

All Committee meetings were cancelled with effect from 23rd March, 2020 due to the COVID-19 emergency.

The recommendations in this report were approved by an Executive Director of the Council, acting under delegated authority in terms of paragraph 2.1.1 of the Council's List of Officer Powers

21st May 2020 (CANCELLED)

Approved by Executive Director, Communities – 12th May, 2020

Community Asset Transfer Application by Crail Community Partnership – Crail Community Hall

Report by: Paul Vaughan, Head of Communities and Neighbourhoods
Ken Gourlay, Head of Assets, Transportation and Environment

Wards Affected: 19

Purpose

The purpose of this report is to provide information on a formal Community Asset Transfer request received from Crail Community Partnership under Part 5 of the Community Empowerment (Scotland) Act 2015 to purchase Crail Community Hall

Recommendation(s)

It is recommended that committee members approve the asset request at less than market value at the price of £20,000 and all otherwise on terms and conditions to the satisfaction of the Head of Assets, Transportation and Environment and the Head of Legal and Democratic Services.

Resource Implications

If the request is approved, there will be a potential loss of a capital receipt of £47,000.

Legal & Risk Implications

If the request is refused, the unsuccessful applicant may seek a review of the decision to refuse the request. This would be dealt with by the Community Empowerment Act Review Body, with the potential for further appeal to the Scottish Ministers.

Impact Assessment

An EqlA is not required because the report does not propose a change to existing policies and practices.

Consultation

Crail Community Partnership has undertaken local consultation as part of the application process. Local ward Members are also aware of the application and are supportive of it.

1.0 Background

- 1.1 Part 5 of the Community Empowerment (Scotland) Act 2015 enables community transfer bodies to request the ownership, lease or management of publicly owned buildings or land. The community transfer body (CTB) and its request must meet the requirements of the Act before the Council can validate and consider the request.
- 1.2 Crail Community Partnership (CCP) was set up in April 2019 and is recognised as the community anchor organisation for Crail. Its membership comprises members of the public and representatives from the various community groups, associations, SCIOs, Trusts and bodies in Crail. It is specifically charged with taking forward the outcomes of the Crail Charrette, the Local Place Plan. The CCP has 12 trustees representing a range of interests across the community.
- 1.3 To help achieve its aims and objectives, the organisation made a community asset transfer request in March 2020 to purchase Crail Community Hall.

2.0 Process for Dealing with Community Asset Transfer Applications

- 2.1 Part 5 of the Community Empowerment (Scotland) Act (the “Act”) came into force in January 2017. The Act provides a process for community bodies to request the sale, lease or management of buildings and land within the ownership of public authorities. The Council has a two-stage process for dealing with (1) CAT enquiries and (2) formal CAT requests. Stage 1 is not required in terms of the Act but encourages organisations to make an informal application in order for the Council to assess the extent of any advice or support necessary for organisations to make the most of the opportunities that the Act offers. A Community Transfer Body can submit a formal request in terms of the Act at any time. The Community Asset Transfer Team has set up an evaluation panel to evaluate and score requests in accordance with the criteria set down by the Act. A scoring matrix has been developed in order to allow requests to be evaluated objectively, fairly and transparently. The evaluation panel will score a request and make a recommendation to either accept or reject a request.
- 2.2 Section 82 (5) of the Act states that an authority must agree to a request unless there are reasonable grounds for refusing it. Reasonable grounds for refusal must be determined in the circumstances of each individual case. However, they are likely to include cases where:
 - the benefits of the asset transfer request are judged to be less than the benefits of an alternative proposal;
 - where agreeing to the request would restrict the relevant authority’s ability to carry out its functions; or
 - failure to demonstrate the benefits or delivery of the proposal.
- 2.3 Once the Committee decides to either approve or refuse the application, the Act requires that the Decision Notice states reasons for the decision reached by the Committee. These are set out in Appendix 1.

3.0 CAT Application by Crail Community Partnership

- 3.1 Crail is a small rural community in the East Neuk which has seen a decline in its population over the past twenty years. There are a significant number of older people and fewer employment opportunities for young people locally. Crail does not have a library, post office, dentist or doctor and 25% of the population do not own a car. The Crail Charrette identified a need for a community hub.
- 3.2 Crail Community Hall is the only building in Crail which is capable of providing facilities for more than 60 people and able to be adapted as a multi-use and adaptable facility. Currently there are two age groups who have the least opportunity for community activity – older people and young people. Crail has no mother and toddler group or playgroup type activity for young families or essential support services such as a dentist, doctor or library. In the summer Crail Food Festival, Crail Church and Crail Festival have major events but the Hall is only used one evening a week in the winter months for badminton and adult table tennis. Crail is very dependent on tourism for employment, therefore, creating more activity through market events or weddings and using the hall for business meetings will have a positive impact on the local economy.
- 3.3 Crail completed a charrette in 2019, the output being a Crail Local Place Plan. In addition, workshops and drop-in events were also organised to seek feedback from the local community on the future of Crail Hall. As articulated in their business plan, CCP will develop the Hall to:
- improve the physical appearance of the building which contributes to the regeneration of the local community;
 - improve the health and wellbeing of the community by providing an upgraded facility for use by statutory and voluntary agencies providing co-ordinated services such as exhibitions and events to enable increased social engagement;
 - contribute to environmental wellbeing by using energy efficiency and renewable energy sources as far as possible.
 - reduce inequality amongst older and younger people in particular who face social and economic disadvantage.
- 3.4 Crail Community Partnership's ambition is to acquire and use the Hall to provide opportunities for local people to interact with each other and to provide activities and services that meet the needs of everyone in the local community. The organisation has offered to purchase the Hall for £20,000 and will be applying to the Scottish Land Fund for purchase costs.

