

Vacant Asset: Luss Visitor Centre

Agenda Item 15

National Park Authority Board Meeting

14 March 2022

Paper for decision

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1. Purpose

- 1.1. The purpose of this paper is to inform Members of the formal withdrawal by the preferred bidder, Luss Estates Company, from taking on the lease of the vacant Luss Visitor Centre.
- 1.2. The paper also sets out options for the future of the property in the light of these circumstances and seeks Members' approval on the recommended course of action and intended timeframe.

2. Recommendation

- 2.1. It is recommended that Members;
 - 2.1.1. **approve** that officers begin a process to instigate the disposal of the vacant Luss Visitor Centre
 - 2.1.2. **note** that this could include options such as outright sale on the open market or exploring interest from the local community (community asset transfer) and discussions would be initiated with our Scottish Government Sponsor team in respect of any permissions required to dispose of the asset.

3. Contribution to National Park Partnership Plan and/or Our 5-year Plan

- 3.1. The vacant property at Luss has the development capacity to support the following priorities set out in Our 5-Year Plan priorities:

- 3.1.2. Priority 2: Visitor Infrastructure

We will invest strategically and create a multiple year capital investment plan for our visitor sites and facilities to improve the quality of the visitor experience, create economic and public benefits, and ensure efficiencies in the costs of operating and maintaining our assets.

- 3.1.3. Priority 6: Fundraising

We will work towards identifying ways to supplement our core funding to help sustain and improve the services we deliver in the National Park.

- 3.1.4. Our Enablers

Estate - We will maintain and develop a high quality estate; efficiently, cost effectively and innovatively to enhance user benefit and demonstrate good practice to minimise our impact on the environment.

4. Background

- 4.1. Members will recall the report and discussions on our property at Luss from the Board meeting on 14th June 2021 and continuation of that meeting on 28th June 2021. At that time approval was sought and obtained for officers to engage in discussions with the leading bidder following the lease tender process and to move towards lease signature.
- 4.2. On 30 June 2021, Luss Estates Company (LEC) was advised that its tender bid had been successful. In July 2021, initial meetings and a site visit were held; outline Heads of Terms had been agreed as part of the tender process and these were passed with instructions to our solicitors Anderson Strathern. There was clear intent from both parties to move towards the finalisation and the handover of keys.
- 4.3. An initial date of entry for the tenant was proposed for September 2021 but was missed. Communications and responses from LEC and its solicitors were slow but progress was made over the next few months to iron out issues working towards a new date of entry. Over this period, LEC invested in plans and drawings; prepared a public information board for the outside of the building and was co-operating and preparing for a public announcement planned for the end of November.
- 4.4. While the process had been slower than would have been preferred, officers were reassured by LEC's lead on the project, the Assistant CEO, of a strong desire to conclude matters. In December 2021, the Retail Manager of LEC obtained keys for a site visit and liaised with us on the interior design

To pursue this option a detailed review will be required to identify and consider all requirements as a Non-Departmental Public Body and any legacy consideration in terms of the property. This will include rights of pedestrian and vehicle access to be confirmed and the area of land that should be disposed of with the building.

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XXX Clarity will be needed from our Sponsor Team on the handling of any proceeds from the sale.

All of the above needs to be balanced against the significant staff resource and budget that will become available to focus on other assets and wider AOP priority projects at a time of a step change to focus on our work on Climate and Nature work programmes. It is also highlighted that XXXXXXXXXXXXXXXX
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The fact that the wider benefits have not been able to be realised is a key consideration.

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In 2021, the Park Authority also increased the market value of the property by constructing a dedicated car park for the property with EV charging points provision. XXX
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There is also likely to be interest in the property for a Community Asset Transfer, which while may result in potentially protracted negotiations and use considerable resource to manage, it may also present an attractive option in order to realise positive uses for the building and deliver community benefit. This was recognised when putting the property to market for lease in 2021 but significant liaison with the community established a positive engagement on the lease option and there remains a positive relationship in respect of the property with community representatives.

5.3.2. National Park Authority operational usage

which has unfortunately always posed a problem and release staff time and budget at a time when it is needed for other areas of our work.

The marketing brochure and other materials created for the least opportunity will require little work to have them readied to market the property for sale (See Appendix 1).

6. Next steps

- 6.1. Explore legal requirements/permissions with our Scottish Government Sponsor team, which would need to agree to the asset disposal and would confirm whether the National Park Authority may or may not benefit from the proceeds of the sale. The net funds may have to be remitted to Scottish Government.
- 6.2. Explore process and marketing costs with property agents to obtain quotes and route to market which offers Best Value.
- 6.3. Once the land is sold there is no further opportunity to either make money from it or have use of it, so officers will explore with Argyll & Bute Council whether it would benefit by having any of the surrounding land transferred back to it as it affects the car park, access and any potential future development (See Appendix 2).
- 6.4. Explore interest level and likelihood of a bid for Community Asset Transfer and investigate process: the legislation on this is still relatively new and we have not undertaken one previously.

7. Appendices

Appendix 1 – Luss Visitor Centre Marketing Brochure

Appendix 2 - Property Title Plan

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