

Agenda Item	<b>13</b>
Report No	<b>EDI 48/19</b>

## HIGHLAND COUNCIL

**Committee:** Environment, Development and Infrastructure

**Date:** 15 August 2019

**Report Title:** **Community Asset Transfer Requests**

**Report By:** Acting Head of Policy

### 1. **Purpose/Executive Summary**

- 1.1 The Community Empowerment Act introduces a right for community bodies to request to own, lease or use public sector assets through a process known as Community Asset Transfer. Once a formal request is submitted, Local Authorities have 6 months to assess the application against a range of community benefits and determine where to grant the request.
- 1.2 This report asks members to consider and agree recommendations on community asset transfer (CAT) requests that have been received and assessed over the previous 6 months. Following assessment it seeks approval from Members for the sale of land to Strathnaver Museum in Bettyhill and to Spean Bridge SCIO and to the lease of land to Cromarty Development Trust and to Ormlie Community Association in Thurso. It recommends refusal of an application from Dingwall Men's Shed for the lease of land in Dingwall.

### 2. **Recommendations**

- 2.1 Members are asked to **agree** the following community asset transfer requests:
- i. The **sale** of land at **Clachan Graveyard Extension, Bettyhill to Strathnaver Museum** for £1. The terms of the transfer would include:
    - Strathnaver Museum pay all reasonably incurred property and legal costs associated with the asset transfer process.
    - The annex must be fenced off from the burial ground extension, to a specification approved by the Councils Bereavement Services Manager.
    - Access to the annex must be via the existing access point located at the metal gate from existing burial ground.
    - New wooden gates be installed at the burial ground car park, to ensure visitors to the museum do not park in the burial ground extension.
    - Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3<sup>rd</sup> Party access rights, etc.). The council

- may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
- Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.
- ii. The **lease** of land at **Whitedykes Industrial Estate, Cromarty to Cromarty Community Development Trust** for £1 per annum. The terms of the transfer would include:
- Evidence of planning approval for the proposed development.
  - CCDT pay all reasonably incurred property and legal costs associated with the asset transfer process.
  - Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3rd Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
  - Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.
- iii. The **lease** of **Ormlie Community Centre to Ormlie Community Association Ltd** for £1 per annum. The terms of the transfer would include-
- Ormlie Community Association pay all reasonably incurred property and legal costs associated with the asset transfer process.
  - The premises will be for community use only.
  - The lease will be on a Full Repairing and Insuring basis (the tenant will be responsible for maintenance and insurance).
  - Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3rd Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
  - Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.
- iv. The **sale** of the land **Spean Bridge Community Centre is built on to Spean Bridge Community Centre SCIO** for £1. The terms of the transfer would include-
- Spean Bridge Community Centre SCIO pay all reasonably incurred property and legal costs associated with the asset transfer process.
  - Approval of transfer by Scottish Ministers and/or tenant consultation, if required as part of the disposal procedure for an asset in the Housing Revenue Account.
  - Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3rd Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
  - Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.

2.2 Members are asked to **refuse** the following community asset transfer request-

The lease of **Unit 4b, Docharty Rd, Dingwall to Dingwall Men's Shed**. The request would impact on current plans for its use, which are intended to generate revenue savings for the Council and impact on the Council's ability to deliver its statutory duties for archive management.

### 3. Implications

3.1 Resource: The recommendations, if agreed, would mean the Council foregoes a potential capital receipt or lease payment if an open market sale/lease was achieved of:

- £1k para 4.1,
- £9k pa lease para 5.1,
- £9k pa para 6.1,
- £20k para 7.1

In addition, the proposal in section 8 would have a £5.4k impact if Members agreed the CAT.

3.2 Legal: The CAT process is a legislative process set out in the Community Empowerment Act. Public bodies have the right to refuse a CAT application however community bodies have the right of review first to the public body and then to appeal to Scottish Ministers.

3.3 Community (Equality, Poverty and Rural): Demonstrating community support for the proposed CAT is a crucial element to each asset transfer request. This is set out in each of the CAT assessments below. There are not considered to be any adverse implications of the current CATs.

3.4 Climate Change / Carbon Clever- There are not considered to be any implications.

3.5 Risk: although each assessment considers sustainability, there are risks that any group could fail in the future or choose to dispose of the transferred asset. The economic burden contained within the terms of transfer help to protect the Council against this and the Community Empowerment Act provides a clause which sets out how dissolution should be dealt with to ensure any transferred asset remains in community hands for the benefit of the community in the circumstances of any organisation ceasing to exist.

