

CLACKMANNANSHIRE COUNCIL

Report to Clackmannanshire Council

Date of Meeting: 27 June 2013

**Subject: Vacant/Surplus Council Land and Buildings
Sales Strategy**

Report by: Head of Facilities Management

1.0 Purpose

- 1.1 This report follows the previous report of the 30th June 2011. It provides an overview of progress and seeks approval for proposed sales and site clearance. These form part of the Property Asset Management Plan 2010-15 and are a fundamental part of the Council's General Services Capital Programme.
- 1.2 This report updates members and seeks authorisation to market vacant/surplus property as appropriate. Approval for individual sales and or acquisitions which exceed the delegated limits of the director of Services to Communities will be the subject of separate detailed future reports to Council. Sales of small parcels of land (such as garden ground) within the scheme of delegation will continue to be implemented where resources permit.

2.0 Recommendations

- 2.1 Council is recommended to:
- (a) approve the content of this report and authorise the Head of Facilities Management to progress with marketing and approve the disposal of identified properties as paragraph 3.6; and
 - (b) approves the sum of £320,000 for the site clearance, preparation and demolition for the former Tillicoultry Community Centre, Claremont Primary School (once vacated) and former Fairfield school, funded from additional budget from reserves.

3.0 Considerations

Background to Strategy

- 3.1 On 23 September 2010, the Council approved the Property Asset Management Plan 2010-2015. In this context the objectives of property assets are to support the core aims of the Council. Equally, unless there is a stated and clear objective to retain vacant/surplus land and property, it should be considered for future sale to realise value. This should be subject to the best price being achieved.

Sales Objective

- 3.2 It is the duty of the Council to achieve the best price reasonably obtainable for the sale of surplus assets, except where achieving a lesser financial value meets with other Council priorities, in particular where such disposals would result in improvements to economic development/regeneration, health, social well-being or environmental well-being.

Current Surplus Land and Property

- 3.3 Currently there are a number of buildings/land that have been marketed but due to the economic climate sales have not concluded or have fallen through. This report updates previous transactions, decisions and potential opportunities to agree a strategy and work plan over the medium term to maximise value for these assets.

Previous Transactions

- 3.4 An update on the previous transactions approved on 30 June 2011 are as follows:

Property Reference	Location	Agreed - Council 30 June 2011	Progress
ALV224	(Part Of) Car Park, Glentana Mill	Council approval received on 4th November 2010 to progress with the sale to Mrs Tilly's Confectionary for the purposes of constructing a production facility to encompass a visitor centre, cafe and shop.	Suspended following withdrawal of interest
ALL059 & ALL060	Library and Shop, Drysdale Street, Alloa	Property has been approved by the Council on the 23rd September 2010 to be sold pending the development of the Speirs Centre and	Sale completed to McDonald & Morson for conversion to dental surgery

		relocation of the library service.	
TUL708	Land at Ditch Farm, Tullibody and Keilarsbrae, Sauchie	Council approval received 2nd June 2011. Excambion arrangement whereby 15 acres of land will be exchanged with the landowner for 1.96 acres of land at Keilarsbrae, Sauchie for a new bypass	Excambion completed
ALL052	Former Alloa Academy, Claremont, Alloa	Council approval to sell received 16/08/2007.	Sale completed to Bellway Homes
ALL148	Public Convenience, Shillinghill/Maple Court, Alloa	Declared surplus to council requirements, demolish existing building at an estimated cost of £20,000 and market site for sale.	Property retained as operational - Council February 2012
TIL626	Public Convenience, Murray Square, Tillicoultry	Declare surplus to council requirements. Board up and sale on open market.	Sale completed
TUL712	Public Convenience, Main Street, Tullibody	Declare surplus to council requirements. Board up and sale on open market.	Sale completed
ALV236	Swimming Pool, Queen Street, Alva	Declared surplus to requirements November 2011	Sale completed to Ochil Leisure Enterprises for retention as a community leisure facility
ALL212	Land at Marshall, Alloa	This piece of land has been offered for sale to Clackmannanshire Council by the NHS. Due to the strategic location and adjacency of key Council buildings (Alloa Town Hall) it is recommended that this area of land be acquired for future strategic development / land banking purposes.	Transaction completed. Former health centre demolished and site transformed into temporary car park.
TIL624	Tillicoultry Family Centre	Declared Surplus to requirements - Tillicoultry Property Asset Plan Report: 30 June 2011	Following public consultation building refurbished to create new "Ben Cleuch" Centre. Opened November 2012.

TIL617	Tillicoultry Library	Declared Surplus to requirements- Tillicoultry Property Asset Plan Report: 30 June 2011	Library relocated to Ben Cleuch Centre. Property to be retained and converted to create social housing Tenders currently issued for procurement.
FIS403	Former Equestrian Centre and land at Fishcross	Declared Surplus to requirements. Council approved disposal to SSPCA for Scottish Wild Life Rescue Centre	Sale completed. Centre fully operational.

