

Agenda Item	10a
Report No	HP/07/25

The Highland Council

Committee: Housing and Property

Date: 29 January 2025

Report Title: Community Asset Transfer Request – Black Isle Education Centre

Report By: Assistant Chief Executive - Place

1. Purpose/Executive Summary

- 1.1 The Community Empowerment (Scotland) 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. As part of this request a discount on market value can be requested. Once a formal request is submitted, Local Authorities have 6 months to assess the application against a range of potential community benefits and determine whether to grant the request.
- 1.2 Where Council assets are over the value of £100,000, decision on the transfer of any asset rests with the Communities and Place Committee. This report asks Members to consider and agree the Community Asset Transfer (CAT) request received from Raddery House Ltd. (RHL)

2. Recommendations

- 2.1 Members are asked to:
- i. **AGREE** to the sale of the land and property comprising the Raddery Wood and the Former Black Isle Education Centre, Raddery, The Black Isle, to Raddery House Ltd. for £325,500, based upon the terms of transfer as set out in the report at 6.1.

3. Implications

- 3.1 **Resource** - RHL are requesting 30% discount on the market value of the Assets which are estimated at £465,000. The Education Centre is valued at £415,000, with an offer of £290,500 and the Woods are valued at £50,000, with an offer of £35,000.

The CAT Asset Management Board including representatives from Legal, Finance, Property and Communities and Place have considered and scrutinised the CAT request and supporting evidence. The request is recommended to proceed as the wider community benefits, along with the proposed capital receipt, would outweigh the benefit from the Council retaining the Assets.

- 3.2 **Legal** - 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 by appeal to Scottish Ministers.

- 3.3 **Risk** - Although any CAT assessment considers sustainability, there are risks that any group could fail in the future or choose to dispose of the transferred asset. 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.

Ward 9 Members have expressed concern that this may happen with this transfer given the level of aspiration.

- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - There are not considered to be any implications associated with this transfer.

- 3.5 **Gaelic** - There are not considered to be any implications associated with this transfer.

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 Integrated Impact Assessment - Summary

- 4.3.1 An Integrated Impact Assessment screening has been undertaken on the Asset Transfer Request for the Black Isle Education Centre and Raddery Woods. The conclusions have been subject to the relevant Manager Review and Approval.

- 4.3.2 The Screening process has concluded that as there are no identified negative impacts a full impact assessment is not required. Members are asked to consider the summary in **Appendix 1** to support the decision-making process.

4.3.3 Impact Assessment Area	Conclusion of Screening
Equality	<ul style="list-style-type: none"> • Children and Young People – <i>Positive</i> • Children affected by disability – <i>Positive</i> • Older adults – <i>Positive</i>
Socio-economic	<i>Positive</i>
Human Rights	<i>no impact</i>
Children's Rights and Well-being	<i>Positive</i>
Island and Mainland Rural	<i>no impact</i>
Climate Change	<i>no impact</i>
Data Rights	<i>no impact</i>