3.6 Gaelic: There are not considered to be any implications.

### 4. Community Asset Transfer of Clachan Graveyard Extension, Bettyhill to Strathnaver Museum

#### 4.1 Background:

Strathnaver Museum (SM) requests **ownership** of an area of land comprising part of the burial ground extension at Clachan Cemetery, Bettyhill for **£1**. This land has not been used for internments and is valued at **£1,000**. This is SM's second CAT request to THC, following recent approval to transfer the Bettyhill Visitor Centre / café at EDI in May. Acquisition of both assets forms part of the Museum's plans to increase its revenue generation potential, and to become more financially self-sustaining. A proposed museum annex on the site would form part of broader renovation plans, to expand the museum's offering and improve income generation opportunities through additional activities and retailing. This is intended to ensure the museum is more able to sustain itself financially.

## 4.2 **Assessment of CAT**

4.2.1 **Community benefit** is well demonstrated by the Museum, in terms of sustaining and enhancing its operation as a cultural heritage and community 'hub'. Approval of the CAT request would allow additional activities to be delivered locally, of benefit to those who may otherwise experience loneliness and social isolation in a remote, rural community. Local educational opportunities would also be enhanced by development of additional museum space, with support from the Head Teacher of the "North Coast Campus" combined school. Projected increases to visitor numbers are also presented as benefiting the local tourist economy, as the Museum seeks to capitalise on its promotion as a collection of international significance. With regard to these prospective benefits, approval of transfer is likely to represent value for money.

4.2.2 A clear network of national and local support has been well evidenced by SM's approach, attesting to both its vision and **capacity to deliver** cultural services. Whilst SM has not evidenced experience with capital development projects, it has demonstrated a strong track record in partnership working, project fundraising and securing appropriate professional services and support, as required.

4.2.3 The importance of **community support** is clearly considered and well demonstrated as part of SM's proposal. Community consultation has informed development of SM's refurbishment plans, confidence in which is attested to by a notable volume of letters of support from a range of local and national partners. Summaries of the Museum's activities and project partnerships from recent years indicate that it is not simply a museum building but has a vision to be a hub for community activity, more generally, often in collaboration with other organisations.

4.2.4 SM is regarded by Museums Galleries Scotland as aligning closely to National Strategic Objectives of fostering **sustainability** into the future. This judgement is based on SM's proposed activity programme, as well as the proposed refurbishment, which includes the land requested through asset transfer. Financial forecasting as part of SM's business plan suggests that once developed, the asset can be made self-sustainable from additional revenue generated by the Museum's admissions fees and retailing. Governance and financial planning are therefore regarded as strong and sustainable.

4.2.5 **Resourcing** of SM's operations currently depends on external funders, including support from HLH. However, SM has provided well evidenced plans for resourcing its proposed developments, including detailed cost estimates by a quantity surveyor. Whilst plausible plans are in place to seek grant aid to finance development, the viability of the proposed capital project will depend on securing large amounts from two key funders (Lottery, National Heritage). However, should the project proceed, a plausible forecast for operating profit has been evidenced by the museum. This would see the Museum become more self-sustaining in future.

4.2.6 Given the low market value of the land in question and support for its transfer by THC's Bereavement Services Manager, due to lack of anticipated service need for the land, approval of the CAT is likely to represent value for money.

4.2.7 **Local Members** are supportive of the request.

4.3 The proposal has been evaluated and the scores suggest that the request should be **agreed to-**

*Community Benefit (outcomes):* *strong*

*Capacity to deliver:* *moderate to strong*

*Community support:* *strong*

*Sustainability:*

*very strong*

*Resourcing:*

*moderate to strong*

#### 4.4 Recommendation

The **sale** of land at **Clachan Graveyard Extension, Bettyhill to Strathnaver Museum** for £1. The terms of the transfer would include-

- Strathnaver Museum pay all reasonably incurred property and legal costs associated with the asset transfer process.
- The annex must be fenced off from the burial ground extension, to a specification approved by the Councils Bereavement Services Manager.
- Access to the annex must be via the existing access point located at the metal gate from existing burial ground.
- New wooden gates be installed at the burial ground car park, to ensure visitors to the museum do not park in the burial ground extension.
- Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3<sup>rd</sup> Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
- Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.

