



Glasgow City Council
Contracts and Property Committee

Item 6

26th February 2026

Report by George Gillespie, Executive Director of Neighbourhoods, Regeneration and Sustainability

Contact: George McMillan

Ext: 76151

PROPOSED OFF-MARKET DISPOSAL OF THE SITE OF THE FORMER WALLACE STREET CAR PARK AT CENTRE STREET/COOK STREET, GLASGOW TO WHEATLEY HOMES GLASGOW LIMITED

Purpose of Report:

To seek Committee approval for the off-market disposal of the site of the former Wallace Street Car Park, Centre Street/Cook Street, Glasgow to Wheatley Homes Glasgow Limited.

Recommendations:

That Committee

1. notes the content of this report;
2. approves the off-market disposal of the site of the former Wallace Street Car Park, Centre Street/Cook Street, Glasgow to Wheatley Homes Glasgow Limited, subject to the terms and conditions outlined in this report; and
3. authorises the Executive Director of Neighbourhoods, Regeneration and Sustainability in consultation with the Director of Legal and Administration to progress the disposal.

Ward No(s): 5 – Govan

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: 26 February 2026

Subject: Proposed off-market disposal of the site of the former Wallace Street Car Park, Wallace Street/Cook Street, Glasgow to Wheatley Homes Glasgow Limited.

1. Description

- 1.1. The subject comprises a rectangular, predominantly level hardstanding site, formerly known as Wallace Street Car Park. It is situated within the Tradeston area, approximately one mile south of Glasgow City Centre.
- 1.2. The site comprises an entire block, bound by Wallace Street to the north, Centre Street to the east, Cook Street to the south and Tradeston Street to the west and extends to 0.72 hectares (1.79 acres) or thereby as shown hatched black on the attached plan.
- 1.3. Within the site boundary there are two areas formerly occupied by advertising hoardings owned by City Property Glasgow (Investments) LLP (CPGI), indicated in solid black on the attached plan. Both areas are proposed to be included within this disposal. Negotiations have been undertaken with CPGI and will be progressed under a separate CPGI approval process.

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 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 place based approach.

3. Background

- 3.1 The northern half of the site was originally occupied by Centre Street Primary School and the Kingston Occupational Centre, with a garage situated on the southern half. Following the school's closure in 1968, the buildings were

subsequently demolished, and the site was later levelled for use as a surface car park.

- 3.2 The subjects were originally declared surplus in September 2014 following the procedural non-operational process, with no notes of interest being received.
- 3.3 In 2018, City Property Glasgow (Investments) LLP (CPGI) was instructed to let the site on a short-term basis. Following a marketing exercise, a licence agreement was concluded with the preferred bidder for use of the site as a temporary compound for a period of two years. Prior to expiry, the licensee requested extensions on a quarterly basis, which were subsequently agreed. The licence has now been terminated, and the site is currently vacant.
- 3.4 City Property (Glasgow) LLP (City Property) was instructed by Glasgow City Council's (GCC) Property and Consultancy Services in September 2025 to progress with the disposal of the subject to Wheatley Homes Glasgow Limited (Wheatley).
- 3.5 On 6 November 2025, the City Administration Committee approved [Glasgow's Strategic Housing Investment Plan \(SHIP\) 2026/27 to 2030/31](#), which sets out the priorities and resource requirements for investment in the city's affordable housing supply over a five-year period, was approved. The subject is included in the summary of projects detailed within the [SHIP 2026/27 to 2030/31 Delivery Programme](#).

4. Current Position

- 4.1 This report seeks authority to progress with the proposed disposal based on the terms and conditions which have been agreed with Wheatley, subject to committee approval.
- 4.2 The acquisition will be funded via the Affordable Housing Supply Programme (AHSP) and will enable Wheatley to deliver a residential development of 112 flats for mid-market rent, bringing a vacant site back in to use.
- 4.3 A licence has been granted to allow Wheatley to undertake Site Investigations.
- 4.4 The subjects are included in GCC's Log of Opted to Tax Property, however the Purchaser, as a Registered Social Landlord, intends to disapply the option to tax by submitting form VAT1614G.
- 4.5 It is considered that the subjects do not form part of GCC's Common Good.
- 4.6 CPGI have agreed to a one-off payment of £50,000 for their interest in the site, therefore any future overage/clawback payments will be payable only to Glasgow City Council, hereafter referred to as the seller within this report.

5. Purchaser

- 5.1 Wheatley Homes Glasgow Limited (SP2572RS).

