

South Ayrshire Council

**Report by Depute Chief Executive and Director
of Housing, Operations and Development
to Cabinet
of 15 February 2023**

Subject: Sale of the Former Grammar Primary School, Midton Road, Ayr

1. Purpose

- 1.1 The purpose of this report is to obtain Cabinet approval to sell the former Grammar Primary School in Midton Road, Ayr (as shown in [Appendix 1](#)).

2. Recommendation

- 2.1 **It is recommended that the Cabinet grants authority to the Head of Legal and Regulatory Services to conclude the sale of the former Grammar Primary School in Midton Road, Ayr (as shown in [Appendix 1](#)) on the terms offered by the successful party/ parties as contained within the Addendum (confidential) to this report and on terms to be agreed to the satisfaction of the Service Lead- Asset Management and Community Asset Transfer and the Head of Legal and Regulatory Services.**

3. Background

- 3.1 The former primary school buildings sit within a prominent site extending to 0.932 acres as shown in [Appendix 1](#). The buildings are category C listed.
- 3.2 A report was approved by the Leadership Panel on 27 October 2020 to declare the school buildings surplus to requirements ahead of the school's relocation to new premises in Fort Street.
- 3.3 Following the relocation of the school, the Leadership Panel of 9 February 2021, requested that the buildings be put on the market with the instruction for any offers received to be reported back to the Leadership Panel for approval.
- 3.4 After being advertised on the open market a closing date for offers was set for 22 July 2021. Seven offers were received.
- 3.5 The Leadership Panel of 21 September 2021 considered the offers and confirmed a single suitable offer, conditional on planning permission for residential development. The Head of Legal, HR and Regulatory Services was asked to conclude the transaction.

- 3.6 The Leadership Panel decision of 21 September 2021 required that the proposed sale was conditional on the successful party/ parties obtaining planning permission, listed building consent and all other statutory consents within 12 months of concluding missives, and if the timescale was not met, the property would be re-marketed.
- 3.7 During the negotiation of missives, the prospective purchasers sought to change the terms of the sale to include the option to apply for planning permission to use the property as a business centre and to extend the timescale for obtaining the requisite permissions. The Leadership Panel decision did not authorise a sale subject to these amended terms and consequently, the Council withdrew from the negotiations and the property was re-marketed.
- 3.8 Shepherd Chartered Surveyors were appointed by South Ayrshire Council to market the property on its behalf. In addition to the marketing particulars that were issued to interested parties, an updated planning brief was prepared to take account that the property is both in a prominent location and category C listed.
- 3.9 The property was marketed between 23 September and 25 November 2022 noon. Eight offers have been received.
- 3.10 The Addendum (confidential) to this report provides details of the submitted offers.

4. Proposals

- 4.1 Members are asked to grant authority to the Head of Legal and Regulatory Services to conclude the sale of the former Grammar Primary School in Midton Road, Ayr (as shown in [Appendix 1](#)) on the terms offered by the successful party/ parties as contained within the Addendum (confidential) to this report and on terms to be agreed to the satisfaction of the Service Lead- Asset Management and Community Asset Transfer and the Head of Legal and Regulatory Services.

5. Legal and Procurement Implications

- 5.1 The recommendations in this report are consistent with legal requirements. Legal services will be required to conclude the transaction.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 The Council's General Fund will benefit from a capital receipt for the sum detailed in the Addendum (confidential) to this report and the Council will also benefit from a saving of approximately £80,000 in annual running costs.

7. Human Resources Implications

- 7.1 Not applicable.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There is no risk to the Council as a result of adopting this recommendation.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 The Council could remain liable for utilities and maintenance to a C listed property which without significant investment is likely to deteriorate.

9. Equalities

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 2](#).

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Commitment 6 of the Council Plan: A Better Place to Live/ Enhanced environment through social, cultural and economic activities.

