

HELENSBURGH WATERFRONT DEVELOPMENT UPDATE

1.0 EXECUTIVE SUMMARY

- 1.1 The development of Helensburgh Waterfront has been a long term project and following the completion of the £23m leisure centre focus moves to the site of the old swimming pool as the next step in the masterplan.
- 1.2 This report outlines the current position and seeks the support of the Helensburgh & Lomond Area Committee to commence the initial marketing of the site to determine the real market demand for the location.

2.0 RECOMMENDATIONS

- 2.1 That the Helensburgh and Lomond Area Committee:
 - 2.1.1 Note the successful delivery of the new Helensburgh Leisure Centre, car parking, public realm and landscaping as it nears completion along with improvements to the pier;
 - 2.1.2 Note that the skatepark equipment will be reinstated as part of the current works and that further discussions will be undertaken with the group regarding incorporating the skatepark into the next phase of the development;
 - 2.1.3 Note the adopted planning policy position that permits a range of uses including leisure, retail, open space or other commercial uses and that any proposal will be subject to a separate planning application and community consultation;
 - 2.1.4 Note the challenges around construction costs (ie we are finding some sites are becoming uneconomic to develop) and the importance of financial sustainability in terms of future use and Business Case associated with Helensburgh Leisure Centre; and
 - 2.1.5 Agree to the marketing the site of the former pool for all expressions of interest with outcomes to be brought to a future meeting of the Area Committee.

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1.0 INTRODUCTION

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 - 2.1.3 Note the adopted planning policy position that permits a range of uses including leisure, retail, open space or other commercial uses and that any proposal will be subject to a separate planning application and community consultation;
 - 2.1.4 Note the global inflationary and increased cost relating to construction / utilities which will have impact on financial viability and sustainability in terms of the proposed future use; and
 - 2.1.5 Agree to the marketing the site of the former pool for all expressions of interest with outcomes to be brought to a future meeting of the area committee.

3.0 BACKGROUND

- 3.1 The development of Helensburgh Waterfront is a key project for the council. As the construction of the new leisure centre is now complete the site of the old pool,

now demolished, will be available for redevelopment. Currently the remaining car parking, public realm and landscaping works are being completed. Options for securing the site boundary of the former pool in the short term are also currently under consideration.

3.2 CURRENT PROGRAMME

Heron Bros Ltd who are our headline development contractor commenced works on the 31 August 2020 and we are currently 119 weeks into the programme with Stage 1 - Flood Defences and Stage 2 - Leisure Building both being completed on time. We are now on Stage 3 of works which entails the demolition of Existing Pool and Completion of Car Parking and Landscaping are progressing at a pace: Demolition of Existing Old Swimming Pool Building commenced on the 5th September and demolition activities including specialist asbestos removal are now fully completed; Utilities disconnections fully completed; former electric sub-station decommissioned and removed from site; mass stone fill to former car park ongoing; granite paving to emerging public realm steps; public realm granite paving and surfacing works; construction of remaining section of car park, and to new cycle lane adjacent to West Clyde Street, on programme for completion February 2023

Scottish Water "Top Up Tap" - Following granting of Planning Development Status by the Planning Authority, Scottish Water were on site Monday 14 November, 2022 and completed a Partial install (foundation only with water connection). Scottish Water will return to site to complete the install once the final groundworks, reinstatement and public realm works are completed early in the New Year.

SKATEPARK

- 3.3 As part of the planning consent for the new leisure centre a condition was agreed that the skatepark which was situated on the site should be reinstated as part of the redevelopment. Accordingly discussions have been ongoing with the skatepark group to reinstate the skatepark initially with the existing equipment. Thereafter as the design for development of the wider site is established the skatepark will be incorporated with the aim of seeking funding for new equipment to deliver a high quality facility.

MASTERPLAN, PLANNING POLICY & BUSINESS CASE

- 3.4 There are a number of adopted planning designations that relate to the Pierhead site that any future development should comply with. A masterplan was approved by the Council in November 2012 for the wider site which has now largely been constructed. The Masterplan was developed by Gareth Hoskins Architects, and agreed that the former pool area within the waterfront site would be developed primarily for commercial use.
- 3.5 The current Adopted Local Development Plan (LDP) 2015 includes the waterfront site within the defined town centre and accordingly has an allocation (CFR 2001) *for swimming pool, community leisure facility, open space, town centre parking with up to 2,700sqm Class 1 retail uses and this is also reflected within the Proposed Local Development Plan.* The emerging Local Development Plan (LDP2) also carries the same designation and is anticipated to be confirmed as policy in 2023.

