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**39 NAPIERSHALL STREET, GLASGOW, G20 6EZ – CLOSING DATE - THURSDAY 9<sup>TH</sup> DECEMBER 2021, 12 NOON**

**BID SUBMISSION GUIDANCE NOTE**

City Property Glasgow (Investments) LLP (CPGI) has instructed City Property (Glasgow) LLP (CPG) to market this re-development opportunity at 39 Napiershall Street, Glasgow. This document outlines the bid process and procedures and should be read in conjunction with the marketing brochure: <https://www.citypropertyglasgow.co.uk/buy/property/39-napiershall-street-glasgow-g20-6ez>

**INFORMATION FOR SUBMITTING A BID**

**Only e-mailed bids will be accepted.**

**No hardcopy, paper bids will be accepted.**

**Do not submit bids before 10am on Monday 6<sup>TH</sup> December 2021. All bids must be submitted before the closing date at 12 noon, Thursday 9<sup>th</sup> December 2021. Please ensure you have sufficient time to submit all of your bid before the closing date deadline.**

Electronic copies of bids containing all the required information must be submitted to:

[Propertyoffers@glasgow.gov.uk](mailto:Propertyoffers@glasgow.gov.uk)

**All electronic bids must comply with the following:**

- The e-mail subject heading should read: ***“39 Napiershall Street – Closing Date Bid - 12 noon on Thursday 9<sup>th</sup> December 2021”***.
- Bids should be submitted in a pdf format (or any other format which cannot be edited or altered).
- We cannot accept e-mails with attachments in excess of 30MB. If documents are in excess of this amount, then they should be separated and sent with numbered e-mails, i.e. ‘e-mail 1 of 2’; ‘e-mail 2 of 2’ etc with the subject heading set out above.
- If you receive a response saying that your e-mail has been quarantined, or there has been failure to deliver, please contact Joanne McDowall T: 07876 816235 or E: [joanne.mcdowall@citypropertyglasgow.co.uk](mailto:joanne.mcdowall@citypropertyglasgow.co.uk).
- An automatic reply will be issued on receipt of e-mail. No further correspondence will be entered into prior to the closing date.

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## GENERAL BIDDING INFORMATION

Please note that any offers received after the closing date will not be accepted.

Time limited acceptance of offers cannot be adhered to as it is necessary to report offers to CPGI Board.

All bids will be subject to reporting to the CPGI Board. No decision will be taken until all necessary approvals have been obtained.

No offers will be considered prior to the closing date.

Please note that the name of the purchaser/purchasing entity cannot be amended once Board has been received.

CPG request interested parties provide proof of available funding to complete the proposed purchase and undertake the development.

CPG and Glasgow City Council have occasional requests under Freedom of Information legislation; Submitting Parties are assumed to accept the possibility that information contained within their submission may be disclosed under such requests.

CPG reserves the right to alter the above closing date for offers. In these circumstances, notification of any change will be sent to parties who have registered their interest in this property.

## HEADS OF TERMS

**Please note that Heads of Term offers should provide the following information:**

1. **Purchase Price** – will include:
  - a) **Headline Price** - this must be a fixed sum, exclusive of VAT.
  - b) **Guaranteed Minimum Price** – exclusive of VAT and after deduction of capped abnormal costs.

Please see undernoted 'Guidance Note on Abnormal Costs'. Abnormal costs, if any, should be clearly highlighted on the attached **Abnormal Cost List** with the total costs capped and a detailed breakdown provided in terms of how these are derived.

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**IT SHOULD BE NOTED THAT IF THIS INFORMATION IS NOT INCLUDED IN YOUR OFFER THEN YOUR BID WILL BE DEEMED NON COMPLIANT AND WILL NOT BE TAKEN FORWARD FOR CONSIDERATION.**

Any additional payments offered through e.g. planning overage and/or sales overage should be detailed. See item 12 below.

