

# Report

Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>10 March 2021</b>
Report by:	<b>Executive Director (Community and Enterprise Resources) and Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Former Vogue Bingo Site Hamilton – Proposed Sale to Clyde Valley Housing Association</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ seek approval for the sale of the site of the former Vogue Bingo Club, Keith Street, Hamilton to Clyde Valley Housing Association.

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the site of the former Vogue Bingo Club, Hamilton be sold to Clyde Valley Housing Association at a price of £1 subject to the terms and conditions outlined in section 5 of the report;
- (2) that the Executive Directors (Community and Enterprise Resources and Housing and Technical Resources), in conjunction with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of the sale and enter into the necessary legal agreements on terms which are in the best interests of the Council.

## 3. Background

3.1. Built in early 1920 the building originally housed the La Scala cinema. It was converted to the Vogue Bingo Club and operated successfully for a number of years until it closed in 1997 and has remained unoccupied since. The building was designated Grade B Listed by Historic Scotland in September 1979, listed building consent for retention and renovation of the building façade remains.

3.2. The Council took ownership of the property in 1998 as part of a land consolidation exercise under the Hamilton Ahead initiative. Despite a number of planned projects, including development into an Arts Centre in 1999, and development proposals with adjoining owners in the early 2000's, no development has been able to be brought forward and the site remains vacant and derelict.

- 3.3. In June 2008, the rear section of the building including the internal “auditorium” was demolished to enable redevelopment. Stabilisation of the façade was undertaken by the Council in 2012 and since that time the site has been a challenge to maintain.
- 3.4. In advance of the Hamilton Town Centre Strategy being approved by the Community and Enterprise Committee in October 2018, a Public Consultation was carried out which identified the Vogue site as being a priority for redevelopment. It was highlighted that whilst redevelopment of the site, as a whole, is the priority, there was a strong desire to retain the existing façade given its listed status and local heritage.
- 3.5. Although some interest has been shown in this site over the period that it has been vacant, none of the proposals have proven to be deliverable. The lack of current market interest and the opportunity to deliver the proposal set out below present the best option for a positive outcome for the site.

#### **4. Current Proposal**

- 4.1. Earlier reports to the Community and Enterprise Committee in 2019 and 2020 in relation to the Town Centre Capital Fund, allocated £440,000 to work with the Hamilton BID (BID) and Clyde Valley Housing Association (CVHA) to deliver a housing led development solution for the site.
- 4.2. Since funding was allocated to this project in September 2019, considerable work has been undertaken by CVHA and their design team to develop proposals that are now sufficiently detailed to commence discussion with the Planning Service with a view to submitting planning and listed building applications for consideration and reporting to Planning Committee in due course. The development being designed comprises a five storey development for 23 homes which will contain a mix of one and two bedroom flats with the retained façade utilised as the entrance to the flats.
- 4.3. It is currently anticipated that works on this development will commence in summer 2021 and complete by late 2022.
- 4.4. The Scottish Government funding provided to support town centres is allocated through a competitive process. The significant challenges of this site including retention of the façade, ground conditions and access restrictions all present considerable constraints and add to the costs of developing a site which has had little or no recent private sector interest for development. This funding has helped ‘bridge’ the financial gap without which this proposal would not be financially viable.
- 4.5. The costs associated with bringing forward the development proposals has been prepared by the cost consultant acting for CVHA. These have been reviewed by officers within Property Services and it has been concluded that the site has no market value in its current condition as a result of the extensive preparatory works required to bring forward development. In order to ensure delivery of the project in the timescales required to secure town centre funding and in the transformational way envisaged, it is recommended that the Council make the site available to CVHA for £1 as an additional economic development contribution to the project.
- 4.6. To support the above approach, there are number of key benefits the development of the site will bring to the town centre and wider economy.