### 5. **Whitedykes Industrial Estate, Cromarty to Cromarty Community Development Trust**

#### 5.1 Background

Cromarty Community Development Trust (CCDT) has requested a **twenty-year lease** at **£1 pa** for land at the Whitedykes industrial estate, on the outskirts of Cromarty. Market rental value for the land is **£750 p/m**. The Trust proposes to create designated parking and facilities for up to 12 motorhomes on areas of the industrial estate which are currently undeveloped. This is intended to help alleviate acute, ongoing strain on local infrastructure and community wellbeing brought about by a large increase in tourists arriving in the village, which currently has no designated space for motorhomes and campers. CCDT's proposal for Whitedykes forms part of a broader project to develop year-round tourist facilities in Cromarty, which has successfully secured Rural Tourism Infrastructure Funding with support from THC's Tourism team. The other project strand relates to upgrading the slipway for the Nigg ferry service and is not directly related to this CAT request.

#### 5.2 Assessment of CAT

5.2.1 The Trust has acceptably evidenced prospective economic benefits to the community from improved tourism infrastructure, including job creation. Should the Trust's broader tourism infrastructure project proceed, between one and two additional, part-time, seasonal jobs will be created to manage and maintain the proposed facilities. However, **community benefit** is most clearly evidenced in terms of alleviating some of the detrimental impact of rising visitor numbers on the local environment / amenity and the social wellbeing of residents adversely affected large numbers of motorhomes obstructing Cromarty's narrow streets; anti-social toileting; inappropriate waste disposal, etc.

5.2.2 CCDT was newly formed in 2017, and although little evidence has been provided as to their **capacity to deliver** capital projects, the Trust's project proposals have been evaluated as plausible by the Rural Tourism Infrastructure Fund and THC's Tourism

team. The Trust's application is supported by a basic business plan which shows acceptable consideration of necessary market research and engagement with tourists, local businesses and residents to inform their approach.

- 5.2.3 The Trust has acceptably demonstrated **community support** and local involvement in discussions on how to respond to tourism pressures following closure of the privately owned 'links' amenity to motorhomes (surveys and open meetings held by the Trust and Community Council, since 2016). However, much of the evidence submitted relates to the detrimental lack of suitable facilities for an estimated 30 to 40 vehicles per night, rather than specific support for development at Whitedykes.
- 5.2.4 The Trust has, however, attracted membership of approximately 25% of residents and its broader tourism infrastructure project proposal has the support of the Community Council. Residents' testimonials as to local need have also been submitted. **A single representation** received from a resident adjoining the site opposes the development, on the basis it will destroy natural woodland habitats, disrupt the health and wellbeing of the residents at the three nearby properties, and unduly suppress these properties' market value. These are regarded as matters best considered by the Planning process.
- 5.2.5 Regard for **sustainability** of the asset and broader project are clearly in evidence throughout CCDT's proposal. This is well demonstrated by plausible financial projections in the Trust's business plan. This indicates an anticipated net-profit will be generated during the peak and shoulder seasons, which is more than enough to sustain the 'year-round' facilities during the winter 'off' season; allow for ongoing reinvestment in the tourism facilities; and potentially fund investment in other areas of local development, such as may be targeted by the Trust.
- 5.2.6 Funding to **resource** the project has already been secured from Visit Scotland, with support from THC's Tourism team. Should the project successfully secure planning permission, its contribution to mitigating pressure on tourism infrastructure and community resilience is likely to represent good value for money, particularly given the site currently has no alternative use. Pre-planning advice has, however, highlighted several areas of concern which must be addressed before the project can proceed including; extending the existing 30mph limit and forming a new vehicular access to the site; attending to surface water and sewerage issues; and consideration of potential tree preservation at the site. Attending to these concerns may involve considerable unanticipated costs to secure planning permission, without which transfer of the site would constitute a liability to the Trust. As such, it is recommended that transfer is conditional upon confirmation of planning permission.
- 5.2.7 **Local members** are supportive of the request.
- 5.3 The proposal has been evaluated and the scores suggest that the request should be **agreed** to-
- |                                      |                           |
|--------------------------------------|---------------------------|
| <i>Community Benefit (outcomes):</i> | <i>moderate to strong</i> |
| <i>Capacity to deliver:</i>          | <i>moderate</i>           |
| <i>Community support:</i>            | <i>moderate</i>           |
| <i>Sustainability:</i>               | <i>strong</i>             |
| <i>Resourcing:</i>                   | <i>weak to moderate</i>   |
- 5.4 **Recommendation**  
The lease of land at Whitedykes Industrial Estate, Cromarty to Cromarty Community Development Trust for £1 per annum. The terms of the transfer would include-

