

**Section 75 Agreement, Proposed Development at Cowal Golf Club by
Laurieston Developments (Cowal) Limited**

1. SUMMARY

- 1.1 The purpose of this Report is to seek Members' instructions in relation to the terms of the Section 75 agreement to be entered into with Laurieston Developments (Cowal) Limited in respect of the proposed development at Cowal Golf Club.

2. RECOMMENDATION

- 2.1 That Members advise whether Legal Services are to insist on the 12 months period aftermentioned or may agree to a lesser period.

3. BACKGROUND

- 3.1 Members will recollect that at their meeting on 4th December 2007 the Committee agreed to grant permission for the proposed development subject to the Developer entering into a section 75 agreement to regulate the position in relation to the provision of affordable housing site on the site.
- 3.2 Since the said meeting, Legal Services have been in correspondence with the Developer's solicitors with a view to agreeing the wording of the agreement and indeed the terms of the agreement had been agreed with the solicitors. However since then, the Developer has expressed concern about one particular provision and this is the matter upon which Committee instructions are sought.
- 3.3 The agreement provides as follows:
- (a) there are to be 16 affordable housing units on the site
 - (b) no more than 24 of the units which are not the affordable housing units (the market units) shall be completed before all of the affordable housing units have been completed and put on the market
 - (c) if by the time 30 market units have been completed, the affordable housing units have not been sold to persons in housing need then the Council would have the option to require the developer to convey the flats to a nominated party (eg a housing association) at a price of £80,000 for each flat.
 - (d) if there is at that time, no housing association or other organisation which wants to purchase the flats for use as affordable housing units the Developer should continue to

market the flats as affordable housing units for a period of 12 months from the date of completion of the 30th market unit. If, by the expiry of the 12 month period, any of the affordable units remain unsold then the Developer should be permitted to sell them as market units.

- 3.4 The Developer's concern is in relation to the provision referred to in (d) above where their proposal is that the period should be 3 months rather than 12 months and should extend from the date of completion of the affordable housing units rather than the date of completion of the 30th market unit. In other words the Developer seeks to limit the period of marketing of the affordable units as affordable units to 3 months after completion of all 16. If any remain unsold at that time then they may be sold as market units. It is considered by officials within Legal Services and Planning Services that the proposed period of 3 months is too short, although Members may consider that there is room for some form of compromise.

5. IMPLICATIONS

Policy:	The Section 75 agreement is required in relation to the Council's policy on the provision of affordable housing.
Financial:	None
Personnel:	None
Equal Opportunity:	None

Susan Mair
Head of Legal and Protective Services

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