The (ALLEGED) Cultural, Architectural, Regenerational Importance of the Egyptian Halls

"The Egyptian Halls and the unique location, continue to give advantages, which are considerably greater than other potential city centre projects."
GCC DRS July 09

"The Egyptian Halls in Union Street is considered by many to be the greatest architectural achievement of Alexander Greek Thomson and one of the finest buildings in the city."
Glasgow City Council Report June 2010

On record unequivocal reinforcement of the lack of joined up Govt!

September 2000 B@R: ***"Scottish Enterprise has withdrawn its grant aid and Historic Scotland has reduced its; the project is unlikely to proceed."***

November 2000 Scotsman: ***"Greek Thomson Restoration Scheme suffers double funding blow"*** GDA states ***"it has other priorities."***

June 2010 Culture Minister: ***"The Egyptian Halls "is a commercial project"; very different from Abbotsford House (which got £8.5M) Egyptian Halls ZERO."***

June 2010 GCC: ***"There is no prospect of the project proceeding without external funding support."***

August 2010 HES Head of Grants: ***"I have made my position clear: the project is not viable."***

HLF May 2015: ***"We discussed the project with GCC and HES ; there is no prospect of receiving funding from either or Scot Govt, in the foreseeable future. The proposal is not viable."*** **£5M Grant Application torpedoed!**

GCC August 2023: ***"The Egyptian [Halls] is a blight on the street, and it has been allowed to get into that condition."*** **Evidence proves GCC and Scot Govt culpable.**

February 2025: ***GCC declares it will seek a 2nd CPO despite it and Scot Govt creating this toxic farrago, whilst causing a 35 year delay!*** **Yet GCC blames USP and USI for this; blatant propaganda!**

Why Were Other "Lesser" Projects Prioritised Over the Egyptian Halls 1998-2025?

If Scot Govt's **Place, Architecture, Regeneration, Design (PARD)** Dept had existed in 2000-2010 — it's likely one of the FOUR approved but failed schemes would have been delivered. **So why was this significant regeneration and conservation project repeatedly denied Scot Govt strategic support 1998-2025?**

26 YEARS AGO - The brilliant 100% Conservation scheme was derailed by GDA and HES! And the underlying funding problem had already been identified (P 3-4). The **Buildings at Risk Register** recorded in September 2000: "***Scottish Enterprise has withdrawn its grant aid and Historic Scotland has reduced its; the project is unlikely to proceed.***" Note GDA stating Nov 2000 ***"it had other priorities;*** what indeed were they for what was then the **GLASGOW DEVELOPMENT AGENCY** that trumped what the Egyptian Halls was to deliver (P 16). To compound the lack of shared comprehension both GCC and Scot Govt's B@R were warning of significant structural stability issues and the need to discharge the 1991 LBRN to avoid "a potential fatal building collapse" And to compound matters GCC's unilateral CPO Amendment then caused a 12 year delay, which GCC appears to believe it can ignore (P5 and 6?).

16 YEARS AGO- Refused circa **£1.5M** of gap funding for a major regeneration, conservation and job-creation project (Pages 6-8). And **£4.5 M** of Scot Govt funding with **£4 million** from UK Govt was committed to Abbotsford House. Both had clear heritage value, but the Egyptian Halls offered transformational city-centre regeneration and economic additionality (see P 9-16).The consequences were significant continuing and accelerating deterioration, which Scot Govt ignored. Planning decisions in 2013 then increased the scheme's viability gap, while the withdrawal of grant support in 2015 contributed to the loss of a potential **£5 million Heritage Lottery Fund award (** Page 17**)**. Had the original scheme proceeded in 2000 or even in 2010—the regeneration of Union Street would have been delivered. (**SCAFFOLDING REMOVED WITHIN 18-24 MONTHS INSTEAD IT'S BEEN PROTECTING PUBLIC SAFETY FOR 18 YEARS!)** And at a fraction of the costs required today. Ministers were incorrectly advised that the Egyptian Halls was primarily a commercial project (Page 11). Difficult to reconcile with the substantial public heritage benefits but undone by Scot Govt agencies not **prioritising effectively.** Glasgow has an estimated **£1B heritage deficit**. Therefore it is legitimate to ask why numerous requests for intervention by the **actual legal co-owners** 1998- 2026 were just allowed ignored and currently still are with all access requests **BLOCKED**!

£1B Glasgow Heritage Deficit –Independent Commentary opines why and how this has accrued! *If the Egyptian Halls were in Edinburgh, would they be in this condition? Specific buildings, this being one of them, should be better protected by the Scot Govt, and the responsibility should not just be at the feet of Glasgow City Council. Probably because at the root of most built heritage drama is government ineptitude. What would they do if Edinburgh Castle burnt down, I wonder? Would the Mack be back in business if it was in the capital?"* **Marissa MacWhirter, Jan 2025**

Crucially GCC has consistently acknowledged USP's commitment, advising the Scottish Government that the company had invested significantly in acquiring ownership, undertaking conservation studies and preparing viable development proposals (Pages 12–13). That record sits very uneasily alongside GCC's current attempts to attribute responsibility for a **46 year delay, massive deterioration and cost increases (£3M to £20M+)** and attempt to evade the consequences of the failed 1st CPO caused by Scot Govt/GCC reinforced by instructing Valuation Reports to discount entirely the investment it's on record praising!; is that legal? Certainly appears prima facie fabrication to distort the actual true position and systemic corporate governance breaches.

A smarter Approach! Rather than a second CPO which would be appealed. A long-term regeneration strategy, supported by appropriate funding mechanisms and delivered through Leases/JV's/shared equity, would secure the conservation of one of Scotland's finest listed buildings while delivering substantial economic, heritage and public benefits. **It's unequivocal the Egyptian Halls deserved strategic support last 35 years+ let's ensure via effective collaboration it's now delivered timeously**

Derek J Souter – Director USP and USI – 14th August 2026

Appendices

Pages

Commentary from Year 2000- circa 26 years ago

Proof Scot Govt/GDA-HES derailed the brilliant 100% Conservation scheme Year 2000- 26 YEARS AGO!! P4
How can USP and USI be blamed?

How a brilliant 100% Conservation Scheme failed 2000-2005? Ask Scot Govt/GDA/HES/ GCC? P5-6
How can USP and USI be blamed?

How can a second CPO be justified without reviewing how the original CPO failed? P7
How can USP and USI be blamed?

Commentary from Year 2010-2017- circa 10- 16 years ago

Why was no VFM comparable Assessment of Egyptian Halls v Abbotsford House P8-10
How can USP and USI be blamed?

TIF Potential Ignored by GCC-Scot Govt to "save crumbling jewel- 2010 – 16 years ago P11
How can USP and USI be blamed?

Scot Govt Funding Refusal when GCC was Labour controlled; was that a factor? P12
How can USP and USI be blamed?

Scot Govt defined WRONGLY Egyptian Halls as a COMMERCIAL Project; ignores all clarification P13
How can USP and USI be blamed?

The Elites funding the Elites? Scotland's "cosy" Centralised Decision Making Personified! P14
How can USP and USI be blamed?

GCC's July 2010 request for "*extraordinary funding*" discounted completely by SNP Govt P14-15
How can USP and USI be blamed?

Independent Comment SNP Govt failing to prioritise the Egyptian Halls Project 2010 P16
How can USP and USI be blamed?

Independent Comment SNP Govt failing AGAIN to prioritise the Egyptian Halls 2011 P17
How can USP and USI be blamed?

How did approved 4 Star Hotel and Bars/Restaurants fail 2010-2015. Ask GCC/Scot Govt? P18
How can USP and USI be blamed?

How GCC/HES/Scot Govt met HLF independently of USP to rescind all grant funding for foreseeable future and derail £5M Grant Application P19
How can USP and USI be blamed?

July 2017 Scot Govt discounts a 1996 CPO Review and states the objective is to find a solution out with the CPO. But now a 2nd CPO is being requested?! P20
How can USP and USI be blamed?