2. **Name and address of Purchaser** - if more than one name please provide all purchasers' names.
3. **Name of Party/Company to take title to the subjects** – if different from the purchaser's. The name of the party/company to take title to the subjects must be provided if different from the purchaser's name, as changes cannot be made following the report to CPGI Board.
4. **Registered Office Address and Registration Number** – if applicable.
5. **Legal Advisor's for Purchaser** – name, address and contact details.
6. **Suspensive Conditions** – details of all suspensive conditions and timescales for purification must be stated.
7. **Timescale for Transaction** – conclusion of:
  - Missives, and
  - Completion and payment of purchase price.
8. **Funding Statement** - CPG require bidding parties to provide proof of available funding to complete the purchase and proposed development.
9. **Summary of Development Proposal, Including Proposed Use/s** – this should include details of the proposed scheme including: layout plans, construction specifications, and a comprehensive breakdown of the proposed accommodation.
10. **Details of All Due Diligence and Discussions carried out to date.**
11. **Track Record of Purchaser** – any information in relation to previous developments, costs associated with these and details of the key principals to be involved should be included.
12. **Overage Payment** – Any additional payments offered through e.g. planning overage and/or sales overage should be detailed.

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13. **Clawback** – CPG will require that any profit from a sale within a five-year period from the date of entry is shared on an equitable basis. The intention of this clause is to prevent “land banking”.
14. **Deposit** – CPG would prefer that a non-refundable deposit is paid on conclusion of conditional missives. Proposals are invited on this basis.

**Using the numbering provided above, set out the details of each point under the relevant headings within your bid submission.**

These requirements are essential elements to any submission in order to allow full consideration of the offer submitted

### **CONDITIONS OF SALE**

CPG **does not bind itself to recommend acceptance of the highest or indeed any offer** and on supplying particulars is not issuing instructions and will not therefore bear any liability for Agents or other fees.

CPGI holds title to the subjects for sale, although no warranty is offered in this regard, and the property will be sold in its existing condition.

The purchasers shall pay all VAT and Land and Buildings Transaction Tax (LBTT) incurred in connection with this transaction together with their legal expenses. **Please note that this transaction will not be subject to VAT.**

CPGI has not given warranty that the building or title boundary is suitable for development. All interested parties shall require to determine that the building and site is suitable for any future proposals and take whatever steps are necessary to ensure compliance with statutory requirements.

No warranties are given as to the suitability, or otherwise, of any of the services currently located in the subjects or within the site boundary.

The purchasers shall apply for any statutory permission and meet the costs of obtaining such permissions.

The purchasers shall comply with all statutory requirements of all statutory bodies in carrying out works to the subjects, or within the grounds of the subjects.

In the event of any application for necessary consents being refused, CPGI shall not be held liable for any expenses incurred by the applicant or their agents and either party will be entitled to resile from the agreement without penalty.

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All descriptions, dimensions, references to conditions and necessary permissions for use and occupation and owner details are given without responsibility and any intending purchasers should not rely on them as statements or representations of fact, but must satisfy themselves (by inspection or otherwise) as to the correctness of each of them and are advised to do so.

No person in the employment of CPG or CPGI has authority to give any representations or warranties whatsoever in relation to any property.

All development work shall be completed within a development timescale to be agreed with CPG.

Particulars are set out as a general guideline only and for guidance of intending purchasers only and do not constitute part of an offer or contract.

### **PLANNING**

**Glasgow City Development Plan** was adopted on 29 March 2017. The adopted local development plan replaces Glasgow City Plan 2 (2009) and sets out the Council's land use strategy providing the basis for assessing planning applications – See <https://www.glasgow.gov.uk/index.aspx?articleid=16186>

The City Development Plan does not identify land use zones to direct particular types of development. Instead, overarching policies **CPD1 Placemaking and CDP 2 Sustainable Spatial Strategy** encourage development to be informed by a place based approach, which means new development should be responsive to its context and seek to build upon the benefits of proximity. It is critical that new development is compatible with existing and future uses.

