

# **Glasgow City Council**

# 12th June 2025

Item 15

#### **Contracts and Property Committee**

Report by Executive Director of Neighbourhoods, Regeneration and Sustainability

Contact: George McMillan Ext: 76151

# PROPOSED DISPOSAL OF THE FORMER MARTYRS' SCHOOL, PARSON STREET, GLASGOW G4 0PX

# **Purpose of Report:**

To advise committee on the outcome of the joint marketing exercise carried out in respect of the above noted property.

#### Recommendations:

#### That Committee

- 1. notes the content of this report; and
- approves the disposal of the former Martyrs' School, Parson Street, Glasgow G4 0PX to the Bishops Conference of Scotland, subject to the terms and conditions as outlined in this report.

Ward No(s): 10-Anderston/City/Yorkhill	Citywide: ✓
Local member(s) advised: Yes □ No ✓	consulted: Yes □ No ✓

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Report to: Contracts and Property Committee

From: Managing Director of City Property (Glasgow) LLP

Date: 12 June 2025

Subject: PROPOSED DISPOSAL OF THE FORMER MARTYRS' SCHOOL,

PARSON STREET, GLASGOW G4 0PX

# 1. Description

1.1. The subject comprises the former Martyrs' School, Parson Street, Glasgow G4 0PX, shown outlined black and hatched on the attached plan, extending to 0.21 hectares (0.533 acres) or thereby.

- 1.2. The former Martyrs' School is a purpose-built three storey school, designed for the School Board of Glasgow by Charles Rennie Mackintosh while he was an assistant at Honeyman and Keppie and completed in 1898. It is situated in the Townhead district on the southern side of Parson Street.
- 1.3. The disposal includes an area of ground out with the existing curtilage of the former school. The area of ground is located to the west of the subject and comprises an unadopted pedestrian footpath which is outlined black and crosshatched on the attached plan.
- 1.4. It is proposed that Glasgow City Council (GCC) will grant a servitude right to the purchaser for the ground outlined black and crosshatched on the attached plan, extending to 0.031 hectares (0.079 acres). The servitude right will be to use the ground as an amenity / seating area in connection with the subject.
- 1.5. GCC will retain a right of access over the Stirling Road to Parson Street footpath included in the subject, and a right of access over the servitude area.

# 2. Planning

2.1. Glasgow City Development Plan was adopted on 29 March 2017. The new local development plan replaced Glasgow City Plan 2 (2009) and sets out the Council's land use strategy providing the basis for assessing planning applications. The City Development Plan does not identify land use zones to direct particular types of development, having overarching policies CPD1 Placemaking & CDP 2 Sustainable Spatial Strategy encouraging development to be informed by a placed base approach.

#### 3. Background

- 3.1 The Martyrs' School is of considerable architectural and cultural significance, being one of the earlier buildings attributed to Mackintosh. This importance is reflected in its status as a category A listed building.
- 3.2 The building was used as a school and college facility until the early 1970's. Since then, it has been an arts centre and latterly used as office space by GCC. As part of an arrangement agreed in 2014 City Property Glasgow (Investments) LLP (CPGI) received the rental income for this office space and the benefit of this income was reflected in the refinancing of the CPGI commercial property portfolio in 2019.
- 3.3 Prior to being offered for sale, it had been vacant for a considerable time.
- 3.4 A joint marketing approach was adopted by GCC and CPGI due to both parties having a commercial interest in the asset.

#### 4. Current Position

- 4.1 The subject was declared surplus on 17<sup>th</sup> June 2024 with no notes of interest being received.
- 4.2 Marketing commenced on 7<sup>th</sup> October 2024, with best offers invited for the subject. During the marketing period of several months, with many viewings and expressions of interest, a closing date was set for 20<sup>th</sup> March 2025. Five compliant bids were received and one late bid discounted.
- 4.3 The preferred bid is not the highest bid for the subject but is recommended for approval given the overall merits.
- 4.4 The preferred bid is an unconditional offer from the Bishops Conference of Scotland for £250,000. It has the benefit of certainty, being a cash offer and not being subject to any suspensive conditions.
- 4.5 Only two other bids satisfy both these criteria. Both bids were for commercial letting of workshop space with some public exhibition space. The occupation of which is not guaranteed.
- 4.6 The preferred bid proposes to link the subject to their existing ownership on the opposite side of the street. The subject will be used as a public museum of Scottish Catholic archive to house artifacts and artworks, with additional office space and therefore guarantees future occupation. The bid document includes a programme of works to refurbish the fabric of the building at a cost of £1.75 million.
- 4.7 The transaction will be self-funded by the purchaser and proof of funding has been provided.

4.8 It is proposed the subject will undergo a sensitive restoration and will have the prospect of a meaningful future as part of its local community. In addition, the disposal will provide substantial savings in holding costs.

