

Agenda Item	<b>10</b>
Report No	<b>ERA-28-21</b>

## **THE HIGHLAND COUNCIL**

**Committee:** Easter Ross Area Committee

**Date:** 18 November 2021

**Report Title:** Invergordon Common Good Fund – Consultation on the proposal to dispose, by sale or lease, of Invergordon Town Hall

**Report By:** Executive Chief Officer – Communities and Place  
Executive Chief Officer – Resources and Finance

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

1.1 This report provides information on the outcome of the public consultation under section 104 Community Empowerment (Scotland) Act 2015 which proposes to dispose of Invergordon Town Hall which is an asset of Invergordon Common Good Fund.

### **2. Recommendations**

2.1 Members are asked to:

- i. Note the outcome of the consultation process undertaken as detailed in paragraph 6 below.
- ii. Agree the proposal to dispose, by sale or lease, of Invergordon Town Hall, Invergordon.
- iii. Note that, if agreed, it will be necessary to seek Sheriff Court consent in respect of the disposal.

### **3. Implications**

3.1 Resource – Invergordon Town Hall is the only heritable Common Good property so far identified in Invergordon. The income earned in respect of the current lease arrangement falls far short of the funds required to be expended upon the property to bring it up to an adequate state of repair. All efforts to increase usage or source funding over a number of years have proved unsuccessful. A community proposal to develop the asset was also unsuccessful. A decision on the future of the building must be taken before it deteriorates further.

- 3.2 Legal – the statutory requirement to consult has been complied with. Where land is also considered to be inalienable, there is a statutory requirement to seek Court approval to the disposal. Invergordon Town Hall was acquired for the public good of the Burgh of Invergordon and its use as a Town Hall is a public purpose, therefore it is considered to be inalienable. As a result, should the proposal be agreed, the requirement to seek Sheriff Court approval for the proposal must also be complied with.
- 3.3 Community (Equality, Poverty, Rural and Island) –The Town Hall is in a very poor condition and continues to deteriorate. A period of time has been allowed for a Development Trust to work towards being in a position to take on the Town Hall but, unfortunately, this has proved unsuccessful.
- 3.4 Climate Change / Carbon Clever – The Town Hall requires considerable work to restore it to a satisfactory condition including considering how it could be made energy efficient.
- 3.5 Risk – Failure to act will result in continued deterioration to the fabric of the building and may result in a situation where any sale or lease is no longer a feasible option.
- 3.6 Gaelic – none.

#### **4. Background**

- 4.1 This is the second consultation in respect of Invergordon Town Hall. In 2018, it was considered that such was the state of the building, the viability of its continued use was at risk. Attempts had been made over a number of years to increase usage and to source funding for restoration with no success. The costs of repair and restoration greatly exceeded any income generated.
- 4.2 In January 2019 a public consultation under section 104 of the Community Empowerment (Scotland) Act 2015 was commenced which closed in March 2019. The proposal met with strong opposition and resulted in the formation of the Invergordon Development Trust (IDT) which expressed a wish to take over the Town Hall. Ross & Cromarty Area Committee decided that the proposal should not go ahead, and that IDT should be allowed time to formulate business plans and explore funding potential.

In the period since the last consultation ended, every business case put forward has been exhausted with little progress. It was recognised that it would not be possible to sustain the building with community and minor business use only and that an anchor tenant would be needed. After careful consideration, IDT have confirmed that it is not in a position to formulate an appropriate business model such as would allow them to take on the Town Hall.

#### **5. Proposal to dispose, by sale or lease, of Invergordon Town Hall, Invergordon**

- 5.1 As mentioned above IDT were allowed a period of time to endeavour to formulate business plans that could result in them taking over the Town Hall. The position was monitored on an ongoing basis at Area Committee meetings. On 17 February 2021 Easter Ross Area Committee received the latest update including the confirmation on behalf of IDT that they were not in a position to proceed. Committee was informed that the renovation and restoration costs were likely to exceed several hundred thousand pounds. As a result, Area Committee decided that the only way to seek to preserve the

building would be to, again, seek to offer it on the open market for sale or long term lease. Therefore, Area Committee confirmed approval to commence a fresh consultation in respect of this proposal.

- 5.2 Due to the current condition of the property, it is very difficult to provide an estimate of value. Any interested purchaser or tenant would need to incur considerable expense to restore it to a satisfactory condition or convert it for appropriate use. Therefore, the consultation was prepared on the basis that the Town Hall would be placed on the open market for sale or lease at offers sought in the hope this would generate market interest.
- 5.3 The public consultation pursuant to section 104 Community Empowerment (Scotland) Act 2015 commenced on 22 June 2021 and ran until 17 September 2021. This was a period exceeding the usual 8 week consultation due to ongoing Covid restrictions and to alleviate any community concerns about the inability to hold public meetings and to ensure sufficient response time in the circumstances.

## **6 Outcome of the public consultation on the proposal**

- 6.1 No responses of any kind were received in respect of the proposal either during the consultation period or since it has concluded.
- 6.2 The governance arrangements for the decision making in respect of such matters are that the decision rests with Area Committee where the value of the asset is 10% or less than the total value of the particular Common Good fund and with full Council where the asset value exceeds 10%. When the current Common Good Asset Register was investigated information was found that confirmed that the bust of Sir John Gordon by Edmé Bouchardon was Common Good. In 2017, the bust was valued in the region of £1.4m which has increased the total value of Invergordon Common Good Fund.

The position in respect of the Town Hall is complicated by the condition of the property which significantly detracts from its value. It has been estimated that it requires several hundred thousand pounds spending on it to restore and renovate the building to a satisfactory condition or to convert it for modern use. Although the Town Hall is the only heritable property so far identified as Common Good, in its current state, it is realistically assessed to fall within the 10% value. Therefore, governance for the decision rests with Members at Area Committee.

- 6.3 The decision making options are:
- Agree that the proposal to dispose, by sale or lease, of the Town Hall, Invergordon should go ahead subject to Sheriff Court approval
  - Amend the proposal (any significant amendment would require a new consultation process)
  - Decide that the proposal should not go ahead.
- 6.4 On the basis of the outcome of the consultation process and the lack of any community comment, it is recommended that the proposal to dispose, by sale or lease, of Invergordon Town Hall should go ahead.

## **7 Court application**

- 7.1 The Highland Council has a statutory obligation to seek court consent before disposing of Common Good property which may be “inalienable”. This term refers to Common Good property that falls into at least one of the following categories:
- The title deed of the property dedicates it to a public purpose, or
  - The Council has dedicated it to a public purpose, or
  - The property has been used for public purposes for many years (time immemorial) without interference by the Council.
- 7.2 Invergordon Town Hall was acquired in 1871 and states in the title deed that it is for the “public good of the Burgh of Invergordon”. In addition the use of the building as a Town Hall would have been sufficient to have raised a question as to alienability and therefore it is necessary to apply to the Sheriff Court for permission to dispose of the property under section 75 Local Government (Scotland) Act 1973. How long such an application will take to conclude will be entirely contingent upon Court timescales.

Designation: Carron McDiarmid, Executive Chief Officer, Communities and Place  
Liz Denovan, Executive Chief Officer, Resources and Finance

Date: 27 October 2021

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Background Papers: