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Mr. Alex Fraser
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By email)

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Our ref: BV 115/24

Date: 04 / 04 / 2025

Dear Mr. Fraser,

Land at Riddochhill Road, Blackburn
CASE NUMBER: BV 115/24

A Notice of the King's and Lord Treasurer's Remembrancer's ("KLTR") decision under the Ownerless Property Transfer Scheme ("OPTS") in relation to the above subjects is attached.

The KLTR has considered the application from West Lothian Council ("the Applicant") to acquire the Crown's interest in the property and is satisfied that it meets the criteria set out in the Ownerless Property Transfer Scheme. The KLTR intends to progress the potential sale of the property to the Applicant under OPTS.

We thank you for your application and wish you every success with your endeavours.

The enclosed Notice sets out the reasons for the KLTR's decision. We would like to draw the Applicant's attention to the notes contained in the Notice providing information about the effect of this decision and next steps.

Yours sincerely

Paul McGuigan
Senior Casework Manager

On behalf of the KLTR



Notice by the King's and Lord Treasurer's Remembrancer: Ownerless Property Transfer Scheme (OPTS)

The King's and Lord Treasurer's Remembrancer ("KLTR") has considered the application by West Lothian Council (the "Applicant") to acquire the Crown's interest in Land at Riddochhill Road, Blackburn, EH47 7HF (the "property") and is satisfied that the application meets the OPTS criteria. As a result, the KLTR is minded to transfer the property to the Applicant and the reasons for this decision are as follows:

1. Intended Owner - Satisfied

The Applicant is West Lothian Council, a recognised Scottish Local Authority. The Applicant has advised the KLTR that the Property is required to facilitate the development of neighbouring land already owned by the Applicant. The Applicant has advised that the intended development will be residential and will comprise (i) the Property and (ii) neighbouring land already owned by the Applicant (together, the "site"). The Applicant has advised that the development on the site is likely to be 100% affordable due to the low level of local residential property values. In that scenario, the ultimate owner of the site will be a Registered Social Landlord ("RSL"). The Applicant has advised that it is likely that the site would be transferred to a private development company who will construct the development, and the site would subsequently be transferred to an RSL following construction.

The KLTR is satisfied that this criterion is met.

2. Public Interest - Satisfied

The factors considered in relation to public interest demonstrate that a transfer of the Crown's interest in the property to the Applicant would be in the public interest for the following reasons:

- The KLTR considers that the application aligns with the aims and objectives of the OPTS process. The Applicant is interested in taking ownership to the property to assemble and unlock the site and increase the capital receipt from the sale of the site. The Applicant advises that 100% of the capital receipt will be invested in the delivery of affordable housing in West Lothian and has asked KLTR to consider that a transfer of the property under OPTS at less than market value is in the public interest.
- The KLTR considers that the evidence provided in support of the application displays a sufficient level of public engagement and research in defining the benefits the proposals would bring to the local residents and the wider population.
- The Applicant's proposal states that they are looking to develop the site to increase housing supply and tackle the local housing emergency. The Applicant



has advised if the site is sold to a developer, there would be a requirement for the developer to comply with the Applicant's Affordable Housing Supplementary Planning Guidance to provide affordable housing on the site along with any private housing. In the case of Blackburn, this would mean a requirement of 15% affordable homes for sites with more than 40 houses.

Looking at the proposal in more detail, several public interest themes emerged:

- **Addressing Housing Inequality**

The project mandates that 15% of the housing on the site be affordable, ensuring that lower-income families have access to quality housing. If delivered, the KLTR considers this would directly address housing inequality by increasing the availability of affordable homes in Blackburn.

- **Economic Benefits**

Selling the site to a developer creates a capital receipt, which is to be reinvested into the Applicant's Housing Revenue account. This funding should support further affordable housing development, addressing the housing crisis in the area identified by the Applicant.

- **Community and Safety Improvements**

By developing the site as intended, the KLTR considers the overall quality of the local environment will improve, making it a more desirable place to live and potentially attracting further investment into the community.

- **Long-Term Sustainability**

The proposals allow for a combination of market and affordable housing, ensuring a balanced and sustainable community. This mix can help integrate different socio-economic groups, fostering a more inclusive community.

