

**ANGUS COUNCIL**

**ANGUS COUNCIL – 23 MARCH 2017**

**COMMUNITY ASSET TRANSFER UPDATE**

**REPORT BY HEAD OF PLANNING AND PLACE**

**ABSTRACT**

This report advises the Council of the current position in relation to applications received for Community Asset Transfer.

**1. RECOMMENDATIONS**

It is recommended that the Council:-

- notes the outcomes and progress of asset transfer applications received to date.
- approves the asset transfer applications for Carnoustie Allotment Association and Forfar Men's shed as detailed below.

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT**

This report contributes to the following local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Angus is a good place to live in, work in and visit
- Our communities are safe, secure and vibrant
- Individuals are supported in their own communities with good quality services
- We have improved the health and wellbeing of our people and inequalities are reduced
- Our built and natural environment is protected and enjoyed

**3. BACKGROUND**

**3.1** Reference is made to Report No. 622/12 – Community Asset Transfer Policy, Report No. 525/13 – Update Community Asset Transfer Policy and Report No. 210/15 Community Asset transfer update and 395/16 Community Asset Transfer Update.

**3.2** Following the approval of a community asset transfer policy in November 2012, the Council established a Community Asset Transfer Group (CATG). The group meets on a monthly basis in order to assess applications.

**3.3** Community Asset Transfer is a demanding application process that requires the community group to submit a detailed business plan, cash flow projections, proposed capital spend, funding requirements and details on how the proposed asset transfer will benefit the community. The CATG assesses and scores these applications against the 12 local outcomes in the Single Outcome Agreement and a best consideration evaluation matrix. This takes into account the validation of the asset, community benefits, any levered capital investment such as external grant funding, savings to the Council arising from the transfer and surpluses arising from the added value activities reinvested in the community. This determines the discount, if any, that can be applied to the asset value. Recommendations made by the CATG on applications are subject to Committee approval.

**4. CURRENT POSITION**

**4.1** Since adoption of the asset transfer policy, a total of 17 Stage 1 applications have been reviewed and submitted by the CTAG. To date 12 of these have been advanced to Stage 2. 7 applications for transfer have been approved by the Communities Committee whilst the rest of the projects are

in the development phase. Details of these applications are listed in **Appendix 1**.

**4.2** A further update to the community asset transfer policy was agreed in March 2015 where new applications for asset transfer are based on new developments. In this case the asset transfer will solely be offered on the basis of a long term ground lease. In addition to this, the council's policy on requests for staged payment requests was further set out and outlined that legal transfer of the asset would not take place until the full payment has been received.

**4.3** In January 2017, new guidance was published in terms of the Community Empowerment (Scotland) Act 2015. A review of the Council's Community Asset Transfer policy and procedures is now underway to ensure compliance with the guidance and will be reported to Council following the local government elections.

## **5. PROPOSAL**

### **5.1 Carnoustie Allotment Association (CAA) - 99 Year Lease**

**5.1.1** The Carnoustie Allotments Association has leased the allotment site at Maule Street Carnoustie since 2007 at a reduced rental of £420 (from £600) per annum. The site consists of 34 Plots and they currently have a waiting list of 29.

- The association wish to extend the lease for a period of 99 years at a peppercorn rental to have security of tenure for the community for the purposes of allotments, reducing the Carnoustie carbon footprint, encouraging fresh air and exercise, enthusing younger members of the community to 'grow their own', and reduce food miles.
- A long term lease will give the CAA the freedom to modify rules, and make site changes as necessary as the site continues to evolve.
- The burden of responsibility for ultimate site management as landlord is lifted from Angus Council.
- The cost and time of raising the annual invoice and processing the payment is lifted from Angus Council.

**5.1.2** In assessing the proposal against the policy and its positive contribution towards local outcomes, the CATG is of the opinion that this proposal will bring benefits to the local community and the transfer of the asset will enable the leverage of external funding into Angus. The CATG has recommended that the group is offered a discount of 78% (on the full £600 lease) which takes into account the social and economic benefits this community asset transfer will bring to the regeneration and sustainability of the area. This will result in the group paying £132.00 per annum. Approval will be subject to consent from the Scottish Ministers, if required, in terms of s12 of the Housing (Scotland) Act 1987, as the total value of the lease for the site over a period 99 years would be £59,400 which is over the presumed consent level of £10,000.

### **5.2 Forfar and District Men's Shed – 25 year Lease**

**5.2.1** The Forfar Men's Shed group are currently leasing a site at Lochside Road, Forfar for 5 years for £1 per annum (at a discounted rate from the full value of £607.53 per annum). The site consists of 7 Council Garages which are on the Housing Revenue Account.

