

WEST DUNBARTONSHIRE COUNCIL**Report by the Strategic Lead - Regeneration**

**Infrastructure, Regeneration and Economic Development Committee:
15 May 2019**

Subject: Sale of Sites 11&12 Levenbank Road, Jamestown , G83 8BZ

1. Purpose

- 1.1** The purpose of this report is to advise Committee on the outcome of negotiations in relation to disposal of Sites 11&12, Levenbank Road, Jamestown to the existing tenant and adjacent landowner Mr Thomas Mather.

2. Recommendations

- 2.1** It is recommended that the Committee:

- (i) Approve the sale of the property for a figure of £90,000 (Ninety Thousand Pounds) to Mr Thomas Mather.
- (ii) Authorise the Strategic Lead, Regeneration to conclude negotiations.
- (iii) Authorise the Strategic Lead, Regulatory to conclude the transaction on such conditions as are considered appropriate.

3. Background

- 3.1** West Dunbartonshire Council own land on the north side of Levenbank Road, Jamestown referred to as Jamestown Industrial Estate. The ownership comprises ten small industrial nest units (fully let) and seven serviced sites.
- 3.2** The serviced sites are let on ground leases of varying lease length to six different tenants, some of whom have constructed buildings on the sites.
- 3.3** Mr Thomas Mather has occupied Site 11, which extends to 1,914sq metres, since 1995 and Site 12, which extends to 1,340sq metres, since 2000. Site 11 is let to Mr Mather on a lease until August 2035 at a current rental of £5,000pa, the rent is subject to review every 5 years with the next review being due in November 2020. Site 12 is also let to Mr Mather on a year to year basis at a rental of £3,000pa. These sites are delineated in the location plan attached as Appendix 1.
- 3.4** Mr Mather as sitting tenant has asked to purchase both sites from the Council in order that he can invest further in the property. Following negotiations provisional agreement has been reached to sell the sites to Mr Mather, as the sitting tenant, for a figure of £90,000.

4. Main Issues

- 4.1 The sites are at the eastern end of Levenbank Road. Mr Mather already owns the adjoining site and therefore has applied to purchase as both sitting tenant and adjacent landowner.
- 4.2 The sites are zoned in the Local Development Plan for existing industrial and business use. The policy is to retain and encourage such uses within West Dunbartonshire.
- 4.3 The proposed purchase will only be conditional upon the buyer receiving a satisfactory legal report on the Title.
- 4.4 The proposed price of £90,000 reflects a capital rate of £112,500 per acre, which we consider to be a good price for industrial land in this area.
- 4.5 The option is to retain the land and continue with the existing leasing arrangement which currently produces a rental income for the Council of £8,000 per annum.

5. People Implications

- 5.1 Other than the Officers time involved in concluding the proposed deal there are no People implications.

6. Financial and Procurement Implications

- 6.1 The financial implications of the proposed sale is a capital receipt to the Council of £90,000 with the loss of rental revenue of £8,000 per annum.
- 6.2 The Council will continue to receive business rates from the property at the same level as at present.

7. Risk Analysis

- 7.1 The main risk associated with the proposed sale is that the transaction may not conclude due to the purchaser not being satisfied with the Title report.

8. Environmental Sustainability

- 8.1 The sites will continue in their existing industrial use. Any future development of the sites will require that SEA legislation will be considered and taken into account as part of any planning application assessment .

9. Equalities Impact Assessment (EIA)

- 9.1 An Equality Impact Screening did not indicate any further action required in relation to this transaction.

10. Consultation

10.1 Consultations have been undertaken with Regulatory however wider consultation will take place during any Planning Application process.

11. Strategic Assessment

11.1 By agreeing to this sale the Council will realise a capital receipt .It will also allow the purchaser to invest in the property in terms of improving services and developing the sites further.

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Date: 15 May 2019

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Appendices: Appendix 1 – Site Plan

Background Papers: None

Wards Affected: Ward 2