5. Overall Summary

- 5.1 Raddery House, grounds and woods were gifted to the Borough of Ross and Cromarty in 1952 by Noel Salvesen of Teaninich. Ownership of the property transferred from Ross and Cromarty to the Highland Regional Council in 1975.
- 5.2 For twenty years, the house provided residential education and care for the purpose of educating and caring residentially for children who required specialist provision. Since then, the campus has been variously a boarding school, a day school for children who struggled in mainstream school, and as a therapeutic community for children and young people. Use of the site ceased in 2017, and the property has been vacant ever since. The cost to Highland Council for the financial year to date has been approximately £8,500; £6,228 for rates and over £2,000 for maintenance costs, mainly due to vandalism. No external offers for the property have been received.
- 5.3 Raddery House Ltd. has a vision to develop the site as an intergenerational meeting, wellbeing and recreational hub for the whole of the Black Isle community, providing indoor and outdoor facilities for a wide range of groups and individuals. The business plan projects the work being carried out over a 10-year timescale in five stages.
- 5.4 A range of proposals are planned for the site which have the potential to deliver community social, economic and environmental benefit. The original driver of the project was and remains a desire to create a meeting centre for those experiencing dementia and their carer's. That vision has grown so that it is intended that the site is a warm, welcoming intergenerational meeting place serving a wide range of needs. These include a meeting place for young carers, hotdesking space for homeworkers, an outdoor activities site for youth groups and a place for community growing and other activities that promote mental and physical health.
- 5.5 The availability of the woods is planned to enable local individuals and groups to use facilities at Raddery and access the woods at the same time. RHL will seek to strengthen the access links between the two neighbouring sites. Landscape architects have produced initial options for improved all abilities access to the woods including a path network and parking for cars. The woods lend themselves to a range of non-invasive educational activities for young people, including siting bird and bat boxes and constructing insect hotels and there is scope for visiting groups such as the Scouts, young carers and other groups to complement their learning about the woods with on-site learning in one of the buildings used as a classroom/laboratory setting.
- 5.6 The application is ambitious, but it is proposed to be implemented over a 10 year period making deliverability more realistic. It has scored Strong/Moderate through the assessment framework, and the planned proposals have the potential to deliver community social, economic and environmental benefits. This project aims to be an intergenerational health and wellbeing hub for the whole community of the Black Isle, delivering a range of activities and providing a facility that supports those with dementia in the community. The Association has demonstrated a strong commitment to taking on and improving this asset for the benefit of the community.
- 5.7 The proposal has been evaluated and the scores suggest that the request should be agreed:

- Community Benefit: Moderate
- Capacity to deliver: Strong
- Community support: Strong
- Sustainability: Moderate
- Resourcing: Strong/Moderate

6. Recommendation

6.1 Sale of the Assets comprising the Raddery Wood and the Former Black Isle Education Centre, Raddery, The Black Isle, to RHL for £325, 500. Terms of the transfer would include:

- RHL will cover all reasonably incurred property and legal costs associated with the asset transfer process – both the Council's and its own.
- Community access to use of the facility must be maintained in line with the Community Empowerment Act.
- Any transfer will be subject to existing burdens/conditions in the Council's title to the property (e.g., third party access rights, etc.).
- The Council will only transfer property for which it has title to do so.
- The CAT application through the business plan provides an assurance by RHL that the house sites, if developed, will be protected for permanent residence by way of real burdens being placed on the title deeds preventing them from being used as holiday homes or short term lets. The missives for the sale of the property to RHL will oblige RHL to place these burdens on the house sites.
- Should RHL fail to secure the funding required to purchase the Assets and conclude the contract, in their entirety as per the request, within a period of 1 year from the date of agreement to sell the Assets, the Council reserves the right to withdraw the offer.

Any other terms to be agreed by the Chief Officer, Housing and Communities in consultation with the Chair of Communities and Place Committee.

Designation: Assistant Chief Executive - Place

Date: 7 January 2024

Author: Willie MacKinnon, Community Development Manager
West and Mid

Background Papers: Raddery House Campus and Raddery Woods Business Plan
https://www.highland.gov.uk/downloads/file/28887/raddery_house_campus_and_raddery_woods_business_plan_updated_2024-part_1
https://www.highland.gov.uk/downloads/file/28888/raddery_house_campus_and_raddery_woods_business_plan_updated_2024-part_2_-_appendix
https://www.highland.gov.uk/downloads/file/28889/raddery_house_campus_and_raddery_woods_business_plan_updated_2024-part_3_-_appendix

Appendices: Appendix 1 – Integrated Impact Assessment
Appendix 2 - Community Asset Transfer Approach Assessment Framework – RHL

Integrated Impact Assessment – Summary

The screening highlighted overall positive impacts for the community, including, for children and young people and older adults.

Although the business plan is recognised as being ambitious, by phasing it over a 10-year period, the development of the project from a funding point of view is more realistic.

If the potential is realised, some of the positive impacts for children and young people and older adults will include, creation of a meeting centre for those experiencing dementia and their carer's, an outdoor activities site for youth groups and a place for community growing and other activities that promote mental and physical health, improved all abilities access to the woods including a path network and parking for cars and educational activities for young people.

