

<b>Meeting</b>	<b>Public SPA Board Meeting</b>
<b>Date and Time</b>	<b>22 March 2017</b>
<b>Location</b>	<b>Stirling Court Hotel, Stirling</b>
<b>Title of Paper</b>	<b>Sale of Livingston Police Office, Almondvale Road, Livingston</b>
<b>Item Number</b>	<b>13.1</b>
<b>Presented By</b>	<b>Colette Sherry, Head of Commercial Services</b>
<b>Recommendation to Members</b>	<b>For Approval</b>
<b>Appendix Attached:</b>	<b>No</b>

## PURPOSE

To invite members to:

1. Note and consider the offers received for the former Livingston Police Station, Almondvale Road, Livingston, as detailed in the Report to the Finance Committee on 22 February 2017.
2. Approve that the Offer from Cruden Homes (East) Limited ("Cruden Homes") which provides a Guaranteed Minimum Price of £1,295M is the best offer received and authorise and instruct the Head of Estates and the Interim Head of Legal Services to accept this offer on behalf of the Scottish Police Authority and to negotiate and conclude Missives and complete the sale of the property.

*This paper is presented in line with Scottish Police Authority Governance Framework.*

*The paper is submitted For Approval.*

## 1. BACKGROUND

- 1.1 The Former Police Station at Almondvale Road, Livingston, is surplus to operational requirements after being vacated in September, 2016. In accordance with the Scottish Public Finance Manual (SPFM), the property was placed in the Trawl. After no interest was expressed under this process, the property was placed for sale on the open market by the City of Edinburgh Council's Estates Department on behalf of the SPA in early October 2016. Prospective purchasers were advised that Police Scotland would arrange for the existing buildings on the site to be demolished and to make bids on this financial basis. Following a tendering exercise it is anticipated that this demolition contract will be awarded in early March 2017 with demolition of the buildings being completed by May 2017. After a considerable amount of viewings and noted interests being expressed in the property, a closing date for offers of 16 November 2016 was set.
- 1.2 The Finance Committee, at its meeting on 22 February 2017, considered and approved the recommendation of the offer from Cruden Homes to the SPA Board for acceptance.

## 2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 Four offers were received for the property at the closing date. Members are referred to the Paper that the Finance Committee, considered at its meeting on 22 February 2017, for further details on all offers received.
- 2.2 The highest offer that provides highest **Guaranteed Minimum Price** of £1.295M is from Cruden Homes for the development of 146 residential units for mixed tenure affordable housing. The site is allocated for Mixed Use in the West Lothian Local Development Plan and it is understood that a well-designed residential scheme would be fall within this Zoning. It is to be noted that the £1.295M is a minimum price and this could be negotiated in an upwards direction only, to a maximum of £2.037M once the level of s75 planning and certain site development costs are identified/evidenced by the purchaser (and deductions made for these items).
- 2.3 It is the recommendation of PSoS Estates Department and Edinburgh City Council's marketing agent that the offer of Cruden Homes, both in terms of financial benefits and the community benefits of the housing to be provided represents Best Value and should be accepted.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 This sale should generate a Capital Receipt estimated to be in the fourth quarter of 2017/18 given the bidder's timeline for the completion of site surveys, development designs and the receipt of planning consent.
- 3.2 The ongoing annual recurring revenue cost of this building in 2016/17 is estimated will be c£220,000 per annum. This recurring cost will be saved with the proposed demolition of the building in May 2017.

### **4. PERSONNEL IMPLICATIONS**

- 4.1 There are no personnel implications as a consequence of this report. Staff in the property have been previously relocated.

### **5. LEGAL IMPLICATIONS**

- 5.1 The Interim Head of Legal Services will be required to conclude Missives and agree the terms of a disposition in favour of the purchaser should the Authority agree to the disposal.

### **6. REPUTATIONAL IMPLICATIONS**

- 6.1 The disposal of this vacant property to achieve this significant capital receipt will demonstrate good estate management practices.

### **7. SOCIAL IMPLICATIONS**

- 7.1 There are no social implications as a consequence of this report.

### **8. COMMUNITY IMPACT**

- 8.1 The sale of this property to Cruden Homes will enable this redundant property to be redeveloped and provide 146 residential units for mixed tenure affordable housing.

### **9. EQUALITIES IMPLICATIONS**

- 9.1 There are no equalities implications as a consequence of this report.

### **10. ENVIRONMENT IMPLICATIONS**

**NOT PROTECTIVELY MARKED**

This paper is presented in line with Scottish Police Authority Governance Framework

- 10.1 It is estimated that the disposal of this property will reduce annual CO2 emissions by 262 tonnes.

**RECOMMENDATIONS**

Members are requested to:

1. Note and consider the offers received for the former Livingston Police Station, Almondvale Road, Livingston, as detailed in the Report to the Finance Committee on 22 February 2017.
2. Approve that the Offer from Cruden Homes (East) Limited ("Cruden Homes") which provides a Guaranteed Minimum Price of £1,295M is the best offer received and authorise and instruct the Head of Estates and the Interim Head of Legal Services to accept this offer on behalf of the Scottish Police Authority and to negotiate and conclude Missives and complete the sale of the property.