**5.2.2** The group wish to extend their current lease to a 25 year lease to allow them to work towards their aspiration of purpose built premises conducive to the group's needs. It would allow them to expand and to be more present in the community. In order for them to be in a position to attract external funding, they require their lease to be at least 25 years.

**5.2.3** In assessing the proposal against the policy and its positive contribution to local outcomes, the CATG is of the opinion that this proposal will bring benefits to the local community and the transfer of the asset will enable the leverage of external funding into Angus. The CATG has recommended that the group is offered a discount of 61% (on the full £607.53 lease) which takes into account the social and economic benefits this community asset transfer will bring to the regeneration and sustainability of the area. This will mean that the group will pay £237.00 per annum. Approval will be subject to consent from the Scottish Ministers, if required, in terms of s12 of the Housing (Scotland) Act 1987, as the value of the lease for the site over a period 25 years would be £15,188.25 which is over the presumed consent level of £10,000.

## 6. FINANCIAL IMPLICATIONS

Approved community asset transfers at less than open market rent or capital receipt levels reduce revenue and capital income to Angus Council, although the Council's maintenance responsibility and associated expenditure is removed.

In terms of the Disposal of Land by Local Authorities (Scotland) Regulations 2010, the council can dispose of a property at less than the best value which could be achieved, by considering and comparing the benefits and dis-benefits of the proposal. The council must satisfy itself that the reduction is considered reasonable and that it is likely to contribute to economic development or regeneration, health, social wellbeing or environmental wellbeing. It is considered that these proposals contribute to the health and social wellbeing of the local community and the transfer supports individuals in their own communities with good quality services.

## 7. RISKS

The following are risks for consideration:-

- Community groups may be unsuccessful in funding applications
- The community group may not develop its activities as outlined in its proposals

## 8. EQUALITIES

The issues dealt with in this report have been the subject of consideration from an equalities perspective. An equalities impact assessment is not required.

**NOTE:** The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Report 622/12 – Community Asset Transfer Policy
- Report 525/13 – Update Community Asset Transfer Policy
- Report 210/15 Community Asset transfer update.
- Report 395/16 – Community Asset Transfer update

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## Appendix 1 – Applications

Name of Applicant	Name of Asset	Date of delegated approval or outcome	Status
Tealing Hall Management Committee	Tealing Village Hall	12/12/2012	Transfer completed. Handover of keys to Hall Committee in November 2014.
Muirhead and Birkhill Bowling Club	Land at Bowling Club	15/12/2012	Transfer approved by committee in August 2014. Legal and finance arrangements in place.
Newtyle and Eassie playgroup	Newtyle Pavillion	10/12/2012	Application withdrawn
Friockheim Community Hub Ltd	Eastgate School	09/03/2013	Transfer approved by Committee in March 2016. Legal and finance arrangements in place.
Cliffburn and Hayshead Development Trust	Seaton Park	19/07/13	Development phase. Transfer agreed by committee in November 2014. Planning application submitted. Funding applications in hand and waiting to hear from Environmental Health .
Montrose Playhouse	Montrose Swimming Pool	18/11/2013	Property went back on Market and was sold to the group
Muirhead Birkhill Millenium Hall	Birkhill Park	19/05/2014	Transfer Approved by committee – Awaiting information from club
Carnoustie Panmure Football Club	Pitskelly Park synthetic pitch	19/05/14	Transfer agreed. Funding in place. Legal arrangements complete.
Arbroath Vics	Ogilvy Park	22/05/2013	Transfer agreed by committee in March 2015. Negotiations for first payment underway.
Monifieth Community Resource group	Invertay House and grounds	August 2016	Development stage
Birkhill Park Millennium Land. Group	Car park and close adjacent area	September 2016	Development phase. Funding in place. Legal arrangements in hand.
Forfar and District mans shed	Lochside road lock ups	December 2016	Application submitted.
Brechin City Band	21 City Road	December 2015	Application has been rejected and premises will be demolished
Carnoustie Allotment Association	Maul Street allotments	August 2016	Application re-submitted for 99 year lease and approval recommended.
Arbroath Garden Allotment association	Brechin road Allotments	August 2016	Application submitted. Meeting arranged
Tayside Council on Alcohol	Den House, Kirriemuir	December 2016	Development phase – meeting being arranged
Angus Creative Practitioners	The Cross, Forfar	March 2016	Pre application submitted.- meeting arranged
Kirriemuir and Dean Area Partnership	Fairlie House, Kirriemuir	March 2016	Pre application submitted – meeting arranged.