- Evidence of planning approval for the proposed development.
- CCDT pay all reasonably incurred property and legal costs associated with the asset transfer process.
- Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3rd Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
- Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.

## 6. Ormlie Community Centre to Ormlie Community Association Ltd

### 6.1 Background

Ormlie Community Association Ltd (OCA) has requested a **25-year lease** of the Ormlie Centre, Thurso for **£1pa**. The Association's request seeks to formalise their long-standing, non-licenced occupancy of the building by entering into a lease agreement. Security of tenure is sought by both the Association, to secure prospective funding to redevelop the building and garden, as well as by the 'owning' Care and Learning service, to ensure liabilities for repair, maintenance and insurance sit with the tenant. Should the request be approved, the asset will continue to be used for delivery of a programme of community activities, primarily oriented around childcare.

Market rental value of the building, associated land and adjoining 'play area' / amenity is **£9,000 pa**. There are currently no alternative proposals for use of the asset.

### 6.2 Assessment of CAT

6.2.1 In addition to relieving THC of revenue costs involved in maintenance of the Centre, OCA has presented an acceptable case for **community benefit**, in terms of safeguarding and expanding existing activities which mitigate social inclusion and support the mental health and wellbeing of local residents and others from the wider Thurso area. These benefits are attested to by THC's Family Resources Coordinator for the area, who regards OCA as having both a "sensible focus" on delivery of childcare activities and a "well considered" programme of activities, which THC is not currently able to offer in the area. As such, approval of the CAT is likely to support THC's objectives for service delivery in the area and represent good value for money

6.2.2 Based on project planning currently in place and the Association's experience to date, the group has acceptably evidenced its **capacity to deliver** benefit to the local community. For over twenty years, OCA has delivered community projects from the Centre, which is in an identified area of low-economic performance (SEP). Locally, the Association is regarded as having successfully retained and recruited a skilled and experienced front-line staff. A volunteer board is supported by ten paid staff with extensive experience in project development, 'support work' and business support. Whilst OCA has provided little detail on its plans for the future of the Centre, it's activity plans for the year ahead are considered to be of clear benefit to service delivery in the area.

6.2.3 Whilst no evidence of **community support** for the asset transfer request has been provided, OCA has demonstrated clear consideration for the results of local community consultations in relation to plans for the Centre, as well as evidencing a

high level of local support for the Centre's activities and planned outcomes.

6.2.4 OCA has indicated a track record of local residents' involvement in maintaining outside areas of the building. However, maintenance liabilities for the building itself would ultimately rest with the Association should a lease be approved. Whilst OCA's 2018 accounts indicate very limited unrestricted funds, it should be noted that the Association has no immediate plans for redevelopment of the building. Proposed improvements to energy efficiency to reduce running costs are currently aspirational and will depend upon attracting external investment. As such, **sustainability** of the asset is not well demonstrated, based on evidence presented. The ageing building could potentially present a liability to the group. In this regard, leasing the asset is regarded as of lower risk to the Association's viability than outright transfer of ownership.

6.2.5 In terms of **resources** impacted by the CAT request, although CAT is requested for a nominal sum of £1 p/a, the potential need for grant aid to sustain the facility is not well considered in the Association's approach. Nevertheless, approval of the requested discounted lease would formalise the de-facto occupation of the building and land by OCA, arguably empowering them to seek necessary funds should need arise. Formalisation of OCA's occupancy under a lease agreement would also remove THC liability for maintenance and rates, for a building which could potentially sit vacant and go derelict were it not occupied by OCA. The CAT could therefore lead to value for money.

6.2.6 **Local members** are supportive of the request.

