

The Highland Council

Agenda Item	13a.
Report No	CP/23/24

Committee: Communities and Place

Date: 5 September 2024

Report Title: Annual Community Asset Transfer Report 2023/24

Report By: Assistant Chief Executive - Place

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 at a discount on market value through a process known as Community Asset Transfer (CAT). Community ownership of assets has an important role in supporting people to create local opportunities and transform their communities, responding to local challenges by taking control of land and buildings where they live. It is therefore a key priority for the Council to support greater community ownership.
- 1.2 The Act places a requirement on relevant authorities, including local authorities, to publish an annual report on community asset transfer activity for each financial year for the Scottish Government. Key messages for 2023/24 include:
 - 2 new requests received during 2023/24 and are yet to be determined
 - 3 requests received in previous years were agreed in 2023/24
 - 3 requests received in previous years were legally concluded in 2023/24
 - Since the asset transfer legislation came into force in 2017, the Council has transferred **31 assets** and approved over 50 requests (this reflects approvals for which conveyancing is ongoing).
- 1.3 This report summarises community asset transfer activity in Highland during 2023/24 and the annual community asset transfer report, for submission to the Scottish Government, can be found in **Appendix 1**.
- 1.4 In addition, a request has been received from Fort Augustus and Glenmoriston Community Company to remove the right of pre-emption as a condition on their Community Asset Transfer of Fort Augustus Memorial Hall, previously agreed at City of Inverness Area Committee in May 2024.

2. Recommendations

2.1 Members are asked to:

- i) **Consider and agree** the annual report on Community Asset Transfer as detailed in the report and at **Appendix 1**, for submission to the Scottish Government; and
- ii) **Consider and agree** the removal of a right of pre-emption in regard to Fort Augustus Memorial Hall as detailed at section 7.

3. Implications

3.1 **Resource implications:** the report outlines that the total value of discount on capital assets legally agreed for transfer during 2023/24 was £60,670. This highlights the strong support the Council continues to demonstrate for enabling and encouraging community ownership.

During 2023/24 a restructure of the Community Support and Engagement team included formalising the role of asset transfer within the roles of the new team ensuring there is resource to support the development of CATs with groups and to deliver at the assessment stage of the CAT process.

3.2 **Legal implications:** Community Asset Transfer (CAT) is a legislative process set out in the Community Empowerment Act. Public bodies have the right to refuse a CAT application on the grounds that greater community benefit will arise from current or alternative use. However, community bodies have the right of review, first to the public body and then to appeal to Scottish Ministers.

3.3 **Risk implications:** a key consideration in the assessment of any asset transfer is the sustainability of the proposal. This is both to protect the public asset and ensure ongoing benefit to the community from effective use of the asset. There are however risks that any group could fail in the future or choose to dispose of the transferred asset. Economic development burdens and at times rights of pre-emption contained within the terms of transfers of ownership, helps protect the Council and public money against this and the Community Empowerment Act provides a clause which stipulates how dissolution must be dealt with to ensure any transferred asset remains in community hands, for the benefit of the community, in the event of an organisation ceasing to exist.

3.4 **Health and Safety:** there are no specific health and safety implications as a result of the report.

3.5 **Gaelic:** there are no specific Gaelic implications as a result of the report.

4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights,

Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an annual monitoring report and therefore an impact assessment is not required.

5. Background

- 5.1 The Community Empowerment Act introduces a right for community bodies to request to own, lease or use public sector assets at a discount on market value through a process known as Community Asset Transfer (CAT). This mechanism came into force in January 2017. Once a completed request is submitted from an eligible community group, the Empowerment Act stipulates that Local Authorities have six months to assess the application against a range of potential community benefits and determine whether to grant the request.
- 5.2 Community ownership of assets has an important role in supporting people to create local opportunities and transform their communities, responding to local challenges by taking control of land and buildings where they live. It can also support bringing surplus or underutilised assets back into improved use, for the benefit of the community. It is therefore a key priority for the Council to support greater community ownership.
- 5.3 In Highland, one of the Council's key priorities over a number of years has been to support communities to develop their own capacity and deliver their own priorities. The CAT programme contributes towards this. The CAT process in Highland continues to support community led regeneration, social enterprise, projects to increase local participation and engagement, health and wellbeing, redeveloped facilities and delivery of new and improved local services, including visitor management facilities. Since the asset transfer legislation came into force in 2017, the Council has transferred 31 assets and supported over 50 requests
- 5.4 The Community Empowerment Act places a requirement on relevant authorities including local authorities to publish an annual report on community asset transfer activity for each financial year and to submit this to the Scottish Government. The draft report is attached as **Appendix 1** and Members are asked to consider and agree this for submission to the Scottish Government.

6. Scottish Government Annual Community Asset Transfer Report

- 6.1 The report in **Appendix 1** contains a detailed picture of community asset transfer activity in Highland during April 2023 to March 2024.

6.2 The report highlights:

- The Council received a total of **2** new asset transfer requests.
 - Both were requests to be considered under the Community Empowerment Act
 - 1 of the requests was for ownership and 1 for lease of land or buildings
- The Council agreed to **3** asset transfer requests (from applications submitted in previous years) and refused **0** requests during the year 2023/24. All three were for ownership. The discount given across all CATs agreed was 100% of the value.
- Of the 3 transfers agreed:
 - One was from Thrumster Community Development Association for ownership of land at Thrumster Play Park for building a new village hall.
 - One was from St Fergus Bowling Club in Wick for a garage site to develop indoor bowling facilities.
 - One was from Lochaber Rugby Club for ownership of the rugby playing fields.
- The 3 legally concluded transfers were:
 - Outdoor Access Trust for Scotland - Stac Pollaidh Car Park to improve tourist car parking (ownership transferred outwith the Act)
 - Seaboard Community Polyunnel Group – Balintore Harbour Green to develop a community polyunnel (lease)
 - Seaboard Memorial Hall - Balintore Toilets – demolition and rebuild (lease)

Since the asset transfer legislation came into force in 2017, the Council has transferred 31 assets and approved more than 50 requests

- 6.3 There remain four asset transfers which although received in previous years, were not determined in 2023/24. In most of these cases, the delay has been due to the complexity of the requests and further information required from the community organisation. Three of these have been concluded at the start of 2024/25. These will appear on next year's annual report.
- 6.4 8 asset transfers agreed prior to 2023/24 have not yet been concluded legally. The legal process is often complex and whilst the transfer has been agreed, the terms must be agreed between the Council's and group's legal teams. This is reflected in the number of requests waiting to be concluded.
- 6.5 The purpose of community asset transfer within community empowerment legislation is to enhance and increase community benefit outcomes in local communities through improved use of publicly owned assets. This can involve public bodies foregoing some or all financial value of assets to support delivery

of the community benefit arising from transfer (awarding discounts on market value or market rental value). The 3 asset transfers agreed in 2023/24 present a positive picture of the Council supporting communities and agreeing to transfer ownership of land and buildings to a community organisation to deliver wider benefits to the local community. For each, it was assessed that the level of wider community benefit that would be derived as a result of the transfers significantly outweighed the Council retaining ownership and use of the assets.

7. Fort Augustus Memorial Hall

- 7.1 Fort Augustus and Glenmoriston Community Company (FAGCC) submitted a Community Asset Transfer application for purchase of Fort Augustus Memorial Hall, which was considered and approved by the City of Inverness Area Committee (CIAC) on 27 May 2024. The agreed sale price was £40,000.
- 7.2 As one of the agreed conditions, the Council sought a right of pre-emption to ensure that in the event the property was sold or otherwise disposed of or should FAGCC cease to be a Community Transfer Body as defined by the Community Empowerment (Scotland) Act 2015, the Council would seek the option of re-purchasing the asset for the original sale price of £40,000. However, in June 2024 FAGCC asked to alter this condition to enable the pre-emption to reflect a purchase at the market rate at the appropriate time on the basis that the building is currently in very poor condition and that the community company will spend a significant amount of money to make it fit for purpose with new windows, insulation etc.
- 7.3 The Asset Management Board has discussed this request and supports the pre-emption condition being removed in its entirety. The Board met following the deadline for CIAC and therefore C&P is being asked to consider this request as the responsible strategic committee.

