

ANGUS COUNCIL

COMMUNITIES COMMITTEE - 26 MAY 2015

COMMUNITY ASSET TRANSFER

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 Pitskelly Park and changing rooms to Carnoustie Panmure Football Club and the proposed transfer of Montrose Swimming Pool and car park to the Montrose Playhouse Project.

1. RECOMMENDATIONS

It is recommended that Committee:

- (i) approves the lease of land at Pitskelly Park and changing rooms on the basis of a 99 year lease for £1 per annum
- (ii) approves the lease of land at Montrose Swimming pool on the basis of a 99 year lease for £1 per annum.
- (ii) notes the outcome and progress for asset transfer applications received to date.

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

This report contributes to all of the outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016.

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, Report No 32/14 - Community Asset Transfer of Newtyle Pavilion and Report No. 108 /15 – Community 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 One of the transfer process determines the suitability of the proposal and where successful, the CATG has delegated approval to pass applications for progression to Stage Two.
- 3.3 Stage Two 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 valuation of the asset, community benefits, 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 submitted to Committee for approval.

4. CURRENT POSITION

- 4.1. Since adoption of the asset transfer policy, a total of 12 Stage One applications have been submitted and reviewed by the CATG. To date 6 of these have been advanced to Stage Two. Five applications for transfer have been approved by the Committee whilst the remainder of 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. PROPOSALS

- 5.1 **Pitskelly Park & Changing Rooms:** Panmure Football club wish to lease the all-weather pitches at Pitskelly and the adjoining building used as changing rooms for a term of 99 years for a nominal fee. The club would like the option to purchase the facilities in the future. The proposal is for the club to upgrade the all-weather surface to include a 3G surface with shock pad as they consider that the current surface is not compatible or suitable for the teams now playing there.
- 5.2 **Carnoustie Panmure Football club:** Carnoustie Panmure Football Club (SCIO) is a Community Sports Club and registered Scottish Charity. The Community Club was formed with assistance from the Scottish FA Club Development Team to provide a Player Pathway and to enhance Sports Facilities in the area. The community club has been formed from four member clubs that have a proven track record of managing a portfolio of property leased from Angus Council. These properties include Pitskelly, Laing, and Carlogie Parks and a share of Riverside Park. The club currently has 22 teams with almost 500 players aged 5 to 45 and if the application for asset transfer is successful they intend to increase that age upwards to include an Over 35's team & Walking Football. With new, more secure facilities they also aim to lower the minimum age to 3 years. Currently the club use the pitches on a pay per play basis.
- 5.3 The club has been active in making applications for external grant funding and were recently advised by the Scottish Football Partnership Trust that their application for £20,000 had been agreed in principle, subject to written confirmation that their application for asset transfer of the pitch and the changing rooms had been successful and on providing a full funding profile. In addition to upgrading the playing surface, the club wish to expand their activities and have undertaken their own community consultation which demonstrated overwhelming support for their proposals. As a result of this survey, the club plans to introduce walking football for pensioners and expand the use of the facility during the day. The club reports that trials at the Leisure Centre have proved successful and the club has applied to Mars via the SFA for start-up funding.

Other planned activities include:

- Midnight League for teenagers as a crime reduction measure and over 35s football to encourage over 35s to keep fit.
- Mini kickers: The community club's current facilities allow for 6 yrs.+ but with the upgraded facility they plan to extend to 4yrs + with short sessions as part of their Academy set up. By utilising the upgraded facility it would provide for a secure environment for our 4 – 9 yr. old groups.
- Disabled and Respite: The club currently has ten coaches with a qualification for coaching players with disabilities. They are currently looking at options for the provision of sessions for disabled groups, but are unable to start this option until they have a safe location to run the activities.

- 5.4 The requested transfer has been assessed by the CATG in accordance with the policy and has been agreed as suitable. This is the sixth proposed Asset Transfer in Angus and Committee is asked to agree to this transfer.