Prima facie proof of GCC'S non-facilitated praise of USP Dec 2000 – 2018 P21
How can USP and USI be blamed? Surely Cognitive Dissonance personified!

Causal Valuation/ Potential Compensation Factors relevant to any 2nd CPO request by GCC

Suppression of Key CPO Review Information- distorts Valuation Reports 2016-2025 P22
How can USP and USI be blamed

Non Adherence to RICS Standard Practice - Distorts Valuation Reports 2016-2025 P23
How can USP and USI be blamed

Proof Scot Govt/GDA-HES derailed brilliant 100% Conservation scheme Year 2000- "other priorities take precedence" TWENTY SIX YEARS AGO!!

Commercial Property

22 Tuesday, 22 August 2000 The Scotsman

'Greek' Thomson restoration scheme sustains double blow

Glasgow project in doubt after LEC refuses funding

Ken Houston

HOPES of saving a building of major historical significance in Glasgow, and the last major commercial design by the celebrated Victorian architect, Alexander "Greek" Thomson, have been dealt a double blow following two setbacks to the proposed redevelopment scheme.

Firstly, Historic Scotland has decided it will not review an application for support for the scheme until November instead of this month as was originally planned. This means that on-site work will not now commence until February next year, three months later than intended; however Derek Souter, the man behind the scheme said that this was a problem of timing which he hoped would be "relatively minor".

More serious, he believes, is the decision by Scottish Enterprise Glasgow not to back the scheme financially – although the organisation had agreed financial support for an earlier restoration scheme which, claims Mr Souter, was inferior to his own.

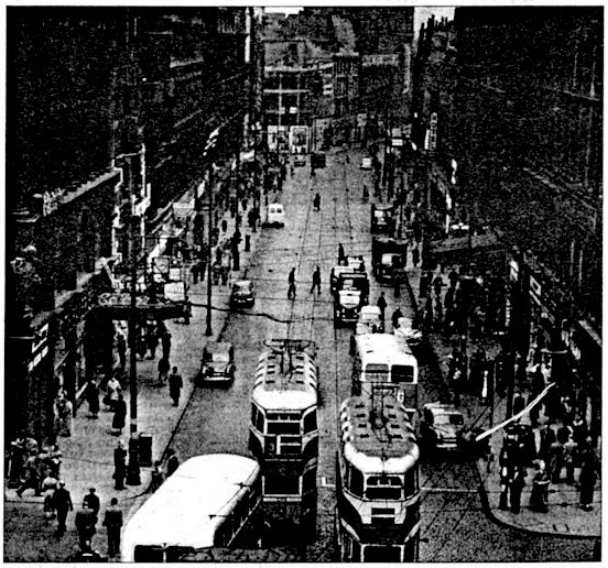
Said Mr Souter, boss of Dundee-based Union Street Developments: "I understand why the Historic Scotland review is being delayed but it would have been beneficial to the fabric of the building if we could have started the work prior to the winter onslaught. The building has had some temporary repair work but the longer we delay the greater the potential for additional costs to be incurred. However a good relationship is building with Historic Scotland and this should see the scheme progressing further at the next scheduled meeting.

"Of more significance is the decision by Scottish Enterprise Glasgow, after 18 months of meetings and discussions, not to provide £245,000 grant assistance. Considering the same level of assistance was awarded to the previous scheme in November 1997, ourselves and the other parties involved, Superdrug, Birthdays and CIS, are more than a little perplexed."

Mr Souter said he found "bewildering" the length of time it had taken Scottish Enterprise Glasgow to come to its decision. He continued: "Unless the required grant funding is reconciled the building repairs could be delayed until this funding issue is resolved. This could lead to the Egyptian Halls degenerating to a point that will make its return to commercial use virtually impossible or at a dramatically increased cost to the budget presently proposed."

He said SEG had expressed concern that the end use of the building was not known but Mr Souter said he was unable to give SEG that commitment until all the funding was in place. Once the building has been restored and made inhabitable, several options would become available to office, retail or leisure users.

He continued: "The previous ownership and accountability problems that have beset the building are a thing of the past. The funding mechanic USP put in place is exactly the same as the last scheme and this was awarded £245,000 from Scottish Enterprise Glasgow. If this was not in place the project would be blocked by all the public bodies concerned on the basis the project was not financially viable.



Union Street, Glasgow in the fifties, when the upper floors of the Egyptian Halls (located halfway down on the left) were still in public use

"With £1.5 million of the project funding in place (£1.4m of it from the private sector) it is now up to Scottish Enterprise Glasgow to reconsider its positions and Historic Scotland to consider the scheme favourably in November."

However, when I contacted the headquarters of Scottish Enterprise Glasgow yesterday, there did not appear to be much sign that a change of mind was on the cards.

SEG Spokesman Alan Dignon said: "This scheme no longer fits in with the current projects we are working on, which are setting up new industrial sites and encouraging inward investment, and which are set for us by the government."

Mr Dignon admitted that Scottish Enterprise Glasgow had earlier committed money to the Egyptian Halls project but added: "That was three years ago and the world has moved on since then. We now have other priorities and this building is no longer one of them."

Dr Gavin Stamp, architectural historian and head of the Greek Thomson Society, said he was "obviously dismayed" by news of the latest delay. "This seemed to be a very good scheme," he added.

Meanwhile, as he readily admits, Mr Souter is unlikely to lose out whatever the outcome. Even if further serious delay was to scupper the scheme and no viable alternative was available, then application could be made to allow the building to be demolished, which would make him the owner of a valuable, cleared city centre site. But Mr Souter insisted yesterday that he did not want that scenario. He added: "We have not come this far to give up now. I want to deliver a scheme which sees the Egyptian Halls restored to its former glory."

Work st on £2.5 technol centre

CONSTRUCTION has a £2.5 million techn tre for Mitsui Babc cock Park, Renfrew.

Mr Akira Satake, t ecutive, visited the s out the formal grou ceremony last Thurs

Some 210 enginee port personnel wi ployed within the n sq ft development, where Mitsui Babc occupies major e workshops of 723,0 has its UK operations ters in a separate offi 77,000 sq ft. The sc pected to be compl months' time.

The new will high quality office vanced laboratories workspace for test r tivities carried out w the research and de and technical capabi company and allow product ranges to be to meet the requir what has become manding and compe al market.

Richard Exley, ma rector of MEPC Busi said: "The developm sents an investment dence for the futur companies. It is a m erty investment b standards, and rep ideal co-operative our economic de partners."

Babcock Park cont sq ft of large shed ac tion on 130 acres, w rently home to anoth panies, ranging fro ics manufacturer, haulier W H Malcol

Squaring

HALLADALE has con major extension to C Sq shopping centre bride. The develop comprise four ne floor, retail units with

How a brilliant 100% Conservation Scheme failed 2000-2005 How Defeat was snatched from the Jaws of Victory – 2001 http://www.egyptianhalls.co.uk/page13.html

RECEIVED
20 JAN 1999

12th December, 1998

Rodger McConnell
Director
Physical and Economic Regeneration
Glasgow City Council
20, Trongate, G1 5EY

EGYPTIAN HALLS, UNION STREET

We are very glad to learn that the legal *impasse* which prevented the planned restoration of Egyptian Halls earlier this year is now likely to be resolved. Our understanding is that, having bought out Mr Dyer, Mr Derek Soutar of Dundee now owns 84% of the building and is in a position to proceed with the necessary work. We are also encouraged by having talked to Mr John Addison of Peter Stephen & Partners, consulting engineers, about the condition of the structure as we are relieved to be informed that it is perfectly stable and not in the parlous state as has sometimes been suggested.

I have read the reports by Peter Stephen & Partners and by the Morrison Partnership, architects, both dated October 29th, 1998, and am impressed by their cautious and respectful attitude to Thomson's building. Indeed, we applaud this conservative approach to the restoration of historic structures and the reluctance to do more than is necessary lest stability and integrity is undermined. Indeed, there were aspects of the earlier proposals for the rehabilitation of Egyptian Halls - particularly regarding strengthening the iron structure and stone-cleaning - with which we were not at all happy but which we supported if the only alternative was to be the loss of Thomson's extraordinary commercial masterpiece. We are therefore glad to find that, in the present proposals, the rear circular staircase is now to be retained and that the purpose of the so-called 'concrete' infill on each floor is now properly understood.

