

**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer: Supply, Distribution and Property****Infrastructure Regeneration and Economic Development Committee:****16 February 2022**

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**Subject: Sale of Site at Burroughs Way, Vale of Leven Industrial Estate, Dumbarton****1. Purpose**

- 1.1** The purpose of this report is to seek Committee approval for the Council to enter into a contract for the disposal of the site to CW Properties - Bruce Weir Holdings Limited, or a nominated subsidiary company, for a gross price of £1,050,000.

**2. Recommendations**

- 2.1** It is recommended that the Committee:

- (i) Approve the sale of the site to CW Properties - Bruce Weir Holdings Limited (SC188273) or nominated subsidiary company.
- (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** This site is wholly owned by West Dunbartonshire Council and is currently disused and overgrown with vegetation.
- 3.2** The site is designated as a Strategic Economic Investment Location (SEIL) within Local Development Plan and is zoned as suitable for business and industrial uses. From initial discussions with the Planning service, they have indicated that in principle, they would welcome development of the site for industrial and business uses.

**4. Main Issues**

- 4.1** The property is not required by the Council for any operational purposes.
- 4.2** The site was extensively marketed for sale during November and December 2021. Details of Particulars were prepared (Appendix 1) and were sent to all parties who had previously enquired about the site and industrial land within the wider West Dunbartonshire area.

- 4.3** The availability of the site was also listed on the Councils website and social media. Details were also circulated to commercial property agents, local solicitors, business development bodies including Scottish Enterprise and the property was listed on the main Commercial property marketing websites.
- 4.4** A “For Sale” board was also erected in a prominent position at the front of the site.
- 4.5** A closing date was set for receipt of informal offers on Tuesday 11 January 2022, at which two offers were received ranging from gross price of £807,000 - £1,050,000.
- 4.6** The company submitting the lower offer, proposed construction of warehousing and associated office and laboratories for food and drink production and development.
- 4.7** The offer recommended for approval is from CW Properties -Bruce Weir Holdings Ltd and is for development of the site for a mixed industrial scheme for occupation by others. We have been advised that currently there are no tenants identified but the offer and subsequent settlement is not dependant on that.
- 4.8** The proposed sale will provide a significant capital receipt to the Council of £1,050,000 gross which reflects a gross overall rate of £102,500 per acre which we consider to be a fair value for industrial development land.
- 4.9** The purchase is conditional upon the Purchaser obtaining planning consent for their development proposals and a suitable site investigation report.
- 4.10** The proposed development will develop an area of land, which is currently unused and will provide a supply of much needed industrial/warehouse accommodation to the area.
- 4.11** The development of this site for industrial/warehouse use will generate local employment opportunities and generate income for the Council in the form of business rates.
- 4.12** The proposed timescale is that missives will be concluded 8 weeks from Committee approval. Ground investigations and service information conditions to be purified within 16 weeks from conclusion of missives.

## **5. People Implications**

- 5.1** There are no people implications with this report.

## **6. Financial and Procurement Implications**

- 6.1** The Council will benefit from a significant capital receipt.

**6.2** The Council will no longer have to incur resources in managing the site and dealing with fly tipping etc.

**6.3** The Council can anticipate additional revenue for non-domestic rates but this cannot be calculated at this time.

## **7. Risk Analysis**

**7.1** The disposal is subject to legal, technical due diligence and planning. In the event that there are any issues resulting from any of these matters the disposal may not proceed and the site will require to be remarketed

**7.3** The price proposed is the gross purchase price and there is a risk, that there may be deductions from this price if issues arise during the technical due diligence and planning process.

**7.4** The offer, which is being recommended, is 30% above the other offer received and provides some flexibility for any justified price adjustment as a result of abnormalities.

**7.5** As with any deal of this nature, there is a risk of the deal not proceeding due to issues which arise during the due diligence process.

## **8. Environmental Sustainability**

**8.1** A site investigation was carried out in 2019 and a copy of this has been passed to the preferred bidder. The report identified that some ground improvement may be required over parts of the site if large loadings are anticipated. Furthermore some asbestos was detected in certain areas of the site and remediation of this is likely to be required prior to development.

## **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 Finance and Regulatory however wider consultation will take place during any Planning Application process.

## **11. Strategic Assessment**

- 11.1** By agreeing to this proposal the Council will benefit in terms of receiving a sizeable capital receipt and longer term will benefit from the business rates generated from the development.
- 11.2** A significant area of land which has been identified as being suitable for Strategic Economic Investment will be developed and modern industrial accommodation provided which will attract and retain employment generating companies to the West Dunbartonshire area thus contributing to the Council's strategic priority for a strong local economy and improved job opportunities.

Angela Wilson  
Chief Officer: Supply, Distribution and Property  
Date: 27 January 2022

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**Appendices:** Appendix 1 – Marketing Details.

**Background Papers:** None

**Wards Affected:** Ward 2