13. Results of Consultation

13.1 Consultation has taken place with Councillor Martin Kilbride, Portfolio Holder for Buildings, Housing and Environment, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

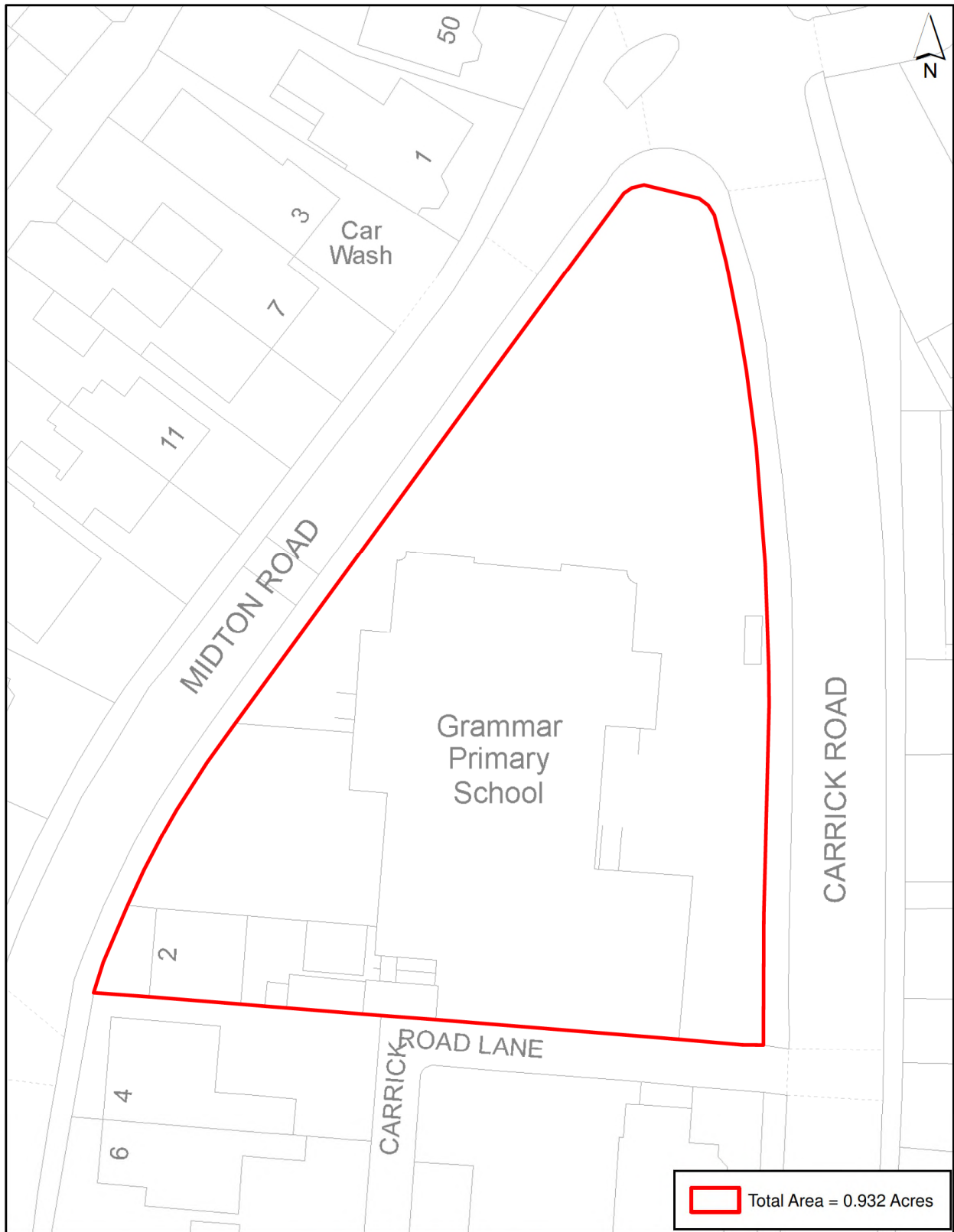
14.1 If the recommendations above are approved by Members, the Depute Chief Executive and Director of Housing, Operations and Development will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Missives to be concluded	31 July 2023	Head of Legal and Regulatory Services
Development to be completed	31 July 2025	Head of Legal and Regulatory Services/ Service Lead – Asset Management and Community Asset Transfer

Background Papers **Report to Leadership Panel of 21 September 2021 - Sale of the Former Grammar Primary School, Midton, Road, Ayr (Members only)**

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Date: 8 February 2023



Ayr Grammar Primary School, 2 Midton Road, Ayr, KA7 2SF.