This letter is to record our support for the repair and stabilisation proposals made by Peter Stephen & Partners and the Morrison Partnership and to express the hope that, if they are adopted by the building's majority owner, they will receive the necessary consents and support so that work can proceed as soon as possible.

Gavin Stamp
Chairman

How a predicted few months delay became 28 years

This 1 page CPO Amendment predicted to "cause a few months delay" has now caused a projected 28-30 year delay. GCC failed to disclose this until April 2014 - 16 years later.

How can USP be blamed for what happened before it's involvement and the consequences this has caused?

Director
Ian G Cumming LLB

Legal Services
Glasgow City Council
City Chambers
George Square
Glasgow G2 1DU

DX GW145

Telephone: 0141 287 4529
Fax No: 0141 287 5662
If phoning please ask for Ms Farrell

Date: 11 February 1998
Our Ref: CPD3333/KF/SMK
Your Ref: WCF/22263.1/LAW M5

FAX NO. 0141 204 1902
Messrs Bird Semple
Solicitors
DX GW 10
GLASGOW

Dear Sirs

EGYPTIAN HALLS LIMITED
PORTFOLIO HOLDINGS PLC
EGYPTIAN HALLS, 84-100 UNION STREET, GLASGOW

I refer to the above and write to advise you that we have received further correspondence from the Solicitors for Paratus (No. 403) Limited, Messrs Murray Beith Murray. The Solicitors have indicated that they are likely to submit an Appeal against the Compulsory Purchase Order. As you are aware, the last date to lodge this Appeal is 20 February 1998. We will inform you as soon as we are advised that the Appeal has been lodged.

If an Appeal is lodged, it will mean a delay of several months to the commencement of your clients' development, assuming the Appeal is unsuccessful. Can you advise us if this delay will mean that your clients will not wish to proceed with the CPO, in view of the fact that you expressed that a delay of a few weeks would have severe implications on your clients' Plans. This was the reason the Notice to Treat and Notice of Entry procedures were implemented rather than taking entry by General Vesting Declaration.

I look forward to hearing from you.

Yours faithfully

CPO Officer

1KF543.DOC

How can a second CPO be justified without reviewing how the original CPO failed?

The Egyptian Halls CPO Review Report Update

8th JUNE 2026

(previous versions March, June, Sept 2025, Jan 2026)

Can a second CPO be justified without reviewing why the original CPO failed?

"You will see from the letter that Mr Souter is concerned at the Council's handling of the transfer of ownership of the remainder of the building to his company. He feels that the Council's actions may be putting the project to repair and restore the building in jeopardy."

"I would be grateful if you could reply direct to Mr Souter outlining the Council's position. Can you also let me have a copy of the response for our records."

First Minster McConnell's Private Secretary 1st May 2004 to GCC's Lord Provost

June 2004 - GCC DRS to First Minister ***"The full circumstances surrounding the CPO process have now been explained to Union Street and their lawyers."***

Gross misrepresentation or deliberate FALSEHOOD?

Key Questions/Issues Raised

- **Why was key information relating to the 1996 CPO not disclosed to the First Minister and GCC Councillors?**
- **Had GCC disclosed the contract breach mid 2002 the approved 2000 scheme would have proceeded!**
- **This caused 12-year title conveyance delay preventing delivery of approved scheme and all schemes since.**
- **A grant requirement of £2.5M in 2002 has increased to circa £20M+ WHY!?**
- **GCC-HES/Scot Govt caused this needless, financially toxic farrago? Why are the co-owners being blamed?**

http://www.egyptianhalls.co.uk/assets/files/0806-2026CPOReviewResponseDoc.pdf

29th Oct 2010!! Email Glitch not printing actual date-WHY WAS NO VFM ASSESSMENT CARRIED OUT!

Monday, July 20, 2026 at 10:45:41 AM British Summer Time

Subject: Value for money; Abbotsford V Egyptian Halls- was a comparison carried out?
Date: Friday, 29 October 2010 at 09:54:03 British Summer Time
From: Derek Souter
To: Mags Nicholoson, ruth.parsons@scotland.gsi.gov.uk, Martin Fairley, Shelagh Thorne, Ruth Smith, MacDonald Alistair, Pauline McNeil, Stephen Pollock
CC: George Morrison, John Addison, Kelvin Kerr, Duncan Souter, Kenneth S Gerber, Graeme Murray, ColinDonald, graham ogilvy, John Glenday, Gavin Stamp, Robin Webster, Dougal Mather, Richard Muir

Morning All

Sir Walter Scott's home plans get (Scottish) government approval

Plans for a new visitor centre at Sir Walter Scott's former home in the Borders have been approved by the Scottish government. The Abbotsford Trust had already got council approval but ministers had the final say on the £10m programme. It will include a modern visitor centre as well as a new car park and tourist accommodation. Lawyers have also given consent for Abbotsford's historic collections of books and papers to be displayed. Borders MP Michael Moore has welcomed the move and said he was "so proud" to have such a national treasure in his constituency.

What it does not say

1, How many new jobs will be created?
2, No Business Rates will accrue?
3, Will it still be as per visitor number projections if the Border Rail link is delayed or cancelled
4, What a ***magnimanious*** gesture by the Abbottsford Lawyers! If they'd have said **NO**, then would the project still have got the near £10M from Scot Gov and HLF
5, Under what conditions are the Scottish taxpayers agreeing to invest £4M, plus the British taxpayer is investing another £4.5; a total of £8.5M? And they don't even own the "historic collection of books and papers".
This makes the worst excesses of PFI appear positive and does not seem to be value for money for the massive total of £8.5M!

Additional Questions

1, How can Ministers be so involved with this project, yet have almost **ZERO** interest in Glasgow's Egyptian Halls, which has been confirmed in writing? None have "toured" the Egyptian Halls as yet!
2, Does this £4M Abbotsford investment provide as good a return on capital employed as the £5M required for the Egyptian Halls project would if USI agreed to reinstate it's significant USP cross subsidy?
3, Are the Ministers aware that USP & USI had also offered to re-profile £5M+ of site assembly/project developments to allow the project they can't appear to even give the time of day to
have any chance of being implemented

I intend writing to Michael Moore in his role as Scottish Secretary to ask if he believes "the £8.5M

investment in this national treasure" is the type of private sector job creation project the Coalition had in mind when Prime Minister Cameron spoke earlier in the week. And how one scheme that can deliver 200 jobs is ignored whilst one that might deliver 10 jobs gets such an amount of Government resource?

Perhaps one day the effective cohesive engagement enjoyed by Abbotsford House and its Trustees, will be afforded to The Egyptian Halls and its owners USP & USI?
And I do realise that it's also now up too Glasgow stakeholders to raise the awareness of this unequal situation, which stretches back to 1981!

Derek J Souter BA Hons, MBA, FCIM
Director
Union Street Investments Ltd and Union Street Properties Ltd
26 Foundry Lane, Dundee, DD4 6AY
Tel 01382 451 702
Mob 07850 08 11 88
www.egyptianhalls.co.uk

On 26/10/2010 09:35, "Derek Souter" <derek@djscm.com> wrote:

> Morning All
>
> Having been in the Upper Floors early yesterday morning, can I both stress and reinforce to all that the visual deterioration is **STILL** accelerating especially on the 4th floor. The portents for the winter to come are for a severe one and this will do nothing but increase the physical challenges the Egyptian Halls are facing. The attached pictures from last November will be much worse this November!!!
>
> 1, Can the long asked for tour be expedited? It's also nearly a year since the roof collapse of November 2009, does it need falling masonry to get this on top of mind!
>
> 2, Can someone senior from HS or Scot Gov come and see just what a state an alleged integral part of Scotland's built heritage is in?
>
> 3, And focusing on the growth/regeneration/job creation bandwagon, which is and will become even stronger, I note
>
> ***while 490,000 public sector positions are forecast to close, new jobs will be created by the private sector.***
>
> ***"We're going to make the next decade the most entrepreneurial in Britain's history, and transform the fortunes of our country"***
>
> ***"forensic, relentless approach" to ensuring the UK's future economic growth.***
>
> David Cameron- Prime Minister
>
> Yet a scheme, which from April past would deliver the following much needed economic regeneration;

- **136 bed circa 4 star hotel**
- **200 jobs**
- **£20M Development**
- **Regenerate Union Street**
- **Deliver £250-£300k Business Rates p.a.**

can't even be discussed positively with the joint owners USP Ltd and USI Ltd due to the absence of a common strategy underpinned by the Scottish Government stating it can't do anything at all so no point meeting!?

