WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer - Supply, Distribution & Property

Infrastructure Regeneration & Economic Development Committee

15 September 2021

Subject: Sale of Former Social Work Office, 19 Church Street, Alexandria G83 0NP.

1. Purpose

1.1 The purpose of this report is to update the Committee on the re- marketing of the property at 19 Church Street, Alexandria. The report details the offers received and seeks Committee approval to conclude disposal of the property.

2. Recommendations

- **2.1** It is recommended that the Committee:
 - (i) Approve the disposal of the property at Church Street, Alexandria for a consideration of a gross purchase price of £88,000 (Eighty Eight Thousand Pounds) to Edzell Properties.
 - (ii) Authorise the Chief Officer, Supply, Property and Distribution to conclude negotiations.
 - (iii) Authorise the Chief Officer, Regulatory and Regeneration to conclude the transaction on such conditions as considered appropriate.

3. Background

- **3.1** A previous report was submitted to Infrastructure and Regeneration Committee on 20 November 2019.
- 3.2 Following receipt of Committee approval in November 2019 we engaged with the preferred party, Spatial Property Ltd, to progress the disposal of the property. After prolonged negotiations the proposed sale to Spatial Property Ltd was abandoned in June 2021. The property was remarketed during the summer of 2021, with a Closing date for best offers set on 28 July 2021

4. Main Issues

4.1 The property is not required by the Council for any operational purpose and is therefore regarded as surplus and has been vacant since June 2018. Retention of the property will cost the Council in terms of security and utility charges in the short to medium term. There is no certainty as to how long it would take to get the building let to secure income.

- 4.2 The site was extensively marketed; sales particulars (Appendix 1) were uploaded onto various property websites, including the Council's own website. Regular e-mail's were undertaken to our nominated agent's comprehensive list of property agents, developers, housing associations and property companies. A "For Sale" sign was also erected at a prominent location on site.
- 4.3 A closing date was set for offers in July 2021 at which six offers were received ranging in value from £40,000 to £90,000. This compares with the previous offer received from Spatial Property Ltd of £70,000.
- 4.4 The highest offer was conditional upon them receiving planning consent being released from an existing lease, and satisfactory due diligence on ground conditions and contamination. The anticipated timescale for clearing the suspensive conditions is 3 months.
- 4.5 The second highest offer was from Edzell Properties Ltd in the sum of £88,000. Edzell properties propose to undertake a residential conversion of the property but importantly their offer is not subject to any suspensive conditions.
- **4.6** Officers are recommending proceeding with the offer received from Edzell Properties Ltd.

5. People Implications

5.1 There are no people implications with this report.

6. Financial and Procurement Implications

- **6.1** The financial implications are that the Council will receive a capital receipt of £88,000 and will save on ongoing utility charges of approximately £1,000 per annum.
- **6.2** There are no procurement implications arising from this report.

7. Risk Analysis

- 7.1 There is clearly a risk that the purchasers do not proceed with the acquisition for a variety of reasons, but the offer from Edzell Properties Ltd is not subject to any conditions other than satisfaction with the Title.
- **7.2** It is the intention to impose a quick timescale on the preferred buyer to conclude a missive and complete the purchase.

8. Environmental Sustainability

- **8.1** The Strategic Environmental Assessment legislation will be considered and taken into account as part of the planning application assessment
- 9 Equalities Impact Assessment (EIA)
- **9.1** An Equality Impact Screening did not indicate any further action required
- 10. Consultation
- **10.1** Consultations have been undertaken with Legal in relation to the proposed disposal.
- 11. Strategic Assessment
- **11.1** By agreeing to this proposal the Council will benefit from a significant capital receipt.
- 11.2 A significant town centre site will be redeveloped potentially for residential use, thus contributing to the ongoing upgrading and improvement of Alexandria and delivering on the Council's strategic priority for a strong local economy and improved job opportunities

Angela Wilson

Chief Officer, Supply, Distribution and Property

Date: 23 August 2021

Person to Contact: J David Johnston, Estates Surveyor, 6-14 Bridge Street,

Dumbarton G82 1NT. T: 01389 737581

Email: david.johnston2@west-dunbarton.gov.uk

Michelle Lynn, Asset Coordinator, 6-14 Bridge Street,

Dumbarton G82 1NT. T: 01389 776992

Email: michelle.lynn@west-dunbarton.gov.uk

Appendices: Appendix 1 – Schedule of Particulars

Background Papers: Report by Strategic Lead, Regeneration Infrastructure

Regeneration and Economic Development Committee: 20

November 2019.

Wards Affected: Ward 2