6. Terms and Conditions

- 6.1 The gross price shall be ONE MILLION, TWO HUNDRED AND THIRTY-TWO THOUSAND POUNDS STERLING (£1,232,000), exclusive of Value Added Tax (VAT). The gross price includes both GCC and CPGI interests in the site.
- 6.2 The net purchase price shall not be known until agreement of abnormal cost deductions with the purchaser. The guaranteed minimum purchase price for the entire site shall be FOUR HUNDRED AND FORTY-EIGHT THOUSAND POUNDS STERLING (£448,000), exclusive of VAT. The apportionment shall be THREE HUNDRED AND NINETY-EIGHT THOUSAND POUNDS STERLING (£398,000), to Glasgow City Council and FIFTY THOUSAND POUNDS STERLING (£50,000) to CPGI.
- 6.3 The remaining balance will be the sum, in pounds sterling, arrived at by applying the following formula:-
Remaining Balance = GP – GMP – AC
Where:
GP (Gross Price) = £1,232,000
GMP (Guaranteed Minimum Price) = £448,000
AC (Abnormal Costs) = Still to be determined
- 6.4 Abnormal costs must be agreed, as being proper and reasonable on an open book basis with third party expert determination, on referral by either party, of what is proper and reasonable in the event of a dispute.
- 6.5 The purchaser shall provide the seller with an itemised breakdown of all the abnormal costs/works as soon as they are available. Costs will only be accepted as abnormal if they are provided for within the Guidance on Abnormal Costs/Works.
- 6.6 The guaranteed minimum purchase price shall be payable upon the Date of Entry. The remaining balance (Net Price) shall be payable within 3 months from the Date of Entry.
- 6.7 The Date of Entry shall be no later than 31 March 2026.
- 6.8 There are no suspensive conditions.
- 6.9 The subjects, hatched and edged black, shall be used for a residential development of up to 112 units and for no other use whatsoever without the prior written consent from the seller which shall be granted at their absolute discretion.
- 6.10 The purchaser shall satisfy itself with regard to the seller's title including any tree preservation orders.
- 6.11 The purchaser shall be responsible for the seller's reasonable legal expenses in connection with this transaction, together with City Property's fee of £2,500, plus VAT.

- 6.12 The purchaser shall also pay an admin fee of £750 plus VAT for any amendment to the purchaser name as agreed above, which will be subject to appropriate authority being sought.
- 6.13 In the event that the purchaser disposes the subjects prior to the commencement of the proposed development then the purchaser shall pay to the seller 100% of all sales proceeds in excess of the agreed net price, subject to all reasonable marketing costs incurred by the purchaser during the sale 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 that the amount became due until the date of payment.
- 6.14 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. Any planning uplift overage will be payable by the purchaser to the seller within 1 month of the date of grant of such planning permission 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.
- 6.15 In the event that planning consent is obtained for a development of more than 112 units on the subject site, shown edged and hatched black on the attached plan, then the purchaser shall pay to the seller a sum of £11,000 gross, for each and every additional unit constructed thereon, subject always, to the deduction of any additional abnormal costs incurred as a direct result of an increase in unit numbers. For the avoidance of doubt, additional abnormal costs will be limited to £7,000 per each additional unit and will be subject to verification as described at clauses 6.4 & 6.5.
- 6.16 Payment of an 'Additional Balance' arrived at by applying the following formula shall be made no later than 3 months from the date of any revised planning consent.
- $$AB = (AU * £11,000) - AAC$$
- Where:
AB = Additional Balance
AU = Additional Units in excess of 112 units for the area shown hatched black on the attached plan.
AAC = Additional Abnormal Costs (to be capped at a maximum of £7,000 per additional unit)
- 6.17 The purchaser shall notify the seller within 14 days of the granting of planning permission for any additional units.
- 6.18 The use restriction and any clawback/overage conditions contained herein shall be secured by way of economic development burdens enforceable by the seller as local authority burdening the title of the whole subjects from the date of entry.

- 6.19 In the event that the parties are unable to agree on the matters detailed in clauses 6.13 to 6.16 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.
- 6.20 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.
- 6.21 All third-party determination in the contract of sale shall be by an independent expert and not by way of arbitration.
- 6.22 If 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.
- 6.23 The Executive Director of Neighbourhoods, Regeneration and Sustainability, in consultation with the Director of Legal and Administration to the Council 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 off-market disposal will generate a capital receipt for Glasgow City Council.

Legal: The legal team will be required to conclude this transaction.

Personnel: No direct personnel issues.

Procurement: No procurement implications.

Council Strategic Plan: Grand Challenge 1 – Reduce poverty and inequality in our communities.

Mission 3 – Improve the health and wellbeing of our local communities.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2025-29? Please specify.

No specific equality related issues.

What are the potential equality impacts as a result of this report?

No equality impacts identified.

Please highlight if the policy/proposal will help address socio-economic disadvantage.

The proposal will bring a vacant building back into use to provide affordable housing.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Whilst not supporting specific Climate Plan actions, proposed development will be subject to statutory guidelines.

What are the potential climate impacts as a result of this proposal?

There are no potential climate impacts for this proposal at this time.

Will the proposal contribute to Glasgow's net zero carbon target?

It is considered that the proposal will not have either a positive or negative contribution to the 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 contents of this report;
- 8.2 approves the off-market disposal of the site of the former Wallace Street Car Park, Centre Street/Cook Street Glasgow to Wheatley Homes Glasgow Limited, subject to the terms and conditions outlined in this report; and
- 8.3 authorises the Executive Director of Neighbourhoods, Regeneration and Sustainability in consultation with the Director of Legal and Administration to progress the disposal.