Is this because the Scottish Government have given out advice, which now sees the Scottish tax payer facing up to a **£12M cost or a 240% increase** whether the Egyptian Halls is preserved or demolished?
All this from a position where it was to **cost £5M, with £2.65M "promised to date".** And in these more than significantly challenging times where does the Scottish Government find this **additonal £7M**

The silence from the Scottish Government surely requires questioning? However it would appear no one has the political courage apart from USP and USI and their professional team of The Morrison Partnership and Addison Conservation to put their head above the parapet and try to get a workable solution. Instead GCC/HS/S.ENT-Scot Gov all hold their defined positions and therefore no cohesive, effective action is being implemented. And to the shame of Scotland this has been the all too familiarly depressing sequence of events for the past 30 years of at first creeping and now accelerating deterioration.

I'll leave you all with this quote ***The building is one of Glasgow's most important grade A listed buildings and is of real international significance. There is no doubt that it is a master piece of Victorian design and construction – unfortunately now showing clear signs of accelerating deterioration"*** Baillie Cameron GCC Economic Convenor- July 2010

And attach what the Herald/Times opinion was in June. I assume they'll now be stunned to learn there has been all but **ZERO** progress since then! And perhaps less as USI Ltd was advised to rescind it's offer to
cross subsidise USP

And to repeat **can a cohesive public/private sector concordat be agreed, which then achieves the following?**

- The Grade A architecturally priceless Egyptian Halls is preserved
- 200 new jobs are created as part of the hotel/leisure complex
- Union Street begins the long desired regeneration much sought by GCC and the wider Business community.

Before 30 years of Dereliction exacts a terrible and till now wholly avoided cultural price?

Derek J Souter BA Hons, MBA, FCIM
Director
Union Street Investments Ltd and Union Street Properties Ltd
26 Foundry Lane, Dundee, DD4 6AY
Tel 01382 451 702
Mob 07850 08 11 88
www.egyptianhalls.co.uk

TIF Potential Ignored by GCC-Scot Govt to "save crumbling jewel- 2010 – 16 years ago

Owner calls for TIF to rescue crumbling jewel

By Colin Donald

THE co-owner of one of Scotland's most endangered architectural jewels has called on the Scottish Government to consider a tax increment finance (TIF) scheme to save it from ruin.

Derek Souter is director of Union Street Investments and Union Street Properties, which respectively own the top and ground floor storeys of Glasgow's Egyptian Halls.

He believes a TIF scheme could stave off further dereliction and possible compulsory preservation costs of £12 million for the taxpayer.

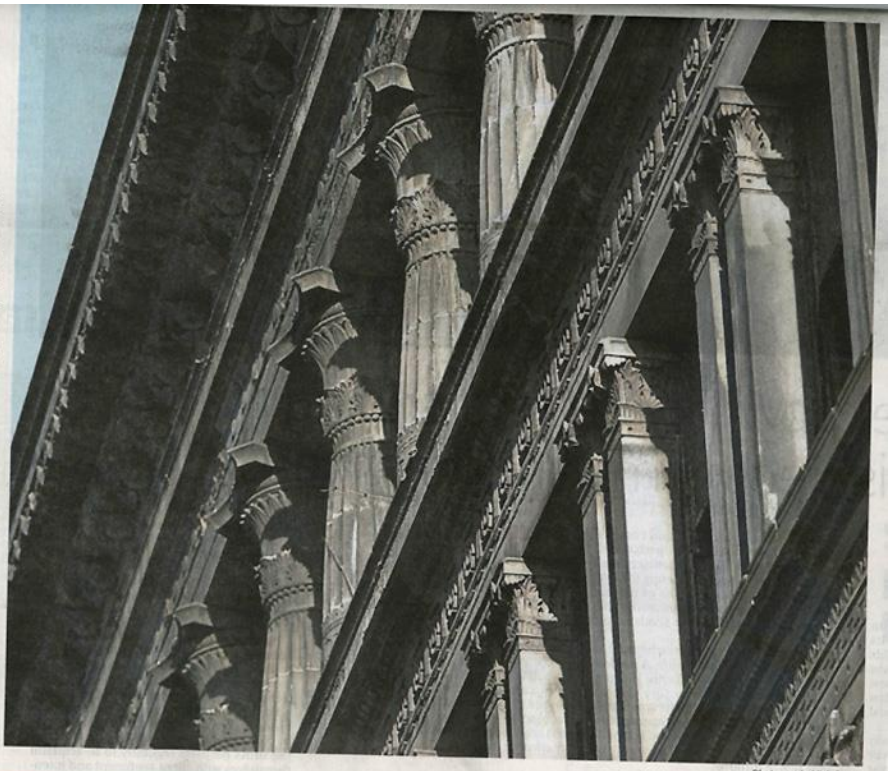
The Scottish Government has resisted making a grant on the grounds that the project to restore the internationally renowned Victorian building by Alexander Greek Thompson in the city's Union Street is primarily commercial.

Souter said a TIF scheme, borrowing against future earnings from a proposed hotel and retail development, could raise the extra cash needed for the regeneration of the once prosperous central thoroughfare for the opening of the 2014 Commonwealth Games.

"We need £2m to £2.5m from the Scottish Government in addition to the £1m pledged by Glasgow City Council and £1.65 from Historic Scotland. We have said that the building would generate an annual extra £300,000 of business rates. The route forward is to use around £2m to save the Egyptian Halls and create 200 jobs via this £20m project."

The upper floors of the building have been empty for nearly 30 years, and are derelict. Souter and co-investors Kelvin Kerr and Duncan Souter have been pursuing a rescue plan involving a hotel and shops for 12 years.

Derek Souter contrasted the Scottish Government's unwillingness to pump-prime the project with its grant of £4.5m for the refurbishment of Sir Walter Scott's estate Abbotsford in Melrose.



Photograph: Nick Ponty

Prize guru's praise for Salmond's green technology award

SNP Govt Funding Refusal when GCC was Labour controlled; was that a factor? Surely Not?

Fiona Hyslop MSP
Minister for Europe, External Affairs and Culture
St Andrew's House
Regent Road
Edinburgh
EH1 3DG

May 2010
PM/ND

Dear Minister,

Egyptian Halls

I have been involved in supporting this project for some time. This historic building of key importance to architecture and Glasgow may be lost to the city if the current plan fails.

I am writing to clarify the funding decision to fund Abbot House. You rightly commented in the press about the regeneration opportunity and the preservation of this historic building, and reading the press brought to mind the Egyptian Halls project in Glasgow's Union Street, which is in my constituency.

In this case, the Government declined central funding and directed the project managers to Scottish Enterprise. They have subsequently declined to put up funding. As things stand the shortfall is £1.8 million and the project is at a critical stage. It is so critical that I believe this is the last opportunity to save this historic building.

I would be grateful if you could outline why a decision to directly funds Abbots House was agreed, while the Egyptian Halls has not been successful in attracting funding which would equally protect the city's heritage and assist in the regeneration of that part of the city centre.

I would urge the government to reconsider what could be done to save an historic Greek Thomson building in Glasgow. The City Council have promised £1 million towards the project if the gap of £800, 000 can be found.

I would be grateful for a response to my question and an indication of whether the Scottish Government will do their part to secure the future of this iconic building.

