

**PROGRESS REPORT: DANGEROUS BUILDING: 5-7 EAST CLYDE STREET,
HELENSBURGH**

1.0 EXECUTIVE SUMMARY

- 1.1 At the Council meeting on the 26th November 2020, a report was considered relating to a dangerous building at 5/7 East Clyde Street, Helensburgh. In addition to noting the emergency works carried out by the Council to the property to stabilise the building, the Council “further instructed officers to continue to work with owners, and other interested parties, to identify a permanent solution. This will be the subject of a future report to the appropriate Committee”.
- 1.2 This report provides an update on the works to secure a permanent solution to this privately owned property within Helensburgh town centre. The property is also within the designated Helensburgh Town Centre Conservation Area and identified as a priority building repair project for Helensburgh CARS, with a substantial sum earmarked to support the property owners fund its comprehensive restoration. The absence of a collective agreement from the multiple owners to repair the building, makes the delivery of a permanent solution complicated.
- 1.3 A developer led option is possible, and there have been discussions between the Council and the Ministry of Defence (MoD) to assess whether there is demand from the public sector for the redeveloped property. At the same time, there remains a further option of compulsory purchase and redevelopment by Council although this is likely to be a lengthy and complex process. The favoured option at this stage, is a developer led scheme, with agreement by the owners, supported by Crown Estates and CARS funding as appropriate.
- 1.4 The risks posed by this unoccupied building require ongoing monitoring and the multiple owners advised of their responsibilities. The Councils building standards team commissioned a structural survey to assess its current condition and identify whether there was any further deterioration. This survey indicated that main propping is still providing a good system of support and along with the ties to the outer walling and other measures, are functioning as intended to stabilise the building. Water penetration is an issue and further deterioration of the property could affect adjoining properties.

The Helensburgh CARS framework provides an opportunity to access full design team services to take these issues forward and a dedicated CARS Officer is in place to progress the project.

- 1.5 Financial: Funding is available through Crown Estates and the Conservation Area Regeneration scheme for their building, to support a permanent solution. There is outstanding debt of £64,683.65 owed to the Council for previous works carried out to stabilise the building and make it safe. The Council may have to consider writing off this debt, to secure a developer-led solution.
- 1.6 It is recommended that Council:
 - a. note this report and the favoured option of a developer-led scheme, with agreement by the multiple owners and Council support; and
 - b. agree that work continues expeditiously to secure a permanent solution and provide a further report to Council in 3 months.

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2.0 INTRODUCTION

- 2.1 The tenement building at 5-7 East Clyde Street, Helensburgh is unoccupied and the Council have had to intervene on a number of occasions to repair, or stabilise, the building to remove dangers to public safety. The multiple owners are not maintaining the building and there is a high probability, without further repairs, or comprehensive development of the property, that the building will continue to deteriorate and that the Council will have to incur additional costs in the future.
- 2.2 At the Council meeting on the 26th November 2020, a report was considered relating to a dangerous building at 5/7 East Clyde Street, Helensburgh. In addition to noting the emergency works carried out by the Council to the property to stabilise the building, Council “further instructed officers to continue to work with owners and other interested parties to identify permanent solution. This will be the subject of a future report to the appropriate Committee “.
- 2.3 This report provides an update on the work to date to secure a permanent solution to this privately owned property within Helensburgh town centre. The tenement property is within the designated Helensburgh Town Centre Conservation Area. A permanent solution has not yet been identified and there does not appear to be any collective proposals by the private owners to refurbish/repair the property. A developer led option is still possible however, and there are ongoing discussions between the Council and the developer on the viability of the project. At the same time, there remains a further option of compulsory purchase and redevelopment by the Council however this is likely to be a complex and lengthy process. The favoured option is therefore a developer led scheme, with agreement by the owners, supported by Crown Estates and CARS funding as appropriate.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Council:
- a. note this report and the favoured option of a developer-led scheme, with agreement by the multiple owners and Council support; and
 - b. agree that work continues expeditiously to secure a permanent

solution and provide a further report to Council in 3 months.

4.0 DETAIL

4.1 The Building (Scotland) Act 2003 places a statutory duty on local authorities to undertake works to remove any immediate danger to persons in or about a building or to the public generally or to adjacent buildings or places. Associated costs are recovered from the owners of the property. Notwithstanding this, responsibility for any other repairs or remedial works rests wholly with the property owner(s).

4.2 The responsibility for the building at 5 -7 East Clyde Street, Helensburgh rests with the owners and not the Council. Ownership of the property is complex with 7 owners which include a sequestered Trust, a deceased owner and others who are unable to maintain the property as a result of their financial situation, including bankruptcy.

There is a longstanding history to the property at 5-7 East Clyde Street, Helensburgh with the Council having to undertake statutory works due to the dangerous nature of the building. Most recently, the Council carried out stabilisation works in November/December 2020. The owners are aware of the need for repairs and a monitoring plan to prevent any further deterioration and building standards continue to monitor the situation. In the intervening period however, the owners have not instructed any repairs and there remains a risk of further deterioration.