Current Properties for Sale

- 3.5 The following properties are in the process of being marketed/bids considered:

Property Reference	Location	30th June 2011 Position	Progress
TIL637	Ground at Alexandra Street, Devonside	Council approval to sell received 16/08/2007. Site currently being marketed for sale. Recommendation to progress with marketing.	Currently on the market.
ALV210	Former Alva Academy, Queen Street, Alva	Site identified for residential development on the open market.	Part of the site approved for sale to Tigh Grian, for 48 Social Houses, as outlined in the Council paper on 17 May 2013 Remainder of the site to be subject to further consideration.
TUL707	Development Site, Alloa Road, Tullibody	Council approval to sell received 16/08/2007. Original bidder accepted however subsequently withdrew.	Capital Stimulus Initiative, Council approval March 2012, Tendered September 2012 bids received currently being evaluated.
SAU517	Land at former Scout Hall, Main Street/Holton Square, Sauchie	Council approval to sell received 23/09/2010. Property declared as surplus to requirements and the building has been subsequently demolished. Site to be marketed for sale.	Currently on the market.

DEV330	Land at Crankie Brae, Park Street, Coalsnaughton	Site approved for sale by Council on 13th March 2008. Land forms part of an area being sold to Hazledene (Coalsnaughton) Ltd and is subject to conclusion of missives.	Developer has failed to comply with terms and conditions of the missives due to the depressed state of the private residential market. Unlikely to proceed in the medium term. Unlikely to proceed in the medium term
ALL103 & ALL105	19 Mar Street, Alloa	Council approval to sell received 23/09/2010. Property declared as surplus to requirements and consultation required with current tenants to discuss alternative premises. Property to be marketed for sale.	Offer received for sale possession in August 2013.
COA302	Coalsnaughton Playing Field (Part Of)	Council approval received 31st May 2007. Land forms part of a proposed access route to a potential residential development scheme for Hazledean (Coalsnaughton) Ltd. Site in process of being sold subject to conditional missives.	Developer has failed to comply with terms and conditions of the missives due to the depressed state of the private residential market. Unlikely to proceed in the medium term.
SAU537	Former Fairfield School, Pompee Road, Sauchie	Declared surplus to requirements 16/08/2007.	Marketed for second time in 2012 and low offer received but rejected as below market value. Proposed to use site for social housing as part of 2013 SHIP. Approval sought to clear site and demolish.
ALL005 & ALL008	8-10 District Court & IT Suites, 14 Bank Street, Alloa	Declared properties surplus to Council requirements and proceed with marketing and sale on open market.	Marketing delayed, using as decant accommodation for Speirs. Alternative use feasibility study ongoing.
ALL095 & ALL096	15 Mar Street, Alloa	Property currently vacant. Declared surplus to requirement.	Remaining as temporary museum archive store until Speirs Centre is completed

ALL099	15A Mar Street, Alloa	Declared surplus to Council requirements.	Development potential being investigated
ALL090	6 Marshall (Marcelle House), Alloa	Declare surplus to requirements. Retain vacant / short term leases for purposes of site assembly of complete Marshall site.	Not currently marketed. Short term lease concluded to provide decant accommodation for Maker's Village artists during refurbishment of their accommodation.
ALL100	Store at 16 Mar Street, Alloa	Declared surplus to requirements.	Remaining in temporary use until Speirs Centre is completed thereafter marketing will commence.
TIL624	Tillicoultry Community Centre		Closed and declared surplus to requirements December 2011 Capital Stimulus Initiative, Council approval March 2012, Tendered September 2012 bids received currently being evaluated. Approval sought to clear site and demolish.
ALL128	Greenfield House	As part of the office rationalisation programme and transfer to Kilncraigs the Council's Headquarters at Greenfield has been declared surplus and is to be disposed of.	Marketing material and due diligence underway. Advertising and mail shots to follow
ALL112	Limetree House	As part of the office rationalisation programme and transfer to Kilncraigs the office at Lime Tree House has been declared surplus and is to be disposed of.	Marketing material and due diligence underway. Advertising and mail shots to follow

Properties to be Declared Surplus

- 3.6 The following properties should also be declared surplus with associated actions:

Property Reference	Location	Recommendation	Comment
ALL092	Marshall House	To be declared surplus to requirements. Retain vacant / short term leases for purposes of site assembly of complete Marshall site.	Existing occupiers being accommodated in Speirs and other Alloa properties.
ALL154	Claremont Primary School	Existing school to be demolished and declared surplus to requirements in conjunction with the completion of the new Redwell Primary.	Continue in operation until vacated. Approval sought to clear site and demolish. Marketing to commence in 2013.
FIS412	Fields 4 & 5 Fishcross	To be declared surplus and marketed.	To be sold - possibly consider auction sale dependent on open market outcome.
ALL078	St Johns Primary School Grange road Alloa	To be declared surplus in conjunction with the completion of the new Redwell Primary	Continue in operation until vacated. Current feasibility study ongoing.
MEN457	Glenochil Nursery	Property to be declared surplus and sold after desired use being agreed in Local Plan process.	Nursery not operational. Social Services using small part of site.
	Janitor's House Park Primary School	Property to be declared surplus and transferred to the HRA.	House currently occupied by janitor proposal to move to formal tenancy agreement.
TUL708	Ditch Farm - steading	To be declared surplus and marketed.	Subject to existing lease - expires August 2013.
TUL709	Ditch Farm - farmland	To be declared surplus	Subject to existing lease - expires November 2016.

