

NHS Greater Glasgow and Clyde	Paper No. 26/77
Meeting:	NHSGGC Board Meeting
Meeting Date:	25 June 2026
Title:	Disposal of West Glasgow Ambulatory Care Hospital Site
Sponsoring Director/Manager:	Tom Steele, Director of Strategic Infrastructure Planning and Delivery
Report Author:	Gordon Love, Head of Property and Asset Management

1. Introduction

Following the NHSGGC Board's approval in April 2026 (Paper No. 26/45) to progress disposal of the West Glasgow Ambulatory Care Hospital (WGACH) site via the open market, a further report was presented to the Finance, Planning and Performance Committee (FPPC) and was approved, with the recommendations accepted. This paper is now presented to the NHSGGC Board to provide an updated position on the disposal process and to support the next stage of decision-making.

The purpose of this report is to update the Board on the position considered by FPPC and to set out the key components of the proposed disposal process, including the following areas:

- Governance Arrangements
- Disposal Approach
- Marketing Approach
- Route to Market, Bid Evaluation and Timelines
- Compliance and Assurance

2. Background

The West Glasgow Ambulatory Care Hospital (WGACH), also known as Yorkhill Hospital, is being decommissioned following the relocation of services as part of the agreed programme.

Service migration from the site continues and is expected to be completed by the end of June 2026.

Subject to completion of service migration, decommissioning activities will commence immediately thereafter. These works will ensure that all vacated buildings are made safe, compliant, and suitable for transition into the next phase of the disposal process.

3. Governance Arrangements

The FPPC has considered the proposed governance route for future papers and decision-making and supported the approach whereby the Committee provides scrutiny, guidance and oversight of the disposal process, shaping emerging proposals for onward consideration by the NHSGGC Board.

Final decision-making authority will remain with the NHSGGC Board, including approval of the marketing and communications approach, disposal approach, evaluation methodology, selection of the preferred bidder, and the ultimate disposal recommendation.

4. Disposal Approach

This section sets out the proposed disposal approach for the WGACH site, including the planning context, professional advice received, pre-market readiness activity, and the rationale for progressing on a demolition-led basis.

Planning and Development Context for the WGACH Site

The Planning Statement, prepared by Glasgow City Council, provides a clear framework to support the redevelopment of the WGACH site, reducing planning risk and enhancing bidder confidence. It establishes a residential-led, mixed-use approach, while allowing sufficient flexibility for the market to determine the final development mix within defined parameters and enables NHSGGC to present the site to the market on a more informed and credible basis.

Professional Disposal and Marketing Advice

JLL were appointed as Property and Planning Adviser to NHSGGC through a competitive tender process and are supporting the disposal in accordance with the NHS Scotland Property Transactions Handbook. The work of JLL is complemented by additional support from the Scottish Futures Trust, strengthening the overall professional advice and assurance supporting the disposal process.

JLL Preferred Disposal Strategy

JLL has undertaken a detailed assessment of disposal options, including the retention of existing buildings versus pre-sale demolition. **The advice from JLL to optimise market interest is that progressing demolition in advance of, and alongside, marketing materially strengthens the overall disposal proposition.**

The principal commercial rationale from JLL's perspective is that retention of the existing buildings on the site would impose a significant abnormal development cost (estimated at c.£16m) on prospective purchasers. In current market conditions, this level of cost would be reflected through risk-adjusted deductions in bid values or could materially deter market participation altogether. JLL's assessment is that the retention of on-site buildings creates a credible risk of suppressed land values and, in a worst-case scenario, market failure.

In addition to the direct impact on marketability and value, retaining vacant buildings on site presents a range of operational, financial, reputational, and risk management challenges:

- Revenue Cost Pressures
- Health and Safety Risks
- Security and Vandalism
- Reputational Impact
- Community and Environmental Risks

Pre-Market Readiness and Enabling Actions

A demolition warrant has been secured and is now in place. In addition, confirmation has been received from the Scottish Government that funding support for demolition will be made available through ADEL.

The securing of both the demolition warrant and provisional funding commitment represents prudent enabling activity undertaken in advance of final Board approval of the preferred disposal and marketing strategy.

These enabling actions place NHSGGC in a stronger position to proceed promptly should the Board approve the demolition-led approach, while preserving the Board's final decision-making authority.

Demolition-led approach supported by FPPC and presented to the Board for approval

FPPC supported progression of a demolition-led approach, reflecting the professional advice received from JLL and the benefits set out above. The approach is now presented to the Board for approval on the basis that it would reduce holding risk, improve market confidence and support value realisation.