Designation: Assistant Chief Executive - Place

Date: 19 August 2024

Author: Dot Ferguson, Senior Community Development Manager

Appendix 1: Scottish Government Annual Community Asset Transfer Report

**Asset Transfer Request
Reporting Template 2023/24 for Relevant Authorities**

Section 95 of the Community Empowerment (Scotland) Act 2015 requires relevant authorities to produce an annual report on Asset Transfer Request activity and publish this no later than 30 June each year.

Following stakeholder feedback and in response to asset transfer evaluations, this template has been created to help gather asset transfer data for the period 1 April 2023 to 31 March 2024. Information provided will help inform policy and practice at local and national level as the data will be collated and shared by the Scottish Government's Community Empowerment Team. However, it will be for each relevant authority to make their own annual report publicly available by 30 June 2024, whether using this template or not.

Please provide information in sections below and email completed template by 30 June 2024 to community.empowerment@gov.scot

Section One – Relevant Authority Information

Organisation:	Highland Council	Address:	Glenurquhart Road, Inverness IV3 5NX
Completed by:	Dot Ferguson	Role:	Senior Community Development Manager
Email:	dot.ferguson@highland.gov.uk	Telephone:	01397 707253
Date of completion:	31 st July 2024		
Are you the Asset Transfer Lead Contact for the organisation:	Yes		
If not please provide the name, job title and email address for the lead contact for any queries:			

Section 2: Asset Transfer Data in 2023/24

2.1 Please complete the following table for the 2023/24 reporting period :

Total Applications Received	Number of successful applications determined	Number of unsuccessful applications determined	Number received and yet to be determined	Number received prior to 2023/24 and yet to be determined
2	3	0	2	4

2.2 Please provide details of Asset Transfer Requests received which resulted in transfer of ownership, lease, or rights from your relevant authority to a community transfer body in 2023/24:

Key:

- **2** new requests received during the year and no transfer agreed during 2023/24 – highlighted blue.
- **3** requests received in previous years and decided in 2023/24 – highlighted orange
- **3** requests received in previous years and legally concluded in 2023/24 - highlighted green.
- **4** requests received in previous years but not yet decided – highlighted pink
- **8** requests received prior to 2023/24, decided but not legally concluded - highlighted in yellow

Community Transfer Body	Request Accepted	Decision Agreed	Transfer Completed	Description of asset / area transferred	Amount Paid	Discount Given	Current Discount Agreed/Sought	Type of Transfer	Purpose of Transfer
The Place Youth Club	21/02/2024	Not determined		Site 4, River Drive, Teaninich Industrial Estate Alness				99 year lease	Continuation of current use
Elphin, Ledmore & Knockan Community Association	01/07/2023	Not determined		Elphin Hall	£1	TBC	TBC	Ownership	Improvement of facilities Continuation of current use
Raddery House Limited	03/03/2023	not determined		Former Black Isle Education Centre and Raddery Woodland	N/A			Ownership	Develop land for community activities
Fort Augustus & Glenmoriston Community Company	20/02/2023	not determined		Fort Augustus Memorial Hall		£40,000	£40,000	Ownership	Develop building for wider community use
Thrumster Community Development Association	30/11/2022	29/05/2023		Thrumster Swing Park	£1	£24,999	£24,999	Ownership	Building of a new village hall
Waternish Community Garden	29/11/2022	29/03/2023		Land at rear of Waternish Hall	£10 pa	(£90 pa)	£450	5 year Lease	Community Garden

Community Transfer Body	Request Accepted	Decision Agreed	Transfer Completed	Description of asset / area transferred	Amount Paid	Discount Given	Current Discount Agreed/Sought	Type of Transfer	Purpose of Transfer
Balvonie Parks Association	18/11/2022	not determined		Land adjacent to Braes of Balvonie				Ownership	Create a community woodland/orchard
Melvich Community SCIO	15/11/2022	not determined		Portskerra Play Park				Ownership	Ownership of play park
Inverness Thistle Community Development	29/07/2022	25/11/2022		Playing fields adjacent to Inverness Royal Academy	£1 annual	£25k pa	£624,975	Lease 25 years	Regenerate and upgrade the playing fields and facilities
St Fergus Bowling Club	19/11/2021	29/05/23		Garage site at Loch Street	£1	£19999	£19,999	Ownership	Develop indoor bowling facilities
Dunbeath & District Centre	06/10/2021	30/03/2022	Deferred sale to 2027 ref external funding	Land south west of Neil Gunn Road	£1	£100k value 100%	£99,999	Ownership	Developing a new health and wellbeing centre
Bonar Bridge Football Club	07/09/2021	30/08/2022		Migdale Playing Fields	£1 pa 25 years	£995pa	£24,850	Ownership	Pitch improvement
Outdoor Access Trust for Scotland	01/04/2021	14/06/2021	06/03/24	Stac Pollaidh Car Park	£1	£2k pa lease 100%	£49,975	Transfer out with Act (lease)	Improve and extend parking
Road to the Isle Facilities Group	26/03/2021	20/10/2021		Tougal Car Park and Toilets	Nil	£1pa value 100%	£1	Rental	Improve and extend parking

