration and Sustainability, in consultation with the Director of Legal and Administration, shall be authorised to conclude all other matters pertaining to the disposal of the subject and to enter into the necessary legal agreements on terms which are in the best interest of the Council.

7. Policy and Resource Implications

Resource Implications:

Financial:

The approval of the off-market disposal will generate a capital receipt for Glasgow City Council.

Legal:

The legal team will need to conclude this transaction.

<i>Personnel:</i>	No direct personnel issue.
<i>Procurement:</i>	No procurement implications.
Council Strategic Plan:	Grand Challenge 1: Reduce poverty and inequality in our communities. Mission 3 - Improve the health and wellbeing of our local communities.

Equality and Socio-Economic Impacts:

<i>Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.</i>	No specific equality related outcomes.
<i>What are the potential equality impacts as a result of this report?</i>	No equality impacts identified.
<i>Please highlight if the policy/proposal will help address socio-economic disadvantage.</i>	The proposal has no impact on socio economic disadvantage.

Climate Impacts:

<i>Does the proposal support any Climate Plan actions? Please specify:</i>	Whilst not supporting specific Climate Plan actions the proposed development will be subject to statutory guidelines.
<i>What are the potential climate impacts as a result of this proposal?</i>	There are no potential climate impacts for this proposal at this time.
<i>Will the proposal contribute to Glasgow's net zero carbon target?</i>	It is considered that the proposal will not have either a positive or negative contribution to the City's net zero carbon target.

Common Good:

It is considered that the subjects do not form part of the Council's Common Good.

The subjects were acquired by the Council's predecessors using statutory powers. The subjects are not on the list of common good assets. There are no conditions in the title that would suggest that the subjects were being acquired to be held as part of the common good. There are no other relevant factors to suggest that the subjects would form part of the common good of the Council.

Privacy and Data Protection Impacts:	No privacy and data protection impacts identified.
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8. Recommendations

That Committee:

- 8.1 notes the contents of this report;
- 8.2 approves the off-market disposal of the subject to Wheatley Housing Group Limited, subject to terms and conditions outlined in this report; and
- 8.3 authorises the Executive Director of Neighbourhoods, Regeneration and Sustainability in consultation with the Director of Legal and Administration to progress the disposal.