5. Marketing Approach

The marketing strategy will be designed to present the WGACH site as a clear, credible and deliverable development opportunity to the national developer market.

A comprehensive suite of high-quality marketing materials will be developed, supported by a digital data room providing full access to technical, legal, and planning information. Pre-marketing engagement with targeted parties will be undertaken to stimulate interest, test market appetite, and refine the approach, ensuring the development opportunity is well understood and that bidders are appropriately prepared for participation in the formal process.

6. Route to Market, Bid Evaluation and Timelines

The disposal will be progressed through a structured two-stage competitive tender process, designed to maximise competitive tension while allowing bidders to refine their proposals.

Following market launch, initial submissions will be assessed against agreed criteria to identify a shortlist of credible bidders. Shortlisted parties will then be invited to submit Best and Final Offers, supported by further clarification where required.

This approach will allow proposals to be refined and support the selection of a preferred bidder whose offer is financially robust, deliverable and aligned with NHSGGC's wider objectives for the site.

Assessment of Bids

Bids will be assessed against a pre-agreed weighted scoring framework. This will provide a consistent and evidence-based basis for evaluation, supporting compliance with the NHS Scotland Property Transactions Handbook and enabling NHSGGC to demonstrate how the preferred bid has been selected.

In line with Best Value requirements, assessment will not be based on headline price alone. The evaluation will also consider deliverability, planning risk, conditionality, funding certainty, bidder track record and the wider social, economic and regeneration benefits associated with each proposal.

- Deliverability and planning risk
- The level of conditionality within offers
- The bidder's track record in delivering comparable developments
- The wider economic, social and regeneration benefits

The weightings proposed for this disposal have been developed collaboratively with Scottish Futures Trust and JLL, drawing on relevant market and procurement experience. They are expressly designed to reflect NHSGGC's dual obligations: to secure an appropriate financial return from a significant public asset, while also delivering against the Board's Anchor Strategy commitments on Community Wealth Building, regeneration and wider social benefit.

The proposed weighting model has been developed with input from JLL and the Scottish Futures Trust and is considered proportionate to the scale, complexity and strategic significance of the site. It provides a clear basis for comparing bids across financial return, deliverability and wider public value, while maintaining an auditable decision-making process.

An indicative timeline for the disposal process is set out at Appendix 1 and is based on a demolition-led process. Revised timelines would require to be developed if the Board did not approve the demolition-led approach and instead supported retention of the existing buildings on site.

7. Public and Stakeholder Engagement

Public and stakeholder engagement has progressed in line with the approach previously reported to the Board and will now move into a second phase focused on closure communications, stakeholder engagement and legacy activity.

The purpose of this phase is to communicate the closure of WGACH clearly and sensitively, explain the next stage for the site, and recognise the building's longstanding contribution to healthcare in Glasgow and across Scotland. This will include external communications, internal messaging and a planned engagement event in late August, to capture memories, photographs and other materials that may inform future legacy outputs.

- **Core objectives:** to explain why the building is closing, provide accessible information on what will happen next in relation to the site and land, and demonstrate a thoughtful and respectful approach to closure by recognising the experiences of staff, patients and communities and helping shape an appropriate legacy.
- **Delivery model:** activity will be phased across July and August 2026, commencing in July with content development, including heritage-based case studies, photography and video assets, and the establishment of a public information point on NHSGGC channels.

Subject to operational readiness, the programme will culminate in a curated engagement event in late August 2026, led by the Patient Experience and Public Involvement Team with support from Communications, focused on celebrating the history of West Glasgow ACH and capturing stories, memories and materials that can inform future legacy outputs.

- **Primary audiences:** the wider public, local communities, former patients and families, current and former staff, partner organisations, media outlets and internal stakeholders.
- **Communications intent:** to balance clear factual messaging about closure and disposal with a positive and respectful narrative about the site's significance, reducing misunderstanding and supporting confidence in NHSGGC's handling of the closure.
- **Legacy and outcome:** the event and supporting content will create opportunities to gather memories, photographs and artefacts that may contribute to legacy products such as hoarding displays, exhibitions or a digital archive. Overall, the plan provides a coherent framework for communications, engagement and legacy activity that supports the orderly closure of the building, protects organisational reputation and demonstrates a considered and community-conscious approach to change.

