

9

NORTH LANARKSHIRE COUNCIL
REPORT

To: POLICY & RESOURCES (PROPERTY) SUBCOMMITTEE	Subject:
From: HEAD OF PROPERTY SERVICES	INDUSTRIAL DEVELOPMENT, NETHERTON INDUSTRIAL ESTATE, WISHAW - PROGRESS UPDATE
Date: 18 May 2011	Ref: MAR/FF

1. INTRODUCTION

- 1.1 The purpose of this report is to update members on progress with the development of new industrial units at Netherdale Road, Netherton Industrial Estate, Wishaw.

2. BACKGROUND

- 2.1 Committee will be aware of the economic impact that the Council's Commercial and Industrial Portfolio has in supporting jobs in North Lanarkshire and producing much needed revenue income. As part of the ongoing improvement in upgrading of the portfolio, consideration has been given to investigating areas where new build facilities could be provided. The focus of this has been on smaller industrial units to help new businesses, particularly Small and Medium Enterprises (SMEs), in areas where there is market failure in providing such accommodation. A feasibility study was undertaken focusing on the facility within Netherton Industrial Estate last year and concluded that demand existed for small nest units.
- 2.2 At its meeting in August 2010, Committee approved the appointment of Project Managers, and thereafter the procurement of a contractor to construct the development. At its meeting in February 2011, Committee was advised that the construction contract had been let and the works commenced on site in December 2010.

3. DEVELOPMENT PROGRESS

- 3.1 Following the contract award in December 2010, works have been ongoing to progress the development extending to 24 small industrial units. While there have been some challenges over the course of the winter due to the weather conditions, the works have advanced well and the development is now 70% complete.
- 3.2 Currently, it is anticipated that the main construction works should be completed early in July 2011. This will allow the marketing exercise to attract potential tenants for the completed units to commence shortly.

4. FUNDING ISSUES

- 4.1 Members may recall that the identified funding for the project included an element of Vacant and Derelict Land funding (£350,000) which had been secured, however this element required to be spent before the end of the 2010/11 financial year. This element was fully utilised and the balance of funding, approximately £600,000, to complete this project is identified from Property Services' capital expenditure budget of which £540,000 is within 2011/12.

5. CORPORATE CONSIDERATIONS

- 5.1 The proposal accords with the Council's strategies and the Council's Corporate Plan and the required project funding is included within Property Services' existing capital budgets. The proposal is likely to generate additional revenue income for the Council from 2012 when the subjects are leased.
- 5.2 The proposal will redevelop this brownfield site, help regenerate an existing industrial area, create attractive business space providing opportunities for start up and young growing businesses. It will strengthen the economic infrastructure of the area, thereby ensuring that we will be prepared for the recovery from the economic recession expected in the coming years.

6 RECOMMENDATIONS

- 6.1 It is recommended that Committee notes the progress on the development.



IAN NISBET
Head of Property Services

Members seeking further information on the contents of this report are asked to contact Ian Nisbet, Head of Property Services, on 01236 616305.

