Disposal of former Greenfield Primary School, 29 Nimmo Drive, Govan, Glasgow.

Purpose of Report:
To seek the Committee’s approval of the provisional agreement reached in respect of the disposal of the above subjects to the Govan Workspace Limited.

Recommendations:
That the Committee approves the sale of the above subjects to Govan Workspace Limited on the basis of the main terms and conditions contained within the report.

Ward No(s): 5        Citywide: ☐
Local member(s) advised: Yes ☒ No ☐ Consulted: Yes ☐ No ☐
1. **HOLDING ACCOUNT**

   Education Services

2. **DESCRIPTION**

   Greenfield Primary School, built in 1901, comprises a traditional three storey red sandstone school building, connected to a two storey red sandstone building housing a swimming pool and gymnasium. A two storey janitor’s lodge is incorporated within the main structure. The site of the school, which has a net usable area of 4,087 square metres, or thereby, is level and the immediate area comprises a mixture of residential and commercial development.

3. **BACKGROUND**

   Greenfield Primary School was included in the Education Services’ Pre 12 Strategy Programme and the school closed and was handed over to City Property(Glasgow) LLP on 23 December 2009 to tie in with the completion of the newly built Pirie Park Primary School, where the school pupils have been transferred to at a separate site.

   Govan Workspace Limited expressed an interest in acquiring Greenfield Primary School when it became vacated and available. Approval to seek the Executive Committee’s authorisation to grant an option to purchase Greenfield Primary School to Govan Workspace was provided on 23 January 2009.

4. **TERMS AND CONDITIONS**

   Following negotiations with Govan Workspace Limited, the undernoted main terms and conditions have been provisionally agreed by City Property (Glasgow) LLP on behalf of Glasgow City Council, in respect of the disposal of the above subjects:

   1. The subjects are to be sold to Govan Workspace Limited.

   2. City Property (Glasgow) LLP has negotiated and agreed the purchase of these subjects based on an independent valuation commissioned by Govan Workspace Limited and carried out by Ryden Property Consultants. The price shall be £130,000 (One Hundred and Thirty Thousand Pounds Sterling) exclusive of VAT, if applicable, payable. There is a staged payment timescale agreed, this being (1) an initial sum of £50,000 (Fifty Thousand Pounds Sterling) to be paid on conclusion of missives, is due on or prior to 31 March 2010; (2) the next payment of £40,000 (Forty Thousand Pounds Sterling) is due on or prior to 31 March 2012; and (3) the final payment of £40,000 (Forty Thousand Pounds Sterling) is due and payment on 30 June 2012, with, or without planning permission being granted for the change of use.

   3. The subjects shall be used for the conversion to the provision of commercial office space, studio/workshop units and consideration of some ancillary leisure area.

   4. The specific date of entry shall be agreed between both parties, but must be completed prior the financial year end of 2009/2010. The conclusion of missives must therefore be before 31 March 2010.
5. Govan Workspace Limited shall submit their planning application for the change of use to commercial/workshop and ancillary leisure use by no later than 12 months from the date of conclusion of missives.

6. Govan Workspace Limited shall satisfy themselves with regard to the Council’s title and conclude missives within 6 weeks of being notified of Committee’s approval.

7. If within a period of ten years of the Date of Entry, Govan Workspace Limited sell all or part of the subjects of sale for residential use, Glasgow City Council shall be entitled to receive a sum equivalent to 50% of the uplift in value brought about by the change of use.

8. Govan Workspace Limited shall pay the Council’s reasonable legal expenses in connection with this transaction.

9. The formal agreement shall contain such other terms and conditions deemed necessary by City Property (Glasgow) LLP acting on behalf of the Council and Legal Services.

5. SERVICE IMPLICATIONS:

Financial: The proposal will generate an overall capital receipt of £130,000 for the Council over three staged payments in the financial years as detailed below:

- £50,000 in 2009/2010;
- £40,000 in 2011/2012; and
- £40,000 in 2012/2013.

Legal: Missives of sale to be concluded

Personnel: None

Service Plan: Service Objective 5 - Property Optimisation.

To optimise the use of the Council’s operational and commercial land and property assets and through partnerships and other measures, target other land and property holdings within the City (if appropriate) to support the Council’s development and regeneration agenda.

Section 20.1 - Generation of capital receipts.

Environment: Conversion of existing building