4.3 The building is currently unoccupied, with multiple owners, and not in a condition, which would allow reoccupation, without significant investment. There is outstanding debt owed to the Council amounting to £64,683.65 and formal charging orders are being prepared for service. This may enable the Council to recover some of the outstanding debt on sale of the properties although much will depend on the level of any outstanding mortgages and the price (if any) which a developer would be willing to pay. It is acknowledged that the debt may have to be written off to help the owners secure a deal with a prospective developer.

4.4 A permanent solution is not yet in place although a range of options have been considered. Indicative costs for demolishing the property are £200K, and £450K-£550K for repairs to the building to bring it into habitable condition. The options considered to move matters forward are:

Option	Progress report	Comment
Owner –led solution	All owners are aware of the need to repair/ refurbish the property The situation is complicated due to the ownership issues outlined in 4.2 above and there is no collective agreement by the owners to repair the property.	This option is unlikely and some owners are keen to pass on their liability

<p>Developer-led solution</p>	<p>There is interest from a developer who proposes to acquire the property at 5/7 East Clyde Street, Helensburgh and the adjoining former Chinese restaurant, to redevelop the site. Detailed discussions are ongoing between the Council and the developer.</p>	<p>The current position is that the developer has secured provisional agreement from the majority of owners to take over the liabilities for the site, although further work is necessary. The intention is to demolish and redevelop the site including the vacant adjoining former Chinese restaurant. There remain issues relating to planning restrictions, the property as a historic building and priority for Helensburgh CARS, potential Council funding support (as there is an assessed development deficit), and issues around whether the Council would agree to write off outstanding debt to allow owners to agree to transfer ownership liabilities to the developer.</p>
<p>Council – led solution</p>	<p>A Council led option would require the Council to secure ownership of all properties through Compulsory Purchase Order (CPO) This is a complex and protracted process and should be the last resort after all other avenues have been exhausted. By way of indicative timescale please note that a straightforward CPO may take 18 months to be determined once submitted to the Scottish Ministers. However, given the multiple owners in this case and the complexities of the nature of their ownership, it is likely that this would take significantly longer.</p> <p>The building falls within the designated Helensburgh Town Centre Conservation Area and there is significant earmarked funding to support the restoration of the building through grant assistance. This route will be pursued by the Helensburgh CARS</p>	<p>Due to the potential length of time to undertake a successful CPO with the preferred option is currently the Developer led option. This option remains an alternative possibility however and officers within the council are continuing to look at a CPO option to ensure a positive solution is delivered for this building.</p>

	Officer	
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- 4.5 Funding has been identified through Crown Estates and the CARS project to support the restoration/development of the property, although its availability is dependent on the scheme. Discussions are ongoing between Council officials, building owners and the prospective developer to identify what level of support is available in both financial and potential end user terms.
- 4.6 The condition of this unoccupied building is being monitored and building standards commissioned a structural survey to assess its current condition and identify whether there is any further deterioration. This survey, on 24 August 2021, confirmed that main propping is still providing a good system of support and along with the ties to the outer walling and other measures, are functioning as intended to stabilise the building. Water penetration is an issue and further deterioration of the property could affect adjoining properties. The report concludes that if the building is left to deteriorate further with no further repairs, then it would be easy to imagine the property could reach a point where it would be very difficult to instruct sensible or practical repairs. Owners have been sent the structural engineers report and advised of the need for action. Meantime, in the interests of public safety, building standards will instruct a contractor to check that the propping and bolting remain tight.

5.0 CONCLUSIONS

- 5.1 It is important to secure repairs/redevelopment of this property that has a prominent position in Helensburgh Town Centre. The lack of any coordinated action by the private owners to repair/refurbish the property makes it very difficult to secure a permanent solution. As a priority building repair for Helensburgh CARS, with opportunity to support owners with grant assistance, the favoured option would be a developer –led approach to restoring the tenement property, supported through CARS funding. However all options are being considered as the prospective developers current scheme is to demolish and redevelop the site which would not attract any CARS monies but may access Crown Estates and other funding avenues.
- 5.2 Work to identify a permanent solution for this unoccupied building will continue through the Town Centre Heritage Scheme, supported by other Council services.

6.0 IMPLICATIONS

- 6.1 Policy: Property not within Council ownership
6.2 Financial: Costs incurred by the Council in delivering its statutory

	responsibilities are significant, unbudgeted, with low chance of recovery. Monies have been identified through CARS project and Crown Estates to redevelop the site
6.3 Legal	Statutory duty relating to dangerous buildings
6.4 HR	None
6.5 Fairer Scotland Duty:	
6.5.1 Equalities	None
6.5.2 Socio-economic duty	None
6.5.3 Islands	None
6.6 Risk	<ul style="list-style-type: none"> a. Further deterioration with risks to adjoining residents/public and recurring action by Council. b. Not meeting public/community expectation that Council will intervene c. Reputational damage with key partner and funder, Historic Environment Scotland should the tenement be demolished
6.7 Customer Service	None

**Executive Director with responsibility for Development and Economic Growth:
Kirsty Flanagan**

Policy Lead: Councillor David Kinniburgh
10th August 2021

**For further information contact Alan Morrison, Regulatory Services Manager
(alan.morrison@argyll-bute.gov.uk : 01546604292)**

APPENDICES- NONE