4.0 Community Empowerment (Sc) Act Evaluation

- 4.1 The CAT evaluation panel individually scored the Trust's request and discussed the request at a consensus evaluation and scoring meeting on 14th April 2020. The panel considered the request using evaluation criteria

as laid down by the Act. A copy of the completed scoring matrix is attached at Appendix 2. The panel considered that the organisation's proposal:

- had the capability to regenerate the asset and develop it into a community hub for use by the local community;
- would reduce inequality and provide a location for people to engage particularly offering services to older people and younger people and families;
- would enable statutory and voluntary agencies to fill a gap, particularly in support services which are currently lacking such as a library, doctor or dentist.

4.2 The price offered by Crail Community Partnership is £20,000. The market value of the Hall is £67,000 based on the valuation provided by Valuation Office Agency.

4.3 Under the Community Empowerment (Scotland) Act 2015, the CAT evaluation panel decided that:

- (i) Crail Community Partnership (CCP) has a mandate to tackle the challenges to the local community's long-term sustainability – including declining population and employment opportunities, access to housing for residents, reduction in community facilities and public services, and opportunities for young people.
- (ii) Specific consultation on the community hall demonstrated the support of the community for the proposal.
- (iii) A Feasibility Study demonstrated a range of potential uses that an accessible community space could provide.
- (iv) CCP have demonstrated that with Scottish Land Fund grant along with other funding they can fund the acquisition and refurbishment of the asset.
- (v) CCP have demonstrated realistic projections of income and expenditure over the next 5 years to sustain the proposal.

Crail Community Partnership received a consensus score of 65 points out of a maximum of 104 points and the panel recommended approval of the transfer based on conditions to be confirmed by the Head of Assets, Transportation and Environment.

5.0 Disposal of Properties for Less than Best Consideration

5.1 Where the Council is considering a proposal that land (or buildings) be disposed of at 'less than the best consideration that can reasonably be obtained,' in situations like the current one, it needs to follow the process set out in the Disposal of Land by Local Authorities (Scotland) Regulations 2010.

The process consists of three steps:

- The Council must 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
- Be satisfied that, as regards some or all of the local authority area or persons resident or present there, the disposal is likely to contribute to the promotion of improvement of economic development or regeneration; health; social well-being; or environmental well-being.

The asset has been valued at £67,000 and Crail Community Partnership has offered a purchase price of £20,000.

The benefits of the application are that:

- CCP will secure funding to carry out a phased programme of renovation works over 5 years.
- The community, and in particular older people, will have better access to health and wellbeing services.
- Activities for children and young people will be provided including greater opportunities for young people to participate in community decision making.
- Courses, classes and events for all age groups will result in greater community cohesion.
- Fife Council will benefit as a result of revenue savings and maintenance.

The disbenefits are the loss of a capital receipt of £47,000.

Comparison: The panel considered that over the course of a 10-year period given the range of services to be provided to the local community and the investment in the building to create an accessible, flexible and refurbished community hub, the level of discount was justified. It is therefore considered that disposal for that consideration is reasonable.

Further, it is considered that the disposal is likely to contribute to the promotion of improvement of economic development and regeneration of the hall; promote health and wellbeing particularly for older people and young people and families and provide a much needed community hub to bring together a wide range of stakeholders for the benefit of the local community.

6.0 Conclusion

- 6.1 Established in April 2019, Crail Community Partnership's aim has been to refurbish the under-used Crail Hall for the benefit of the local community. Currently, there are a lack of activities in the area for older people, no support services and no services for young families. The Hall is used once a week for badminton and table tennis and in the summer months various festivals are held. The hall is also used for around 4 wedding receptions each year. The Partnership has made an application to the Scottish Land Fund and has made a community asset transfer request to purchase Crail Hall which will enable the organisation to use the Hall as a community hub and extend the range of activities that are available.