The Planning Authority considers the subjects as an **excellent opportunity for residential conversion**. Commercial uses compatible in residential areas may also be supportable where there are no issues concerning loss of amenity, design quality, undue impacts or land-use compatibility.

The City Development Plan identifies the subjects as being located in an **inner urban area with high accessibility to public transport**. In such circumstances densities shall be informed through thorough analysis of the **townscape context of the site and prevailing building scale, massing and heights of adjacent properties**.

**Modest enabling development** within the grounds may be considered provided sufficient residential amenity is afforded to existing and proposed properties and acceptable privacy, scale, massing and townscape form can be achieved.

Development of this site shall require to comply with the guidance outlined in **SG1 part 2** of the City Development Plan relative to **residential site layouts** with particular need to accommodate car parking, private garden ground and outdoor amenity space informed through a well-considered landscaping strategy for the site.

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With the foregoing in mind a **design and access statement** will be a **prerequisite** in support of a competent bid demonstrating that the interested party has applied a **placemaking approach** to the site specific issues.

The subjects include a traditional sandstone building (former school). **Policy CDP 9 – Historic Environment** – of the City Development Plan states that Glasgow City Council will **protect, preserve** and where appropriate **enhance** the historic environment. The historic built environment provides a sense of identity, place and continuity for local communities and contribute to sustainability through the conservation of resources. Specific guidance on the **retention of traditional sandstone properties** is contained in section 5 of SG 9 of the City Development Plan which states:-

*“Much of Glasgow’s character is owed to the form and quality of the traditional sandstone buildings, regardless of whether or not these are listed or in conservation areas. Such buildings occasionally come under pressure for redevelopment. Their removal has the potential to adversely affect the character of neighbouring buildings and the surrounding area. The Council’s preference is that these buildings should be retained and improved, wherever possible.*

*In order to retain and enhance the City’s historic environment, townscape and areas of character, the retention and improvement of Glasgow’s traditional sandstone buildings, particularly on main road corridors and in areas whose character is formed predominantly by sandstone tenements, terraces and villas, both within and outwith Conservation Areas, will be supported.*

*Development proposals to demolish listed buildings and properties within Conservation Areas is covered elsewhere in this Guidance. In other areas, the Council will encourage the retention of traditional sandstone buildings. An application to redevelop a site occupied by an existing sandstone building will have to provide a reasoned justification addressing the structural condition and economic viability of the building and the architectural and urban design merits of the proposal.”*

**Key planning policy and supplementary guidance for interested parties to consider as part of the bidding process\*:-**

- CDP 1 Placemaking
- CDP 2 Sustainable Spatial Strategy
- CDP 5 Resource Management
- CDP 8 Water Environment
- CDP 9 Historic Environment
- CDP 10 Meeting Housing Needs
- CDP 11 Sustainable Transport
- CDP 12 Delivering Development

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- SG1 Placemaking provides detailed planning guidance relating to:
  - Design, residential layout and density
  - proposals for non-residential use
- SG 5 Resource Management
- SG8 Water Environment
- SG 9 Historic Environment
- SG 10 Meeting Housing Needs
- SG 11 Sustainable Transport
- IPG 12 (SG12) Delivering Development

**In addition interested parties shall familiarise themselves with the detailed requirements of:-**

- Residential Design Guide - <https://www.glasgow.gov.uk/index.aspx?articleid=17447>
- Flood Risk and Drainage Impact - <https://www.glasgow.gov.uk/index.aspx?articleid=17455>

\*note this list of requirements is not exhaustive and full regard should be taken of the policies of the City Development Plan and accompanying supplementary planning guidance

To enquire about any of the detailed requirements of the site, please contact Kevin McCormack (Planning Manager), City Property (Glasgow) LLP by e-mailing [kevin.mccormack@citypropertyglasgow.co.uk](mailto:kevin.mccormack@citypropertyglasgow.co.uk).

