Finance and Resources Committee

10.00am, Thursday, 16 August 2018

Proposed Sale of Former Public Convenience at 1 Gorgie Road

Item number	8.5
Report number	
Executive/routine	Routine
Wards	7 – Sighthill/Gorgie
Council Commitments	<u>C2, C3</u>

Executive Summary

AMA Homes are in the process of acquiring Springwell House from the Council and NHS Lothian to convert the property to residential accommodation.

In order to comply with the preferred planning solution, AMA wish to demolish the former Public Convenience and remove the Police Box in order to reinstate the listed wall around the corner of Ardmillan Terrace and Gorgie Road.

This report seeks authority to dispose of the former Public Convenience and Police Box site to AMA Homes on terms and conditions outlined in this report.



Report

Proposed Sale of Former Public Convenience at 1 Gorgie Road

1. Recommendations

1.1 That Committee:

1.1.1 Approves the sale of the former Public Convenience to AMA Homes under the terms and conditions outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

2. Background

- 2.1 The property is located at the junction of Gorgie Road and Ardmillan Terrace as shown outlined in red on the attached plan. It is currently vacant and was declared surplus as part of a wider strategy to rationalise public conveniences. A canopy style roof encompasses the public convenience and extends over a former police box which was declared surplus by the Scottish Police Authority at its Finance and Investment Committee on 27 January 2014.
- 2.2 The subject's form part of a larger site known as Springwell House, a grade C listed building in joint ownership of the City of Edinburgh Council and NHS Lothian (NHSL). The parties undertook the joint marketing of the property in 2013, and subsequently approved AMA Homes as preferred purchaser. However, due to complex title issues associated with the site, the disposal was unable to make significant progress. The title issues are now resolved and terms have been agreed between the Council, NHS Lothian, and the proposed purchaser AMA Homes.

3. Main report

- 3.1 The Council has received an approach from AMA Homes to purchase the Public Convenience and Police Box to allow the subjects to be integrated into the redevelopment of Springwell House. As the building was declared surplus after Springwell House was brought to the market, it was not included in the original sale.
- 3.2 The purchase will allow AMA to comply with the preferred planning solution that will propose to demolish the former public convenience and police box and reinstate a wall around Ardmillan Terrace and Gorgie Road.

- 3.3 The terms provisionally agreed for the disposal of the property are as follows:
 - Purchaser: AMA Homes
 - Price £25,000
 - Suspensive Conditions
 The offer is conditional upon demolition of public convenience and redevelopment of the listed wall to enhance the local area as agreed with Planning.
 - Fees The purchaser is to meet the Council's reasonable legal fees and Property and Facilities Management costs of 2% of the purchase price.
- 3.4 The purchase price reflects the independent valuation when the Heads of Terms were agreed.

4. Measures of success

4.1 The disposal will remove the liability for a deteriorating vacant building and will restore a listed wall as part of the residential conversion of Springwell House.

5. Financial impact

- 5.1 A capital receipt of £22,500 will be received in financial year 2017/18, plus The Council will be relieved of future maintenance costs. On the basis of the split of the title to the property, the receipt will be divided 60/40 with the NHS. Therefore the Council will receive £13,500.
- 5.2 A capital receipt of £3,000 will be achieved for the Scottish Police Authority for the Police Box.

6. Risk, policy, compliance and governance impact

- 6.1 The proposed disposal will formalise the title position. There is a risk, as in any disposal, that the sale does not complete. Should the area not be sold then the Council could be left with a continuing maintenance liability.
- 6.2 As this site has not been openly marketed, delegated authority to the Executive Director of Resources as detailed in the City of Edinburgh Council Scheme of delegation to officers is required. Committee approval is therefore required to dispose of the site.

7. Equalities impact

7.1 The proposal in this report to dispose of a vacant deteriorating building forms part of the larger redevelopment of Springwell House and therefore does not have a significant additional impact on people, equalities, the economy and the environment.