#### 5. Purchaser

5.1 The Bishops Conference of Scotland, Registered Charity Number: SCO016650

#### 6. Terms and Conditions

- 6.1 The subject comprises the former Martyrs' School, Parson Street, Glasgow G4 0PX, shown outlined black and hatched on the attached plan, extending to 0.21 hectares (0.533 acres) or thereby.
- 6.2 It is proposed to grant a servitude right to the purchaser to the ground outlined black and crosshatched on the attached plan, extending to 0.031 hectares (0.079 acres). The servitude right will be to use the ground as an amenity / seating area in connection with the subject.
- 6.3 Glasgow City Council will retain a right of access over the Stirling Road to Parson Street footpath included in the subject, and a right of access over the servitude area.
- 6.5 The purchase price shall be TWO HUNDRED AND FIFTY THOUSAND POUNDS STERLING (£250,000) exclusive of Value Added Tax (VAT), payable on the date of entry. For the avoidance of doubt, the sale price will not be subject to VAT. Glasgow City Council and City Property Glasgow (Investments) LLP will apportion the purchase price as appropriate.
- 6.6 On receipt of Committee approval best endeavours shall be made to conclude missives within 8 weeks. The date of entry shall be no later than 5 working days from conclusion of missives.
- 6.7 The subjects shall be used solely as a museum, archive and offices. Enforceable by standard security for 5 years from the date of entry.
- 6.8 The purchaser shall satisfy itself with regard to the seller's title.
- 6.9 Each party is responsible for their own legal expenses in connection with this transaction.
- 6.10 The purchaser shall pay an admin fee of £350 plus VAT, in addition to any reasonable legal fees incurred by the seller, for any amendment to the purchaser name as agreed above, which will be subject to appropriate authority being sought.
- 6.11 In the event that the purchaser dispones the subjects prior to the proposed development commencing, the purchaser shall pay to the Seller 100% of all sales proceeds in excess of £250,000, subject to the deduction of any costs incurred by the purchaser during the sales process. Any sales overage will be payable

by the purchaser to the seller within 1 month of the date of onward sale of the subjects failing which the purchaser will pay on demand to the seller any interest accrued from the date the amount became due until the date of payment.

- 6.12 It is agreed that the purchaser shall pay to the seller 100% of any uplift in the market value of the subjects less any costs incurred in the event that planning consent for a more valuable land use is gained within 5 years from the Date of Entry. Payment of any planning overage due shall be due within 14 days of planning permission being granted.
- 6.13 In the event that the parties are unable to agree on the matters relating to clawback/overage, then the dispute shall be resolved by an Independent Expert, who will be professionally qualified for at least 10 years in the field in which the dispute arises.
- 6.14 The clawback/overage conditions contained herein shall be secured by way of a Standard Security.
- 6.15 The purchaser will not be entitled to assign in whole or in part its rights under the contract of sale without the seller's consent which shall be granted at its absolute discretion.
- 6.16 All third-party determination in the contract of sale shall be by an independent expert and not by way of arbitration.
- 6.17 In the event that the purchaser instructs ground investigation works, site surveys, habitat surveys, EIA surveys or any other such survey or report, prior to the date of entry then the costs of such works/surveys shall be borne by the purchaser. For the avoidance of doubt the seller shall not reimburse the purchaser for any such costs whatsoever whether the sale completes or not.
- 6.18 The Executive Director of Neighbourhoods, Regeneration and Sustainability, in consultation with the Director of Legal and Administration shall be authorised to conclude all other matters pertaining to the disposal of the subjects, and to enter into the necessary legal agreements on terms which are in the best interest of the Council.

# 7. Policy and Resource Implications

#### **Resource Implications:**

Financial: The disposal will generate a capital receipt for

GCC and CPGI.

Legal: The legal team will be required to conclude the

transaction.

Personnel: No direct personnel implications.

Procurement: No procurement implications.

#### Council Strategic Plan:

Grand Challenge 4: Enable staff to deliver essential services in a sustainable, innovative and efficient way for our communities.

Mission 1 - Create safe, clean and thriving neighbourhoods.

# Equality and **Economic Impacts:**

**Socio-** No specific equality related outcomes.

support the Council's Eauality Outcomes 2021-25? Please specify.

Does the proposal No specific equality related issues.

equality impacts as a result of this report?

What are the potential No equality impacts identified.

policy/proposal help address socioeconomic disadvantage.

Please highlight if the The proposal has no impact on socio-economic will disadvantage.

# Climate Impacts:

specify:

the proposal Whilst not supporting specific Climate Plan support any Climate actions the proposed development will be Plan actions? Please subject to statutory guidelines.

climate impacts as a proposal at this time. result of this proposal?

What are the potential There are no potential climate impacts for this

Will the contribute carbon target?

proposal It is considered that the proposal will not have to either a positive or negative contribution to the Glasgow's net zero City's net zero carbon target.

Common Good:

It is considered that the subjects do not form part of the Council's Common Good. The subjects were acquired by the Council's predecessors using statutory powers. The subjects are not on the list of common good assets. There are no conditions in the title that would suggest that the subjects were being

acquired to be held as part of the common good. There are no other relevant factors to suggest that the subjects would form part of the common good of the Council.

Privacy and Data

**Protection Impacts:** No privacy or data protection impacts identified.

#### 8. Recommendations

That Committee:

- 8.1 notes the content of this report; and
- 8.2 approves the disposal of the former Martyrs' School, Parson Street, Glasgow G4 0PX to the Bishops Conference of Scotland, subject to the terms and conditions as outlined in this report.