

To: Planning & Property Policy Board

On: 23rd August 2016

Report by: Director of Finance & Resources

Heading: Land at East Lane, Paisley.

1. Summary

- 1.1 This report seeks consent to the disposal of land at East Lane, Paisley to the Council's sitting tenant, Messrs Ingram Brothers Limited on the basis of the terms and conditions contained in this report.
-

2. Recommendations

It is recommended that the Board:-

- 2.1 Grant authority to the Head of Property Services and the Head of Corporate Governance to conclude the disposal of land at East Lane, Paisley as shown shaded on the attached plan, to Ingram Brothers Limited, subject to the terms and conditions contained in this report.
- 2.2 Grant an option to purchase the area of land at East Lane, Paisley as shown hatched on the attached plan in favour of Ingram brothers Limited, subject to the terms and conditions contained in this report.
- 2.3 Declare both the shaded and the hatched areas of ground that are shown on the attached plan surplus to requirements in order to progress the proposed disposals to Ingram Brothers Limited.

3. Background

- 3.1 The area of ground shown shaded on the attached plan, which extends to approximately 1.22 acres (4,946 sqm) is leased to Ingram Brothers Limited on the basis of a 125 year ground lease from 1992. On this ground, plus additional land owned by Ingram Brothers, is a food manufacturing and processing factory, originally constructed by the former tenant, McCormick Foods. Ingram Brothers took over the tenancy of the Council's land at this location in July 2007. The building is not Council owned, only the ground. The current rental of £15,000 per annum was set in November 2012.
- 3.2 The tenant is keen to invest further in the property, but considers that there will be more incentive to do so if it has outright ownership. A request to purchase the ground lease area has therefore been submitted.
- 3.3 The tenant also has future expansion plans, and considers that the adjacent area of Council land shown shaded on the attached plan, currently used as an informal car park, would be ideal for this purpose. A request for an option to purchase this additional area of ground at a future date has also been received.

4. Proposed terms and conditions of sale;

4.1 The following provisional terms and conditions of sale have been agreed with Mr Simon Young of Ingram Brothers Limited;

4.1.1 The purchase price payable for the land shown shaded on the attached plan, which extends to approximately 1.22 acres, shall be £375,000 plus VAT.

4.1.2 Ingram Brothers Limited shall have an option to purchase the adjacent area of land shown hatched on the attached plan, which extends to approximately 0.34 acres, for £100,000, provided that they firstly conclude the acquisition of the shaded area. The Council shall however reserve the right to revalue this additional area in the event that it is still in the Council's ownership 5 years after the leased area has been sold.

4.1.3 The purchaser shall meet the cost of all reasonable legal and professional expenses incurred in concluding 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 £375,000 plus VAT to be received, with potentially a further £100,000 to be received at a later date. Annual rental of £15,000 to be foregone.
2. **HR & Organisational Development** – None.
3. **Community Planning** –

Wealthier & Fairer - Disposal will provide Ingram Brothers Limited with more incentive to invest in the property, and the potential to increase employment opportunities.
4. **Legal** – Disposal of land to be concluded.
5. **Property/Assets** – Disposal will relieve the Council of any responsibility for this land.
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 because no groups or individuals have any involvement currently at the property. 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.

Author: Andrew Smith, tel. 0141 618 6180,
email andrew.smith@renfrewshire.gov.uk

East Lane, Paisley

Report/Disposal Plan Ref. E2487

User: howardhaughj2

Date: 08/06/2016



Notes: