

# Finance and Resources Committee

10.00 a.m, Thursday, 27 November 2014

## Sale of Former Towerbank Primary School Annexe, 13 Bath Street, Portobello

Item number	8.2
Report number	
Executive/routine	
Wards	17 – Portobello/Craigmillar

### Executive summary

---

The former Towerbank Primary School Annexe, 13 Bath Street, Portobello was declared surplus to requirements and vacated by Children and Families in June 2013.

The property was marketed for sale and at the closing date of 5 March 2014, seven offers were received.

At its meeting on 22 May 2014, the Economy Committee approved the sale of the site to Luxx London Residential Ltd and this was ratified by the Finance and Resources Committee on 5 June 2014. As a result of the lack of progress from Luxx, approval is now sought to sell the property to Jamal Jabir for £313,000.

### Links

---

Coalition pledges	<a href="#">P8</a> , <a href="#">P30</a>
Council outcomes	<a href="#">CO7</a> , <a href="#">CO19</a>
Single Outcome Agreement	<a href="#">SO4</a>

## Sale of Former Towerbank P S Annexe, 13 Bath Street, Portobello

### Recommendations

---

It is recommended that Committee:

- 1.1 Approves the sale of the former Towerbank Primary School Annexe, 13 Bath Street, Portobello to Jamal Jabir on the terms outlined in paragraph 3.3 and on other terms and conditions to be agreed by the Director of Services for Communities and the Head of Legal, Risk and Compliance.

### Background

---

- 2.1 The former Towerbank Primary School Annexe, 13 Bath Street, Portobello (as shown edged red on the attached plan) was operated as part of Towerbank Primary School until June 2013.
- 2.2 To help minimise holding costs, marketing of the property for sale was commenced in January 2013, 5 months prior to the final closure of the building. A closing date was set in September 2013, however, the preferred bidder pulled out in October 2013 due to ill health. Following a further marketing campaign, another closing date was set for 5 March 2014 and seven offers were received.
- 2.3 At the meeting of the Economy Committee on 22 May 2014, approval was granted to sell the site to Luxx London Residential Ltd for £325,000. Luxx were the second highest bidder. The highest offer from a pub/restaurant operator was dismissed due to unacceptable planning risk. This decision was ratified by the Finance and Resources Committee on 5 June 2014.

### Main report

---

- 3.1 Luxx has made no meaningful progress towards purchasing the property and has reneged on their agreement to pay the Council's property expenses. As a result of this, the third and fourth highest bidder were approached. The third highest bidder is no longer interested in purchasing the property. The fourth highest, Mr Jabir, however, has confirmed he will proceed with the purchase on the same terms contained in his offer at the closing date.
- 3.2 While the sale is not conditional on planning consent, Mr Jabir intends to convert the property to residential use. As the offer is unconditional it is envisaged that the capital receipt will still be secured in the current financial year.

- 3.3 In view of the minimal financial gap between the bids, the costs expended by the bidders already and the recent marketing campaign carried out in March 2014, it is not considered appropriate to incur further time and cost in re-marketing the property. It is recommended therefore that the Council accepts the fourth highest offer on the following terms:

Purchaser: Jamal Jabir

Price: £313,000

Nature of offer: Unconditional

Fees: Purchaser to pay the Council's property and legal expenses

If the purchaser fails to progress within reasonable timescales, the property will be re-marketed.

### Measures of success

---

- 4.1 Through the sale of the property, a vacant building which is an important landmark in Portobello Conservation Area will be brought back into beneficial use and provide a valuable capital receipt to the Council.

### Financial impact

---

- 5.1 A capital receipt in the financial year 2014/15 linked to the Smart Schools programme.

### Risk, policy, compliance and governance impact

---

- 6.1 When any offer is accepted, there remains the risk (as in the case of all property disposals) that the sale will not proceed. In this case, the risk is considered to be minimised because the purchaser is not attaching conditions to the sale e.g. a requirement to obtain planning consents, etc.

### Equalities impact

---

- 7.1 Bringing a vacant building back into beneficial use will enhance the physical security of the surrounding area.
- 7.2 There may be temporary disruption to the accessibility of the street when the restoration works take place. The completion of the works, however, should lead to an improvement in the street layout. Consultation will take place as part of the planning and roads construction consents.

### Sustainability impact

---

- 8.1 The impacts of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below:
- The proposals in this report will increase carbon emissions because a currently vacant building will be brought back into use and this impact will

be addressed by the need for the restoration plans to comply with a planning consent and building control regulations. Reusing an existing building rather than utilising new build will help mitigate the impact.

- The need to build resilience to climate change impacts is not relevant to the proposals in this report because it relates to the reuse of an existing building.
- The proposals in this report will help achieve a sustainable Edinburgh because reuse of this building to provide dwelling houses in the place of a vacant building which will benefit the local community.

