



Argyll and Bute Council
Comhairle Earra-Ghàidheal Agus Bhòid

Customer Services
Executive Director: Douglas Hendry

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19 June 2018

SUPPLEMENTARY PACK 2

HELENSBURGH & LOMOND AREA COMMITTEE - MARRIAGE ROOM, HELENSBURGH & LOMOND CIVIC CENTRE on THURSDAY, 21 JUNE 2018 at 9:30 AM.

I refer to the above meeting and enclose herewith agenda item 20 (Property Update) which was marked on the main agenda pack as “to follow”.

Douglas Hendry
Executive Director of Customer Services

“TO FOLLOW” ITEM

20. PROPERTY UPDATE (Pages 3 - 6)

Report by Property Development Manager

Helensburgh & Lomond Area Committee

Councillor Lorna Douglas	Councillor George Freeman
Councillor Graham Hardie	Councillor David Kinniburgh
Councillor Barbara Morgan (Vice-Chair)	
Councillor Aileen Morton	Councillor Ellen Morton (Chair)
Councillor Gary Mulvaney	Councillor Iain Paterson
Councillor Richard Trail	
Shona Barton, Area Committee Manager (Clerk)	

Contact: Danielle Finlay, Senior Committee Assistant - 01436657646

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ARGYLL AND BUTE COUNCIL

Helensburgh and Lomond Area Committee

CUSTOMER SERVICES

21st June 2018

PROPERTY UPDATE

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to provide members with an update on the development and sale of properties in the Helensburgh and Lomond Area.

RECOMMENDATIONS

1.2 That members note the position as outlined in respect of the various properties.

CUSTOMER SERVICES

21st June 2018

PROPERTY UPDATE

2.0 INTRODUCTION

- 2.1 The purpose of this report is to provide members with an update on the development and sale of properties in the Helensburgh and Lomond Area.

3.0 RECOMMENDATIONS

- 3.1 That members note the position as outlined in respect of the various properties.

4.0 DETAIL

The following properties have now been **sold**:-

- Old School House (Rainbow Centre), School Road, Kilcreggan
- Unit 1 Ferry Road, Rosneath
- Unit 2 Ferry Road, Rosneath (Needle and Anchor)
- Former Marriage Rooms, 25 West King Street, Helensburgh
- Scotcourt House, James Street, Helensburgh
- Former Hermitage Academy, Colgrain, Helensburgh

The following properties have now had a **licence agreed**:-

- Retail Shop, 52 Sinclair Street, Helensburgh (Gordons Chemist Shop)
- Kirkmichael Centre, Buchanan Street, Helensburgh (Argyll College)

The following properties have been **acquired** for operational purposes:-

- 1 West Clyde Street, Former Mariners, Public House

The following properties are **under offer**:-

52 Sinclair Street – Gordons Chemist Store Room

- 1.2 The premises at 52A Sinclair Street are currently under lease to Gordon's Chemist and is used as a retail shop. 52 Sinclair Street is a former office space next door to number 52A but is not currently linked to the shop. Gordons wish to use 52 to allow them greater storage facilities.
- 1.3 Gordon's have been permitted a temporary licence to occupy number 52 and are currently using this part of the building for business storage. A new overall lease is currently being prepared to include 52 and 52A and planning permission has been approved to erect a new staff link corridor at the rear of both properties.

- 1.4 Lease terms are at a progressed stage and both parties have expressed a desire to conclude a contract as soon as possible and work is ongoing with Gordon's and their agents to achieve that.

1 East Princes Street / 48,50 Sinclair Street (former Municipal Buildings)

- 1.5 The property is currently under offer with Peckham's. All contractual matters have been addressed to mutual satisfaction. The offer from Peckham's is subject to the purchaser obtaining a liquor licence, planning permission, and building warrant. A provisional licence has been issued and planning permission has been approved.
- 1.6 Since the last update a building warrant was issued on the 11th April which discharged the final consent condition. A completion date was therefore set for the 4th May and both parties were working towards exchange of keys on this date.
- 1.6 However, in the days leading up to the completion date an external crack on one of the bay windows facing Sinclair Street was given further inspection by structural engineers and as a precautionary measure some propping has been installed. Consultant structural engineers have been appointed by the Council to diagnose the cause of the cracking and to provide a design solution for the repair of the bay window. Once a repair solution is identified a settlement will be sought with the purchaser reflective of the structural defect.
- 1.7 Peckhams have stated that they remain committed to delivery of this project and continue to invest heavily in design and preparation works ready for the completion date. Arrangements to commence the refurbishment and installation have been stalled due to this structural issue but remain on standby. The new restaurant and dining area is programmed to open towards before Christmas 2018 as first phase of their development.

Unit 1 Ferry Road Rosneath

- 1.8 The sale of Unit 1 has now concluded and ownership has transferred to new owner.
- 1.9 Property Development and Estates have also asked the known users of the storage container situated in the rear car park to remove it. The contact has confirmed that they are investigating opportunities to relocate the container as well as long term permanent storage for it.

Blairvadach, Shandon by Helensburgh – Offers under consideration

- 1.10 Blairvadach is large former Council Office building and substantial estate grounds. The property is allocated for Housing for 115 units and has been marketed as a development opportunity for over a year by selling agents Ballantynes. The building has featured in 'The Mail on Sunday' as building of the week and was advertised in publication Commercial Property Monthly (May 2017).
- 1.11 A closing date for the sale of the property was set for the 4th August and offers / expressions of interest were received and considered in liaison with the Council's selling agents. The property is fairly challenging to develop due to the sloping topography, presence of the listed building and

large number of units involved / phasing. This is reflected in the offers that have been received which require detailed analysis in terms of the deliverability of scheme, capital receipt, certainty and phasing of payments. The Council is engaging with a preferred purchaser to clarify these matters. It is likely that any sale shall be predicated on achieving planning permission and other consents which shall take several months to conclude.

Hermitage Park Depot, Sinclair Street – For Sale

- 1.12 The depot and associated workshop, cottage and greenhouse adjacent to Hermitage Park was vacated in 2017 and has been declared surplus to operational requirements. The site was fully marketed as a development site with potential for residential or commercial development. The site was promoted on the Council's website, in commercial magazines and 'For Sale' signs have been erected on the site. A viewings day was also held in October and proved very successful.
- 1.13 A closing date was set for the 29th March 2018 and interest was strong. A number of offers were received and were assessed by the Council's Property Development Working Group (PDWG). The PDWG is a group of officers that have an interest in property related matters across a variety of departments including Planning, Roads, Legal and Economic Development. The conclusions of the PDWG were to appoint a single preferred developer who wishes to develop the site for a care home. We are currently engaging with this developer to finalise their proposal and progress towards sale.
- 1.14 A deliberate fire was set by unknown parties on 29th March and significant damage was caused to the depot building. The Council are assisting Police Scotland with their enquires.

5. IMPLICATIONS

- 5.1 The implications are as outlined in the table below.

Table 4.1: Implications	
Policy	None
Financial	Continue to pursue sale or lease of properties that shall generate financial income to Council
Legal	All property transactions are being progressed with close liaison between the PDET and legal services.
HR	None
Equalities	None
Risk	None
Customer Service	None

Douglas Hendry, Executive Director of Customer Services,

19th May 2018

For further information contact:

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