- ◆ the proposals align closely with the Government's town centre strategy and action plan and the Council's approved strategy and action plan for Hamilton. Both prioritise town centre living as a key way to bring footfall and vibrancy back into town centres
- ◆ Town centre first is another key aspect of the approach to town centre regeneration. These proposals support this principle and will help encourage further proposals
- ◆ the proposals bring a derelict site back into use while remaining an important and valued landmark façade
- ◆ the delivery of the project will also benefit the objectives around 20 minute neighbourhoods and wider sustainability targets
- ◆ the development of the site will support the Community Wealth Building agenda in that it will provide an opportunity for social housing which will contribute the social wellbeing of the town

## **5. Recommendation**

- 5.1. The Council is obliged to obtain Best Value in respect of all its property transactions. Taking into account the condition of the remaining façade, the community and economic benefits derived through the sale, the ongoing revenue costs and long term liability to the Council arising from the vacant property, sale to Clyde Valley Housing Association at a nominal value is recommended.
- 5.2. It is proposed that the former Vogue Bingo Club site, Keith St, Hamilton, as shown on the attached plan, be sold to Clyde Valley Housing Association on the following principal terms and conditions:
1. The purchase price will be £1
  2. Both parties will be responsible for their own legal fees
  3. The site will be developed to provide residential space.
  4. The sale will be subject to planning permission being secured for the proposals for which the town centre funding is being provided.

## **6. Employee Implications**

- 6.1. There are no employee implications arising from this report

## **7. Financial Implications**

- 7.1 The costs, in excess of £300,000, associated with the extensive works required to enable and facilitate development are in excess of the market value of the site. The site has been vacant for more than 20 years and, in the absence of the current proposal, it is likely that the property will remain vacant for a prolonged period. The site has incurred cost of £3k - £5k per annum for essential repairs and the control of vermin. These costs are likely to continue to be necessary and could rise as the structure continues to deteriorate. Sale at a nominal price of £1, therefore, reflects Best Value to the Council as, over and above the community benefits, it removes future capital and revenue liabilities.
- 7.2. The Council's contribution to the project noted at 4.1 will be funded from the Scottish Government Town Centre Grant Funding as approved by the Community and Enterprise resource Committee of 24 November 2020.

## **8 Climate Change, Sustainability and Environmental Implications**

- 8.1. The projects and initiatives identified in this report will be delivered using a range of sustainable techniques and models, having regard to best practice and current construction industry guidance.

## **9 Other Implications**

- 9.1. If this proposal did not proceed, the risk to the Council would be that this site would remain vacant/derelict for a prolonged period, incurring revenue costs in terms of ongoing maintenance/repairs, and continue to have a detrimental effect on the town centre as a whole.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 10.2. Initial consultation with Planning Service on this proposed project has taken place and the proposed use is, in principle, compliant with planning policy. Further consultation will be required with Planning/Roads through the statutory planning process.

**Michael McGlynn**

**Executive Director (Community and Enterprise Resources)**

**Daniel Lowe Executive Director (Housing and Technical Resources)**

25 February 2021

### **Link(s) to Council Objectives/Values/Improvement Themes**

- ◆ Accountable, effective, efficient and transparent
- ◆ Improve the availability, quality and accessibility of housing
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

### **Previous References**

- ◆ Community and Enterprise Resources Committee, 30 October 2018 – Hamilton Town Centre Strategy and Action Plan
- ◆ Community and Enterprise Resources Committee, 4 June 2019 – Town Centre Capital Grant Fund
- ◆ Community and Enterprise Resources Committee, 3 September 2019 – Town Centre Capital Grant Fund Update
- ◆ Community and Enterprise Resources Committee, 4 February 2020 – Town Centre Capital Grant Fund Update
- ◆ Community and Enterprise Resources Committee, 25 March 2020 – Town Centre Capital Grant Fund Update
- ◆ Community and Enterprise Resources Committee, 15 September 2020 – Town Centre Capital Grant Fund Update

- ◆ Community and Enterprise Resources Committee, 24 November 2020 - Scottish Government Town Centre Funding Phase 1 Update and Phased 2 Proposed Funding Allocation