- 5.5 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 transfer of the asset under a long term lease will enable the leverage of significant external funding into Angus which will also lead to the enhancement of the facilities. The club has already secured funding in principle (subject to a successful asset transfer) and is awaiting the outcome of an application of £57,000 from Sports Scotland. The CATG has recommended that the Club is offered a discounted annual rent of £1 for 99 years which takes into account the social and economic benefits this community asset transfer will bring to the regeneration of the area, in accordance with the Disposal of Land By Local Authorities (Scotland) Regulations 2010.
6. **Montrose Swimming Pool:** The former Montrose Swimming Pool and associated car park is located to east end of the Mall, a short distance from the junction of North Street in Montrose. The building has been vacant since the opening of the Montrose Sports Centre, and was declared surplus by the Council in January 2013 (Reference: 68/13). At that time the site was considered for affordable housing but the estimated high cost of clearing the site exceeded the value of the site and this option was discounted. The building was marketed for sale thereafter but no offers were received and in October 2013 a stage one application for community asset transfer was submitted by Montrose Playhouse Project. The application was assessed and approval was given to proceed to Stage 2. This was subsequently submitted in September 2014.
- 6.1 Montrose Playhouse Project SCIO (Scottish Charity Incorporated Organisation) is made up of local volunteers. Their ambitious project is to develop a brand new 4 screen digital cinema and cultural arts hub for the benefit of Montrose and the surrounding area. As well as the cinema screens the project, The Playhouse would house multi-purpose rooms, a café bar and studio and gallery spaces for community and youth activities.
- 6.2 A number of community consultations have been carried out by the organisation, and support for the cinema has been illustrated through Facebook activity with 4000 'likes' for this type of facility, over 1000 responses to an online survey and overwhelming support from local school pupils. The Project has been active in applying for and attracting external grant funding. Initial start up funding was awarded by First Port and the National Lottery Investing in Ideas which has enabled the Project to set up the SCIO, employ a specialist Cinema consultant and establish a website: www.montroseplayhouse.co.uk.
- 6.3 Planning permission to alter the existing building was granted in May 2014 (ref: 214/14). However, the Project is now focussed on a new build cinema which would allow for better use of the footprint of the site in order to develop a wider range of facilities for community use, a further planning application will be submitted. Costs have been estimated at £4.4million which will need to be raised through Big Funding and Social Investment. Discussions are currently taking place with First Port, the Big Lottery and Creative Scotland. Profits from the facility would be used to improve the facility and re-invest in the wider community by way of a Trust Fund which local groups could apply to for grants in line with the Project's charitable purposes.
- 6.4 The requested transfer has been assessed by the CATG in accordance with the policy and has been agreed as suitable. This is the seventh proposed transfer in Angus and the Committee is asked to agree this transfer. Montrose Playhouse Project wishes to purchase the land or enter into a long lease for a nominal fee while they develop the playhouse..
- 6.5 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 significant benefits to the local community and transfer of the asset will enable the leverage of considerable external funding into Angus which is likely to exceed £4 million. The CATG has recommended that the group is offered a long term lease of the land to the group at £1 per annum for 99 years, which takes into account the wide social and economic benefits this community asset transfer will bring to the regeneration of the area in accordance with the Disposal of Land By Local Authorities (Scotland) Regulations 2010. Thereafter, on completion of the development, if the group applies to have the land transferred to it, consideration will be given to the full transfer of the land to the group subject to full technical and legal terms and conditions. This will allow the Council to ensure that the development is completed prior to a full transfer of ownership of the land.

6. FINANCIAL IMPLICATIONS

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

However, in terms of the 2010 Regulations, the Council can dispose of a property at less than the best which can be achieved by considering and comparing the benefits and disbenefits 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. PROPERTY IMPLICATIONS

Asset transfers may not achieve market value, which will affect the capital receipts or rental income received by Angus Council. This will result in reduced capital receipts and no rental payment to the Council. Transferring the asset will enable the leverage of external funding into Angus.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

REPORT AUTHOR: VIVIEN SMITH

EMAIL DETAILS: CommunitiesBusinessSupport@angus.gov.uk

List of Appendices:

Appendix 1 – Applications

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 & Birkhill Bowling club	Land at bowling club	15/12/2012	Transfer approved by committee August 2014. Legal and financial arrangement in place
Newtyle & Eassie Playgroup	Newtyle Pavilion	10/12/2012	Development of project underway. Transfer agreed by committee in January 2014.
Friockheim Community Hub Ltd	Eastgate School	09/03/2013	Stage 2 submitted and under consideration. Application for grant funding under consideration by Lottery Fund. Planning application submitted.
Cliffburn & Hayshead community development trust	Seaton Park	19/07/2013	Stage 2 submitted on 22 May 2014. Funding applications in hand. Transfer agreed by committee in November 2014. Award of funding to cover fees for planning agreed by Robertson Trust
Montrose Playhouse	Montrose Swimming Pool	18/11/2013	Stage 2 submitted
Muirhead Birkhill Millennium Hall	Birkhill Park	19/05/2014	Stage 2 development phase.
Carnoustie Panmure Football Club	Pitskelly Park Synthetic football pitch and changing rooms	19/05/ 2014	Stage 2 application submitted.
Arbroath Vics	Ogilvy Park	22/05/2013	Transfer agreed by committee in March 2015.