



Agenda Item 12

**Sale of 0.47 Hectares at Kemper
Avenue Car Park, Falkirk**

Title: **Sale of 0.47 Hectares at Kemper Avenue Car Park, Falkirk**

Meeting: **Executive**

Date: **27 August 2019**

Submitted By: **Director of Development Services**

1. Purpose of Report

- 1.1 This report advises on the outcome of a recent marketing exercise and seeks approval for the disposal of a section of Kemper Avenue car park. (See Appendix 1 for site plan).

2. Recommendation(s)

- 2.1 **It is recommended that the Executive agrees to disposal of the land at Kemper Avenue, Falkirk to Lidl Great Britain Limited for £400,000, subject to any adjustments for proven abnormal costs authorised by the Director of Development Services.**

3. Background

- 3.1 The Council owned carpark at Kemper Avenue, Falkirk was declared surplus to operational requirements by the Executive on 19th April 2019 and the Director of Development Services was authorised to dispose of the property on the open market.

4. Considerations

- 4.1 The Kemper Avenue site was marketed recently with five offers received on the closing date of the 5th July, ranging from £125,000 to £400,000.
- 4.2 Lidl Great Britain Limited made the highest offer of £400,000 for the site. Lidl wishes to purchase the site to develop a larger supermarket on the combined area of its land ownership and the Council's Kemper Avenue site. Their proposed development would be subject to planning permission and would involve developing the replacement supermarket following which the current supermarket would be demolished.
- 4.3 Lidl's current building is considered to be too small and below the standards that it now looks for in its supermarket portfolio. The development will secure 12-15 existing jobs and create up to 15 new jobs.

- 4.4 The offer is conditional on appropriate planning and roads construction consent being granted, acceptable site survey reports and granting of licences for the sale and supply of alcohol.
- 4.5 There is some likelihood of ground conditions constraints being encountered. Due to suspensive conditions in the offer, there may be the need to adjust the purchase price to reflect the costs involved in addressing abnormal ground conditions or other extra normal development costs where valid. These can only finally be assessed following site investigations to be carried out by the purchasers at their own expense. Where these costs materially impact on the site value, they will be verified by the Council officers. Any consideration given to an adjustment of the price will thereafter be based on the principle of obtaining best price on disposal of Council assets and on approval of the Director of Development Services.
- 4.6 The retained part of the car park will have approximately 36 car spaces offering adequate public parking, including parking for local residents who have purchased permits.

5. Consultation

The local members were consulted on the proposed sale on the open market and have recently been informed that details of the best offer received are being put forward to the Executive. No objections have been received to date.

6. Implications

Financial

- 6.1 If progressed to conclusion, the sale of this asset will generate a capital receipt of up to £400,000 for the General Services Account. It is anticipated that there will be a minimal loss of income from parking charges and a significant reduction in maintenance costs. In 2018/19 the net expenditure for the car park was c£10,000.

Legal

The disposal will be subject to conclusion of all necessary legal agreements.

Resource

- 6.3 No additional resources are required.

Risk

- 6.4 None associated with the proposal.

Equalities

6.5 None

Sustainability & Environmental Implications

6.6 There may be some environmental impact due to construction on the site though modern materials would be used to extend or create the new development. The development will be subject to a requirement for planning consent and materials would be to a standard required to meet building regulations including thermal insulation requirements. This will be an improvement on the current building.

7 Conclusion

7.1 In addition to the significant capital receipt. The purchaser of this site will develop the site and will consequently facilitate a significant level of investment in proximity to Falkirk town centre. This, along with the provision of up to 15 new jobs, will have a positive economic development impact for the area.

Director of Development Services

Author – Keith Raffan, Property Surveyor – 01324 504797.

[keith.raffan @falkirk.gov.uk](mailto:keith.raffan@falkirk.gov.uk)