8. Governance and Assurance

The disposal and engagement approach has been undertaken in line with NHSGGC's statutory duties in respect of public involvement and consultation, and in accordance with the principles set out within the NHS Scotland Property Transactions Handbook. The process has been designed to ensure that stakeholder views are appropriately captured, documented, and considered as part of the decision-making framework for the disposal of the site.

Engagement activity has been managed through established programme governance arrangements. Outputs from this work will be reflected in the disposal strategy and supporting decision papers, ensuring stakeholder feedback is considered as part of the future use and disposal process.

9. Conclusion

The WGACH Site represents a significant and high-profile development opportunity, and its disposal requires a structured, market-informed approach to maximise value and ensure deliverability. The preparatory work undertaken to date including planning alignment, engagement activity, and an evolving disposal approach has reduced risk and positioned the site as a potentially attractive and viable opportunity for the development market.

10. Recommendations

- Note that the Finance, Planning and Performance Committee has considered this approach and supported the recommendations set out below.
- Approve the proposed governance arrangements for the disposal process, including the respective roles of FPPC and the NHSGGC Board.
- Approve the demolition-led disposal approach, as recommended by JLL, on the basis that it strengthens marketability, improves value and reduces risk.
- Approve further engagement with the Scottish Government to confirm full funding support for the demolition works.
- Approve the proposed disposal strategy, including the evaluation framework and marketing approach.
- Approve the communications and engagement approach, including proposed legacy activity, to accompany closure of the building and transition of the site.
- Note that ongoing progress reports will continue to be provided through FPPC and the Board as the disposal process progresses.

11. Response Required

The Board is asked to **approve** the recommendations set out above to enable NHSGGC to progress the next stage of the WGACH disposal process.

12. Impact Assessment

The impact of this paper on NHSGGC's corporate aims, approach to equality and diversity, and environmental impact are assessed as follows:

- | | |
|-----------------------------------|-------------------------------|
| • Better Health | <u>Positive</u> impact |
| • Better Care | <u>Positive</u> impact |
| • Better Value | <u>Positive</u> impact |
| • Better Workplace | <u>Positive</u> impact |
| • Equality & Diversity | <u>Neutral</u> impact |
| • Environment | <u>Positive</u> impact |

13. Engagement & Communications

The disposal process will involve continuous engagement with internal and external stakeholders to ensure transparency and compliance with the respective NHS Scotland Property Transactions Handbook and Board governance requirements.

Regular communications will be shared within the Board and as part of the marketing campaign.

14. Governance Route

This paper has been previously considered by the following groups as part of its development:

- WGACH Project Board
- Finance, Planning and Performance Committee
- NHSGGC Board Meeting

15. Date Prepared & Issued

Date Prepared: 10 June 2026

Date Issued: 17 June 2026

APPENDIX 1

Phase	Timing (Indicative)	Key Activities	Governance / Decision Points	Key Considerations / Risks
1. Pre-Marketing & Preparation	Started – Summer 2026	Pre-sale diligence; preparation of marketing materials and data room; early market engagement; commissioning marketing approach; finalisation of Glasgow City Council Planning Framework	FPPC scrutiny and Board approval	Dependency on planning framework; quality of data room; importance of early market engagement
2. Marketing & Market Engagement	Autumn 2026	Marketing launch; bidder engagement; technical clarification; data room management; closing date for bids	FPPC scrutiny and Board approval	Strength of market response; adequacy of marketing period; maintaining competition
3. Evaluation & Negotiation	Late Autumn 2026 – Winter 2026	Evaluation of bids; post-closing negotiations; refinement of offers	FPPC scrutiny and Board approval	Risk of prolonged negotiations; managing conditional bids; ensuring robust evaluation
4. Preferred Bidder & Approvals	Winter 2026 – Early 2027	Appointment of preferred bidder; confirmation of disposal structure.	FPPC scrutiny and Board approval	Alignment with planning and financial objectives; impact of conditionality
5. Demolition (if approved)	Autumn/Winter 2026	Demolition of site funded by Scottish Government	Board approval	Coordination with disposal; delivery risks on site clearance
6. Legal Process	2027 – 2028	Legal negotiations; Section 75 agreement; purification of conditions	FPPC scrutiny and Board approval	Complexity of legal agreements; potential delays
7. Settlement & Financial Receipt	2027 – 2028	Settlement and receipt of capital proceeds	FPPC scrutiny and Board approval	Timing dependent on conditions; risk of delayed receipt