It is also intended to create two plots for mixed housing tenure. For which, the Plan states that the sites will be protected in perpetuity for permanent residence by placing appropriate legal burdens on the title and there is also the potential to renovate 2 existing cottages to raise income through holiday lets for respite care, with further opportunity to deliver a respite care chalet to operate in line with the cottages.

THE HIGHLAND COUNCIL**Community Asset Transfer Approach****Assessment Framework****Purpose**

The purpose of the assessment is to ensure that the decision making process will produce the best decision for the community, not necessarily Highland Council nor the requesting Community Asset Transfer Body.

Evidence

Primarily the assessment will be based on the information received within the application form and any business plan however additional representations from external parties will also be included along with internal service knowledge.

Cognisance will be taken regarding the nature of the request e.g. whether it is for lease, use or ownership. The level of assurance required will differ depending upon the nature of the request with higher level of compliance/support required for organisations wishing transfer of an asset as opposed to a leasing arrangement.

Structure of Assessment

The assessment will be structured under 5 key headings.

- Benefit to the community (outcomes)
- Capacity to deliver
- Level of community support
- Sustainability
- Resourcing

Consideration will also be given to the terms and conditions requested by the Community Asset Transfer Body and what equivalent terms may be appropriate.

Each of the 5 assessment areas will be assessed separately, considering evidence of best value and be given an overall rating from very strong to poor. A summary of the evidence required to achieve each rating is outlined below:

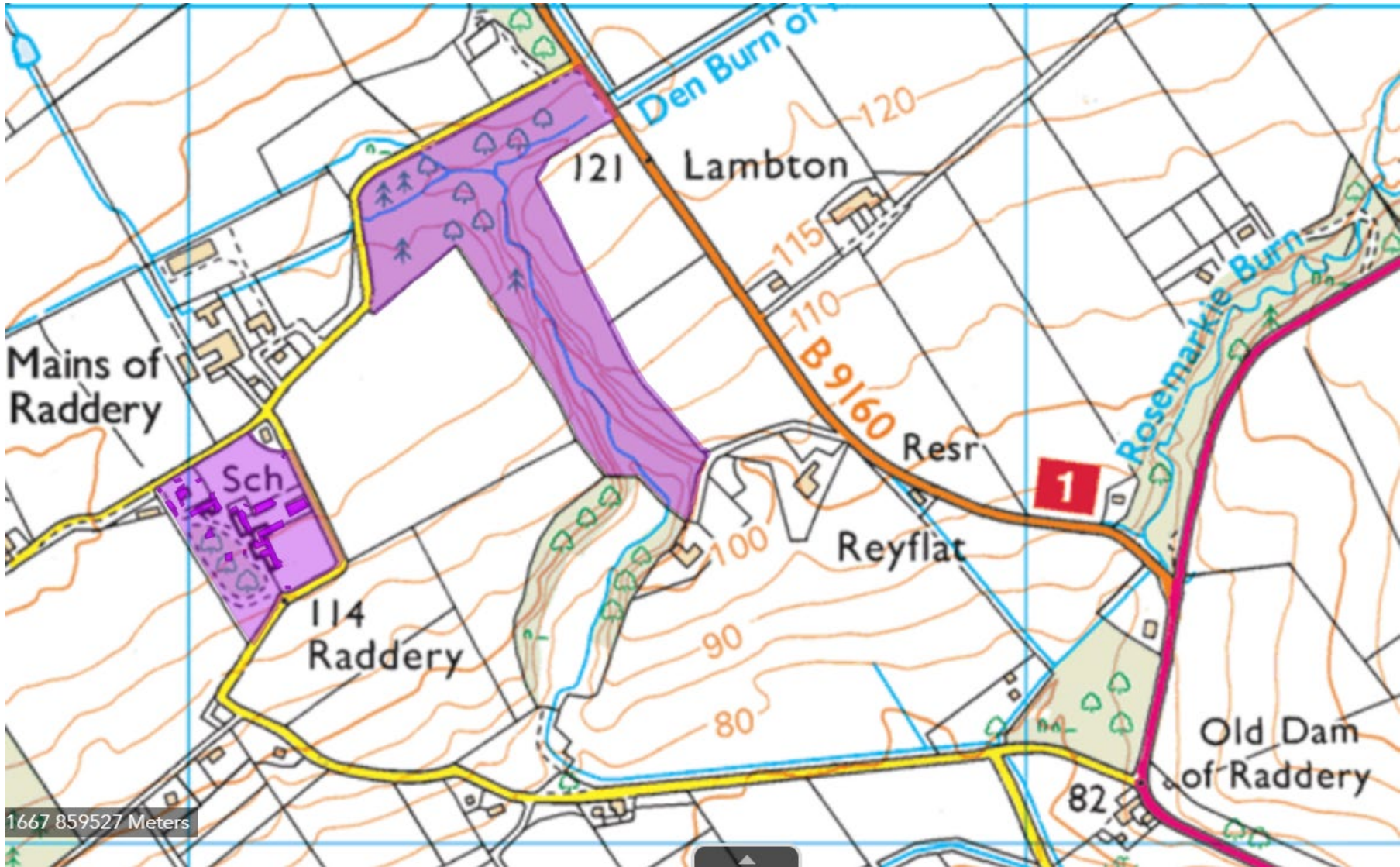
Evidence	Overview
Very strong	Governance and financial arrangements are strong and sustainable. Best value characteristics are evidenced and contained throughout the approach. Related projected benefits are very robust and demonstrate value for money.
Strong	Governance and financial arrangements are sound and sustainable. Best value characteristics are in evidence in the proposal. Related projected benefits are demonstrated well and represent value for money.
Moderate	Governance and financial arrangements are in place and acceptable. Best value characteristics have been considered as part of the proposal. Related projected benefits are acceptable and could lead to value for money.
Weak	Governance and financial arrangements are weak. Best value characteristics are not well demonstrated in the proposal. Related projected benefits are not based on robust information and demonstrates questionable value for money.
Poor	Governance and financial arrangements are poor. There is little evidence of Best Value characteristics in the proposal. Related projected benefits are ill defined and/or unrealistic and do not demonstrate value for money.