Yours sincerely

Pauline McNeill MSP
Glasgow Kelvin

Scot Govt defined WRONGLY Egyptian Halls as a COMMERCIAL Project; ignores all clarification

Minister for Culture and External Affairs
Ministear airson Cultair agus Chùisean Taoibh A-muigh
Fiona Hyslop MSP/BPA

The Scottish Government
Riaghaltas na h-Alba

T/F: 0845 774 1741
E: scottish.ministers@scotland.gsi.gov.uk

Pauline McNeill MSP
Glasgow Kelvin Constituency Office
1274 Argyle Street
Glasgow
G3 8AA

Your ref/Ur faidhle: PM/MD

23 JUN 2010

Our ref/Ar faidhle: 2010/0014091

21st June 2010

Dear Pauline

Thank you for your letter received on 1 June 2010, regarding the Egyptian Halls project in Glasgow. I ought to say at the outset that, whilst they appear similar, Abbotsford House and the Egyptian Halls are two very different projects. The Abbotsford House project is a non commercial project, being delivered by the Abbotsford Trust, a registered charity, which is committed to delivering a long term sustainable future for the house and its collections as a visitor attraction. The Egyptian Halls project, though, is a commercial project and whilst it will undoubtedly have significant public value, it is decidedly different in its nature from Abbotsford.

I can confirm that the Scottish Government through Historic Scotland has already provisionally indicated its support for the Egyptian Halls project. Furthermore, in recognition of the buildings historical and architectural importance and the commercial positives that may be delivered for Glasgow, the Agency has taken an exceptional approach to their provision of funding, in agreeing to exceed their normal maximum grant level, through a phased funding programme totalling £1.5m.

We understand, however, that the project is facing a major shortfall and that the owners are seeking higher levels of funding. Unfortunately it is beyond the capacity of Historic Scotland or the Scottish Government to contribute more to the project financially than has already been committed. I know that Historic Scotland have continued to discuss Egyptian halls with the owner and the local authority and will continue to search for a solution for this building.

Kind regards

Fiona

FIONA HYSLOP

St Andrew's House, Regent Road, Edinburgh EH1 3DG
Taigh Naomh Anndrais, Rathad Regent, Dùn Èideann EH1 3DG
www.scotland.gov.uk

INVESTOR IN PEOPLE
POSITIVE ABOUT DISABLED PEOPLE

Is this the Elites funding the Elites? Scotland's "cosy" Centralised Decision Making Personified!

GCC's July 2010 pragmatic request for "*extraordinary funding*" discounted completely by SNP Govt

Our ref
Your ref
Ask for
Phone Direct **0141 287**
Fax Direct **0141 287**
Email
@drs.glasgow.gov.uk
Date **7th July 2010**

Fiona Hislop MSP
Minister for Culture and External Affairs
The Scottish Parliament
High Street
Edinburgh
EH99 1SP

Dear Minister

ALEXANDER "GREEK" THOMSON
THE EGYPTIAN HALLS DEVELOPMENT, UNION ST, GLASGOW

As you may know the Council has been working with USP Properties, the owners of the magnificent grade A listed Egyptian Halls building in Union Street Glasgow for many years in order to help them bring the building into a single ownership and, having achieved this, to bring forward suitable proposals for the refurbishment of the building for an appropriate productive use.

A considerable amount of correspondence and many meetings, over a prolonged period of time, have already taken place between the developer and his agents, the City Council and Historic Scotland - , and the developer has committed very significant expenditure on bringing the building into a single ownership, on preparing a range of technical and conservation studies, and in completing both option and development appraisals for a variety of potential end uses.

We have now reached a very critical stage in these discussions whereby there is a clear, but very time limited, opportunity to secure the development. The challenges to do so remain formidable, since :-

a) The hotel operator (Buccleugh Estates) has placed a time limit on their potential involvement, of end July 2010, failing which they will reconsider whether they are able to remain committed to the project;
b) The availability of Business Premises Renovation Allowance (BPRA), which will be one of the principal funding sources for the project, is also time limited, and we are fast approaching the position whereby it may be soon be too late to access it for the project;
c) The availability of the £1 million contribution from the Council is itself time limited, until March 2011, after which it will be reallocated to other projects;
d) Final Design and statutory consents have still to be secured
e) Taking account of all potential contributions, including the provisional allocation from Historic Scotland, bank lending and developers contribution etc, there remains a funding gap of approximately £1.35 million.

In effect therefore approximately £16.65 million out of the £18 million require to undertake the development is either in place or accessible. If the funding gap cannot be closed much of this funding will simply fall away, and the project will not proceed. More significantly however the fact that much of the funding is time limited does mean that the prospect of an alternative funding package being assembled for this future is unlikely, and I would suggest simply not possible.

The Council is now extremely concerned that this development may not proceed for a number of reasons including:

a) The likelihood that the failure to fill the current funding gap will almost certainly mean the prospect of securing the development in the foreseeable future would be lost;
b) The building is one of Glasgow's most important grade A listed buildings and is of real international significance. There is no doubt that it is a master piece of Victorian design and construction – unfortunately now showing clear signs of accelerating deterioration;
c) The proposed development is clearly in line with national economic and tourism strategy and, in addition to providing accommodation towards the acknowledged hotel bed space shortage in the City, will contribute employment (160 jobs) and additional non domestic rate (approximately £350,000 per annum); and
d) The development is a critical part of our developing strategy for the refurbishment/upgrading of Union Street.

I am writing therefore to request that the Government take account of all of the above factors and agree either through itself, or the appropriate Government funded agencies (i.e Historic Scotland, Scottish Enterprise), to provide the additional £1.35 million needed to allow this vitally important project to proceed.

I would be happy to meet with you to discuss this further if that would be helpful

Yours sincerely

Bailie Liz Cameron
Spokesperson on Regeneration and the Economy,

Independent Commentary re SNP Govt failing to prioritise the Egyptian Halls Project - 1

- Sept 2010 – criticises blinked and non-accountable bureaucracy – P8

Private Eye : September 2010

NOOKS and CORNERS

EGYPTIAN Halls in Union Street, Glasgow, is one of the most astonishing buildings in a city full of great architecture (see *Eyes* 947, 950 & 1011).

Built in 1870-72 as a sort of department store-cum-exhibition gallery, it was designed by Alexander "Greek" Thomson, one of the two original architects of international stature for whose works Glasgow is celebrated (the other being St Charles Rennie Mackintosh).

The interior is a most unusual structure of cast and wrought iron and concrete; and the exterior facade a brilliant composition of Greek and early Classical elements which creates an effect of Old Testament grandeur. Thomson was responsible for other inventive commercial buildings in Glasgow, mostly now demolished; Egyptian Halls, his exotic commercial masterpiece, miraculously survives – just.

Neil Baxter, secretary of the Royal Incorporation of Architects in Scotland, described it as "a building of the first importance, not simply in Glasgow or Scotland but in European terms". It is listed at the highest grade, "A". Yet this urban architectural wonder is now seriously threatened with destruction largely because of the blinkered bureaucratic obstructiveness of Historic Scotland, the Scottish government's heritage agency.

Thanks to former ownership by a Chinese restaurateur, Egyptian Halls has been in a sorry state for three decades. It has long lost the exotic cast-iron lamp standards that stood outside; the central doorcase has gone and the shop-fronts are inappropriate. Today the roof leaks, the interior is sodden, the iron is corroding and the stonework crumbling. The upper floors have long been empty; and now the tenants of the ground-floor shops have departed.

But there is a developer, Derek Souter, who, for the last decade, has wanted to restore the building and make it into an hotel. This makes commercial sense and would help revitalise Union Street. Historic Scotland, however, has been disinclined to engage seriously with Mr Souter and is now only prepared to offer a maximum £1.5m towards external stonework repairs – which suggests the quango does not understand the intimate dynamic relationship between the masonry front and the iron-framed interior.

Historic Scotland has questioned whether this Dundee developer's companies are "the right people to be delivering this project". Yet Mr Souter has hung on in for more than a decade and battled to buy out the other interests in the building at a cost of £5.5m. Union Street Properties now owns all the four ground-floor shops and Union Street Investments has all the upper floors.