Prevailing Market and Economic Conditions

- 3.7 The overriding economic conditions have had a depressing effect on the property market which has suffered a marked decline from a high in 2007. There are some signs that the market for the purchase of development sites within Clackmannanshire have improved since the last report.
- 3.8 The implementation of empty rates charges on vacant property will increase costs to the Council, therefore active consideration should be given to the demolition of surplus buildings where the retention of the building by any potential purchaser would be unlikely.

Vacant Buildings

- 3.9 The report recommends that the former Fairfield School, Tillicoultry Community Centre, and Claremont Primary School are all demolished to minimise ongoing revenue costs and to ensure the safety and security of these areas. The sites are considered surplus to any service's requirements and the properties are not considered now, or in the case of Claremont in the future, to have a use. If the Council vacates a building there remains a duty to maintain the property to ensure it does not become unsafe. A vacated building will be the subject of possibility of increased vandalism and there are significant costs in securing a building until a purchaser is found and plans for redevelopment are made. Normally ancillary costs of sale, such as temporary boarding/security costs/demolitions, will be offset against expected capital receipts. This report highlights the requirement for demolition costs to progress some of these sales. This expenditure will avoid ongoing revenue costs with these properties. The revenue cost has been increased due to the implementation of empty rates on vacant surplus buildings. This expenditure will be recovered when the property is sold and at the same time reduces the revenue expenditure as highlighted above.
- 3.10 As approved in the previous Council Report, 30th June 2011, it is the recommendation of Facilities Management that if the building is unlikely to be used as part of a purchase (i.e. it would be demolished by the purchaser), specific recommendations are made to the Council for the building to be demolished and an allocated budget provision made for such a course of action.

Sustainability Implications

- 3.11 In adhering to the objectives of the Property Asset Management Plan and the accompanying sales and marketing strategy the Council will effect a reduction in costs of overall property while generating capital receipts to contribute towards agreed Council priorities and services.
- 3.12 The carbon footprint of the Council will be reduced if there is a reduction in operational property.
- 3.13 The future development of sites and properties will enable sterile land to be brought into productive use while benefitting job creation and environmental improvement.

4.0 Resource Implications

4.1. Financial Details

- 4.2. The full financial implications of the recommendations are not set out in the report. Anticipated values for land have been excluded from this public report.

Yes ☒ No ☐

4.3. Finance have been consulted and have agreed the financial implications as set out in the report.

4.4. Legal have been consulted and have agreed the legal implications as set out in the report.

4.5. *Staffing*

The current team is resourced to bring forward this strategy using external resources as necessary to support distinct marketing strategies.

5.0 Exempt Reports

5.1. Is this report exempt? Yes ☐ (please detail the reasons for exemption below)
No ☒

6.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box ☒)

The area has a positive image and attracts people and businesses	<input checked="" type="checkbox"/>
Our communities are more cohesive and inclusive	<input checked="" type="checkbox"/>
People are better skilled, trained and ready for learning and employment	<input checked="" type="checkbox"/>
Our communities are safer	<input type="checkbox"/>
Vulnerable people and families are supported	<input type="checkbox"/>
Substance misuse and its effects are reduced	<input type="checkbox"/>
Health is improving and health inequalities are reducing	<input type="checkbox"/>
The environment is protected and enhanced for all	<input checked="" type="checkbox"/>
The Council is effective, efficient and recognised for excellence	<input checked="" type="checkbox"/>

(2) **Council Policies** (Please detail)

Property Asset Management Plan 2010-2015

2013/14 General Services Capital Plan

7.0 Equalities Impact

- 7.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes ☒ No ☐

8.0 Legality

- 8.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers.

