

**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer: Supply, Distribution and Property****Infrastructure, Regeneration and Economic Development Committee:****17 November 2021**

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**Subject: Sale of former care home known as Frank Downie House, Ottawa Crescent, Clydebank**

**1. Purpose**

- 1.1** The purpose of this report is to provide additional information on the outcome of the marketing of the former care home known as Frank Downie House, Ottawa Crescent, Clydebank. The report details the offer received and seeks Committee approval to conclude disposal of the site.

**2. Recommendations**

- 2.1** It is recommended that the Committee:

- (i) Approve the disposal of former care home known as Frank Downie House, Ottawa Crescent, Clydebank for a consideration of £137,137 (One Hundred and Thirty Seven Thousand One Hundred and Thirty Seven Pounds) to Torah Capital.
- (ii) Authorise the Chief Officer, Supply, Property and Distribution to conclude negotiations.
- (iii) Authorise the Chief Officer, Regulatory and Regeneration to conclude the transaction on such conditions as considered appropriate.

**3. Background**

- 3.1** The site for disposal is the former care home known as Frank Downie House. A report was submitted by Chief Officer Supply, Property and Distribution to the Infrastructure and Regeneration and Economic Development Committee on 15 September 2021 advising on the outcome of the marketing of the former care home known as Frank Downie House, Ottawa Crescent, Clydebank, detailing the offer received and seeking approval to conclude disposal of the site.

Councillor Rooney, seconded by Councillor Mooney moved:-  
That consideration of the report be continued to the next meeting of the Committee, to allow time for officers to get more information from Torah Capital. The Committee agreed the motion.

It should be noted that the minutes from the meeting on 15 September 2021 still require to be approved by Committee.

**3.2** The Council has undertaken an exercise to rationalise the care homes within the Clydebank area. This has resulted in a new care home being approved for Clydebank and the subsequent closures of

- Mount Pleasant Care Home.
- Boquhanran House Care Home.
- Frank Downie Care and Day Care Centre.
- Queen Mary Day Care Centre.

**3.3** The new build care home was completed in December 2020 and clearance of the sites not already disposed of was completed by Health & Social Care Partnership early 2021.

#### **4. Main Issues**

**4.1** A marketing campaign was commenced April 2021 by our nominated agent and a closing date being set in July 2021.

**4.2** The site was extensively marketed; sales particulars (Appendix 1) were uploaded onto various property websites, including the Council's own website. Regular e-mail's were undertaken to our nominated agent's comprehensive list of property agents, developers, housing associations and property companies. A "For Sale" sign was also erected at a prominent location on site.

**4.3** At the closing date, 3 offers to purchase were received from developers with ranging from £120,000 the highest £137,137 (One Hundred and Thirty Seven Thousand One Hundred and Thirty Seven Pounds) being recommended for acceptance.

**4.4** In addition to the 3 offers received at the closing date a previous speculative offer from Glenesk had been submitted to our agents for £270,000. This offer was highly conditional and subject to obtaining funding and all satisfactory consents. Glenesk have submitted a minimum price for the site which is £100,000.

**4.5** The anticipated timescale for clearing the suspensive conditions by Glenesk is unknown at this time and given previous experience of selling sites subject to these conditions it is unlikely that we would be in a position to achieve this capital receipt prior to financial year 2023/24 at which time the likely capital receipt may only be the minimum price of £100,000.

**4.6** The second highest offer was from Torah Capital in the sum of £137,137. Torah Capital proposes to demolish the building and bring forward proposals for a new residential development, but importantly their offer is not subject to

any suspensive conditions and the capital receipt will be achieved financial year 2021/22.

- 4.6 On behalf of the Council our selling agents carried out financial and anti-money laundering checks in relation to the proposed purchaser and found no irregularities.
- 4.7 Torah Capital is a new company established in May 2021 with the specific aim of acquiring properties in the West of Scotland for the purposes of regenerating areas and providing social and private housing.
- 4.8 From the due diligence carried out by our agents, the directors of the company are experienced property developers and investors and have purchased various sites in England and Wales but are looking to now expand to Scotland under Torah Capital. Torah Capital have already purchased a number of sites/properties since the company incorporated in May of this year.
- 4.9 Officers are recommending proceeding with the offer received from Torah Capital given the foregoing considerations in relation to anticipated settlement.

## **5. People Implications**

- 5.1 There are no people implications with this report.

## **6. Financial and Procurement Implications**

- 6.1 The financial implications of the proposed sale is a capital receipt to the Council of £137,137.
- 6.2 The Council can anticipate additional revenue or council tax, water and sewage but this cannot be calculated at this time but could be in the region of £47,000 per annum based on anticipated number of units.
- 6.2 There are no procurement implications arising from this report.

## **7. Risk Analysis**

- 7.1 There is clearly a risk that the purchasers do not proceed with the acquisition for a variety of reasons, but the offer from Torah Capital is not subject to any conditions other than satisfaction on the Title.
- 7.2 We would intend to impose a quick timescale on the preferred buyer to conclude a missive and complete the purchase.

## **8. Environmental Sustainability**

**8.1** Any future development of the sites will require that SEA legislation will be considered and taken into account as part of any planning application assessment.

**9. Equalities Impact Assessment (EIA)**

**9.1** An Equality Impact Screening did not indicate any further action required in relation to this transaction.

**10. Consultation**

**10.1** Consultations have been undertaken with Finance and Regulatory however wider consultation will take place during any Planning Application process.

**11. Strategic Assessment**

**11.1** By agreeing to this sale the Council will realise a capital receipt whilst delivering on the wider rationalisation strategy for the Council and delivering on the Council's strategic priority for a strong local economy and improved job opportunities

Angela Wilson  
Chief Officer, Supply, Distribution and Property  
Date: 21 October 2021

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**Appendices:** None

**Background Papers:** Report by Chief Officer - to Infrastructure and  
Regeneration Committee 15 September 2021

**Wards Affected:** Ward 6