Furthermore he has appointed highly qualified and reputable specialists. The consultant structural engineer is John Addison (who has been commissioned by Historic Scotland on other projects). And the architects, the Morrison Partnership, have prepared a design for restoration and conversion into a hotel which not only retains all the existing historic fabric but is entirely reversible.

Mr Souter would seem to have been transparent in his financial affairs and has been prepared to allow Union Street Investments to cross-subsidise the restoration of the ground-floor shops which are addled with inherited listed building repair notice costs. He argues that the money needed from central government now will soon be paid back through rates and the regeneration of Union Street.

Even Glasgow city council, whose treatment of historic buildings over the years has scarcely been edifying, agrees. Recognising its economic and tourism importance, it has offered £1m towards the project, and the economic convenor, Baillie Cameron, has stated that Egyptian Halls "is one of Glasgow's most important grade A listed buildings and is of real international significance. There is no doubt that it is a masterpiece of Victorian design and construction". The council has implored the Scottish government to cover the remaining shortfall of £1.35m on the £18m project.

Yet Historic Scotland and the Scottish government's Fiona Hyslop, minister for culture and external affairs, remain uncooperative and insist the refurbishment is "unviable". They have also now required the developer to take a strictly commercial view of the project, which has ruled out the cross-subsidy and greatly increased the financial shortfall. I note that the Heritage Lottery Fund in Scotland has recently offered a grant of £4.85m to develop the tourism potential of Sir Walter Scott's home, Abbotsford, although that famous historic house is not in danger of collapse. What explains this myopia? Is it just the snobbish prejudice of Edinburgh-based bureaucrats?

Unless there is real progress with the Egyptian Halls scheme very soon the hotel operator will pull out. The grant offer from Glasgow city council will also soon expire, as will the availability of the Business Premises Renovation Allowance. The opportunity of having the hotel ready in time for the Commonwealth Games will also be missed. If the hotel scheme fails, demolition of Thomson's decayed masterpiece may then be the only option. Is this what Historic Scotland wants? And is the Scottish National Party which runs Holyrood prepared to acquiesce in the destruction of one of the very greatest works of architecture in Scotland?

'Piloti'

Independent Commentary SNP Govt failing AGAIN to prioritise the Egyptian Halls Project circa 2011

- March 2011 – criticises Scot Govt for not funding Heritage/Regeneration – P9

Private Eye : March 2011

NOOKS and CORNERS

MORE from the ancient Royal Burgh of Dumfries in Scotland, the once proud and prosperous town which long ago erected "beautiful buildings of the red hewn sandstone".

I recently reported how Dumfries & Galloway council had abandoned support for the old Theatre Royal as having "no future". Earlier, there was the plan to demolish Moat Brae House, a Late Georgian mansion once the home of J.M. Barrie, by the Loreburn Housing Association with the connivance of the council, which also acquiesced in the stripping out of the town's Assembly Rooms as a bar (*Eye* 1243).

Now the housing association, notorious for the offensive mediocrity of the architecture it erects in place of fine historic buildings, has applied to demolish a pair of decent red sandstone houses, built by the sculptor William Flint, in St Mary's Street.

Along with the adjacent former Nithsdale Hotel of 1878, these houses are in an Outstanding Conservation Area. Historic Scotland considers them of architectural merit and that they contribute to the conservation area by maintaining the traditional street pattern and by forming part of the setting for St Mary's Church and Church Hall, both listed.

The houses were occupied until 2006 when the tenants were evicted by the housing association and Dumfries & Galloway council, which claimed that repairing and maintaining them was too expensive. The part of the site owned by the council was sold to the housing association in 2009. Loreburn now wants to replace the houses with blocks of new "social housing" faced in zinc cladding, render, brick and stone cladding – which will scarcely "enhance" the conservation area.

Needless to say the council has granted planning permission, claiming there was no interest in the buildings when placed on the open market in 2007. This is not true: Juliet Caird, a local landlord, offered a sum in excess of the asking price the following year, but the council withdrew the houses from the market.

Historic Scotland says there is no reason Nos 3-5 St Mary's Street could not be made back into dwelling houses and Nithsdale House converted into flats, while more flats could be built on the rest of the site. The demolition is strongly opposed locally and by the Architectural Heritage Society of Scotland; and a petition has been sent to Fiona Hyslop MSP, Minister for Culture & External Affairs, asking for the case to be called in.

No hope there: Ms Hyslop, in her usual wet way, has declined to intervene, accepting Loreburn's pathetic claim that it is not possible to retain the existing buildings and that the social benefits to the council outweigh "historic environment issues". So the mendacious philistinism of Dumfries & Galloway Council triumphs again.

FIONA HYSLOP has already shown her uselessness in the tragic saga of Egyptian Halls in Glasgow (see below), an extraordinary iron-framed masonry commercial building in Union Street, built in 1870-72 and one of the most important few surviving works by Scotland's most intelligent and original 19th century architect, Alexander "Greek" Thomson.

Listed at Grade A, it has been neglected for more than 30 years and is now empty and in serious danger of collapse (Eyes passim). For the last 13 years Derek Souter, a developer from Dundee, has been trying to acquire and restore the building and convert it into an hotel. He claims his companies have already spent £5m on the project and are willing to invest a further £12m and possibly £14m. Even with grant aid from Glasgow and elsewhere, however, there is still a shortfall of £2.35m. So nothing happens, the fabric deteriorates further and the restoration costs rise.

Historic Scotland has only been prepared to offer £1.65m towards saving one of the most remarkable historic buildings in the country, arguing that it cannot offer more as this is a purely commercial project. Yet Ms Hyslop and the Scottish government are happy to give £4m towards a £10m tourism development project at Abbotsford, the home of Sir Walter Scott. Abbotsford House is of huge cultural significance, but it is not in danger of demolition or collapse. Also, restoring Egyptian Halls as a city-centre hotel and thus reviving Union Street, next to Central Station, will help the economy of Glasgow.

Mr Souter has had enough of the obduracy and prejudice of the Scottish bureaucracy and is now proposing an alternative new build scheme on the site for an 11-storey 200-bed hotel. This will be cheaper and quicker to achieve. In consequence, John Addison, the distinguished conservation engineer who has demonstrated how the original iron internal structure of Egyptian Halls can be saved and adapted, has resigned from the project. It is all very depressing.

Neil Baxter, secretary of the Royal Incorporation of Architects in Scotland, now accuses Mr Souter of "trying to hold the Scottish Government to ransom" – scarcely fair considering how long he has battled, and how much he has spent on the project.

But what else is Mr Souter – and those who care about Glasgow's rare and precious architectural heritage – to do except try to shame the Scottish government into positive action? He has convened a public meeting to discuss the future of this real architectural wonder so there is hope yet.

'Piloti'

How did an approved 4 Star Hotel and Bars/Restaurants fail 2010-2015. Ask GCC and Scot Govt?

Laura Boyd is to take part in the Moonwalk

Laura streets ahead in bid to aid charity

SCOTTISH television presenter Laura Boyd will take part in a charity walk.

The showbiz correspondent at STV, who has battled leukemia, is doing The Scottish Moonwalk in Edinburgh as a thank-you to the charity which funded Maggie's Centre at Gartnavel, Glasgow, where she found support.

The walk on June 8, organised by Walk the Walk, raises money and awareness to improve the lives of cancer patients in Scotland.

It funded the centre at Gartnavel, which offers support to cancer patients, and the centre's running costs for the first three years.

Laura will wear a specially designed bra by Glasgow designer Cassandra Belanger, founder of The Stitchery, for the walk which sees thousands of people take part on the night-time walk wearing brightly decorated bras.

For more information about The MoonWalk Scotland, which offers four distances, from 6.6miles, visit www.walkthewalk.org

Boost for historic Halls as £20M hotel a step nearer

EXCLUSIVE
By CATRIONA STEWART

PLANS to convert one of Glasgow's historic listed buildings into a £20million hotel have taken a step forward.

The owners of the A-listed Egyptian Halls in Union Street have been granted Listed Building Consent by the Scottish Government agency Historic Scotland.

