

FORMER POLICE STATION, BUCCLEUCH SQUARE, LANGHOLM - PROPOSED COMMUNITY ASSET TRANSFER

1. Purpose of Report

This report presents Members with the proposed Community Asset Transfer of the Former Police Station, Buccleuch Square, Langholm to the Eskdale Foundation.

2. Recommendations

Members are asked to:-

2.1 consider the Eskdale Foundation's Business Plan, as detailed in **Appendix 1**, for the community asset transfer of the Former Police Station, Buccleuch Square, Langholm;

2.2 note and consider the recommendations of Annandale and Eskdale Area Committee in relation to the proposal as set out in paragraphs 3.15 and 3.16; and

2.3 in recognition of the social and economic benefits of the project to the area, agree to transfer the Former Police Station, Buccleuch Square, Langholm to the Eskdale Foundation for the nominal sum of £1, with the condition that if the Foundation does not have the required capital funding in place for the project by 30 November 2018 and the property transfer has already been effected then the Foundation will reconvey the property to the Council for the nominal sum of £1.

3. Considerations

Background

3.1 Built in 1900, the Former Police Station on Buccleuch Square in Langholm served the community as an operational Police Station for 110 years, until its closure in 2010. The building was vacated and declared surplus in the same year by Dumfries and Galloway Council and was not one of the properties which transferred to the Scottish Police Authority under their 2013 Transfer Scheme.

3.2 The old Dumfries and Galloway Constabulary established a new Police Station within Langholm Town Hall and following this move the Former Police Station was marketed for sale by Dumfries and Galloway Council. The property first went on the market in June 2011 at offers over £220k and the price was subsequently reduced to offers over £175k in May 2013. The Eskdale Foundation noted an interest in the property in November 2014 and at the request of the Foundation, in order to give time to conduct the necessary consultation and engagement and to develop an appropriate Business Plan, the property was removed from the open market in April 2015.

3.3 The location of the Former Police Station is detailed in **Appendix 2**.

Community Asset Transfer Request

3.4 The Eskdale Foundation became a Company Limited by Guarantee with Charitable Status in March 1996 (Scottish Charity Number SC024602). This ensures that the group complies as a community transfer body as defined within the Community Asset Transfer legislation and the Council's procedures.

3.5 The Business Plan for the project has also been subject to scrutiny as part of the Procedure and is attached as **Appendix 1**.

3.6 The Eskdale Foundation is requesting that the Former Langholm Police Station be transferred for the nominal sum of £1 as the social and economic benefits which the organisation will bring to the area will provide value beyond the amount at which the property has been valued.

3.7 The proposal will contribute to the Council's Priority (4) to "be an inclusive Council", and the specific objective to empower our communities to make the most of their assets

3.8 The Eskdale Foundation is a key community organisation in Eskdale and develops projects in response to identified need. Should the asset be transferred to the Eskdale Foundation the premises would be redesigned and refurbished to provide affordable housing for rent. The need for affordable housing has been identified through consultation and engagement with the local community and has been further evidenced through the housing needs and assessment led by Dumfries and Galloway Small Communities Housing Trust.

3.9 The profits generated from this project would be disbursed via the Foundation's Community Benefit Fund. The Eskdale Foundation Board is representative of the local community and has longstanding experience of managing community funds through subsidising activity / core project costs and financing small scale community projects.

3.10 The community group has been fully informed that should Members agree to transfer the building the asset and all future costs associated with it would sit with the Group from the date of transfer onwards.

Assessment of the proposal

3.11 The Service Leader Estates Management, who is a Royal Institute of Chartered Surveyors (RICS) Registered Valuer has indicated that the estimated current value of the property, were it to be placed on the open market for sale would be £100k.

3.12 Assessment of the proposal suggests the benefits and disbenefits are:

Benefits:

For Direct Beneficiaries

- Future residents of the Former Police Station have access to locally managed, high quality affordable homes, allowing them to live within Eskdale.
- There will be an increase in community benefit funds that local groups will receive, generated by revenue from the Former Police Station. These grants will further help support and sustain new and existing local projects and allow the wider community to be self-reliant.

Benefits to the Wider Community

- Affordable housing helps to keep local people within Langholm, contributing to the wider economy and having a positive influence on the demography of the area.
 - By owning a sustainable, well-managed building the local community has greater control over its own future, generating profits for reinvestment.
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- There is investment in the former Police Station in Langholm, preserving a significant local heritage asset and improving the built landscape for locals and tourists.
- A local anchor organisation, the Eskdale Foundation, is strengthened, making it better able to respond to future community needs.

Disbenefits:

- No capital receipt which may adversely impact on the ability of the Council to meet the capital receipts target set for 2018/19 albeit there are further opportunities within our Council's property portfolio to generate capital receipts.
- The property would no longer be available for our Council for alternative uses.

3.13 There are requirements in the Disposal of Land by Local Authorities (Scotland) Regulations 2010, which need to be met when the capital 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. In these cases the Council is required to:-

- appraise and compare the costs and other disbenefits and the benefits of the proposal;
- be satisfied that the disposal for that consideration is reasonable; and
- 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 Scotland Act 2003(2)). If the proposed terms of disposal do not meet the criteria for these Regulations, then disposal at less than best consideration is not permitted.

3.14 Consideration by Officers and the Community Asset Transfer Group indicate that the social and economic benefits described in the Business Plan will provide value beyond the amount at which the property has been valued.

Consultations

3.15 A report was submitted to Annandale and Eskdale Area Committee on 28 March 2018. During the debate at this Area Committee Members were advised that should they agree to recommend Option 2 that a Standard Security could be attached to the transfer which in the event that capital funding was not forthcoming and in line with the timescales outlined in the Business Plan the Eskdale Foundation would be required to reconvey the subjects back to Dumfries and Galloway Council.

3.16 Members of Annandale and Eskdale Area Committee agreed to recommend Option 2 from three options that were presented.

Option 1	Agree to recommend to Policy and Resources Committee that a community asset transfer to the Eskdale Foundation is made for the nominal sum of £1 with no specific conditions attached; the asset and all future costs associated with it would therefore sit with the Group from the date of transfer onwards.
Option 2	Agree to recommend to Policy and Resources Committee that a community asset transfer to the Eskdale Foundation is made for the nominal sum of £1, with the condition that the required capital funding for the project is secured

	by a certain date. Given the content of the Business Plan at Appendix 1, a date of 30 November 2018 would appear to be reasonable.
Option 3	Agree not to recommend the transfer, stating reasons for Policy and Resources Committee's consideration.

3.17 There have been no expressions of interest or representations from other community groups in relation to this building nor has there been any private interest noted in purchasing the property.

4. Governance Assurance

Corporate Management Team has been consulted and is 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.

Author(s)

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Approved by

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Appendices - 2

Appendix 1 - Business Plan

Appendix 2 - Location Plan

Background Papers

Annandale and Eskdale Area Committee – 28 March 2018

[Former Police Station Buccleuch Square Langholm – Proposed Community Asset Transfer](#)

Policy and Resources Committee – 16 March 2017

[Dumfries and Galloway Community Asset Transfer Strategy and Procedure](#)

Policy and Resources Committee – 26 September 2017

[Disposal and Acquisitions Policy](#)