8. Sustainability impact

8.1 There are no sustainability issues arising from the recommendations of this report.

9. Consultation and engagement

9.1 Ward elected members have been made aware of the recommendations of this report.

10. Background reading/external references

10.1 Not applicable.

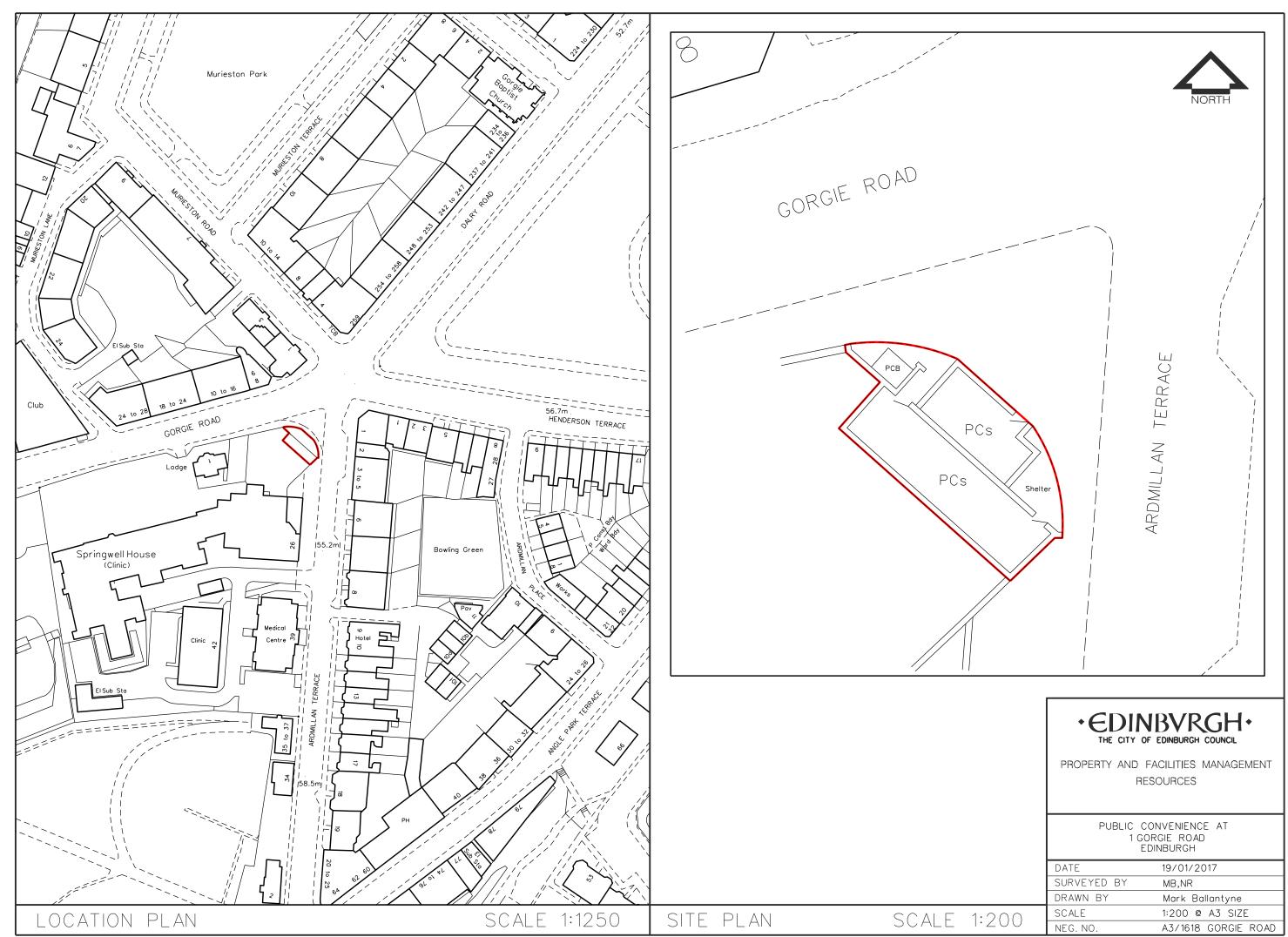
Stephen S. Moir

Executive Director of Resources

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11. Appendices

11.1 Appendix 1 – Location Plan.



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