The KLTR noted that, based on the current housing shortage, the community will benefit if the proposals are delivered. The KLTR also noted that this was an area in West Lothian identified to be within the bottom 20% on Scottish Index of Multiple Deprivation (SIMD) with a high level of need with housing conditions having a direct effect on health, social and economic wellbeing.

As outlined in the OPTS guidance, the KLTR intends to apply "clawback" arrangements at the point of transfer to ensure that the intended use as stated in the OPTS application is fulfilled.

The KLTR considers that the Applicant has provided sufficient evidence that the proposed development of the site would be in the public interest as it would address the local housing emergency, boost the local economy and improve local community infrastructure.

The KLTR is satisfied that the Public Interest criterion has been met.



3. Definition of Community - Satisfied

The application provided a map clearly showing the extent of the community boundary. This map encompassed the entirety of the Blackburn area and, thereafter, the wider West Lothian Council area. By virtue of the Applicant being a Local Authority, the community was, by definition, all those residents within the Local Authority area. As such, the definition of community includes all members of the community. The KLTR is satisfied that the application appropriately defines the community, and that the definition is inclusive and open. The Blackburn area covers approximately 1.7km² and has a population of approximately 5,400. The wider West Lothian Council area covers approximately 428km² with a population of approximately 182,000.

The KLTR is satisfied that the Definition of Community criterion is met.

4. Community Interest and Support - Satisfied

The factors considered in relation to community interest and support demonstrate that the Applicant has evidenced, to a degree, community interest and support in a number of ways.

- **Has the Applicant discussed plans with other local, regional or national organisations?**

As the Applicant is a Local Authority, it is assumed that they are acting in the best interests of the community and the wider council area that they represent. The Local Government in Scotland Act 2003 Act gives a Local Authority a power to do anything which it considers is likely to promote or improve the well-being of its area and/or persons within that area.

- **Is there demonstrable support for the project within the community? How has this been demonstrated?**

The Applicant provided supporting information by way of demonstrating community interest and support for the application from within the defined community.

The Applicant provided evidence of a community engagement session carried out in the local area in September 2024. This evidence indicates that a survey was carried out in relation to new housing development on 3 potential locations within the Blackburn area. The evidence provided that there were 185 responses to this survey. However, the Applicant only provided evidence of 73 responses (~40%). Of these responses there was a split of 42 (58%) in favour of new housing and 31 (42%) against. The Applicant has since provided KLTR assurances to confirm that the omission of the above responses does not alter the general position on Community



Interest and Support outlined in their application.

Further supporting evidence in relation to community engagement carried out on the Applicant's Locality Plans did not specifically reference housing but indicated that local residents liked their open spaces and sense of community and did not like lack of amenities and employment opportunities. The proposed affordable housing development could provide employment opportunities and add to the sense of community.

The Applicant also consulted with the Tenants' Panel. This comprised of 4 members with 1 having links to the Blackburn area, who indicated support for the Local Authority to take ownership of these sites to generate funds that could be invested in affordable housing.

While it is the KLTR's view that the Applicant has provided sufficient evidence in relation to community interest and support, more supporting evidence could have been provided to further strengthen the application.

The KLTR is satisfied that the Community Interest and Support criterion is met.

5. Sustainability & Environmental Impact - Satisfied

The KLTR has considered all 3 pillars relating to sustainable development - social, economic and environmental - and is of the view that the evidence provided in relation to sustainable development demonstrates that a transfer of the Crown's interest in the property to the Applicant would be in the public interest for the following reasons:

- **Social and Economic**

The application provided a range of evidence of social and economic needs which the proposal seeks to address. Evidence was provided showing that Blackburn is an area of high need on the SIMD. This area has particularly high levels of deprivation in terms of income, employment and health. The application notes that a large proportion of Blackburn is among the 20% most deprived areas in Scotland with an area close to this site featuring in the bottom 5%.

The local community has expressed its view that, in addition to healthcare and amenity provisions, the area would benefit from investment in affordable housing to address the current housing crisis.

