## **AGENDA ITEM NO 8**

**REPORT NO 395/16** 

## **ANGUS COUNCIL**

## **COMMUNITIES COMMITTEE - 15 NOVEMBER 2016**

## **COMMUNITY ASSET TRANSFER UPDATE**

### REPORT BY HEAD OF PLANNING AND PLACE

### **ABSTRACT**

This report advises the Committee of the current position in relation to applications received for Community Asset Transfer and advises of the proposed transfer of land at Coupar Angus Road, Birkhill to the Muirhead and Birkhill Millenium Hall Management Committee.

## 1. RECOMMENDATIONS

It is recommended that the Committee

- (i) approves the transfer of land at Millenium and Birkhill Hall, Coupar Angus Road, Birkhill, detailed on the plan attached at **Appendix 2**, to the Millenium and Birkhill Hall Management Committee on the basis of a 99 year lease for £300.00 per annum.
- (ii) notes the outcomes and progress of asset transfer applications received to date.

# 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.
- **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. Stage 1 of the transfer process determines the suitability of the proposal. Where successful, the CATG has delegated approval to pass applications to Stage 2.
- 3.3 Stage 2 is a more demanding application 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 Council's 12 local outcomes 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 Stage 2 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.

# 5. PROPOSAL

# 5.1 Land at Muirhead and Birkhill Millenium Hall, Coupar Angus Road, Birkhill.

- The Muirhead and Birkhill Millenium Hall is built within land of approximately 0.26 hectares, located on the Coupar Angus Road, Birkhill. A stage one application for asset transfer of the land was submitted in May 2014 and was approved by the CATG for progression to Stage 2 thereafter. In 1998 a management committee was created to fund raise for and provide a community hall. A deed of trust and constitution was signed in 2001 that leased the land from Angus Council and Birkhill Millenium Hall was opened in 2002 and is wholly owned by the community. It has an established committee of long serving volunteers who have developed the facility over the years. The Hall provides local accommodation space for over 20 community groups and hosts the Angus Council Community Care staff. The group has independently maintained the financial viability of the hall through fund raising events and hall lets.
- Whilst the facility is fit for purpose for the community's current needs, the management committee wish to make a number of improvements that have been highlighted during community consultation events. These improvements will contribute to the Hall's sustainable future by ensuring its ability to provide fit for purpose accommodation and services for its current hall lets as well as attract new users. To be eligible for grants in the range of £50,000 for the improvements which include a new eco boiler system, insulation, new lighting and upgrading of the car park, funders are reasonably expecting the group to have a long term lease that reflects the management committee's commitment to and security of the land on which the property sits
- 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 75% which takes into account the social and economic benefits this community asset transfer will bring to the regeneration and sustainability of the area.

## 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 which can be achieved by considering and comparing the befits and disbenefits of the proposal. The council mist satisfy itself that the reduction is considered reasonable and that it is likely to contribute to either 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.

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Appendix 1 - Applications

| Appendix 1 – Applica                           | ations                            |                                       |   |
|--|-----------------------------------|---------------------------------------|---|
| Name of Applicant                              | Name of Asset                     | Date of delegated approval or outcome | Status  |
| Tealing Hall<br>Management<br>Committee        | Tealing Village Hall              | 12/12/2012                            | Transfer completed.<br>Handover of keys to<br>Hall Committee in<br>November 2014.   |
| Muirhead and Birkhill<br>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                            | Transfer agreed by committee in January 2014. Development of project underway.  |
| Friockheim<br>Community Hub Ltd                | Eastgate School                   | 09/03/2013                            | Transfer approved by Committee by committee in Mrach 2016. Legal and finance arrangements in place.                                     |
| Cliffburn and<br>Hayshead<br>Development Trust | Seaton Park                       | 19/07/13                              | Stage 2 development phase. Transfer agreed by committee in November 2014. Planning application submitted. Funding applications in hand. |
| Montrose Playhouse                             | Montrose Swimming<br>Pool         | 18/11/2013                            | Stage 2 development phase. Discussion re state aid may mean this asset comes out of the CAT process.                                    |
| Muirhead Birkhill<br>Millenium Hall            | Birkhill Park                     | 19/05/2014                            | Stage 2 submitted.  |
| Carnoustie Panmure<br>Football Club            | Pitskelly Park<br>synthetic pitch | 19/05/14                              | Stage 2 development phase. Funding in place. Legal arrangements in hand.  |
| Arbroath Vics                                  | Ogilvy Park                       | 22/05/2013                            | Transfer agreed by committee in March 2015.   |
| Newtyle United                                 | Newtyle Park, North               | 4/8/2016 (approval to                 | Stage 2 development   |
| Youth Football Club                            | Street                            | move to Stage 2)<br>4/8/2016 2016     | phase.  |
| Monifieth Centre<br>Resource Group             | Invertay House                    | (approval to move to Stage 2)         | Stage 2 development phase.  |
| Kirriemuir and Dean                            | Fairlie House                     | 4/8/2016 2016                         | Stage 2 development   |
| Area Partnership                               |                                   | (approval for stage 2)                | phase.  |