### **GUIDANCE NOTE ON ABNORMAL COSTS**

Please note the following guidance is given on the assumption that the bidder has carried out “due diligence” (including basic surveys of the site and has an understanding of the relevant planning policies) in the acquisition of the proposed property and has satisfied themselves on matters associated with site history and previous uses.

CPG has provided a comprehensive package of information within Objective Connect, which can be made available on request. It is expected, however, that the developer will carry out their own investigation after being nominated ‘preferred bidder’ status. A copy of the developer’s Site Investigation report requires to be made available to CPG and issued in the joint names of the purchaser and CPGI.

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CPG consider 'abnormal costs' to be; the sum, in pounds sterling, comprising Abnormal Costs/Works which are more than would normally be reasonably anticipated to be required to carry out the proposed development. In the event that a developer considers that abnormal development costs will be incurred, it will be the responsibility of the applicant to demonstrate how the costs have been derived and how they could not have been expected after reasonable pre-bid due diligence, including reference to the information above.

A breakdown of **all** abnormal costs should be provided on the attached Abnormal Cost List. **Completion of this information forms an essential part of any bid.** Where no costs are provided, they will be assumed as nil. Any abnormal costs which are not provided on the list but which form part of your appraisal should be added as an additional item. The list must allocate a **total capped abnormal cost** which should form the basis of the guaranteed minimum price.

CPG do not consider the following items to be abnormal costs and as such any costs associated with these items will be borne by the developer.

1. Compliance with planning policy, including any costs incurred in adherence to policies relevant to the site, for example the provision of open space and public realm, Fastlink contributions or surface water drainage/flood prevention requirements. This also applies to financial contributions linked to the loss of recreational greenspace such as sports pitches or playing fields.
2. Foundations – where it is expected that the type of development proposed will require deep pile foundations irrespective of ground conditions, this should be assumed.

In respect of the requirement for trench/strip foundations, abnormal costs will only be considered for foundations that are required to be in excess of 700mm wide x 250 mm thick mesh reinforced concrete **and** that are in excess of 1000mm deep to the underside of foundation level measured from formation level. Excavation and removal of spoil must also be assumed to be a cost borne by the developer.

3. Ground conditions – although a full Site Investigation may be required, developers should give cognisance to the known geology of the surrounding area in forming a view on the ground conditions likely to be encountered on the subject site. For instance, in an area where it is known or established through basic due diligence as highlighted above, that the make-up of the soil is peat, any removal of this and/or any foundations solutions for this will not be regarded as an abnormal.
4. Topography – it should be assumed that on a sloping or undulating site, that development design will have to accommodate the topography. Cut and fill may be expected and is not an acceptable abnormal. As such any re-profiling of sloping areas will not be considered as an abnormal.
5. Drainage and Flooding – SUDS, pumping stations, attenuation ponds/tanks and all other measures reasonably required to drain the site surface water, groundwater and sewerage.
6. Roads – the costs associated with meeting infrastructure throughout the development site and connection to the public road network.

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Please note that Glasgow City Council NRS have requirements for road capping layers, irrespective of the ground conditions. As such this should also be considered for roads required for the development and will not be accepted as an abnormal cost.

7. Demolition – the demolition and removal of any structures and foundations required to facilitate the development.
8. Utilities – CPG will provide service plans for the main utilities including, water, sewage, electricity, gas and any telecommunication infrastructure. Reasonable costs associated with connecting these utilities to the development site will be the responsibility of the developer. The developer will be required to provide clear evidence and quotations of unforeseen conditions being requested from service providers that are over and above that which would reasonably be expected to carry out the proposed development before they are considered an “abnormal” cost.
9. Retaining Walls – Retaining structures will only be considered to be an abnormal development cost if they are located on the boundary of the site, exceed 1.2 metres in height, and will actually take a lateral load from the soil.
10. The removal of any trees on site with compensatory replanting may be required and is not considered as an abnormal cost.
- 11. An Abnormal Cost List is provided separately. A costing should be allocated against each of the items within the schedule.**

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