Scale 1:500



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South Ayrshire Council Equality Impact Assessment Scoping Template

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. [FSD Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

1. Policy details

Policy Title	Sale of the Former Grammar Primary School, Midton Road, Ayr
Lead Officer (Name/Position/Email)	Tom Burns, Service Lead Asset Management and Community Asset Transfer

2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	-	-
Disability	-	-
Gender Reassignment (Trans/Transgender Identity)	-	-
Marriage or Civil Partnership	-	-
Pregnancy and Maternity	-	-
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	-	-
Religion or Belief (including lack of belief)	-	-
Sex – (issues specific to women & men or girls & boys)	-	-
Sexual Orientation – person's sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	-	-

Community or Groups of People	Negative Impacts	Positive impacts
Thematic Groups: Health, Human Rights & Children's Rights	-	-

3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	-	-
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	-	-
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	-	-
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	-	-
Socio-economic Background – social class i.e. parent's education, employment and income	-	-

4. Do you have evidence or reason to believe that the policy will support the Council to:

General Duty and other Equality Themes Consider the 'Three Key Needs' of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
Eliminate unlawful discrimination, harassment and victimisation	Low
Advance equality of opportunity between people who share a protected characteristic and those who do not	Low
Foster good relations between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low
Improve the health and wellbeing of particular communities or groups	Low
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Low

5. Summary Assessment

Is a full Equality Impact Assessment required?	_____ YES
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(A full Equality Impact Assessment must be carried out if impacts identified as Medium and/or High)	NO
Rationale for decision: This report advises the Panel of 15th February 2023. Members' decision on this has no specific equality implications	
Signed : Tom Burns and Community Asset Transfer Date: 01.02.2023 Service Lead Asset Management	

**Subject: Sale of Former Grammar Primary School, Midton Road,
Ayr**

1. Offers Received

1.1 At the closing date the following offers were received:

- £25,000 with overage payment of 50% of the amount by which construction costs are less than £3.5 million from [REDACTED]. This offer is conditional on satisfactory title [REDACTED].
- £185,000 from [REDACTED] on condition of satisfactory title. The bidder has confirmed they are a cash buyer. The proposal is for flats within the main building and renovation to the cottage. [REDACTED].
- £206,500 from [REDACTED] conditional on satisfactory title. The bidder declares that they are self-funding the purchase. The bidder proposes [REDACTED] residential units from the school and cottage. [REDACTED]. [REDACTED] £206,500 unconditional and £268,000 conditional upon receiving planning permission and satisfactory surveys.
- £270,000 from [REDACTED] conditional on satisfactory title. The bidder declares that they are drawing upon their own financial resources for the acquisition.. [REDACTED].

[REDACTED]

- £376,000 from [REDACTED] conditional on satisfactory title. The bidder proposes the development of around [REDACTED] flats plus the janitor's cottage. T [REDACTED]
[REDACTED]
- £305,000 from Creative Designs (Ayr) Limited conditional on satisfactory title. The bidder proposes a mixed development as follows: Ground floor (phase 1): retail, showroom, hospitality. Mezzanine (phase 1): company head office. First floor (phase 2): retail, service offices/meeting space, gallery/community space. The janitor's cottage would remain residential. The non-residential uses above uses fall into Class 1 and Class 3. These uses are outside the allocated uses under LDP2 and the proposals would therefore be contrary to the LDP. However, a planning application could still be made which would be considered by the Council. South Ayrshire Council Planning have indicated that while the application proposals are contrary to the Council's adopted Local Development Plan, a forthcoming planning application could be submitted which attempts to justify why a departure from the Local Development Plan would be appropriate so as to allow the approval of the bidder's mixed development proposals. Creative Designs (Ayr) Limited offered £319,000 which was before the Leadership Panel of 21 September 2021
- £3850,000 from [REDACTED] conditional on satisfactory title. The bidder proposes the formation of [REDACTED] apartments within the building which are in the main two bed together with the refurbishment of the janitor's house which will comprise the [REDACTED] unit of the development. The bidder has indicated they are a cash buyer and has provided evidence to support this. [REDACTED]
[REDACTED]
- £585,000 from [REDACTED] conditional on satisfactory title and on gaining planning consent to the bidders entire satisfaction for a residential development as described above.

1.2 Two offers were received after the advertised closing date and time (noon, 25 November 2022) and were therefore discounted in the interests of fairness and transparency.

2. Offer Recommendation

- 2.1 It is recommended that Cabinet grants authority for the sale of the former Grammar Primary School, Midton Road, Ayr to one of the following bidders as follows (in rank order): £385,000 from [REDACTED]; £376,000 from [REDACTED] £305,000 from Creative Designs (Ayr) Limited.