And Accor Hotels has revised its proposals to create a four-star venue for the city centre, rather than the three-star originally planned.

Derek Souter, of owner USP & USI Ltd's Egyptian Halls Project, said: "This reappraisal, which we had always pushed for, vindicates our long-held belief that Union Street has significant development potential.

"According to Glasgow City Marketing Bureau, there is a need for an extra 17,000 hotel, guest house and bed-and-breakfast bedrooms in the city and surrounding area.

"So once the ground floor is funded, we can also begin to confirm other interested leisure developers whose plans are on hold while we look for extra funding."

The Evening Times reported last August on the plans to convert the Alexander 'Greek' Thomson building into a 114-room three-star hotel.

The building has lain empty for 33 years, coming under threat of demolition in 2011.

> **We can see the development becoming a very desirable location**

However, a public campaign, backed by thousands of people, helped save the Halls.

Franchise Accor Hotels, managed by hotel operator Longrose Buccleuch, had initially planned to convert the building to a mid-range IBIS or Mercure hotel. But now it wants to transform it into one of its upmarket M Hotels, making it one of only 45 worldwide.

Steve Wright, of Accor Hotels, said: "As planning has now been approved we can see the development becoming a very desirable location within Glasgow.

"Accor thinks the Egyptian Halls would make a perfect M Gallery."

Planning permission was granted last December.

Funding for the hotel is secure but a further £10m is needed to refurbish the ground floor level of the Halls.

The owner said the lower level upgrade would rely on "substantial public subsidy", but Glasgow City Council said no funding was currently available.

However, it said the only remaining obstacle to beginning the refurbishment is agreeing public and private sector funding.

Mr Souter said talks were under way and should be concluded in the next two months.

Richard Heggie, planning consultant of TPS Planning, which is also involved in the scheme, said: "This is evidence Glasgow City Council's new and embryonic city centre strategy is beginning to work effectively."

catriona.stewart@eveningtimes.co.uk

Derek Souter is delighted by consent approval

CRAFT BEER EVENT
Come and raise a glass to some of Scotland's finest craft beers.
CITATION, GLASGOW SUNDAY, MARCH 24, 2013 AT 12.30PM
Ticket price includes arrival drink, lunch and tasting
Reserve tickets on 0141 302 7407 or 0141 302 7319
TICKETS: £30 PER PERSON
The Herald sundayherald

NHS gavel gift has historic links with Africa

THE bicentenary of David Livingstone's birth was marked when his great-great grandson presented health bosses with a historic gavel.

It was carved from the wood of the tree where the heart of the medical missionary and explorer was buried after he died in Zambia in 1873.

Livingstone's descendant, Neil Wilson, presented it to the chairman of NHS Greater Glasgow and Clyde, Andrew Robertson.

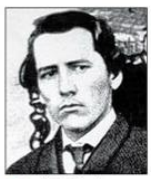
Mr Wilson, of Bearsden, is paediatric orthopaedic surgeon at the Royal Hospital for Sick Children at Yorkhill.

The gavel has a long connection with the health service in Glasgow. It was used by the NHS Executive Council for the City of Glasgow from the creation of the NHS in 1948 until 1974. It was then held in archives.

Mr Wilson said: "To have such a tangible link is a great reminder that the events of the past live on."

Mr Robertson said: "Following David Livingstone's death Florence Nightingale described him as 'the greatest man of the age' and it is indeed an honour to receive this gavel which will be put on display for our visitors to see.

"Given Livingstone's strong links to medicine in Glasgow, it is fitting for us to be responsible for the safekeeping of this most extraordinary of artefacts."



David Livingstone

Scotland
38 Thistle Street
Edinburgh EH2 1EN

Telephone
0131 225 9450
Facsimile
0131 225 9454

Textphone
020 7591 6255
Website
www.hlf.org.uk

heritage lottery fund

27 May 2015

Our Ref: HE-14-08261

Derek Souter
Director
Egyptian Halls Building Preservation Trust
26 Foundry Lane
Dundee
DD4 6AY

Dear Mr Souter

HE-14-08261 Egyptian Halls The preservation and return to commercial sustainability of this Grade A Listed architectural masterpiece

We have now completed our assessment of your application and it was presented for a decision by our Board of Trustees on 19 May 2015.

We have decided not to offer a first-round pass and development grant to your project. I know this will come as disappointing news to everyone who has been involved in developing it so far, and I have set out our reasons below.

- We have discussed the project with both Glasgow City Council and Historic Scotland. Our conclusion is that there is no realistic prospect of you receiving funding from either of those bodies, or from the Scottish Government, in the foreseeable future. The proposal submitted to us is therefore not viable.
- There are no partners or end users on board as occupants for the lower level of the building.
- The application provided very little information on what the proposed activities would be as part of the project, or what benefits might accrue to the local community.
- Both our Committee for Scotland and our Board of Trustees voted unanimously to reject the application.

As we expect strong competition for our funds to continue, we recommend that you should not consider reapplying to us for this project unless there are significant changes in the circumstances mentioned above.

July 2017 Scot Govt discounts a 1996 CPO Review and states the objective is to find a solution out with the CPO. But now a 2nd CPO is being requested? Open, Fair, Transparent- NOT!

Culture, Tourism and Major Events Directorate
David Seers, Head of Sponsorship and Funding

Scottish Government
Riaghaltas na h-Alba
gov.scot

T: 0131 244 0349
E: david.seers@gov.scot

Derek Souter BA Hons, MBA, FCIM
EHBPT Ltd, USI Ltd and USP Ltd
26 Foundry Lane
Dundee
DD4 6AY

Your ref:
Our ref: A18396707
7 July 2017

Dear Derek

Thank you for your letter dated 5 July, which Andrew Burke has forwarded to me.

As I mentioned when we met, Ms Hyslop had asked officials to meet with you in order to better understand the challenges around developing a way forward for Egyptian Halls. It was therefore very helpful to meet with you and Duncan last Friday to understand the issues better.

I think we are agreed that the financial gap in project funding is currently the most significant challenge to a solution for Egyptian Halls. I appreciate that you feel aggrieved at the lengthy delays and cost increases, and your letter helps to set out a number of the points you raised during our meeting. As discussed when we met, the Scottish Government has no locus to investigate the Council's use of CPO legislation. I think we were all agreed at the meeting that it would be preferable to find a solution that sets aside the question of the CPO but I do understand that for you it is an important part of the history of the case and the investment return.

As agreed at our meeting, Andrew and I will await the scheme plans, costs and development appraisals as well as a summary of community, cultural and educational benefits that would be delivered. I note also from your email of 5 July that in the interim, you plan to forward spreadsheets showing the 2016 Scheme Costs and the Investment by the owners 1998-2017.

Thank you again for last Friday's meeting.

Yours sincerely

DAVID SEERS
Head of Sponsorship and Funding

Victoria Quay, Edinburgh EH6 6QQ
www.gov.scot

Prima facie proof of GCC'S non-facilitated praise of USP Dec 2000 – 2018

Dec 1999 *EVIDENCE OF EFFECTIVE COLLABORATION THEREAFTER BETWEEN GCC AND USD/USP" Union Street Developments Ltd (USD) had now purchased the interests of Portfolio Holdings in the building and wished to enter into an agreement with the Council,* ***thus becoming the Council's new partner; and completion of the CPO and transfer of the property to USD would result in a single ownership being achieved for the ground and upper floors of the building, which would allow the objection to the CPO to be dropped, clearing the way for the repair of the building to proceed****. "After consideration, the sub-committee authorised the Director of Protective Services to enter into an agency agreement with Union Street Developments Ltd. DRS Prop Sub Committee, December 1999*

June 2004 GCC Econ Dev Report

• USD re-secured the grant funding from Historic Scotland, which had reduced the offer of grant for the scheme from **£990,000 to £250,000.**

• Union Street Properties negotiated the grant offered back up to £930,000 for the scheme.

• USD also brought about the withdrawal of the objection to the promulgation of the CPO by the upper-floor proprietor of the building."