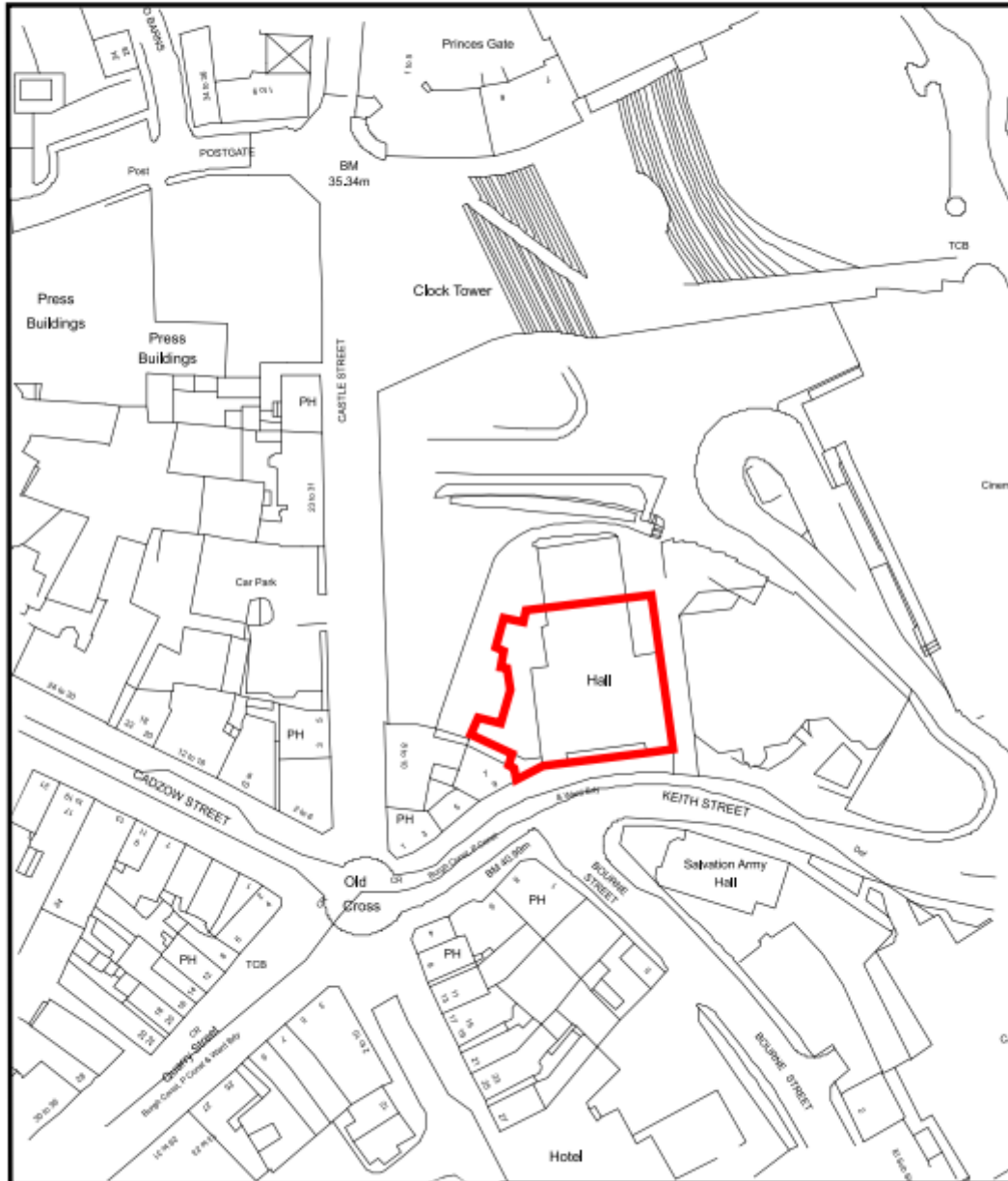
### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:- Pauline Elliott, Head of Planning and Economic Development (Tel: 01698 455126)  
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## Vogue, Keith Street, Hamilton



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