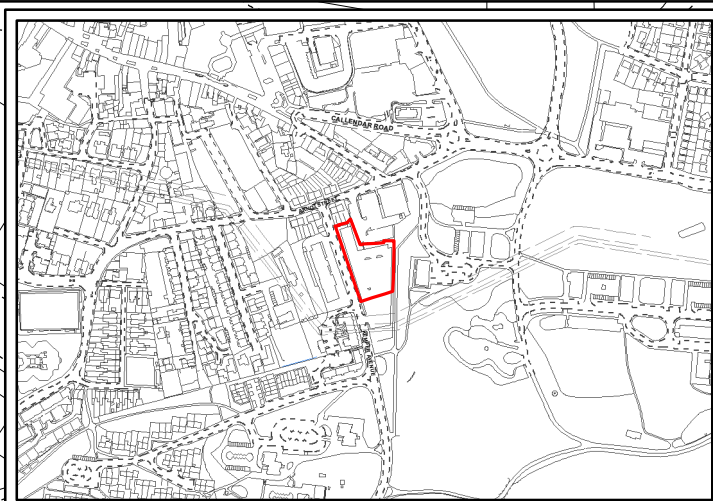
Date 12 August 2019

Appendices

Appendix 1 – Sale Plan

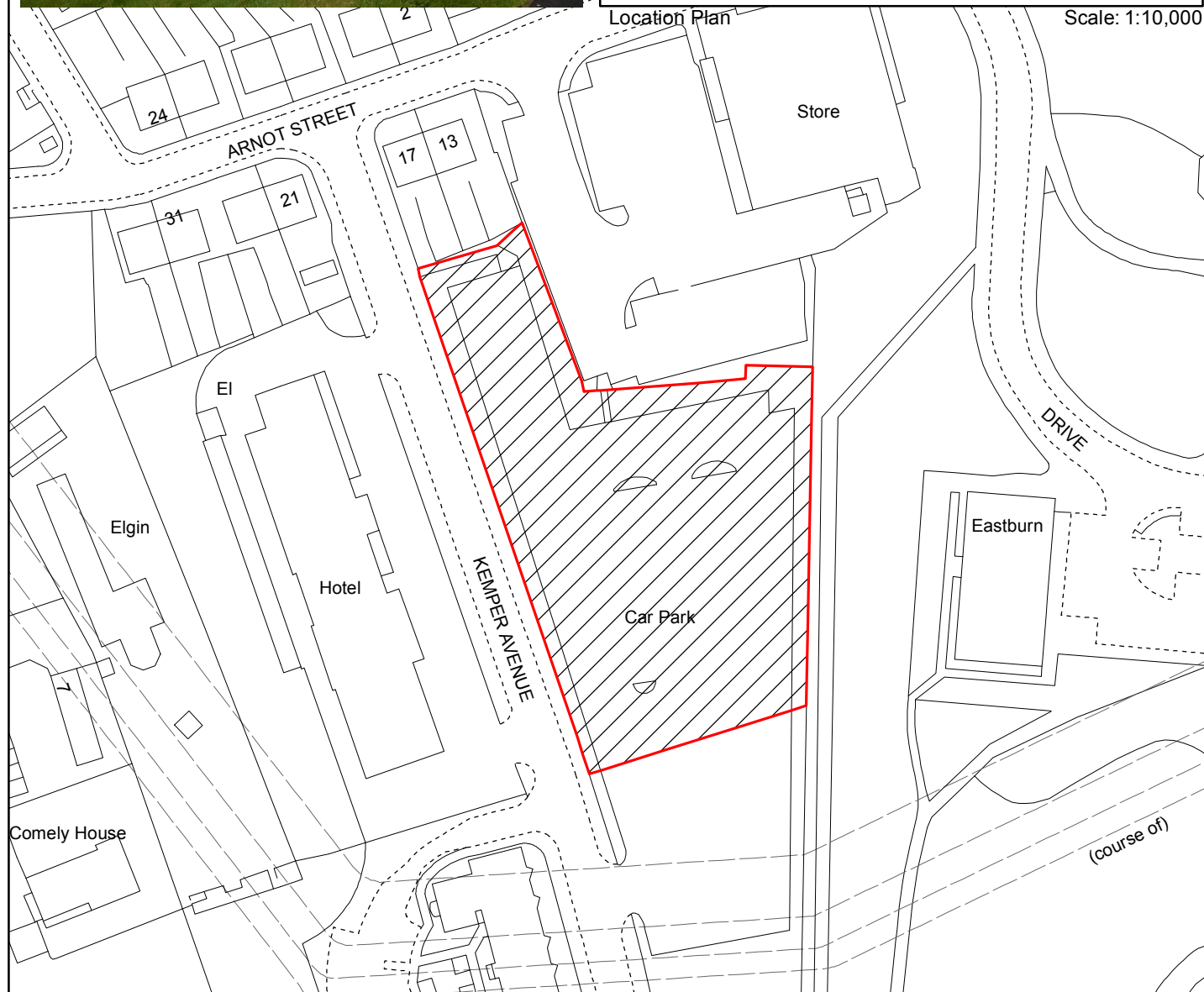
List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:




Location Plan

Scale: 1:10,000



0 30 60 120 Meters

 4700 sqm (1.16 acres)

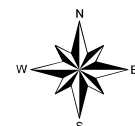


Falkirk Council

Development Services
Abbotsford House, Davids Loan, Bainsford, Falkirk, FK2 7YZ
Telephone: 01324 504950 Fax: 01324 504709

Scale: 1:1,250

Date: 28.2.2019



Subject

Kemper Avenue Car Park

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