

REQUEST TO PURCHASE BRUCE HOUSE BY BETT PROPERTIES LTD

Abstract

This report recommends the Committee consider an option for the replacement of Bruce House Offices at Stobcross, Arbroath.

1 RECOMMENDATION

The Resources and Central Services Committee is recommended to:

1. note that Bett Properties Ltd has written to the Director of Property Services asking to open discussions regarding the possible sale to them of the Bruce House site;
2. authorise the Director of Property Services to initiate a feasibility study into the replacement and rationalisation of offices in Arbroath and to establish the likely costs
3. authorise the Director of Property Services to establish the terms of a possible sale of the Bruce House site to Bett Properties Ltd without commitment and
4. note that the outcome of the feasibility study will be reported back to Committee for their consideration.

2 BACKGROUND

Members will be aware of the outcome of the successful planning appeal by Bett Properties Ltd in relation to their planning application for the provision of a supermarket on the site owned by Angus Council at Stobcross, Arbroath which includes the Bruce House office, access road and associated car parks. They also obtained planning permission for the site they already own at the former Westburn Foundry and they propose that the combined sites will allow a larger development.

Although this means that Bett Properties now have planning permission to erect a supermarket on the site of Bruce House, it is to be noted that the council's previously stated position has been that the site of Bruce House was not for sale.

The Director of Property Services has to advise the committee that following the granting of planning permission to Bett Properties, he received a communication from them seeking to open discussions with the council with a view to them acquiring the site.

Having regard to the consideration by the council of the finalisation of the local plan, it remains to be seen how the development of supermarket provision within Arbroath will be determined.

In the meantime, the Director of Property Services recommends that he be authorised to initiate a feasibility study into the replacement of offices in Arbroath in the event that the Bruce House site be sold. This study would establish the likely cost of replacement

offices, consider options for alternative sites within Arbroath and provide an opportunity for some degree of rationalisation of our office provision within Arbroath. The Bruce House site measures some 2.7 acres and the offices accommodate approximately 200 staff. It is also recommended that the Director of Property Services be authorised to explore with Bett Properties what the likely terms of an offer by them would be for the purchase of the Bruce House site.

Although this exercise will establish a market position for our site, consideration will then require to be given as to whether the site should be advertised for sale on the open market to ensure that full value is secured.

The outcome of the feasibility study would be reported back to the committee for their consideration and instruction in due course.

3 FINANCIAL IMPLICATIONS

The cost of conducting a feasibility study will mainly be in relation to staff time and specialist surveying consultancy. The fees for this stage, which are not expected to exceed £10,000, will be part of the project capital costs and should this project proceed, will be incorporated into the revision of the Financial Plan. Proceeds from any sale of the existing assets will be included as income to the Financial Plan.

4 HUMAN RIGHTS ACT IMPLICATIONS

There are no Human Rights Act implications specific to this report.

5 PROPERTY IMPLICATIONS

There are no property implications specific to this report.

6 CONSULTATION

The Chief Executive, the Director of Law and Administration, the Director of Planning and Transport and the Acting Director of Finance have been consulted in the preparation of this report.

7 CONCLUSION

This approach from Bett Properties Ltd offers the council the opportunity to redevelop its office provision in Arbroath should it wish to agree to the sale of the existing site to them.

REFERENCES

Committee	Date	Report No	Subject
Policy and Resources	18.3.03	392/03	Land at Bruce House, Arbroath

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

M G Lunny
Director of Property Services