The proposal sets out that the acquisition of the property would enable the Applicant to merge the property with the neighbouring land already owned by the Applicant to provide an opportunity to develop housing on the site.

The Applicant has advised the KLTR that the development of the site is expected to deliver



100% affordable units. The application does not suggest a specific housing density for the site. The Applicant advises this will be dependent on the outcome of a planning application and therefore subject to any on-site ecological considerations.

- **Environmental**

In furthering the plans outlined above, any developer of the site would have to satisfy the Local Authority by including environmental considerations in their designs. This would include, but not be limited to, sustainable water drainage systems and improved biodiversity.

Whether the site is developed by the Applicant themselves or sold on to a developer, it is agreed that any development of the site would bring benefit to the local area and to future generations by providing a source of housing and encouraging people into the area. In addition to this, bringing the site into beneficial use would also reduce the risk of opportunities for anti-social behaviour and fly tipping.

The KLTR is satisfied that this criterion has been met.

6. Project Funding and Viability - Satisfied

The KLTR considers that the evidence provided in the application in relation to project funding and viability sufficiently outlines the Applicant's vision for financing this proposal through several key points:

- **Viability**

The Applicant advises the project is expected to be viable for developers, who will factor in current construction costs and potential sale values. Viability for affordable schemes will depend on grant funding from the Scottish Government's Affordable Housing Supply Programme. The KLTR considers this indicates that there is an adequate plan in place for the Applicant to ensure necessary funding is available to support any development of the site.

- **Interest from Developers and RSLs**

The proposal states there is an expectation of interest from both private developers and RSLs, based on recent evidence from similar sites in Blackburn. The KLTR considers this interest suggests a reasonable likelihood that a capital receipt will be realised when the site is presented to the market.

- **Transfer Costs**

The proposal indicates that any potential costs associated with the KLTR transfer will be covered by the funds generated from the sale of the site.

- **Planning Process**

The Applicant advises the shape of the development on the site, including housing mix and tenure type, will be addressed as part of the planning process,



to ensure that the project objectives are realised in a structured and planned manner.

- **Business Plan**

The Applicant has provided a high-level plan on how they will achieve their objectives over time and how the project is expected to be funded. This includes securing grant funding to ensure the viability of affordable housing schemes.

- However, there is some inherent uncertainty at this early stage. The Applicant advises it is too soon to know what shape the development of the site will ultimately take with potential developers, RSL or otherwise. The KLTR has provided feedback to the Applicant that even in these circumstances, as much relevant detail as possible should be provided, with a view to strengthening future applications.
- The KLTR notes the Applicant, as a Local Authority, would have the necessary resilience and access to resources to deliver this proposal.

Conclusion

- While uncertainty remains over the precise nature of any development on the site, the Applicant has the experience and resources to take this forward in a proactive manner and has provided assurances on this.
- The application demonstrates a realistic and viable vision for financing the Applicant's objectives to tackle the housing emergency in West Lothian. Funding is expected to be available through capital receipts from the sale of the Site, with additional support from Scottish Government grant funding.
- The planning process and business plan should help ensure that the project objectives are realised over time, contributing to the affordable housing supply in West Lothian.

The KLTR is satisfied that the Project Funding and Viability criterion has been met.

CONCLUSION

The KLTR is satisfied that there was sufficient evidence in the application across all criteria, particularly in relation to public interest and the Local Authority's resources and resilience, to suggest that the Applicant could successfully take this project forward. The KLTR considers that approving the application will provide an opportunity for the Applicant to turn the site into an economically viable use to help tackle the local housing emergency and provide a wider benefit to the local community for generations to come.

The KLTR is therefore of the view that the application meets the required criteria and, as a result, the application has been approved.



NOTES

In determining whether the application meets the OPTS criteria, the KLTR has taken into account all of the information available to him at the time the decision was taken.

In approving the application, the KLTR provides the Applicant with **3 months** from the date of this Notice to raise the necessary funds and conclude the transfer of the property (see point 5 in section 2.1 on page 6 of the OPTS Guidance at:

<https://www.kltr.gov.uk/media/3obhwypx/opts-guidance-march-2024.pdf>).