Yes ☒

9.0 Appendices

- 9.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix I - Indicative Property Information Sheets

10.0 Background Papers

- 10.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes ☒ (please list the documents below) No

Vacant/Surplus Council Land and Buildings Sales and Acquisition
Strategy - 30 June 2011

Author(s)

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Eileen Turnbull	FM Services Manager	452460

Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Crawford	Head of Facilities Management	Signed: S Crawford
Garry Dallas	Director of Services to Communities	Signed: G Dallas

APPENDIX 1

Current Properties For Sale

TIL637 Ground at Alexandra Street, Devonside

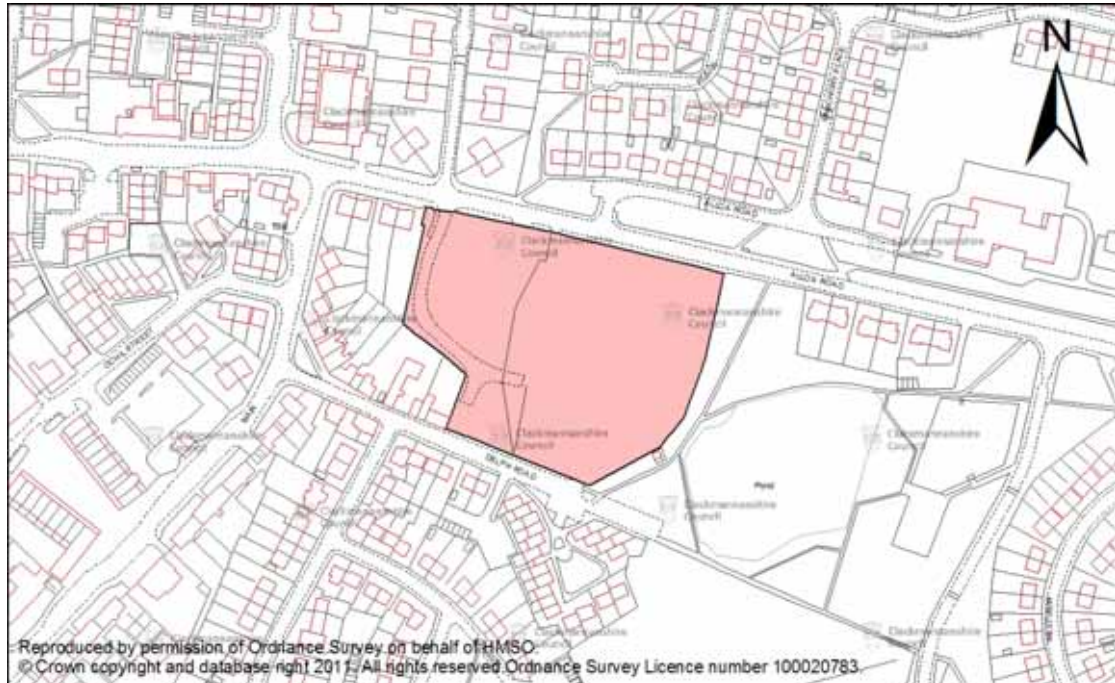


ALV210 Former Alva Academy, Queen Street, Alva

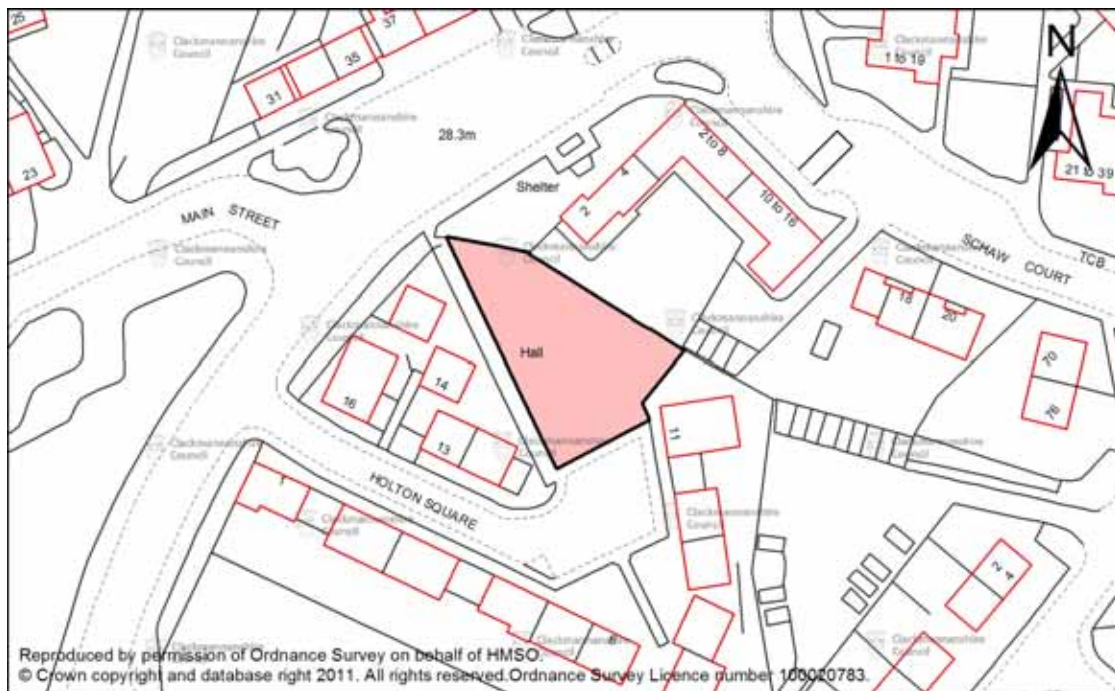


Current Properties for Sale

TUL707 Development Site, Alloa Road, Tullibody