View of the Main Raddery House, that forms part of the Black Isle Education Centre Campus





Ariel view of the Black Isle Education Centre Campus at Raddery and Raddery Woods



Map of Land and Property included in the CAT request from Raddery House Ltd, highlighted in purple

ASSESSMENT AREA:	BENEFIT TO THE COMMUNITY		
<i>Criteria</i>	<i>Evidence from Community Asset Transfer Body</i>	<i>Additional Evidence/Information</i>	<i>Assessment of Compliance</i>
Economic benefits	<p>Phase 1 years 1-2 – Rental income following renovation of the Workshop, Classroom 2 and the Gym Sale of 2 House Sites for reinvestment in the capital works of the buildings. Potential income from provision of Food Growing Spaces. Income from Educational hire of the Yurt & Fire Pit.</p> <p>Phase 3 years 5-6 – Potential to renovate 2 cottages to raise income through holiday lets for respite care. Phase 4 years 7-8 - Delivery of a respite care chalet to operate similar to the cottages.</p>	Potential grant funds for minor works and equipment to develop rental income elements of the project, projections for income generation, including sale of 2 house sites at £40k each for capital reinvestment are identified within the Business Plan.	MODERATE
Regeneration benefits	Renovation of existing buildings that have been unused over several years for community benefit. Development of the school grounds for food growing and garden areas.	A building condition report has been written-up using an established Chartered Architecture Practice – appendix 6 of Business Plan	MODERATE
Health benefits	Encourage use of outdoor space by members of the community for recreation and leisure.		MODERATE
Social wellbeing benefits	RHL"s vision is for Raddery to be an intergenerational health and wellbeing hub for the whole of the Black Isle community. This will range from outdoor activities such as community growing and learning outdoor skills through to providing space for health and wellbeing classes, a facility that supports those with dementia in the community and 2 plots for mixed housing tenure.	The Plan states that the house sites will be protected in perpetuity for permanent residence by placing appropriate legal burdens on the title. To do this RHL will either seek to register as a Rural Housing Body (RHB) with the Scottish Government	MODERATE