6.3 The proposal has been evaluated and the scores suggest that the request should be **agreed to-**

Community Benefit (outcomes):	moderate to strong
Capacity to deliver:	moderate
Community support:	moderate to weak
Sustainability:	weak
Resourcing:	moderate

## 6.4 **Recommendation**

The lease of Ormlie Community Centre to Ormlie Community Association Ltd for £1 per annum. The terms of the transfer would include-

- Ormlie Community Association pay all reasonably incurred property and legal costs associated with the asset transfer process.
- The premises will be for community use only.
- The lease will be on a Full Repairing and Insuring basis (the tenant will be responsible for maintenance and insurance).
- Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3rd Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
- Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.

## 7 **Spean Bridge Community Centre is built on to Spean Bridge Community Centre SCIO**

### 7.1 **Background**



Spean Bridge Community Centre SCIO requests **ownership** of the land on which the Centre is built for **£1**. The land has been valued at **£20,000**. The Centre's case for ownership is primarily based on seeking security of tenure to enhance prospects for future funding to develop and maintain the community facility. However, a clear case is also made for protecting and enhancing existing benefits to the community in a challenging financial environment; specifically, the continued availability of recreational facilities of benefit to the health and wellbeing of residents.

## 7.2 **Assessment of CAT**

- 7.2.1 The group's proposal acceptably evidences **community benefit** in supporting health and social wellbeing – with the facility acting as a central hub for community events and activities across a range of age groups, particularly for local sports clubs. Grant aided investment to reduce energy costs and a degree of 'social pricing' have been pursued to ensure activities continue to be as affordable as possible for users of the facility. In terms of securing the continuation and expansion of these benefits, transfer could lead to value for money. Whilst there is no indication of succession planning in the evidence provided, the group's current capacity to deliver community benefit is regarded as in place and acceptable, and is attested to by other local groups, such as Voluntary Action Lochaber.
- 7.2.2 The Community Centre has clear **capacity to deliver** effective facilities management. It is a long-established organisation run by a small group of volunteers with many years' experience of managing the facility for various local community groups' activities. This is reflected by ongoing capital investment, for example in improved energy efficiency.
- 7.2.3 The importance of **community support** for Asset Transfer is considered as part of the Centre's proposal and clearly in place. Letters of support have been provided from both the Community Council and a variety of sporting and non-sporting groups which use the facility.
- 7.2.4 Whilst the Centre's accounts indicate only modest unrestricted funds to ensure **sustainability** of the facility, the importance of sustainably managing the asset is clearly considered in the group's proposal. The Centre has demonstrated past success in securing grant aid, including recent involvement in the Scottish Government funded 'Sustainable Spean Bridge Project'. Improvements to energy efficiency at the Centre as part of that project have inspired the group to continue to reduce its environmental impact. Ownership is sought to improve prospects of success in future grant applications, as and when this may be necessary to maintain the facility.
- 7.2.5 Whilst ownership is sought for a token price, **resourcing** legal and property fees are likely to represent a significant proportion of the Centre's available unrestricted funds. As the owning service, THC Housing has confirmed that there are no alternative proposals for use of the site and that no income will be lost to THC as a result of transfer. As such, they are supportive of transfer of the land on which the Centre is built, so they have the security of tenure they seek.
- 7.2.6 **Local Members** are supportive of the request.
- 7.3 The proposal has been evaluated and the scores suggest that the request should be **agreed to-**
- |                               |          |
|-------------------------------|----------|
| Community Benefit (outcomes): | moderate |
| Capacity to deliver:          | moderate |

Community support:	moderate
Sustainability:	moderate
Resourcing:	moderate

#### 7.4 Recommendation

The **sale** of the land **Spean Bridge Community Centre is built on to Spean Bridge Community Centre SCIO** for £1. The terms of the transfer would include-

- Spean Bridge Community Centre SCIO pay all reasonably incurred property and legal costs associated with the asset transfer process.
- Approval of transfer by Scottish Ministers and/or tenant consultation, if required as part of the disposal procedure for an asset in the Housing Revenue Account.
- Any transfer/lease will be subject to existing burdens/conditions in the Council's title to the property (e.g. 3rd Party access rights, etc.). The council may also impose further burdens/conditions if they consider this expedient (e.g. economic development burdens, etc). The council will only transfer/lease property for which it has title to do so.
- Any other terms to be agreed by the Director of Development and Infrastructure in consultation with the Chair of EDI.