SAU517 Land at former Scout Hall, Main Street/Holton Square, Sauchie

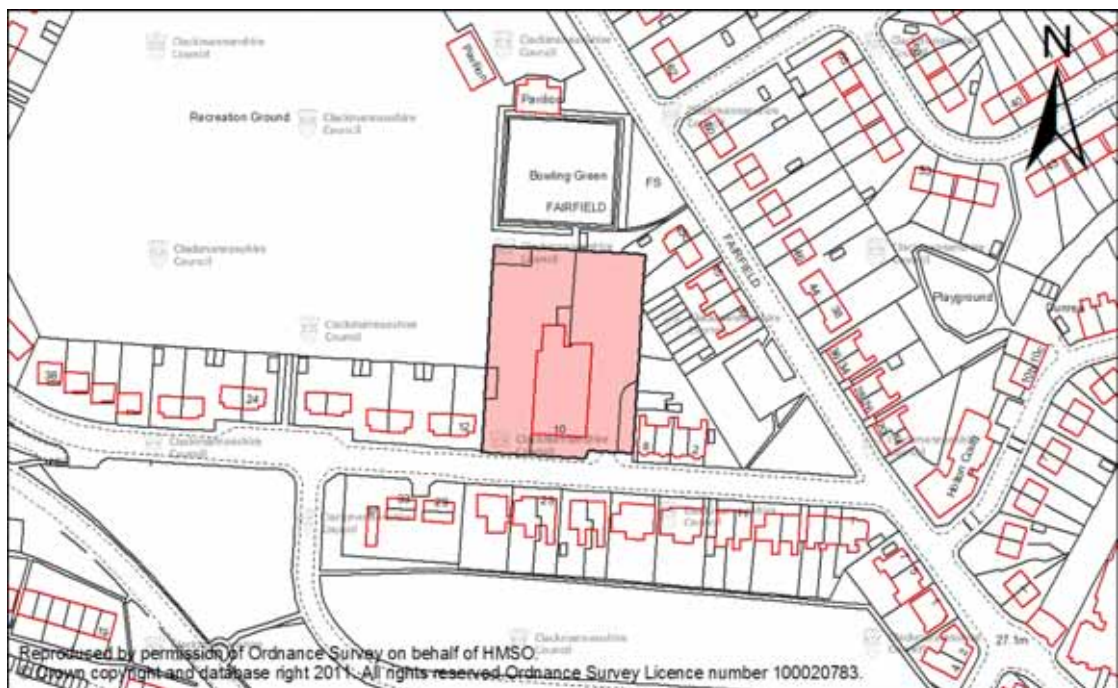


Current Properties for Sale

ALL102/5 19 Mar Street, Alloa

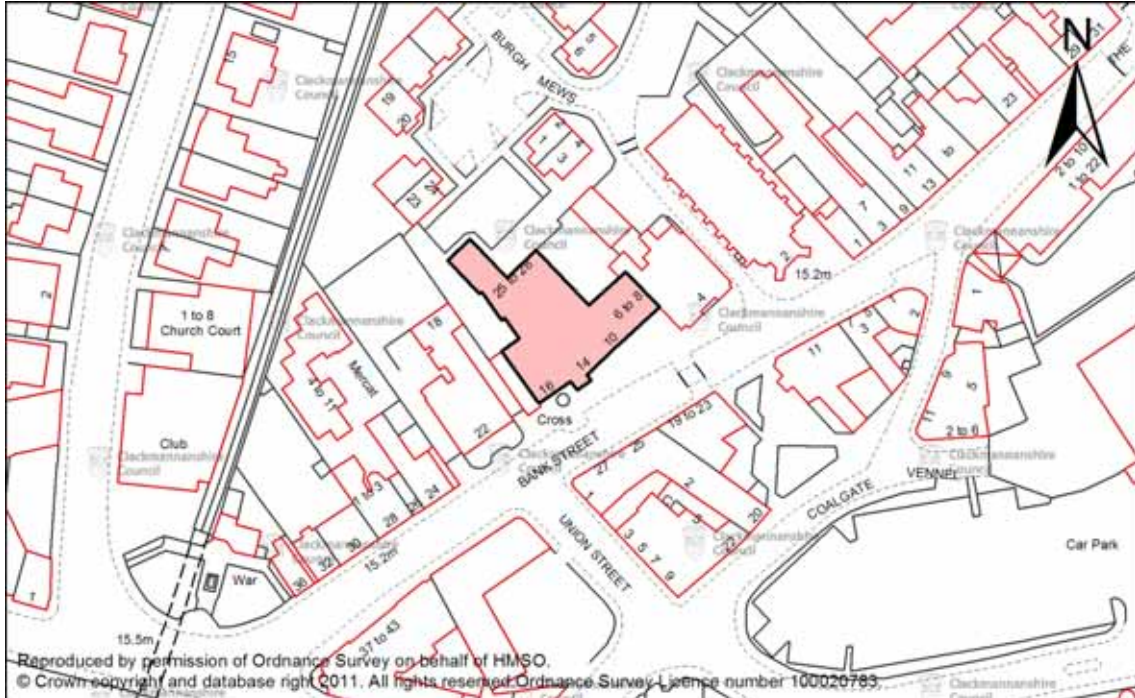


SAU537 Fairfield School, Pompee Road, Sauchie

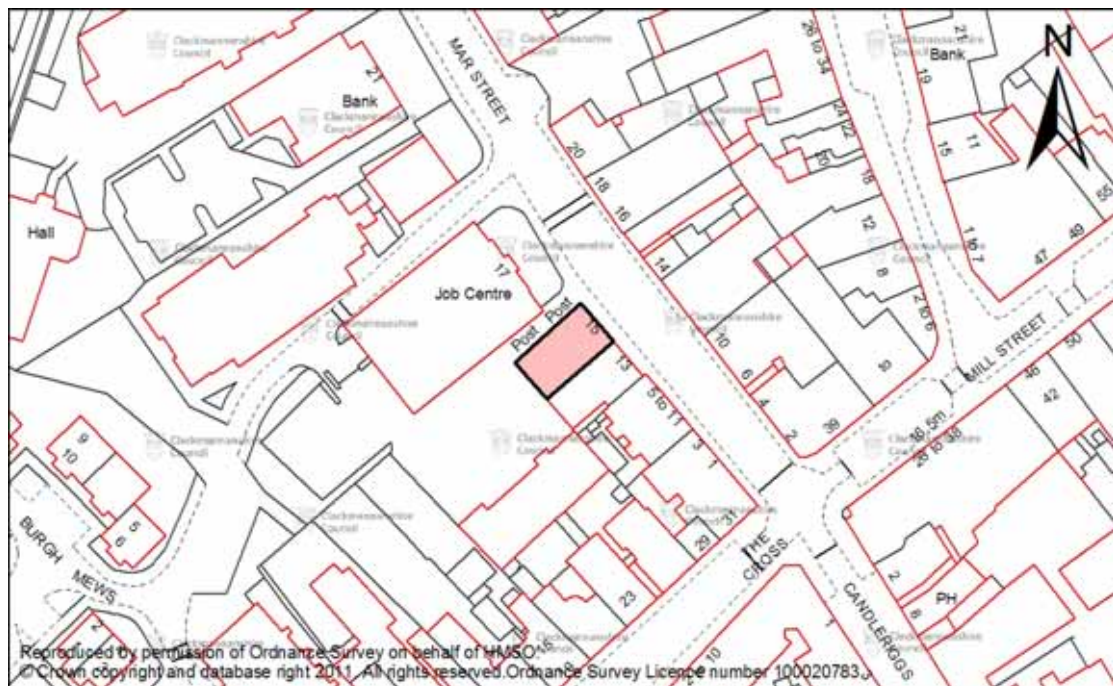


Current Properties for Sale

**ALL005 & ALL008 8-10 Bank Street, District Court / IT Suite and
14 Bank Street, Alloa**



