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## NORTH AYRSHIRE COUNCIL

13 June 2023

### Cabinet

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<b>Title:</b>	<b>i3 – Sale of Land at Strategic Investment Campus</b>
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<b>Purpose:</b>	To seek approval for a minor increase to the size of an area of land at i3 in Irvine that Cabinet has previously approved to be sold, subject to appropriate conditions.
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**Recommendation:**

That Cabinet:

- a) approves the increase from 2 acres to 2.498 acres of the area of land to be sold to System Five Off Site Ltd at the Strategic Investment Campus at i3 Irvine; and
- b) grants authority to the Executive Director of Place to negotiate the terms of the sale, including a price proportionate to the revised area of land.

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## 1. Executive Summary

- 1.1 Cabinet of 1 November 2022 approved the proposal for the sale of 2 acres of land to System Five Off Site Ltd at the Strategic Investment Campus at i3 Irvine and noted that appropriate related conditions to the sale and deed of conditions would be prepared and that the final sale price would be negotiated in conjunction with the Council's Estates and Legal Teams.
- 1.2 Further approval is now sought for a minor increase in the area of land required, in accordance with the Council's Scheme of Delegation and Standing Orders. Cabinet approval was originally required to authorise the sale because this specific site has not been individually marketed.

## 2. Background

- 2.1 System Five Off Site Limited are a company established by local company RDK Construction Ltd who require land for the development of a new factory unit for the construction of modular accommodation. The company has explored sites in North Ayrshire to expand their activities and is now going through the process of purchasing an area of land at i3's Strategic Investment Campus (SIC) site (see Appendices 1 & 2), following November Cabinet approval. They have estimated that 11 jobs would be created initially.

- 2.2 The Council's Estates, Legal, and Growth & Investment teams are currently working through the detail of the sale and it has been identified that the purchaser requires an area of land slightly larger than the area previously approved which was 2 acres. The area of land required is 2.498 acres. The market value was determined by external valuers to be fairly quoted as £10,000 per acre and stated in the previous report as £20,000 based on 2 acres. The adjustment to the area of land being purchased will require the sale price to be negotiated proportionately.
- 2.3 In addition, following on from the previous Cabinet report, consideration has been given to any legal implications regarding the determination of the rights and obligations of any owners within the development of the larger SIC site which has yet to be completed and is the subject of a masterplan and strategic framework proposals. As the site is considered to be independent from the wider site, it is not anticipated that a deed of conditions will require to be put in place prior to the sale.
- 2.4 The slight increase to area of the land to be sold will have no impact on any surrounding developments or proposals and its development will help to start opening up the SIC site. The design and appearance of the planned facility and its operations will be subject to the planning process and any related conditions.

### **3. Proposals**

- 3.1 It is proposed that Cabinet:

That Cabinet:

- a) approves the increase from 2 acres to 2.498 acres, of the area of land to be sold to System Five Off Site Ltd at the Strategic Investment Campus at i3 Irvine; and
- b) grants authority to the Executive Director of Place to negotiate the terms of the sale, including a price proportionate to the revised area of land

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 The Council's Estates Team previously advised that a sale at the market value of approximately £20,000 was appropriate, based on £10,000 per acre. In this respect the market value is likely to be proportionately higher for the slightly larger area of land.

#### **Human Resources**

- 4.2 None.

#### **Legal**

- 4.3 The sale of the land would be subject to appropriate legal conditions (including Standard Security Clawback provisions) and the purchaser would be responsible for securing statutory consents and service connections. As the site is considered to be independent from the wider site, it is not anticipated that the rights and obligations of

all owners within the completed development of the larger site require to be determined prior to the sale.

### **Equality/Socio-economic**

4.4 None.

### **Climate Change and Carbon**

4.5 The sale would support the expansion of a local business that is seeking to manufacture sustainable construction products.

### **Key Priorities**

4.6 The proposal will contribute to the early development of the Strategic Investment Campus and will not impact detrimentally on the attractiveness of the site for future development and investment proposals.

### **Community Wealth Building**

4.7 The proposal supports community wealth building through use of land and property and supporting local business and employment.

## **5. Consultation**

5.1 Consultation regarding this sale of land, has taken place with the Council's Estates, Legal, Sustainability, Planning and Business Development Teams.

