EAST RENFREWSHIRE COUNCIL

<u>CABINET</u>

<u>1 May 2014</u>

Report by Director of Environment

PROPOSED RENEWABLE ENERGY OPPORTUNITY GREENHAGS BY NEWTON MEARNS

PURPOSE OF REPORT

1. To seek Cabinet approval to proceed to advertise a leasing opportunity of Council owned grazing land at Greenhags in Newton Mearns, for the possible development of renewable energy uses.

RECOMMENDATIONS

2. The Cabinet is asked to approve the proposal to advertise a leasing opportunity of Council owned grazing land at Greenhags in Newton Mearns, for the possible development of renewable energy uses.

BACKGROUND

3. In April 2013, the Cabinet agreed to appoint Intelligent Land Investments (Renewable Energy) Limited (ILI) as the preferred bidder to enable it to investigate the viability of a small scale windfarm on part of the Council owned land at Greenhags. ILI is currently pursuing this proposal.

4. In the meantime, the Council has been approached by another developer with a proposal to develop another part of this land for a renewable energy plant. The 2 hectare site is shown hatched in the Appendix to this report. The developer is seeking an agreement with the Council which would allow it to investigate the viability of a renewable energy proposal at its own risk. In the event the site is found to be viable, the Council would enter into a ground lease with the developer which would then allow the developer to progress its proposal.

5. The proposal is around the building of an eco-friendly anaerobic digestion facility and entering into a contract(s) with local farmer(s) to provide a regular grass harvest. There will be little or no smell. The development will be low scale and low key. There will be no emissions or burning of material.

REPORT

6. In order to demonstrate best value, it is proposed that this development opportunity is advertised on the open market. At this stage, it is anticipated that the Council would enter into an agreement with the successful developer which would enable it to investigate the viability of their proposal on this site. In the event the proposal was found to be viable and the developer was able to obtain all necessary permissions and consents, they would then enter into a ground lease with the Council.

FINANCE AND EFFICIENCY

7. In the event that the site is found to be viable, the development could generate a significant annual ground rental income.

CONSULTATION AND PARTNERSHIP WORKING

8. This proposal has involved consultation between Planning, Property and Technical Services and Environmental Services.

IMPLICATIONS OF THE PROPOSALS

9. Marketing the site as proposed would allow the Council to appoint a preferred developer through a competitive process, who would then investigate at its own risk the viability of a renewable energy proposal. If the developer is able to establish that its proposal is viable and it is able to obtain all necessary statutory consents including planning permission, the developer would then enter into a ground lease with the Council.

10. There are no IT, staffing, equalities or other implications associated with this report.

CONCLUSIONS

11. Marketing this opportunity by means of a competitive process will allow the Council to demonstrate best value and in the event that the successful developer's proposal proves to be viable, the Council would benefit from a significant ground rental income.

RECOMMENDATIONS

12. the Cabinet is asked to approve the proposal to advertise a leasing opportunity of Council owned grazing land at Greenhags in Newton Mearns, for the possible development of renewable energy uses.

Director of Environment

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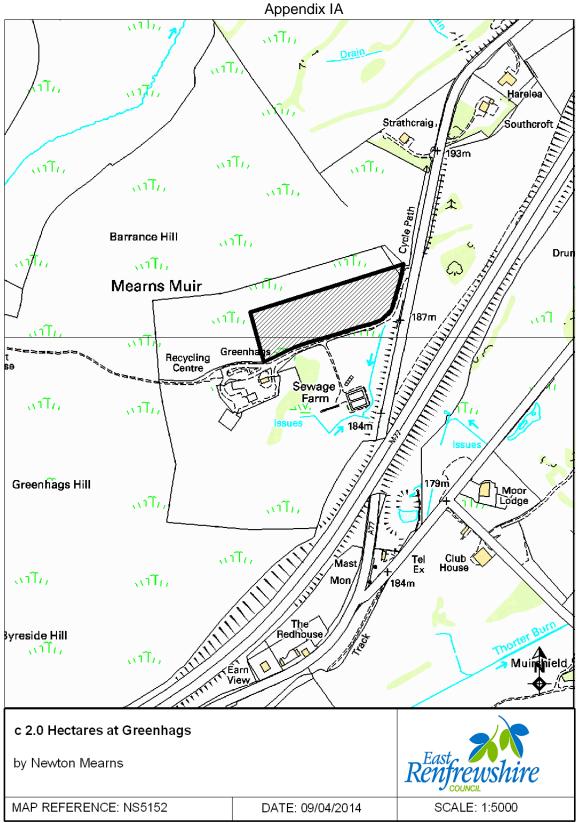
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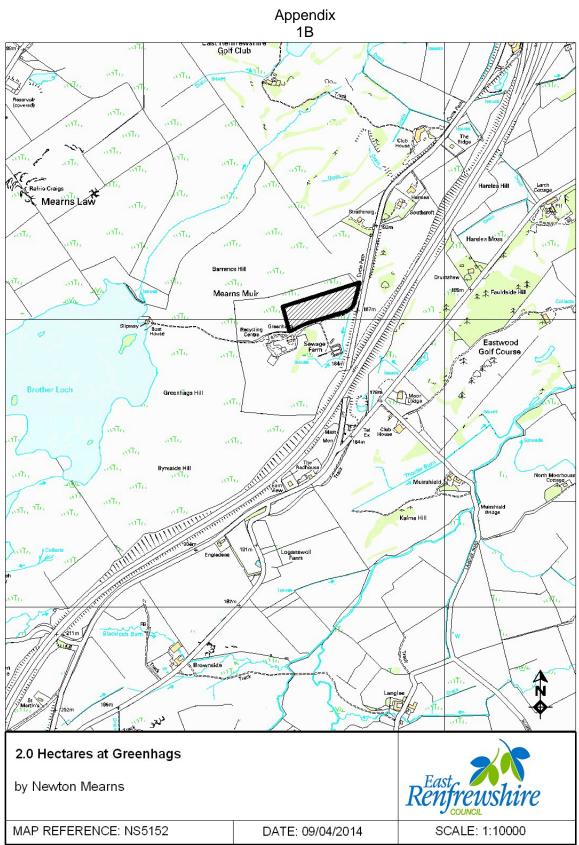
KEY WORDS

A report seeking the Cabinet's approval to market part of the Council's land at Greenhags in Newton Mearns to identify a preferred developer who will investigate the possibility of developing a small scale renewable energy facility.

Key Words: Greenhags, renewable energy, development, marketing.



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