

OFFICIAL



38 CALEDONIA ROAD, GLASGOW, G69 7DQ – CLOSING DATE - THURSDAY 10th NOVEMBER 2022, 12 NOON

BID SUBMISSION GUIDANCE NOTE

City Property Glasgow (Investments) LLP (CPGI) has instructed City Property (Glasgow) LLP (CPG) to market this development opportunity at 38 Caledonia Road, 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/38-caledonia-road>.

INFORMATION FOR SUBMITTING A BID

Only e-mailed bids will be accepted.

No hardcopy, paper bids will be accepted.

Do not submit bids before 12 noon on Monday, 7 November 2022. All bids must be submitted before the closing date at 12 noon, Thursday, 10th November 2022.

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

Propertyoffers@glasgow.gov.uk

All electronic bids must comply with the following:

- The e-mail subject heading should read: ***“38 Caledonia Road- Closing Date Bid – 12 noon on Thursday, 10th November 2022”***
- 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.
- An automatic reply will be issued on receipt of e-mail. No further correspondence will be entered into prior to the closing date.

OFFICIAL

OFFICIAL

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 approval has been provided.

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

CPG 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.

OFFICIAL

OFFICIAL

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 separately under 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** – CPG would prefer that a planning and sales overage are provided. Full details should be included.
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”.

OFFICIAL

OFFICIAL

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** 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 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.

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.

OFFICIAL

OFFICIAL

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

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 and sets out the Council's land use strategy and policy 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.

This particular site will be primarily of interest to housing developers. Relatively modest commercial floorspace with 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 outer urban area with base accessibility to public transport. In such circumstances density will be limited to 50 DPH subject to the townscape context of the site and prevailing scale and mass of surrounding properties. Detailed design will require to take account of the nearby operational railway adjacent (in terms of noise and vibration) and access, parking and private garden space requirements to ensure successful redevelopment of the site. This will require particular emphasis when considering site layout requirements. 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.

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 10 Meeting Housing Needs

CDP 11 Sustainable Transport

OFFICIAL

OFFICIAL

CDP 12 Delivering Development

SG1 Placemaking provides detailed planning guidance relating to:

- Placemaking
- Design, residential layout and density
- Proposals for non-residential use

SG 5 Resource Management

SG 8 Water Environment

SG 10 Meeting Housing Needs

SG 11 Sustainable Transport

- confirms car parking requirements

IPG 12 (SG12) Delivering Development

- IPG 12 sets out an interim approach to open space provision

In addition:-

Residential Design Guide - <https://www.glasgow.gov.uk/index.aspx?articleid=17447>

Open Space Strategy - <https://www.glasgow.gov.uk/openspacestrategy>

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

*Note these requirements may not be exhaustive. All planning policies require to be read in conjunction with the relevant supplementary guidance which outlines the detailed requirements of the planning authority.

To enquire about any of the detailed requirements of the site, please contact Kevin McCormack (Group Leader), Glasgow City Council, City Development Division by e-mailing planning.cpinvestments@no-smtp.glasgow.gov.uk

OFFICIAL

OFFICIAL

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 further 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.

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

OFFICIAL

OFFICIAL

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.

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 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.

An Abnormal Cost List is provided separately. A costing should be allocated against each of the items within the schedule.