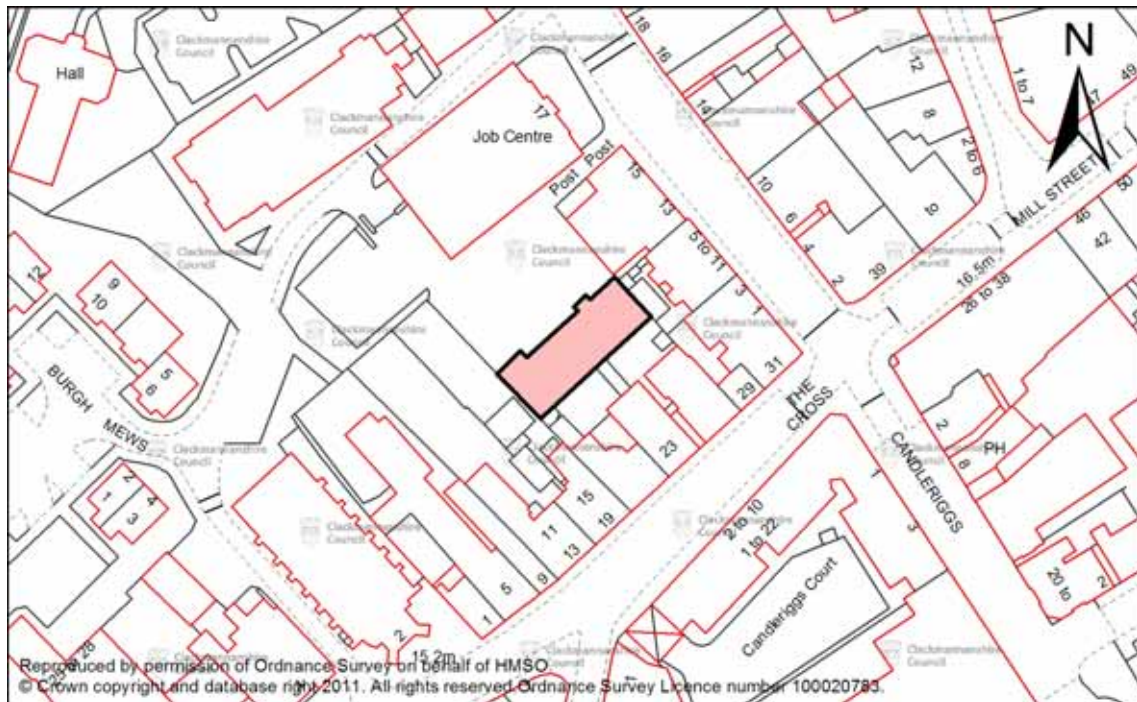
ALL095/96 15 Mar Street, Alloa



Current Properties for Sale

ALL099

15A Mar Street, Alloa

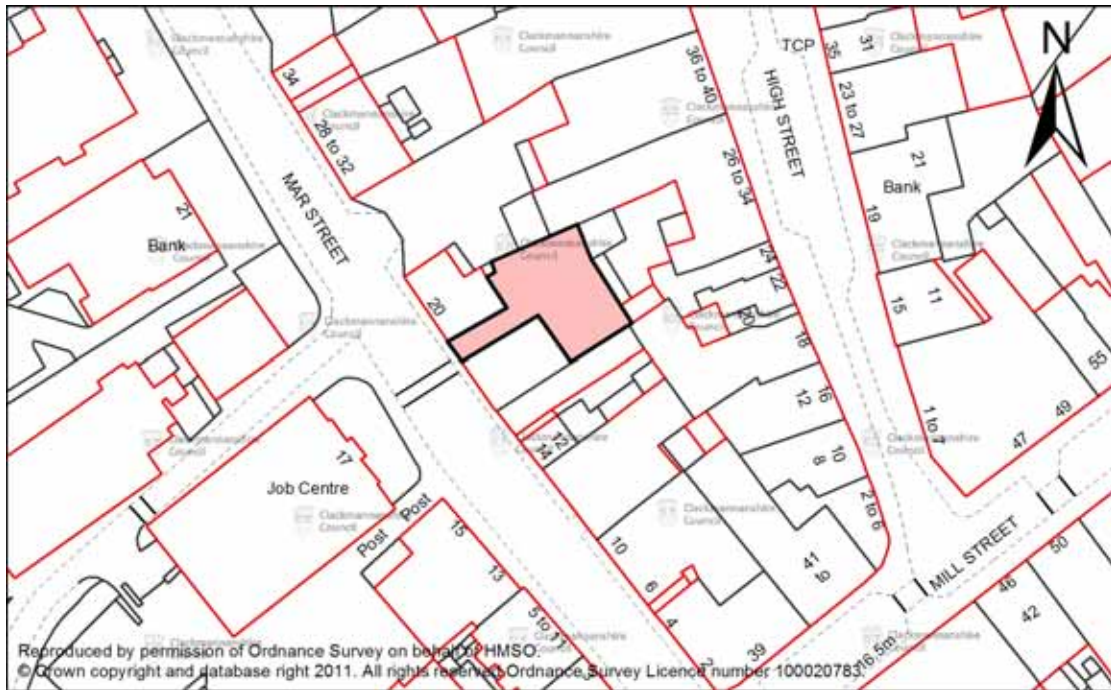


ALL090 6 Marshill, Alloa



Current Properties for Sale

ALL100 **Store at 16 Mar Street, Alloa**



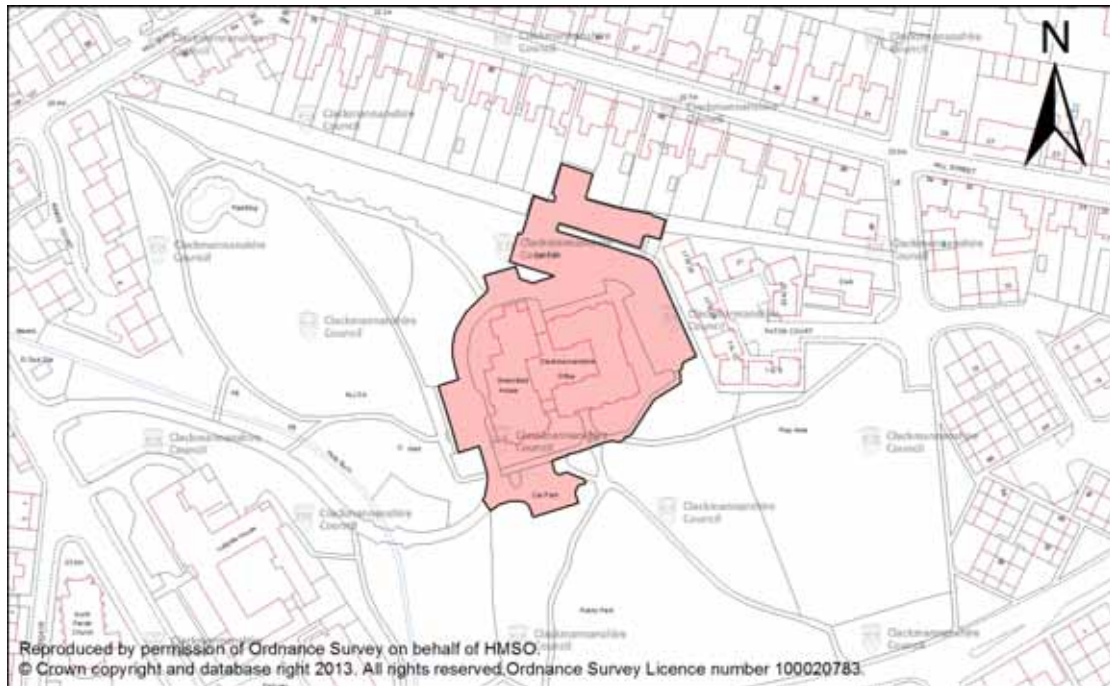
Current Properties for Sale

TIL624 **Tillicoultry Community Centre, Institution Place, Tillicoultry**



Current Properties for Sale