## **Consultation and engagement**

---

9.1 Local councillors were consulted following the closing date to establish their views on pub/restaurant use within this building. They have also been kept up to date on the proposed change in purchaser.

## **Background reading/external references**

---

[Economy Committee – 22 May 2014 - Sale of Former Towerbank P S Annexe, 13 Bath Street, Portobello](#)

[Finance and Resources Committee – 5 June 2014 - Sale of Former Towerbank P S Annexe, 13 Bath Street, Portobello](#)

## John Bury

Acting Director of Services for Communities

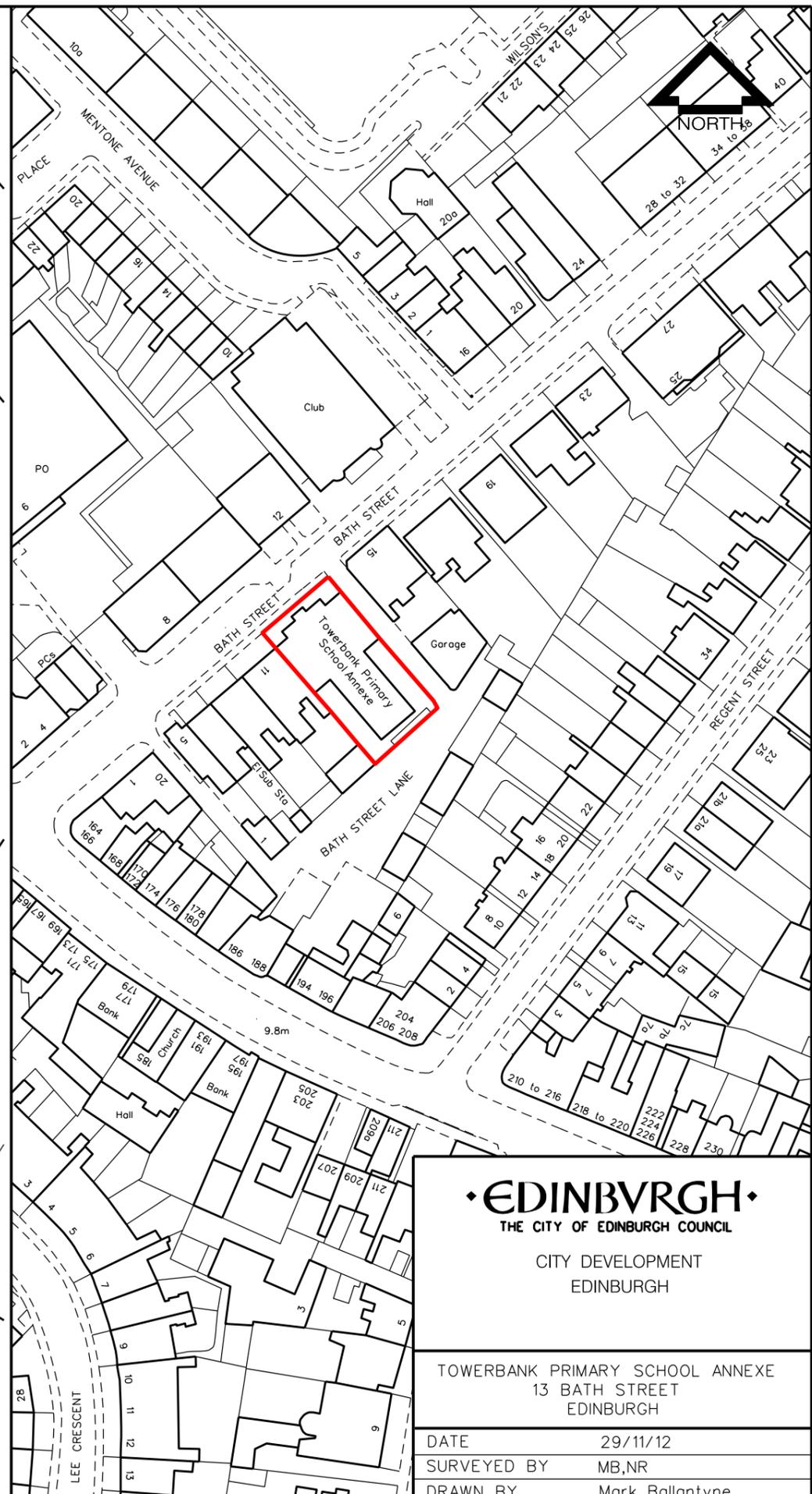
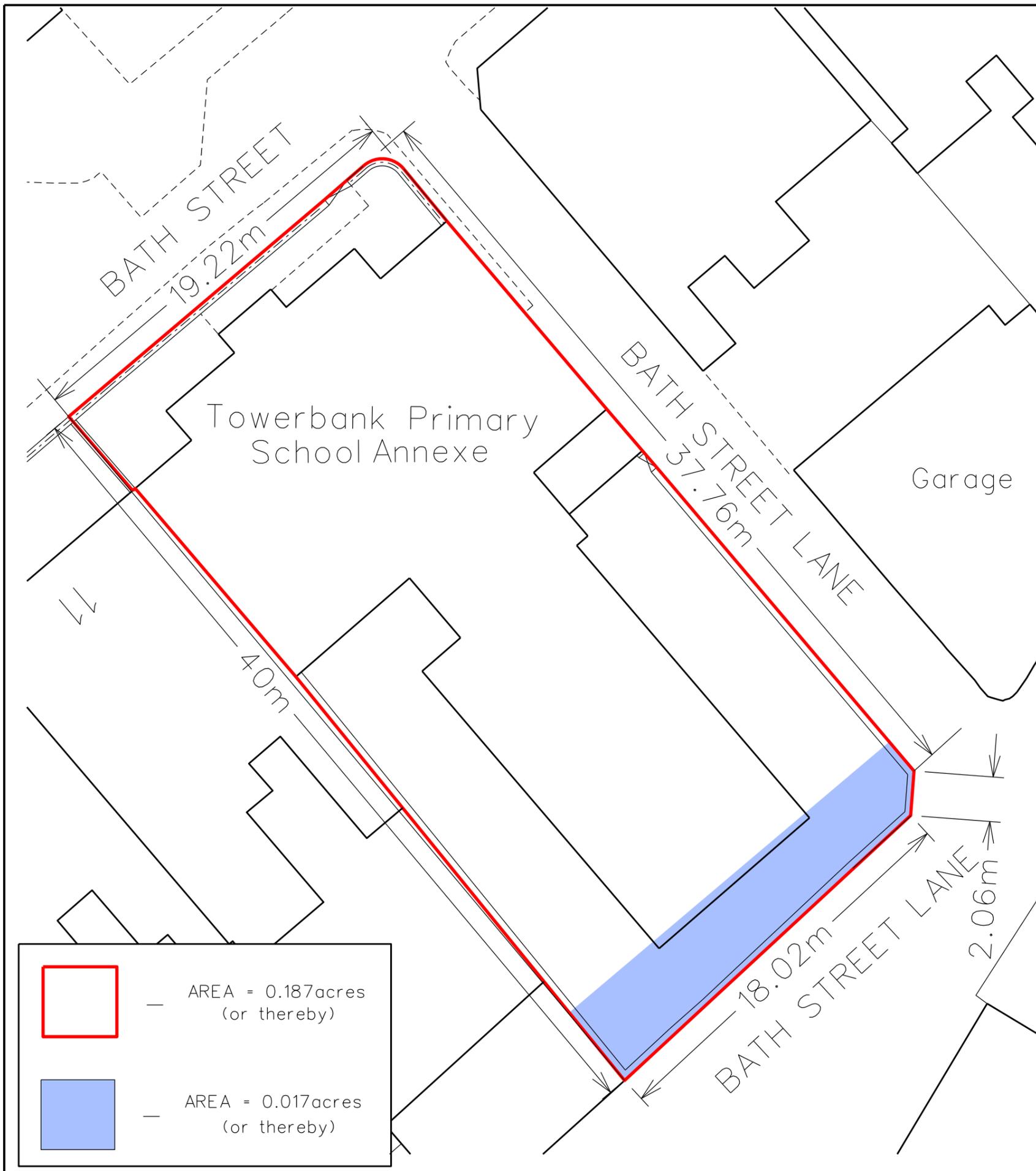
Contact: Lesley Turner, Senior Estates Surveyor