Community Transfer Body	Request Accepted	Decision Agreed	Transfer Completed	Description of asset / area transferred	Amount Paid	Discount Given	Current Discount Agreed/Sought	Type of Transfer	Purpose of Transfer
Raasay Development Trust	21/03/2021	30/08/2021		Raasay New Ferry Terminal	£1	£1550 pa rental value 100%	£153,351	Rental	Redevelopment as a part of community pontoon project
Lochaber Rugby Club	04/01/2021	29/11/23		Rugby Pitch	£1	£105,000	£105,000	Ownership	Expanded public use of pitch
Ormlie Community Association Ltd	16/02/2019	27/08/2019		Ormlie Community Centre	£1	£9k pa 100%	£224,975	Rental	Security of tenure to sustain and expand community facility
Seaboard Community Polytunnel Group	21/09/2018	26/02/2019	03/10/23	Land at Balintore Harbour Green	£1 pa 5 years	£240 pa	£1195		Develop a community polytunnel
Helmsdale and District Development Trust	18/09/2018	16/02/2019		Coupers yard	Nil	£30k value 100%	£30,000	Ownership	Development of small industrial spaces; campervan 'aire'; glamping pods
Seaboard Memorial Hall	17/11/2017	18/09/2018	30/05/23	Balintore Toilets	£1	£9,500	£9,499	Ownership	Demolish and rebuild structure

2.3 Please provide details of Asset Transfer Requests that went to a relevant authority appeal or review which were concluded in 2023/24: Nil

Name of Community Transfer Body	Was the Asset Transfer Appeal/Review accepted? (Y/N)	Why was the Appeal/Review accepted/refused? <i>Please provide details of the asset transfer request and reasons for your decision.</i>

2.4 Please use this space to provide any further comments relating to the above data:

Please see the report that accompanied this annual report, considered at Communities and Place Committee on 5 September 2024

– *link to be added*

Section Three – Promotion and Equality

3.1 Please provide information on any action you have taken to promote the benefits of asset transfer or any support provided for communities to engage with the Asset Transfer Request process.

Highland Council continues to proactively work with local communities to ensure that as a suite of options they may wish to consider Community Asset Transfer where applicable and where they deem it appropriate to their own requirements and for a purpose they can evidence is strongly supported by the community and which is sustainable.

During 2023/24 a restructure of the Community Support and Engagement team included formalising the role of asset transfer within the roles of the new team ensuring there is resource to support the development of CATs with groups and to deliver at the assessment stage of the CAT process. These changes have allowed the Council to link more closely and effectively than was possible previously and it is anticipated this will lead to more development activity between communities and the Council's services and properties.

The Council has committed to producing (or supporting others to produce) Area Place Plans for each Committee area in Highland. As part of this process, communities will be encouraged to think about CATs as a possible mechanism to deliver on priorities identified through the APP process.

3.2 In particular what action has been taken to support disadvantaged communities to engage with the asset transfer process?

As there is a demonstrable link with Community Planning, the Area Place Plan process and team restructure mentioned at 3.1 will particularly help us to target areas of inequality, freeing up resource to allow us to provide more support to any community (whether geographic or sectoral) which may express an interest in CAT. It is anticipated that this place-based approach may increase the interest in CATS.

Section Four – Additional Information

4.1 Please use this space to provide any further feedback not covered in the above sections.

NA

Please email the completed template by 30 June 2024 to community.empowerment@gov.scot

If you have any queries please contact Malcolm Cowie, Asset Transfer Policy Manager at Malcolm.cowie@gov.scot