### 8 Unit 4b, Docharty Rd, Dingwall to Dingwall Men's Shed

#### 8.1 Background

Dingwall Men's Shed has requested a **30-year lease** at **£200 pa** for Unit 4b at Docharty Road Industrial Estate, Dingwall, for use as a meeting space and workshop. The industrial unit has, until recently, been held by THC as an investment property, but is currently being redeveloped for use by THC as an archive store for the Dingwall area, as part of a broader asset rationalisation programme. The asset is not therefore regarded as surplus, due to live plans for its use, which are intended to generate revenue savings for the Council in fulfilment of its statutory duties for archive management.

#### 8.2 Assessment of CAT

8.2.1 Throughout the Shed's approach, there is a clear and well evidenced vision of **community benefit** from reducing social isolation; both for members of the group and the local community, including the elderly and by working in partnership with schools to maintain outdoor amenity spaces. These activities clearly support achievement of Scottish Government National Outcomes around health, wellbeing, sustainable places and sustainable communities.

8.2.2 **Capacity to deliver** sound and sustainable community benefit is well evidenced throughout the proposal. This is supported by strong leadership, the relevant skill set of members, and support for partnership working with other bodies/groups. Benefits arising from the Shed's activities appear both robust and demonstrable value for money, in terms of potential reduced costs to public agencies engaged in health and wellbeing. This conclusion is also supported by Education Scotland's 2019 report on "Community Learning and Development in the Highland Council", which highlights the Shed's service provision as 'excellent'. A strong case is also made for the benefit to members and the local community as a consequence of dedicated premises being made available for the Shed's growing membership.

8.2.3 **Community support** for both the Shed and their Asset Transfer Request is robustly demonstrated from beneficiaries of their services, as well as a broad range of private

and public sector partners from the local area, including the Mid-Ross Community Partnership. Local Members are supportive of the Shed as a group and sympathetic to their concerns over finding a suitable permanent base to sustain and expand their activities.

- 8.2.4 Skills and experience necessary for the group to ensure **sustainability** of the building have been evidenced to an acceptable level, including demonstrable capacity for fundraising and maintenance. This is also supported by a plausible business plan, seeking to reduce the group's dependence on grant aid by developing increased income from trading activities.
- 8.2.5 Negative **resource** implications for THC are not, however, off-set by likely very strong community benefit which could be delivered by the 'Shedders.' The asset is not regarded as surplus, due to established plans for its use by THC and the determination that no suitable alternative building for archival storage is available in the Dingwall area. CAT of Unit 4B to DMS would therefore negate any return on investment in capital works already conducted across multiple sites, as part of a broader asset rationalisation process to provide for a suitable archive store in the area. Agreement to lease the unit would prevent revenue savings of **£5,400 p/a** from this asset rationalisation, as well as requiring significant officer time for redevelopment of asset management plans for the area.
- 8.2.6 ***Transfer would therefore negatively impact THC budgets and reduce our ability to deliver effective record management functions, in compliance with The Public Records (Scotland) Act 2011.*** As such, the benefits of The Shed's proposal are regarded as less than the benefit associated with use of the unit as an archive store, even after taking into account the prospective value of proposed community benefits from the transfer.
- 8.2.7 Per s.10.7 of Scottish Government guidance for authorities, refusal is deemed reasonable in order for THC to carry out its functions as a local authority; specifically, the obligation to make proper arrangements for the preservation and management of records, to comply with the Public Records (Scotland) Act 2011.
- 8.3 The proposal has been evaluated and the scores suggest that the request should be **refused** –
- |                               |             |
|-------------------------------|-------------|
| Community Benefit (outcomes): | very strong |
| Capacity to deliver:          | strong      |
| Community support:            | strong      |
| Sustainability:               | moderate    |
| Resourcing:                   | poor        |
- 8.4 **Local members** are supportive of the organisation and value the work it does. It is important to note that if Members agree the recommendation to refuse the request that officers will continue to work with Dingwall Men's Shed to identify a property that could be transferred to them and assist them in making a future request.
- 8.5 **Recommendation**  
Members are asked to refuse the lease of **Unit 4b, Docharty Rd, Dingwall to Dingwall Men's Shed**. The request would impact on current plans for its use, which are intended to generate revenue savings for the Council and impact on the Council's ability to deliver its statutory duties for archive management.

Designation: Acting Head of Policy

Date: 1 August 2019

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