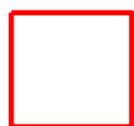
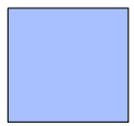
E-mail: [lesley.turner@edinburgh.gov.uk](mailto:lesley.turner@edinburgh.gov.uk) | Tel: 0131 529 5954

## Links

---

<b>Coalition pledges</b>	P8 – Make sure the city’s people are well-housed, including encouraging developers to build residential communities, starting with brownfield sites. P30 – Continue to maintain a sound financial position including long-term financial planning.
<b>Council outcomes</b>	CO7 – Edinburgh draws new investment in development and regeneration. CO19 – Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and public realm.
<b>Single Outcome Agreement</b>	SO4 – Edinburgh’s communities are safer and have improved physical and social fabric.
<b>Appendices</b>	Location Plan.



	AREA = 0.187acres (or thereby)
	AREA = 0.017acres (or thereby)

SITE PLAN

SCALE 1:200

LOCATION PLAN

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL	
CITY DEVELOPMENT EDINBURGH	
TOWERBANK PRIMARY SCHOOL ANNEXE 13 BATH STREET EDINBURGH	
DATE	29/11/12
SURVEYED BY	MB,NR
DRAWN BY	Mark Ballantyne
FILE NO.	
NEG. NO.	A3/1332