

Report

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Report to:	Estates Committee
Date of Meeting:	23 August 2005
Report by:	Executive Director (Enterprise Resources)

Subject:	Option Agreement: Land at Eaglesham Road, Jackton
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1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ note the action taken in terms of Standing Order No 36(c) to enter an option to purchase agreement for an area of land extending to 1.59 hectares (3.93 acres) or thereby at Eaglesham Road, Jackton to BMJ Property Limited.

2 Recommendation(s)

2.1 The Committee is asked to approve the following recommendation(s):-

- (1) enter an option to purchase agreement for land extending to 1.59 hectares or thereby at Eaglesham Road, Jackton with BMJ Properties Limited.
- (2) note the action taken to resume possession of the 1.59 hectare site at Jackton.
- (3) that the Executive Director (Enterprise Resources) in consultation with the Head of Legal Services, if appropriate, is authorised to conclude all matters and enter into the necessary legal agreements in terms which are in the best interest of the Council which will complete the sale of the subjects.
- (4) in view of the requirement to progress this matter as soon as possible in order to safeguard the Council's interests in terms of Standing Order No 36(c), the action taken by the Executive Director (Enterprise Resources) in consultation with the Chair and an ex-officio member be noted.

3 Background

- 3.1 The Council own an area of land shown as Site 1 on the attached plan at Eaglesham Road, Jackton. Land owned or held under option by BMJ Property Limited lies adjacent to the Council land and is shown as Site 2 on the attached plan.
- 3.2 The Council has recently concluded missives with BMJ Property Ltd to sell an adjacent site shown as Site 3 on the plan, to provide access to their adjacent land, Site 4, as per Committee Report of 21 September 2004.
- 3.3 The land held by the Council is currently subject of an agricultural tenancy.

4 Proposal

- 4.1 It is proposed to enter an option to purchase agreement over the Council's land at Jackton with BMJ Properties Limited for the purposes of providing site access to the adjacent land held by the company. The term of this option will be 40 years.

- 4.2 The existing lease contract allows the Council to resume the land for use other than agricultural purposes as required. In order to complete the sale of the ground the Council will require to initiate action to resume possession of the land.
- 4.3 The purchase price will be based on 100% of the open market value of the land, with planning consent to be determined within the term of option, at the date of entry subject to the deduction of agreed abnormal costs associated with the development.
- 4.4 Missives detailing terms of the option and future sale will require to be concluded conditional upon satisfactory planning and other statutory consents, site investigations, mains services etc.
- 4.5 Missives will also require to include a provision whereby, failure to reach agreement on price of the land will provide a facility to refer the matter to third party arbitration for settlement.
- 4.6 The purchaser shall be responsible for meeting both parties' reasonably incurred legal expenses in respect of this transaction.

5 Employee Implications

- 5.1 There are no employee implications.

6 Financial Implications

- 6.1 The proposal will generate a Capital Receipt for the Council.

10 Other Implications

- 10.1 There are no other implications associated with the proposal.

11 Consultation

- 11.1 Consultation has taken place with Planning and Legal Services.

Iain Urquhart

Executive Director (Enterprise Resources)

12 July 2005

Link(s) to Council Objectives

- Managing Resources

Previous References

- Report to Estates Committee – 21 September 2004

List of Background Papers

- Report to Estates Committee – Eaglesham Road, Jackton

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Pat Carr, Manager, Capital Transactions

Ext: 5146 (Tel: 01698 455146)

E-mail: pat.carr@southlanarkshire.gov.uk

**Eaglesham Road
Jackton**



