

## WHITHORN NEW TOWN HALL, WHITHORN – PROPOSED COMMUNITY ASSET TRANSFER

### 1. Purpose of Report

This report presents Members with All Roads Lead to Whithorn Charitable Trust's proposed Business Plan for a Community Asset Transfer of Whithorn New Town Hall and seeks Members' views on the proposed transfer of ownership.

### 2. Recommendations

Members are asked to:-

- 2.1 note and consider the All Roads Lead to Whithorn Charitable Trust Business Plan as detailed in **Appendix 2**, for the community asset transfer of Whithorn New Town Hall, in order to develop a purpose made building incorporating a mixture of community, sporting and tourism uses; and
- 2.2 consider and agree the preferred option from those listed at paragraph 3.8.

### 3. Considerations

3.1 The New Town Hall is a high single storey walled building with slate roofs. Built 1885 grade C listed, with 1 storey extension added to the rear of the main building circa 1905. A small plant room is also located to the rear. The current asset value of the hall is £440,000 to the Council. Estimated market value of the Hall if it was to be declared surplus to requirements would be in the order of £100,000.

3.2 The background to the project is detailed in the Executive Summary. (**Appendix 1**).

3.3 The Council has continued to support the Trust through officer feedback on the development of their draft plan and business case, resulting in the production of a revised version being submitted to the Council on 14 February 2017 (**Appendix 2**). Their proposals for the development of the building are to create a fitness and walking centre for the community and visitors to Whithorn's internationally important heritage, with additional flexible spaces for community use, and creating a new mezzanine sports suite and new "pilgrim" bunkhouse to the rear. The total capital costs of the project are estimated to be £1.8m, including fees and VAT. Section 7.5 of **Appendix 2** details how these costs will be met through external funding. There is no request to the Council for on-going revenue or capital costs.

3.4 Update on funding in **Appendix 2**. Since the submission of the Stage 1 application to Community Assets Scotland for £100,000 funders are scheduled to meet with representatives from the Trust on 21 February 2017.

3.5 There are a number of potential benefits and positive influencing factors along with a number of dis-benefits to transferring the property at less than best value to the Trust. The benefits are detailed in 3.6 and the dis-benefits in 3.7. In making their decision members are asked to consider both benefits and dis-benefits.

3.6 The benefits presented in the business plan include:

1. The current facility has not been upgraded in decades and user income is falling, so that costs of maintenance will rise while income declines.
2. The New Town Hall is an important Listed Building within the Outstanding Conservation Area and the proposal presents the possibility of preserving the building for the future
3. The mix of income streams – booking, memberships and social enterprise at the bunkhouse, has the real possibility of supporting a full time employee, part time cleaners for accommodation, and of long term sustainability.
4. The Trust's objectives (section 9 of **Appendix 2**) have commonalities with several of the Council's priorities and commitments, particularly Priority 4 which aims to achieve sustainable prosperity by attracting and retaining successful businesses and quality jobs in our key sectors which include heritage, the arts and culture.
5. Evidence from in-depth community consultation carried out by the Trust (Section 1 **Appendix 2**) demonstrated that local people wanted:
  - a. More sports facilities
  - b. More employment opportunities
  - c. Better intergenerational working
6. The percentage of economically inactive people aged 16 to 74 who are long-term sick or disabled in Whithorn locality is 22.9% versus 16.6 % for Scotland as a whole; Data relating to health and well-being are highly relevant to the project, with its focus on offering fitness opportunities to a wide range of people, who are otherwise faced with long journeys and lack of structured opportunities for keeping fit; The project focusses on the general needs of the population, as well as those of elite athletes and young people. The Trust has also been mindful of the need to include those with disabilities and to provide appropriate access to the fitness suite. (Section 2.3 of **Appendix 2**)
7. The All Roads Lead to Whithorn Board, coupled with its wider steering group, has a strong and an experienced team who have delivered a number of successful projects. (Section 9 **Appendix 2**) The group is familiar with the various phases of project management, from developing ideas to applications, managing construction

and reporting to funders. Several directors have managed large scale projects and at least three have professional construction experience. Both directors and wider steering group members have wide networks within the community, from youth and sports interests to business and cultural heritage stakeholders. These contacts will be important if crowdfunding initiatives are undertaken.