- 3.6 The Full Business Case for the Leisure Centre was approved by the Business Continuity Committee (main Council Committee during COVID Pandemic) on 25th June 2020 as part of the contract award for the development of the leisure centre. The Business Case approval was also underpinned by forecast future income / capital receipt from commercially developing the remaining plot abutting West Clyde Street.

MARKETING

- 3.7 It is worth noting that there are, and always have been, mixed views on the proposed development of the site. This site fronting West Clyde Street is a small component (1/4 to 1/3) of this larger regeneration scheme and is part of the designated Town Centre of Helensburgh where a mix of different uses are permitted – subject to normal satisfaction of planning requirements. In the current market where there has been much change in society and development sector (cost of construction, consumer habits, financial lending) it is not in the Council's interest to speculatively develop the site until there is greater clarity on sustainable end use. As stated above, the planning designations that MAY be suitable for the site are diverse and there is scope to attract inward investment, multiple uses or range of facilities. All of this would be subject to individual or collective Planning Applications and community consultation however until we understand the level and type of demand for the location it is premature to judge what will ultimately be developed on the site. To be clear, and to dispel speculation there is no 'done deal' or proposition to build at the site at this stage as currently there is no favoured end user that is proved to be sustainable. Furthermore, we are not solely seeking expressions of interest from retailers – other uses for example leisure restaurants, office, professional services or café may also be compatible either in isolation or as a mix of activity. Accordingly commencing the marketing process and seeking expressions of interest will allow some reality to be brought into the process and give an indication of what is viable. This stage will also give the opportunity for all types of operators to consider the site and make a proposition that is economically sustainable and befitting of the site.
- 3.8 The Council has recently appointed Avison Young surveyors ([AY website](#)) to assist with the marketing of Helensburgh Waterfront. This will allow the site to be marketed to a much wider audience and for all potential options to be considered which may include operators or developers looking to invest in Helensburgh. The marketing stage will also help to clarify how the site could be delivered. The general preference is for the council to generate a long term income from the site to support the ongoing delivery of services however this will be determined in part by the proposals received. Generating income from the site is consistent with the financial justification case that part funded the new swimming pool.
- 3.9 As part of the wider development of the waterfront site a 265 space car park has been developed to service the Leisure Centre, commercial area and the general town centre of Helensburgh. The car park will be operated and managed by Roads & Infrastructure and it was agreed at the council meeting on 29th September 2022 that parking would be free for the first 2 hours with a Traffic Regulation Order in consultation to manage this.

WIDER ECONOMIC ISSUES

- 3.10 While it is considered that Helensburgh Waterfront is an attractive opportunity the

potential to attract investment does have to be considered within the context of national and international market conditions. Global construction cost inflation together with the cost of living challenges and impact of a recession will all be factors which could impact on the demand and consequent delivery of the site. Consultants have also been commissioned to update previous reports and consider the wider impacts developing this site would have on the town centre.

4. CONCLUSIONS

- 4.1 The waterfront retail site is of strategic importance to the council and to Helensburgh and therefore the development options require to be carefully considered.
- 4.2 The initial marketing stage commencing from December 2022 will allow operators and developers of all types of proposed use to make their proposals which will help to establish the real market demand for the location.
- 4.3 It is understandable there is wide interest in future use of the site due to its prominent location and historically there has been varied views on what form and function would serve the town best. It is important to consider this within the context of the long term strategy for the waterfront including the approved masterplan, local development plan and business case for the waterfront development and move from theoretical land use debate to identify real world opportunities in the current economic climate through this marketing exercise.

5. IMPLICATIONS

- 5.1 Policy – None.
- 5.2 Financial – Depending on the delivery mechanism the project could deliver capital or revenue income. Similarly there could be significant capital cost if the council builds the development.
- 5.3 Legal - The terms and conditions of any transactions to follow are intended to be delegated to the Executive Director of Customer Services.
- 5.4 HR – Depending on the delivery mechanism there could be additional resources required within teams such as Estates, Legal, Major Projects, Finance and PR.
- 5.5 Fairer Scotland Duty
 - 5.5.1 Equalities – Protected characteristics – To be considered as part of the business case.
 - 5.5.2 Socio economic Duty – To be considered as part of the business case.
 - 5.5.3 Islands – Impact is anticipated to be minimal.
- 5.6 Climate change – Any large building project will have sustainability issues to address. However this development is designed to deliver local services to reduce the need for residents to travel to other destinations which will be a

positive impact. There could also be potential for incorporating renewable energy systems such as solar panels to reduce the carbon footprint of the development.

5.7 Risk – The current wider market conditions along with construction cost inflation could affect viability. Servicing of the site could also impact on costs. In the business case the risks will be explored in more detail.

5.8 Customer Service – None.

Douglas Hendry, Executive Director with responsibility for Commercial Services
Councillor Gary Mulvaney – Policy Lead, Finance and Commercial Services

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