

# Finance and Resources Committee

10.00 a.m., Thursday, 15 January 2015

## Land at the Wisp: Proposed sale to Thistle Timber Ltd

<b>Item number</b>	8.2
<b>Report number</b>	
<b>Executive/routine</b>	Routine
<b>Wards</b>	Portobello / Craigmillar

### Executive summary

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Thistle Timber Ltd, a building supplies company based at the Wisp wishes to expand its business and has requested to purchase an area of Council owned land which adjoins its site.

This report seeks Committee approval for the sale of a 0.64 ha (1.6 acre) site at the Wisp to Thistle Timber Ltd on the terms and conditions outlined in the report.

### Links

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<b>Coalition pledges</b>	<a href="#">P17</a> , <a href="#">P30</a> ,
<b>Council outcomes</b>	<a href="#">CO7</a> , <a href="#">CO8</a>
<b>Single Outcome Agreement</b>	<a href="#">SO1</a>

## Land at the Wisp: Proposed sale to Thistle Timber

### Recommendations

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It is recommended that Committee:

- 1.1 Approves the sale of the site at the Wisp to Thistle Timber Ltd on the terms and conditions outlined in this report and on such other terms to be agreed by the Director of Services for Communities and Head of Legal, Risk and Compliance.

### Background

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- 2.1 Thistle Timber Ltd is an established building supplies company located at a site on the Wisp. The Company's existing ownership is shaded blue on the plan at Appendix 1.
- 2.2 The company is trading very successfully from its existing site with increased deliveries and large volumes of stock being held in their yard. Accordingly, the company has approached the Council to acquire the adjoining site, which is in Council ownership, for expansion of the yard to allow the creation of an area for deliveries and a larger storage area. The site proposed for disposal is outlined in red on the plan at Appendix 1. The long rectangular strip to the north of the site is required for drainage purposes.
- 2.3 The site is currently greenbelt amenity land within Edinburgh's South East Wedge. The site is overgrown and suffers from flooding. It is also impacted by previous mining works in the area, which limit the scope for development without substantial remediation works.

### Main report

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- 3.1 To satisfy its business expansion needs, Thistle Timber seeks to acquire from the Council 0.64 hectares (1.6 acres) or thereby. Provisional agreement has been reached for a sale subject to the following terms and conditions:
  - Area: 0.64 hectares (1.6 acres) or thereby;
  - Purchase Price: £100,000 exclusive of VAT;
  - Use: Industrial;
  - Clawback: In the event of any future sale the Council will receive 50% of the net increase in value;
  - Conditionality: The sale is subject to Thistle Timber obtaining planning consent and a satisfactory site survey; and

- **Costs:** Thistle Timber will pay the Council's reasonable legal and property costs.

## Measures of success

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- 4.1 The transaction and subsequent planning application will be, if successfully completed, facilitating the continued success and expansion of an Edinburgh based business.

## Financial impact

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- 5.1 A capital receipt of £100,000 to be received in financial year 2015/2016.

## Risk, policy, compliance and governance impact

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- 6.1 There are not expected to be any governance, compliance or regulatory implications arising from the proposals set out in this report.
- 6.2 There is a risk of the sale not completing if planning is not received. Should this be the case the site will be retained for amenity land.

## Equalities impact

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- 7.1 The Equality and Rights Impact Assessment identified no positive or negative impacts on the Council's specific public sector equalities duties, arising from this proposal. Several impacts were identified on rights which are summarised below.
- 7.2 The sale of this land will help an existing business to remain in its current premises. The primary impact of this proposal will be to help a thriving local business grow in its existing location enhancing the right to productive and valued activities.
- 7.3 The current site is too small for the increasing amount of loading and unloading as the business is growing. As such, this proposal will allow the business to create a dedicated yard which will take haulage traffic off the road to improve the safety for all other road users. In addition, it will enhance the neighbourhood by taking loading and unloading off the roads and onto the new premises removing potential conflict. This may enhance the rights to health and physical security.
- 7.4 Potential third party ownership will be denied as this is an off-market deal. The deal is being done off-market due to the benefits above and any potential infringement to the rights to participation, influence and voice and productive and valued activities is justifiable and proportionate.

## Sustainability impact

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- 8.1 Their development will meet current standards of sustainable construction. There are no on site environmental issues to report.

## Consultation and engagement

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- 9.1 There will be formal consultation through the planning application process before the sale completes.

## Background reading/external references

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N/A

### John Bury

Acting Director of Services for Communities

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## Links

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<b>Coalition pledges</b>	P17 – Continue efforts to develop the city’s gap sites and encourage regeneration P30 – Continue to maintain a sound financial position including long-term financial planning
<b>Council outcomes</b>	CO7 – Edinburgh draws new investment in development and regeneration CO8 – Edinburgh’s economy creates and sustains job opportunities
<b>Single Outcome Agreement</b>	SO1 – Edinburgh’s Economy Delivers increased investment, jobs and opportunities for all
<b>Appendices</b>	Appendix 1 – Site Plan, Land at the Wisp