8. Members of the Trust and the Steering group have a successful track record of fundraising for other projects, and have a high degree of confidence that funding applications currently in the pipeline have a good chance of success.
9. The constitution of the All Roads Lead to Whithorn Charitable Trust states that the provision in case of dissolution is: "Disposal of any assets to charitable institution/s with likeminded objectives and to the benefit of the local people of Whithorn".

3.7 The dis-benefits of the potential transfer are as follows:

1. Disposing of the New Town Hall, Whithorn for the nominal sum would mean that no capital receipt will be generated to contribute to the capital investment strategy.
2. The building would no longer be available for alternative community projects or aspirations.
3. The building would no longer be available for future Council use in terms of accommodating staff or exclusive council uses.
4. As the organisation has not secured it's funding, there is a risk that the transfer may not be possible and the building will revert to Council ownership. To mitigate this risk members might consider Option 2 to transfer, the property conditional on the required capital funding being secured by January 2018.

### Options

3.8 There are three options open to the Committee at this stage:

Option 1	Agree that a community asset transfer to the Trust be made for a nominal sum with no specific conditions attached; the asset and all future costs associated with it would therefore sit with the Trust from the date of transfer onwards.
Option 2	Agree that a community asset transfer be made to the Trust for a nominal sum, with the condition that the required capital funding for the project is secured by a certain date; given the content and ambition of the Business Plan at <b>Appendix 2</b> , a date of January 2018 would appear to be reasonable.

Option 3	Agree that the property be placed on the open market.
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### Disposal at less than best consideration

3.8 Should the Committee conclude that option 1 or 2 would be the best way to proceed, the requirements stated in the Disposal of Land by Local Authorities (Scotland) Regulations 2010, would need to be met. These regulations require that where the value of the land is greater than £10,000 but the proposal is to dispose of the land for less than 75% of the capital value, the Council is required to:-

1. appraise and compare the costs and other dis-benefits of the proposal;
2. be satisfied that the disposal for consideration is reasonable; and
3. agree that the disposal is likely to contribute to any of the purposes of economic development or regeneration; health; social well-being; or environmental well-being; in respect of the whole or any part of the area of the local authority or any persons resident or present in that area (references to “well-being” are to be construed as for the purposes of section 20 of the Local Government in Scotland Act 2003(2)).

If the proposed terms of disposal do not meet the criteria of these Regulations, then Disposal at less than best consideration is not permitted. Members must therefore consider whether the details contained within the Business Case at **Appendix 2** provide adequate evidence that these criteria can be met before agreeing to a proposal at less than best consideration.

Under the Community Empowerment (Scotland) Act 2015 the All Roads Lead to Whithorn Charitable Trust meets the requirements for being considered as a Community Transfer Body.

## **4. Governance Assurance**

The Head of Legal and Democratic Services, Head of Finance and Procurement and Property and Architectural Services Manager have been consulted and are in agreement with the information contained in this report.

## **5. Impact Assessment**

This report does not impose a change in policy, the formal adoption of a plan, policy or strategy it is not necessary to complete an Impact Assessment.

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**Approved by**

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**Appendices – 2**

Appendix 1 – Executive Summary

Appendix 2 – All Roads Lead to Whithorn Charitable Trust Business Plan for the New Town Hall, Whithorn.

Appendix 3 – Location Plan.

**Background Papers:** Wigtown Area Committee 8 March 2017 Whithorn New Town Hall- Proposed Community Asset Transfer

<http://egenda.dumgal.gov.uk/aksdumgal/users/public/admin/kab14.pl?operation=SUBMIT&meet=56&cmte=WIG&grpId=public&arc=71>