



Glasgow City Council

Contracts and Property Committee

Report by George Gillespie, Executive Director of Neighbourhoods, Regeneration and Sustainability

Item 11

12th June 2025

Contact: George McMillan Ext: 76151

**PROPOSED OFF-MARKET DISPOSAL OF LAND AT
KENMUIR ROAD, CARMYLE, GLASGOW G32**

Purpose of Report:

To seek Committee approval to the provisionally agreed off-market disposal of land at Kenmuir Road, Carmyle, Glasgow G32 to Carmyle Developments Limited.

Recommendations:

That Committee

1. notes the content of this report;
2. approves the off-market disposal of land at Kenmuir Road, Carmyle Glasgow G32 to Carmyle Developments Limited, subject to the terms and conditions outlined in this report.

Ward No(s): 19 - Shettleston

Citywide: ✓

Local member(s) advised: Yes ☐ No ✓

consulted: Yes ☐ No ✓

PLEASE NOTE THE FOLLOWING:

Any Ordnance Survey mapping included within this Report is provided by Glasgow City Council under licence from the Ordnance Survey in order to fulfil its public function to make available Council-held public domain information. Persons viewing this mapping should contact Ordnance Survey Copyright for advice where they wish to licence Ordnance Survey mapping/map data for their own use. The OS web site can be found at <http://www.ordnancesurvey.co.uk> "

If accessing this Report via the Internet, please note that any mapping is for illustrative purposes only and is not true to any marked scale



Report to: Contracts and Property Committee

From: Managing Director of City Property (Glasgow) LLP

Date: 12 June 2025

Subject: Proposed off-market disposal of land at Kenmuir Road, Carmyle, Glasgow G32 to Carmyle Developments Limited.

1. Description

- 1.1. The subject is located within the Carmyle area, lying some 5 miles south-east of Glasgow City Centre and comprises 5 plots of land, shown outlined and hatched black on the enclosed plan, extending to 12.2 hectares (30.15 acres), or thereby.

2. Planning

- 2.1. [Glasgow City Development Plan](#) was adopted on 29 March 2017. The new local development plan replaced Glasgow City Plan 2 (2009) and sets out 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, having overarching policies CPD1 Placemaking & CDP 2 Sustainable Spatial Strategy encouraging development to be informed by a placed base approach.
- 2.2. The proposed purchaser, Carmyle Developments Limited (CDL), has a pending planning application ([Reference 17/02961/DC](#)) submitted in November 2017 for the erection of residential development and associated works, including highway improvements (Environmental Impact Assessment). This will impact a significant part of Carmyle and includes CDL's former Kenmuir Farm site to the east of the subject, other relevant areas of land that have been subsequently acquired by CDL and the 5 plots of Council land that form the subject of this report.

3. Background

- 3.1 The subject sites are not deemed as part of Glasgow City Council's (GCC) operational requirement and were formally declared surplus in 2 stages on 25 April 2023 and on 16 October 2024, with no notes of interest being received.

- 3.2 At its meeting on 10 October 2019, the City Administration Committee approved a policy for off-market disposals ([Report Details](#)) and it is considered that the proposed disposal is compliant with sections 3.1.1 of the policy, 'disposal to an adjoining proprietor', and 3.1.6 of the policy for a 'disposal that will support inward investment and socio economic objectives'.
- 3.3 The Contracts and Property Committee, at its meetings on 8 June 2023 ([Report Details](#)) and 28 November 2024 ([Report Details](#)), approved negotiations for the off-market disposal of the 5 sites at Kenmuir Road, Carmyle, Glasgow G32, to erect a residential development and associated works, including extensive infrastructure / highway improvements, and consolidate the masterplan area, noting that the planning process requires the overall area in private ownership.
- 3.4 City Property (Glasgow) LLP (CPG) was instructed by Property and Consultancy Services (PC&S) to negotiate the terms and conditions for disposal of the 5 sites and to include conditions that will ensure the land is only utilised for the proposed use, with overage clauses to be included to protect GCC's interest if the use is to change in the future.
- 3.5 The subject is not currently included in GCC's log of opted to tax property.

4. Current Position

- 4.1 Of the 5 GCC sites, there is a significant amount of land that is landscaped, forested and / or sloping in nature and while it all serves a useful purpose in terms of the overall Masterplan, it is not going to feature as ground that would host residential development. Following site investigations, any potential specific development on GCC's site is further reduced and current proposals are noting an estimated overall proposed development of 400 units, with 300 units on the former Kenmuir Farm site and 100 units on GCC land.
- 4.2 In terms of the above noted site investigation works carried out by the prospective purchaser, it has been determined that some plots will require piled foundations, while others require trench fill in excess of 1m below ground level, all considered to be abnormal ground condition costs. These have been ratified by the GCC's Geo-Technical section, equating to a deduction of £300,000 on the GCC's site, which has been reflected in the negotiated purchase price for the site.
- 4.3 It is further noted that as part of the planning application the purchaser will be required to enter into a Section 75 agreement with GCC and the contribution for this will be £11,000 per unit. In addition, and as previously noted in this report, there will be extensive infrastructure / highway improvements to be carried out prior to actual residential development commencing, along with demolition costs, further obligations to create cycle paths, upgrading Scottish Water & Scottish Power connections and forming alternative access routes.
- 4.4 Provisional agreement has now been reached with the proposed purchaser, as detailed in section 6 below.

