
To: Infrastructure, Land & Environment Policy Board

On: 6 November 2019

Report by: Chief Executive and Director of Finance & Resources

Heading: Disposal of Land - Utilities Supplies to AMIDS Site

1. Summary

- 1.1 This report seeks to obtain the Boards agreement to the disposal of property by way of sale or long leasehold including the granting of associated servitudes and wayleaves, as required, for the supply of utilities (sewer, water and electricity) within the Advanced Manufacturing Innovation District Scotland (AMIDS).
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2. Recommendations

- 2.1 It is recommended that Board: -

- (i) agree to declare the property as detailed in the body of this report, surplus (The “Property”);
 - (ii) agree to either sell or grant a long lease of the Property to SP Distribution plc (“SPD”)/Scottish Water Limited (“SWL”) as appropriate, along with servitude rights for appropriate connections, subject to the terms and conditions detailed within the body of this report;
 - (iii) note the exact size and location of the substations and pumping station will be determined, once detailed design work has been finalised;
 - (iv) grant authority to the Head of Corporate Governance in conjunction with the Head of Property to agree with the various utility suppliers, appropriate terms and specific sites as and when they have been finalised, to facilitate the various AMIDS developments.
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3. Background

- 3.1 The City Deal, Glasgow Airport Investment Area (GAIA) project comprises the realignment of Abbotsinch Road between Arran Avenue and Greenock Road / Inchinnan Road; a new bridge across the White Cart and improved facilities for cyclists and pedestrians, all aimed at improving connections between the Westway, Inchinnan and Airport Business Parks and as an enabler for the delivery of a world class business and commercial offering located around the airport (AMIDS).
- 3.2 Construction of The Medicines Manufacturing Innovation Centre (MMIC) facility is due to commence on site later this year and be operational during the first half of 2021.
- 3.3 Construction of The National Manufacturing Institute Scotland (NMIS) facility is due to commence on site in early 2020 with completion during 2021.

4. Advanced Manufacturing Innovation District (AMIDS)

- 4.1 AMIDS will be an internationally recognised centre for innovation, research and advanced manufacturing. It will support and reinvigorate Scotland's capabilities across all manufacturing sectors and create thousands of new jobs.
- 4.2 It will provide a high-quality, campus-style environment focussed on collaboration between ambitious companies and academia to invest in and use best practice to transform manufacturing processes – ensuring Scotland's manufacturing sector is competitive on an international stage.
- 4.3 An outline planning consent has been granted for a mix of uses with a focus on advanced manufacturing. Uses could also include life sciences, research & development and aviation services (including maintenance, repair and overhaul).
- 4.4 The Advanced Manufacturing Innovation District Scotland is supported by significant public sector investment:
 - £39million of Glasgow City Region City Deal funding is being invested to deliver the enabling infrastructure and connections into Netherton Campus, a 52-hectare site next to the airport being transformed into the home for advanced manufacturing. Titled the Glasgow Airport Investment Area Project, it includes the realignment, upgrading and extension of Abbotsinch Road; a new vehicle and pedestrian bridge at Wright Street and a pedestrian and cycle bridge over the Black Cart together with new and improved junctions and connections to existing cycleways and pathways.
 - £65 million is being invested in the National Manufacturing Institute Scotland (NMIS) by the Scottish Government and University of Strathclyde.

NMIS will be an industry-led international centre of manufacturing expertise where research, industry and the public sector will work together to transform skills, productivity and innovation to attract investment and make Scotland a global leader in advanced manufacturing. The first phase of NMIS, the Lightweight Manufacturing Centre, is hosted and operated by the University of Strathclyde at Westway Park, Renfrew. It focuses on working with and developing novel lightweight solutions to help manufacturing businesses face and overcome the challenges of the modern-day world.

- £56 million Medicines Manufacturing Innovation Centre is a collaboration between CPI, University of Strathclyde, UK Research and Innovation, Scottish Enterprise and founding industry partners, AstraZeneca and GSK. It will ensure the UK is a technology and innovation leader in pharmaceutical manufacturing, thereby boosting the competitiveness of both sectors. With a collaborative innovation culture and state-of the art facilities, the new facility will enable industry, academia, healthcare providers and regulators to work collaboratively to address challenges and maximise technology opportunities within the medicines supply chain.
- £2.47million of Scottish Enterprise grant funding is being invested by the Council to deliver a new primary substation at Netherton Campus, the site at the heart of the innovation district.