ALL128 Greenfield House, Tullibody Road, Alloa



ALL112 Lime Tree House, Castle Street, Alloa



Properties to be Declared Surplus

ALL092 Marshall House, Marshall, Alloa

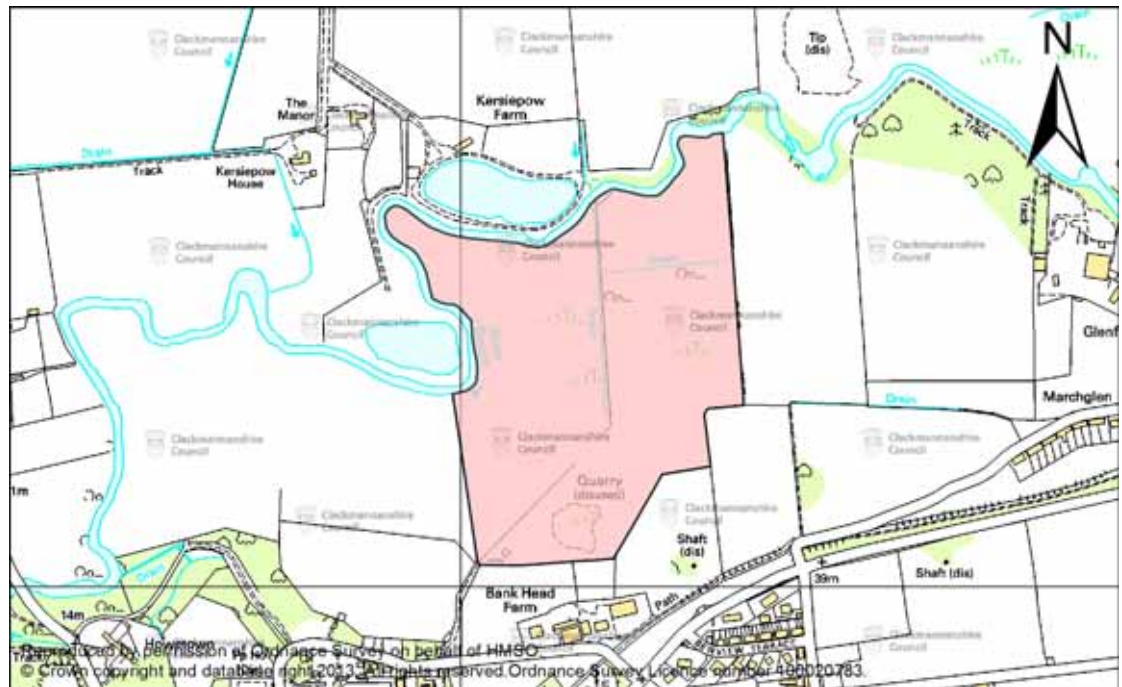


Properties to be Declared Surplus

ALL154 Claremont Primary School, Carse Terrace, Alloa



FIS412 Field 4 & 5 Fishcross



Properties to be Declared Surplus

ALL078 St Johns Primary School, Grange Road, Alloa



Properties to be Declared Surplus

MEN457 Glenochil

