

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer: Supply, Distribution and Property****Infrastructure Regeneration and Economic Development Committee:****16 August 2023**

Subject : Sale of Block 6 Lomond Industrial Estate, Alexandria G83 0TL together with associated land.

1.1 The purpose of this report is to seek Committee approval for the Council to enter into a contract for the disposal of Block 6 Lomond Industrial Estate, Alexandria together with associated land to Torwood Estates Ltd.

2. Recommendations

2.1 It is recommended that the Committee:

- (i) Approve the disposal of the Property to Torwood Estates Ltd a registered company registered under company number SC641254 for a figure of £170,000 plus VAT.
- (ii) Authorise the Chief Officer, Supply, Property and Distribution to conclude negotiations on such conditions as considered appropriate.
- (iii) Authorise the Chief Officer, Regulatory and Regeneration to conclude the transaction on such conditions as considered appropriate.

3. Background

3.1 In February 2021 Blocks 4&5 Strone road (formerly Greenlight Recycling) were sold to Torwood Estates Ltd which is an associate company of Carrs Loch Lomond Ltd

3.2 In October 2022 Unit 4 Block 6 Strone Road was destroyed by fire and was subsequently demolished. This was the subject of an Insurance claim which has been settled.

3.3 Blocks 4,5 & 6 are the only properties on Strone Road which is at the bottom (eastern) side of Lomond Industrial Estate close to the River Leven. The 'Lade' is an unadopted water course which runs immediately to the west of Strone Road which is also unadopted and into which the road drains run. When the water level in the River Leven is high this causes the Lade and Strone Road to flood which has on occasion blocked access to the properties on Strone Road.

4. Main Issues

4.1 Unit 1 Block 6 is currently occupied by Greenspace (WDC) but as a result of the future depot rationalisation project they will be vacating the property and a new tenant would require to be found.

4.2 Unit 3 Block 6 was damaged in the fire in October 2022 and requires repairs to the roof.

4.3 Units 2&3 Block 6 are currently let and produce in total an annual income of £15,400 The current leases and the current terms and conditions will be transferred to Torwood Estates Ltd on completion of the disposal. Both units are leased to the same tenant and formal notification of change of owner will be issued to them.

4.4 The land to the north of Block 6 is low lying, susceptible to flooding and would require extensive remediation before it would be capable of development, if ever.

4.5 Torwood Estates Ltd / Carrs of Loch Lomond are adjacent landowner following their purchase of Blocks 4&5 Lomond Industrial Estate. They are a well established local firm who operate a business dealing with the hire of buses, mini-buses and wedding cars and are a significant employer in the area.

4.6 The offer from Torwood Estate Ltd is subject only to standard commercial conditions. The funding of the purchase does not require external financing and the anticipated date of entry is 31 August 2023.

5. People Implications

5.1 There are no significant people implications other than the resources required by Legal Services to negotiate missives and conclude the transaction.

6. Financial and Procurement Implications

6.1 The Council will benefit from a capital receipt of £170,000 plus VAT.

- 6.2 The Council will no longer receive the annual rental income from Units 2&3 Block 6 or the potential income from Unit 1 Block 6.
- 6.3 The Council will no longer have to incur resources in managing the property and dealing with complaints and costs connected fly-tipping, travelling people and the regular flooding of Strone Road.
- 6.4 The Council will be relieved of the liability for the maintenance of the unadopted road and water course.
- 6.5 There are no procurement implications arising from this report.

7. Risk Analysis

- 7.1 The disposal is subject to legal due diligence.
- 7.2 As with any transaction of this nature there is a risk of the sale not proceeding due to issues which arise during the due diligence process.

8. Environmental Sustainability

- 8.1 Any development of the site and the ongoing management of the unadopted watercourse will require to be in line with current legislation.

9. Equalities Impact Assessment (EIA)

- 9.1 An Equality Impact Assessment is not applicable for the purpose of this report.

10. Consultation

- 10.1 Consultations have been undertaken with Regulatory Services, Finance and Roads.

11. Strategic Assessment

- 11.1 By agreeing to this proposal the Council will benefit in terms of receiving a capital receipt and removing the liability of an unadopted road and watercourse from the portfolio. It is not considered likely that any other party would be willing to acquire all of the property with contingent liabilities which Torwood Estates have agreed to buy.
- 11.2 This sale will allow Torwood Estates to manage all the properties on Strone Road as a single entity meaning which will ensure better site security for the wider estate.

11.3 By agreeing to this proposal this will be contributing to the Council's strategic priority for a strong local economy and improved job opportunities. Torwood Estates are a pro-active property owner who have invested in Blocks 4&5 Strone Road and significantly improved the appearance of those properties and attracted businesses to the location.

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Date: 13 July 2023

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Appendices: Appendix 1 – Plan.

Background Papers: None

Wards Affected: 2