

To: Planning & Property Policy Board

On: 14 March 2017

Report by: Director of Finance & Resources

Heading: Site of Abattoir, Sandyford Road, Paisley PA3 4HP

1. Summary

1.1. This report seeks consent to the disposal of land at Sandyford Abattoir, Sandyford Road, Paisley to the Council's sitting tenant, Sandyford Abattoir (Paisley) Limited on the basis of the terms and conditions contained in this report.

2. **Recommendations**

- 2.1. Approve the sale of the 3.5ha (8.64 acres) plot of land, illustrated on the attached plan (E2595) to Sandyford Abattoir (Paisley) Limited to facilitate their redevelopment/refurbishment plans.
- 2.2. Authorise the Head of Property Services and the Head of Corporate Governance to conclude the disposal of land at Sandyford Road Paisley as shown shaded on the attached plan(E2595), to Sandyford Abattoir (Paisley) Limited subject to the terms and conditions contained in this report.
- 2.3. Declare the shaded area of ground as shown on the attached plan (E2595) surplus to requirements in order to progress the proposed disposal to Sandyford Abattoir (Paisley) Limited

3. Background

3.1 The area of ground shown shaded on the attached plan (E2595), which extends to approximately 3.5 ha (8.64 acres) is currently leased to Sandyford

Abattoir (Paisley) Limited on the basis of a 100 year Full Repairing & Insuring lease from 12 June 1989 at an annual rent of £1, if asked. The site contains industrial buildings extending to approximately 66,168 sq ft, used for meat processing and distribution. The buildings are brick and steel frame construction primarily dating from circa 1964 and have been adapted and added to over a number of years. The site has large areas of concrete hard standing and a significant area of undeveloped fields. The buildings are Council owned. The Council accepted a payment of £380,000 at the start of the lease in return for a nominal rent (£1pa) for the duration of the lease. The Lease obliges the tenant to use the property as an Abattoir and ancillary purposes. There is no provision for a change of use; the Council's consent to a change of use is discretionary.

- 3.2 The tenant advised that they are keen to invest further in the property and has submitted a request to purchase advising that outright ownership would assist them to secure their investment.
- 3.3 Discussions with the tenants and their agents have resulted on the following provisional terms detailed in section4 below:-

4. **Proposed terms and conditions of sale;**

- 4.1.1. The purchase price payable for the land shown shaded on the attached plan, which extends to approximately 3.5 ha (8.64) acres, shall be £250,000 plus VAT.
- 4.1.2. There will be clawback arrangement between the parties, which will exist for a 10 year period, whereby should the abattoir seek to develop the facility, for an alternative higher value use within this period, the Council will be entitled to 25% of any uplift above the agreed current value of the facility as a whole.
- 4.1.3. Each party shall meet their own legal and professional expenses incurred in concluding the sale, with the purchaser responsible for meeting any land transaction taxes, stamp duty or registration dues in the sale.
- 4.1.4. Any other reasonable terms and conditions considered necessary by the Head of Corporate Governance and the Head of Property Services to protect the Council's interest.

Implications of the Report

- 1. **Financial** Purchase price of £250,000 plus VAT to be received. No annual rent to be foregone.
- 2. HR & Organisational Development none.
- 3. **Community Planning:**

Wealthier & Fairer - Disposal will provide Sandyford Abattoir (Paisley) Limited with more incentive to invest in the property, and the potential to increase employment opportunities.

Children and Young People – none.

Community Care, Health & Well-being – none.

Empowering our Communities – none.

Greener – This none.

Jobs and the Economy – Potential to secure existing jobs and provide additional roles as the business expands.

- 4. **Legal** Disposal of land to be concluded.
- 5. **Property/Assets** Disposal will relieve the Council of any responsibility for this land and buildings.
- 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** none.
- 11. Privacy Impact none

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Proposed Disposal - Sandyford Road, Paisley Report Plan Ref. E2595



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