5. Provisional Terms and Conditions

- 5.1 Two new electricity substations and one new sewerage pumping station are required to provide supplies to the AMIDS site and the MMIC and NMIS developments.
- 5.2 AMIDS Primary Substation - the Council will sell land, extending to 1,200 square metres or thereby, together with servitude rights as required, for a price of £1, to SP Distribution PLC ("SPD"). The Servitude rights granted will be subject to the normal commercial terms of making good etc.
- 5.3 AMIDS Sewerage Pumping Station – the Council will sell or grant a long lease over land, extending to 800 square metres or thereby, together with servitude rights as required, for the price of £1, to Scottish Water PLC ("SWL"). The Servitude rights granted will be subject to the normal commercial terms of making good etc.
- 5.4 AMIDS Sewerage Pumping Station Electrical Substation - the Council will sell land, extending to 25 square metres or thereby, together with servitude rights as required, for a price of £1, to SP Distribution PLC. The Servitude rights granted will be subject to the normal commercial terms of making good etc. This site will be located adjacent to the sewerage pumping station.

- 5.5 All three land transactions will be subject to the following ground burdens:
- The Property will be used as an outdoor electricity substation or sewerage pumping station (as appropriate) with underground cables connecting thereto;
 - All buildings to be constructed on the Property will comply with the development parameters and design criteria set out for the wider Business Park;
- 5.6 The Council will include the following restrictions on the land adjacent to the Property, in order to protect the SPD/SWL equipment:
- No buildings or permanent fixtures shall be erected within a lateral distance of 2m on either side of the proposed underground cables, with the exception of street furniture required for the safe operation of the cycleway/footway and/or the road, including, but not limited to, lighting columns, fences and guard rails:
 - No trees or deep-rooted shrubs shall be permitted to be grown within a lateral distance of 2m on either side of the proposed underground cables.
- 5.7 In the event that the new substations or pumping station are required to be constructed in advance of the completion of the new realigned Abbotsinch Road, the Council shall grant sufficient temporary rights of access for vehicles etc for the construction of the substation/pumping station together with the installation of the associated underground cables/pipes from the public road to the Property.

Implications of the Report

1. **Financial and Legal** – The Council has obtained a valuation report from an external registered valuer and the land could reasonably be sold for between £127,000 - £150,000 per acre, **once** the Council's infrastructure works, the utilities connections and roads infrastructure have been provided. This value is only achievable **after** the sewerage pumping station and the primary substation are in place. The current value of the land based on the price paid by the Council (i.e. before any investment in utility infrastructure) is £17,500 per acre for the land nearer the river. This would value the primary substation land (@1,200 square metres or 0.30 acre) to be transferred to SPD at circa £5,250; the sewerage pumping station (@ 800 square metres or 0.20 acre) to be transferred to SWL at circa £3,500 and the pumping station substation (@ 25 square metres or 0.006 acre) to be transferred to SPD at £105. Total land value of £8,855.

Section 74(2A) of the Local Government (Scotland) Act 1973 (“the 1973 Act”) permits the Council to dispose of land for less than the best consideration where either the best consideration that can reasonably be obtained is less than the threshold amount (£10,000), or the difference between that consideration and the proposed consideration is less than the marginal amount (25% of the best consideration). In this instance the Authority is satisfied the disposals are reasonable as the best consideration for each is well below the £10,000 threshold.

The benefits to Renfrewshire and its residents of attracting occupiers to the AMIDS site includes the high-quality jobs and training in manufacturing skills that will be created and thereafter, high quality businesses and investment will be attracted to the surrounding location thereby creating further high-quality jobs. The Council’s position is also protected by the use restrictions and provisions detailed at clause 5.5 above.

2. **HR & Organisational Development** – N/A.

3. **Community Planning** –

Children and Young People – The AMIDS development encourages children and young people as well as adults to use new safer walking and cycling infrastructure.

Community Care, Health & Well-being - The AMIDS development will facilitate new development opportunities and business growth, improving educational and health opportunities for people within the local communities as well as aiding employees to access these major existing and new employment centres.

Empowering our Communities – N/A

Greener - The completed City Deal and AMIDS infrastructure will include segregated provision for walking and cycling at key locations. It will also enable improved public transport links.

Jobs and the Economy – The City Deal Infrastructure provides connectivity with AMIDS, which will provide new and existing jobs and training opportunities for people in our communities.

4. **Legal** - Disposal of the property as outlined in the body of the report. Best Value duty has been considered and this transaction is compliant. State Aid has been considered and the transfer of this Property is not State Aid.

5. **Property/Assets** – As per this report.

6. **Information Technology** – none.

7. **Equality & Human Rights -**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** – none.

9. **Procurement** – none.

10. **Risk** – The Property is conveyed subject to development conditions to ensure the land is used for infrastructure to support utility provision to the AMIDS site.

11. **Privacy Impact** – none.

12. **Cosla Policy Position** – N/A.

13. **Climate Risk** – none.

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