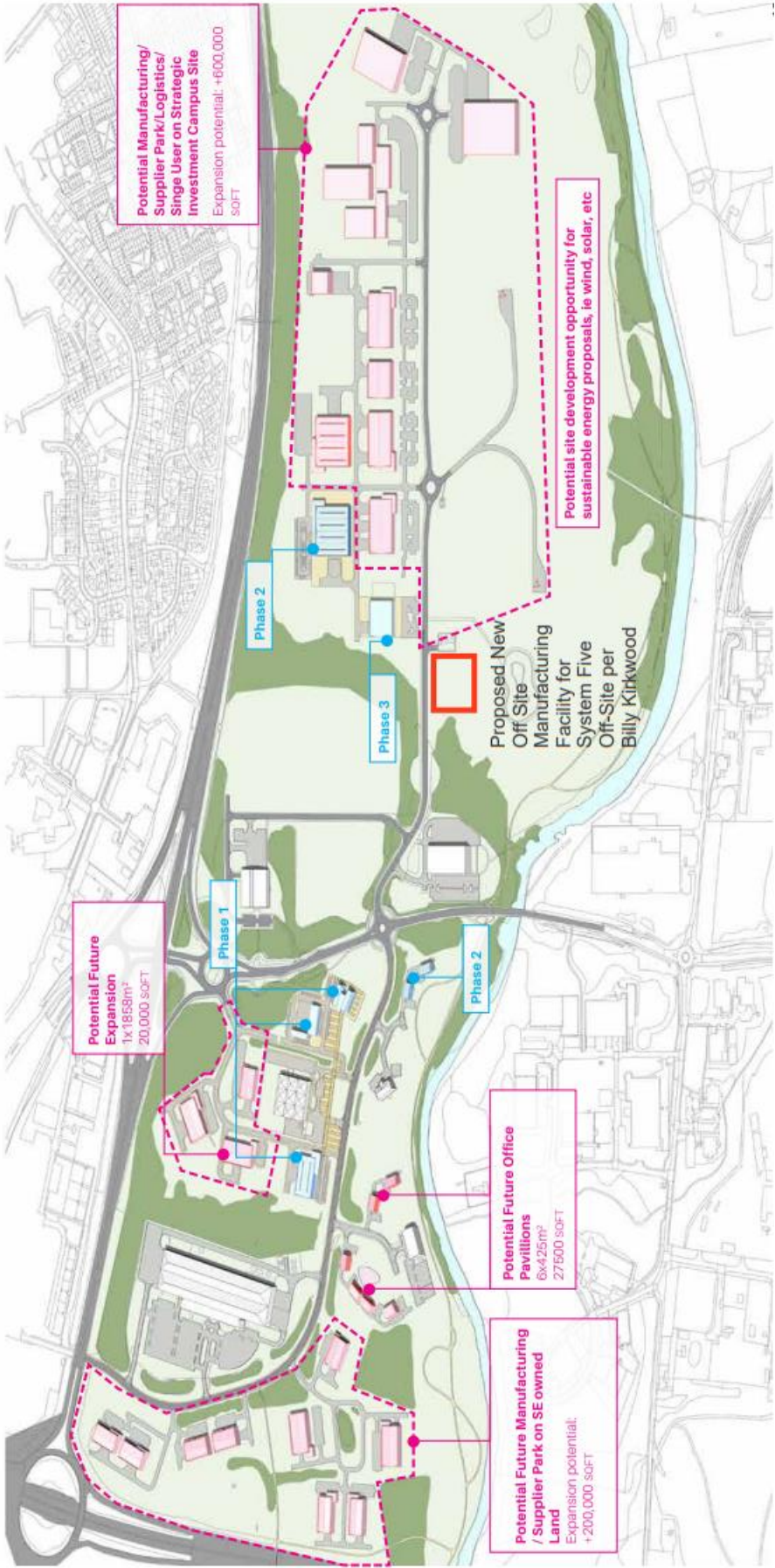
RUSSELL McCUTCHEON  
Executive Director (Place)

For further information please contact **Marnie Ritchie, Interim Senior Manager, Growth & Investment**, on **07342 713 349**.

### **Background Papers**

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APPENDIX 1: Proposed site location



## APPENDIX 2: Proposed Site Layout Plan