		or it will apply the burden in favour of a registered RHB, such as the Communities Housing Trust. This will prevent the property at any point in the future becoming a holiday home or short-term let. Legal Update	
Environmental Benefits	<p>Creation of a community growing area and a small tree nursery.</p> <p>The availability of the woods will enable local individuals and groups to use facilities at Raddery and access the woods at the same time. RHL will seek to strengthen the access links between the two neighboring sites.</p>	Landscape architects have produced initial options for improved all abilities access to the woods including a path network.	MODERATE
Tackling inequality	RHL"s vision is for Raddery to be an intergenerational health and wellbeing hub for the whole of the Black Isle community. With a focus that includes provision of services for people with dementia and young people with additional support needs.		MODERATE
Promotion of equality	All operational plans being developed by RHL will ensure that the assets will be accessible by all and will provide opportunities for all to participate in volunteering, recreational, educational and wellbeing activities, including the promotion of mental and physical health.		MODERATE
Benefit to the Community Assessment Summary:			<i>Rating – MODERATE</i>

ASSESSMENT AREA:	CAPACTIY TO DELIVER		
Criteria	Evidence from Community Asset Transfer Body	Additional Evidence/Information	Assessment of Compliance
Experience of organisation	RHL is a Company Ltd. by guarantee, formed in November 2022 and is currently working with the local Third Sector Interface to determine if securing charitable status is the best option for the group.	RHL has 8 directors and a membership of 197	MODERATE
Access to appropriate advice and support	RHL are members of the Scottish Council for Voluntary Organisations (SCVO), Highland Third Sector Interface (HTSI).	In addition RHL are also Members of: Scottish Social Prescribing network, The conservation volunteers (TCV), The Yard Charity, Age Scotland Network, Highland Good Food Partnership The Woodland trust, RSPB, Paths for All, Just Enterprise, Social Enterprise Academy	STRONG
Have sought advice and support during application phase	<p>During this phase of the CAT process RHL have engaged with Development Trusts Association Scotland (DTAS)/Community Ownership Support Scotland (COSS).</p> <p>RHL have also sought advice and received stage 1 funding from the Scottish Land Fund, which enabled them to contract professional consultants, to develop the feasibility and business plan for the CAT application</p> <p>The group have also spoken with THC</p>	<p>One of RHLs key advisors is Rory Mair who is recognised as a leading professional both in the community and public sectors.</p> <p>They have also sought advice from: CHAS, Young lives v Cancer, Archie`s foundation, Cromarty Care Project, Alzheimer`s UK, Nature Scotland, Scottish Badgers, Kirriemuir Project, Restoration Woodland Trust,</p>	STRONG

	CO for Integrated Peoples Services who has signposted to NHS and HLH, this is in relation to the Services that the group hope will be delivered through the project	Trees for life, Community Enterprise Accelerate SLF and THC Business Gateway service both consider the plan to be ambitious and potentially achievable over the 10 years indicated in the business plan.	
Appropriate skills within the organisation	RHL have a number of individuals who have experience in administering projects, technical administration skills and funding application experience. All directors have experience as trustees or committee members of charities or constituted community groups, or in third sector or commercial management roles, and have a full understanding of their roles and responsibilities.		STRONG
Access and level of volunteer support	RHL currently has 197 active members who are all volunteers from the local community		STRONG
Capacity to Deliver Assessment Summary:			<i>Rating – STRONG</i>

ASSESSMENT AREA:	LEVEL OF COMMUNITY SUPPORT		
Criteria	<i>Evidence from Community Asset Transfer Body</i>	<i>Additional Evidence/Information</i>	<i>Assessment of Compliance</i>
Community involvement in developing the request	Community Consultation was undertaken during the development of the business plan, including: Community Specific Consultation 2022 - 35 of 37 Raddery Households Community Wide Survey 2023 – 379 responses Community Consultation Event 2023 – 260+ attendees Stakeholder Consultations 2024 – 15 organisations interviewed Community Consultation Event 2024 – 150 attendees	Appendix 1 to appendix 4 of the Business Plan, p.66-92, outlines the findings of the overall community consultation with the vast majority of those who provided a response in favour of the project.	STRONG/MODERATE