Jan 2010 GCC acknowledges USP has reconciled **the 12 year title transfer impasse,** which GCC predicted Feb 1998 would only **" *delay the scheme for a few months".***

July 2010 GCC wrote to Culture Minister Hyslop as follows: "*As you may know, the Council has been working with USP Properties, the owners of the magnificent grade A listed Egyptian Halls building in Union Street, Glasgow, for many years in order to help them bring the building into a single ownership and, having achieved this, to bring forward suitable proposals for the refurbishment of the building for an appropriate productive use.****and the developer has committed very significant expenditure on bringing the building into a single ownership, on preparing a range of technical and conservation studies, and on completing both option and development appraisals for a variety of potential end uses.*** *We have now reached a very critical stage in these discussions whereby there is a clear, but very time-limited, opportunity to secure the development. The challenges to do so remain formidable. The Council is now extremely concerned that this development may not proceed for a number of reasons, including the likelihood that the failure to fill the current funding gap will almost certainly mean the prospect of securing the development in the foreseeable future would be lost."*

May 2013 *Dear Mr Souter, Thank you for your kind invitation to visit the Egyptian Halls. I have been kept fully informed of your progress* ***and am delighted that your team has now secured Planning Permission and Listed Building Consent as the next milestone in your plans to redevelop the building.*** *Officers from the Council have visited this building on many occasions, as have those from Historic Scotland****, and I have been briefed by them on the work you have done. Unfortunately, I'm unable to attend a tour at this point but I look forward to your team bringing the building back into a viable new use, which I'm sure, will complement Union Street and the surrounding area***. Councillor Gordon Matheson Leader of the Council, 22/05/2013

May 2015, Bailie Cameron in a letter to Shadow Culture Minister Baker ***"As the property recession took hold the project became unviable."*** **So GCC is highlighting this impact and is NOT blaming the Egyptian Halls owners.** Unlike now, a decade later, it's now alleging, based on discounting all evidence it's been provided, that it apparently does not the depth of files USP has to hand.

March 2018 GCC Scot on Sunday**: "And *it may be better – rather than returning to issues from the late 1990s – that the building owners join with us in a co-operative manner to ensure the preservation and regeneration of this historic building.* EIGHT years+ later, continuously offering this to GCC and will continue to do so until a scoped, funded and approved scheme is delivered after FOUR failed approved applications 1996-2013.**

Suppression of Key CPO Review Information- Distorts Valuation Reports 2016-2025

GCC to Culture Minister July 2010 As *you may know the Council has been working with USP Properties, the owners of the magnificent grade A listed Egyptian Halls building in Union Street Glasgow for many years in order to help them bring the building into a single ownership and, having achieved this, to bring forward suitable proposals for the refurbishment of the building for an appropriate productive use. - , and the developer has committed very significant expenditure on bringing the building into a single ownership, on preparing a range of technical and conservation studies, and in completing both option and development appraisals for a variety of potential end uses*.

GCC -DV2016 and 2019 (1)- March 1 4.1Valuation Methodology and Reasoning

In arriving at our opinion of value, I have carried out a number of development appraisals It should be noted my appraisals do not consider:

- ***Historic costs incurred by Owner in relation to the acquisition of the property or any holding, maintenance costs incurred since acquisition.***

- ***Any availability of any form of external funding over and above traditional developer finance. On this basis, National Lottery Heritage Fund or other grants potentially receivable from bodies such as Historic Environment Scotland or even GCC are excluded***

- ***Any effects on value potentially associated with the upper floors currently being in separate ownership to the ground and basement floors or any effects associated with the repair liabilities under Deed of Condition that appear to disproportionately burden the ground, basement floors (68.36% of the repair liability versus 32% of the current floor area).***
  (Jan 2018 now 100% and ZERO % respectively GCC briefed accordingly

What was the GCC rationale to issue these specific instructions? In the absence of any explanation from GCC it's assumed this was to suppress compensation. Which continues to gather momentum for the 2025 Report (and we assume also the 2024 Report)

GCC DV-July 2025 4.1 Valuation Methodology and Reasoning

The GCC instructions for non-consideration of per the above of a) ***"Historic costs incurred by the Owner"*** and b) "***Any effects on value potentially associated with the upper floors currently being in separate ownership to the ground and basement floors or any effects associated with the repair liabilities under Deed of Conditions*** were deleted

What was the GCC rationale to delete any reference to these specific instructions? In the absence of any explanation it's assumed this was to further suppress compensation

Again in the absence of any explanation from GCC. USP alleges this to be the essence of systemic, premeditated manipulation from an entity unable to accept the consequences of its errors and dysfunctionality coupled with the Scottish Govt that decides whether a 2nd CPO is to be confirmed! Institutional maladministration at both its most palpable and visceral!

Compensation/Valuation Summary

- **USP;** A compensation claim commensurate with its proven investment would be lodged for the Ground Floor, founded upon GCC's on record confirmation of USP's ***very significant expenditure o***n site development/acquisition-studies/reports. GCC has also admitted its CPO process could cause ***considerable delay***, and it ***understood USP's frustration.***

Non Adherence to RICS Standard Practice - Distorts Valuation Reports 2016-2025

3.3 Tenure *Owner's heritable interest subject to vacant possession. I understand that the ground and basement floors are owned by Union Street Properties Ltd (USP) while the upper floors are owned by Union Street Investments Ltd (USI). These are legally separate companies although they share the same directors and shareholders.* ***The building is covered by a historic Deed of Condition under which repair obligations are shared between the two ownerships. Under this arrangement, the ground floor and basement units are liable for 68.3% of any repair liability despite these units account for only c.32% of the total floor are***a (

GCC – DV using wrong Deed of Conditions Oct 2017 onwards

GCC NRS for the record had lobbied Summer 2017 based on the April 2017 Rates Revaluation for the fixed RV's for Ground Floors and Upper Floors to be amended to allow to float given GF Rateable values had decreased significantly and Upper Floors were unchanged. This would reduce the massive GF Repairs Deficit and reduce the Upper Floors surplus. This was agreed and an amended Deed of Conditions was drafted and GCC briefed prior to registration. Jan 2018 GCC NDR after assessing the Upper Floors for vacant Water Rates decided to combine the NINE separate Rateable Value entries into one combined ZERO % rating. So Repairs Apportionment it is now 100% G/Floor and ZERO % Upper Floors not 68.3% and 31.7% as per GCC's 2019 x 2 (2024?) and 2025 DV Reports.

RICS Standard Practice-EXTRACT from – https://www.rics.org/profession-standards/rics-standards-and-guidance/sector-standards/valuation-standards/red-book

How title deeds and the Red Book relate to repairs

- **Title deed investigation:** A key part of the valuation process is reviewing title documents, which can include details on who is responsible for what repairs.
- **Apportionment clarification:** For properties with a lease, the lease document is the primary source for determining repair responsibilities. The title deeds will also confirm the lease terms.
- A valuer will use these documents to understand if responsibility is shared or if one party is solely responsible for certain repairs.
- **Impact on value: The** extent and cost of repairs, and who is responsible for them, directly impacts the property's value. .
- **An RICS valuer will check title deeds and lease documents as part of the valuation process to identify any repair obligations.**
- **RICS Standard Practice NOT adhered to by the DV and GCC**

GCC DV-July 2025 4.1 Valuation Methodology and Reasoning

What was the GCC rationale to delete any reference to this specific NON instruction from 2016 and 2019 Reports?

- ***Any effects on value potentially associated with the upper floors currently being in separate ownership to the ground and basement floors or any effects associated with the repair liabilities under Deed of Condition that appear to disproportionately burden the ground, basement floors (68.36% of the repair liability versus 32% of the current floor area).***

Compensation/Valuation Summary

USI - A valuation £2-3M? claim for Upper Floors by applying the actual registered Deed of Conditions not the out of date version used by the DV that GCC were briefed had been used 1 hour after being provided the 9th July 2025 DV Report. Again in the absence of any explanation from GCC USP GCC continues to attempt to undervalue the development potential of the Egyptian Halls Upper Floors.