5. Purchaser

5.1 Carmyle Developments Limited (SC480450).

6. Terms and Conditions

- 6.1 The subject comprises 5 plots of land, shown outlined and hatched black on the attached plan, extending to 12.2 hectares (30.15 acres), or thereby. Please note that the attached plan is for indicative purposes only.
- 6.2 The purchase price shall be a minimum of ONE MILLION, FOUR HUNDRED AND FIFTY THOUSAND POUNDS STERLING (£1,450,000) exclusive of Value Added Tax (VAT), payable on the date of entry. For the avoidance of doubt, the sale price will not be subject to VAT.
- 6.3 The Date of Entry to be agreed between the parties.
- 6.4 The 2 main plots of the subject that formed the basis of the report to the meeting of the Contracts and Property Committee on 8 June 2023 ([Report Details](#)) and shown to the east on the attached plan, to be used in line with the pending planning application ([Reference 17/02961/DC](#)), submitted in November 2017, for the erection of residential development and associated works, including highway improvements, and for no other use whatsoever, without the express approval of the Council, to be enforceable by Standard Security.
- 6.5 The other 3 plots of the subject that formed the basis of the report to the meeting of the Contracts and Property Committee on 28 November 2024 ([Report Details](#)) and shown to the west on the attached plan, shall be used solely in line with the existing uses as varying amenity lands, to be enforceable by Standard Security.
- 6.6 The purchaser shall satisfy itself with regard to the Council's title, including any tree preservation orders.
- 6.7 The purchaser shall be responsible for the Council's reasonable legal expenses in connection with this transaction, together with City Property (Glasgow) LLP's fee of £5,000, plus VAT.
- 6.8 In the event that the purchaser disposes the subject prior to the proposed development commencing, then the purchaser shall pay to the Council 100% of all sales proceeds in excess of £1,450,000 (One Million, Four Hundred and Fifty Thousand Pounds Sterling), up to a maximum of 25% of the disposal figure for the sale of the overall development, 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 Council within 1 month of the date of onward sale of the subject failing which the purchaser will pay on demand to the Council any interest accrued from the date the amount became due until the date of payment.

- 6.9 In the event that planning consent is obtained for a development of more than 400 units on the overall development site, then the purchaser shall pay to the Council, a sum of £3,625 per unit (representing 25% of the agreed £14,500 per unit) net for each and every additional unit constructed thereon, payable upon the approval of planning permission.
- 6.10 In the event that the parties are unable to agree on the matters detailed in clauses 6.8. & 6.9 above then the dispute shall be resolved by independent expert, who will be professionally qualified for at least 10 years in the field in which the dispute arises.
- 6.11 The clawback/overage conditions contained above shall be secured by Standard Security.
- 6.12 The purchaser will not be entitled to assign in whole or in part its rights under the contract of sale without the Council's consent, which shall be granted at its absolute discretion.
- 6.13 All third-party determination in the contract of sale shall be by an independent expert and not by way of arbitration.
- 6.14 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 Council shall not reimburse the purchaser for any such costs whatsoever whether the sale completes or not.
- 6.15 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:

<i>Financial:</i>	Disposal will generate a capital receipt for GCC and there will be GCC cost savings on the removal of maintenance liability for landscaped amenity areas.
<i>Legal:</i>	Legal will need to conclude this transaction.
<i>Personnel:</i>	No direct personnel issues.
<i>Procurement:</i>	No procurement implications.

Council Strategic Plan: Grand Challenge 1 – Reduce poverty and inequality in our communities.

Mission 4 – Support Glasgow to be a city that is active and culturally vibrant.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify. No specific equality related issues.

What are the potential equality impacts as a result of this report? No equality impacts identified.

Please highlight if the policy/proposal will help address socio-economic disadvantage. The proposal has no impact on socio-economic disadvantage.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify: Whilst not supporting specific Climate Plan actions, proposed development will be subject to statutory guidelines.

What are the potential climate impacts as a result of this proposal? There are no potential climate impacts for this proposal at this time.

Will the proposal contribute to Glasgow's net zero carbon target? 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 subject does not form part of the Council's Common Good.
The subject was acquired by the Council's predecessors using statutory powers.
The subject is not on the list of common good assets.

There are no conditions in the title that would suggest that the subject was being acquired to be held as part of the common good.
There are no other relevant factors to suggest that the subject would form part of the common good of the Council.

**Privacy and Data
Protection Impacts:**

No privacy or data protection impact identified.

8. Recommendations

That Committee:

- 8.1 notes the contents of this report; and
- 8.2 approves the off-market disposal of land at Kenmuir Road, Carmyle, Glasgow G32 to Carmyle Developments Limited, subject to the terms and conditions outlined in this report.