Community support for the request	The consultants prepared an initial eight options to explore the bounds of what was possible on the campus site. Following feedback from the board three options were developed in more detail and presented to the community at the open days June 2024. Overall, the community consultation showed a continued strong level of community interest. Of those who expressed a preference the majority were in favour of option 1 the details of which are laid Kirriout in the business plan, pages 28-40.	Letters of support have been received from the following for the proposed project: Cromarty Care Project, Highland Senior Citizens Network, Scottish Dementia Friendly Communities Network, Black Isle Cares, Kirrie Connections, Black Isle Men's Shed, Dream Makers Children's Charity, The Archie Foundation, CHAS, 2 Grandsons and 1 Granddaughter of Mr. Salvesen, who gifted the Asset in 1952, David Dean, former Head of Raddery	STRONG
Level of Community Support Assessment Summary:			<i>Rating – STRONG</i>

ASSESSMENT AREA:	SUSTAINABILITY		
Criteria	Evidence from Community Asset Transfer Body	Additional Evidence/Information	Assessment of Compliance
Financial – ability to support/fund the asset in the future	The delivery of projects and activities on the Raddery House site will be on a phased basis, with a view to getting activities delivered on the site as early as possible where practical, but also to allow sufficient time to plan and deliver elements of the project which will require construction. There are some income generation opportunities identified in the early phases of the project which will help support the project and the business plan identifies a number of key funders that RHL can apply to.	<p>SLF in partnership with HIE have offered RHL some immediate fundraising support in the form of approx. 20 days consultancy from a recognised fundraising professional in order to really kick start the funding drive.</p> <p>Just Enterprise have offered RHL some consultancy days to work up the Business Case for the woodland element of their project in more detail prior to submission to SLF for stage two funding.</p> <p>These two offers are important to the project . Not only do they offer RHL additional professional capacity in specialist areas they also indicate the ongoing support and commitment of significant partners to the project RHL are trying to deliver.</p>	MODERATE/STRONG
Governance – sustainability of the organisation	RHL is a an incorporated organisation which meets the eligibility criteria. They currently have a membership of 197 including 8 directors	SLF and HC Business Gateway service both consider the plan to be ambitious and potentially achievable over the 10 years indicated in the business plan.	MODERATE
Sustainability Assessment Summary:			<i>Rating – MODERATE</i>

ASSESSMENT AREA:	RESOURCING		
<i>Criteria</i>	<i>Evidence from Community Asset Transfer Body</i>	<i>Additional Evidence/Information</i>	<i>Assessment of Compliance</i>
Value of asset	Estimated £465, 000		
Legal title and relevant information	It has been confirmed through Legal Services that there are no burdens that would restrict the Council from selling the assets		NA
Current use of the asset and potential impact	The asset has been closed since 2017 and is currently costing the Council in the region of £8,500 per annum to maintain.	The building in its current state has attracted a degree of vandalism, resulting in concerns being raised by the community.	NA
Requested purchase/discount value	30% discount – capital receipt of £325,500 being offered.		STRONG/MODERATE
Ability of organisation to pay	RHL were successful with an initial stage 1 application to the Scottish Land Fund and they are being invited to apply for stage 2 and they have also identified other potential sources.	Funders identified and discussions held with for purchase and future developments include: Clothworkers Foundation - for Dementia project as they already support Meeting places Scotland, SSE Regional Fund - see a good fit with the Family/children respite breaks, National lottery	STRONG/MODERATE

		<p>Heritage Fund – Indicated a good fit for repurposing Raddery House and for the ancient woodlands, EOI submitted, EOI submitted previously to COF (community ownership fund) - currently paused until a decision of the CAT is known,</p> <p>Edna Baxter Foundation – Indicated they would be willing to match fund.</p> <p>Meeting Centres Scotland - indicated RHL would be eligible for a start-up grant.</p> <p>In addition, RHL have recently engaged directly with around 20 other potential interested funders and have identified an extensive list of `good fits` to follow up on.</p>	
Resourcing Assessment Summary:		<i>Rating – STRONG/MODERATE</i>	