Appendices

1. Reasons for Approval or Refusal of request
2. Scoring Matrix

Report Contacts:

Tim Kendrick
Community Manager (Development)
Fife House, Glenrothes
03451 55 55 55 ext. 446109
Tim.Kendrick@fife.gov.uk

Michael O’Gorman
Service Manager (Estates)
Bankhead Central
Bankhead Park
Glenrothes
KY7 6GH
03451 555555 ext 440498
Michael.ogorman@fife.gov.uk

Approval of request

Matters to be considered

1. Has the organisation demonstrated the need for the proposal in their community?
Does it have community support?

2. Benefits of the request

The Council needs to consider whether agreeing to the proposal would be likely to promote or improve:

- Economic development
- Regeneration
- Public Health
- Social well-being
- Environmental well-being, or

Reduce inequality of outcome which result from socio-economic disadvantage.

3. Ability to deliver

The Council must consider whether the proposal is sustainable and whether the organisation has the ability to deliver. Has the organisation:

- provided evidence on how they intended to fund the proposal. Have they identified all costs associated with delivering the proposal and how these would be covered in the short and long term?
- provided evidence of the appropriate skills and experience required to manage and maintain the asset.
- Demonstrated that the projected benefits were based on robust information and the proposal demonstrated value for money.

4. Will the proposal restrict the delivery of the Council's functions?

Consider whether the proposal will contribute to achieving local and national outcomes.

5. Is there an alternative proposal?

This can be another community asset transfer request or the Council's own requirement for the asset. Assess the benefits of the request against those of the alternative proposal.

Refusal of request

Matters to be considered

1. Has the organisation demonstrated the need for the proposal in their community? Does it have community support? If the proposal has attracted opposition and causes division within the community then it does not have a net benefit.
2. Benefits of the request

The Council needs to consider whether agreeing to the proposal would be likely to promote or improve:

- Economic development
- Regeneration
- Public Health
- Social well-being
- Environmental well-being, or

Reduce inequality of outcome which result from socio-economic disadvantage.

3. Ability to deliver

The Council must consider whether the proposal is sustainable and whether the organisation has the ability to deliver. Has the organisation:

- provided evidence on how they intended to fund the proposal. Have they identified all costs associated with delivering the proposal and how these would be covered in the short and long term?
- provided evidence of the appropriate skills and experience required to manage and maintain the asset.
- Demonstrated that the projected benefits were based on robust information and the proposal demonstrated value for money.
- What is the impact of project failure?

4. Will the proposal restrict the delivery of the Council's functions?

Will there be an unacceptable impact on the Council's ability to deliver its functions? For example, it may interfere with operations or require the Council to put alternative arrangements in place at substantial cost.

5. Is there an alternative proposal?

This can be another community asset transfer request or the Council's own requirement for the asset. Assess the benefits of the request against those of the alternative proposal.

6. Other obligations or restrictions

Is the asset leased by the Council and there are restrictions on assignation or subletting? Is the asset common good and consent from the Sheriff is required? This would not prevent the transfer but there would be additional cost involved in obtaining consents. Consider whether this cost would have to be met by the organisation.

Scoring Matrix for Stage 2 Applications under Part 5 – Community Empowerment (S) Act 2015

Name of applicant: Crail Community Partnership

Asset being applied for: Crail Community Hall

Assessment Criteria	Score
Section A – About the Proposal	
A.1 - Are the aims and objectives of the proposal clearly defined?	3
A.2 - Has the organisation described what services they will deliver and explained why they are required?	3
A.3 - Has the organisation described why they require the asset and what difference this will make to delivery of services in their area?	3
A.4 - How does the proposal compare with similar services being delivered in the same area? What is the additionality/displacement?	2
Section B – Wider support and wider public support	
B.1 - Has the applicant organisation demonstrated that there is sufficient demand for the proposal?	2
B.2 - Local community support Has the organisation demonstrated that there is sufficient support from the local community? This should be based on widespread consultation of those who would be served by the asset as well as support from community partners. Evidence of stakeholder consultation is required including details of who was consulted, how, what the response was etc.	3
B.3 - Partnerships - Has the organisation provided details of any partnership arrangements required to deliver the proposal successfully?	3
B.4 - Equality - Has the organisation demonstrated how it will take into account the different needs of the community? Does the application demonstrate where a proposal may reduce inequalities?	2
Section C - Impact/ Benefits	
C.1 - Assess whether agreeing to the request would be likely to: <ul style="list-style-type: none"> • promotes or improve: • Economic development • Regeneration • Public health • Social well-being • Environmental well-being • Reduce inequalities 	2

<p>Section D – Organisational Viability</p> <p>D.1 - Has the organisation demonstrated that they have experience of managing an asset?</p>	3
<p>D.2 - Has the organisation demonstrated that they have experience in delivering the proposed services?</p>	2
<p>D.3 - Has the organisation provided details of individuals who have the skills to a) manage the project b) run and manage the asset? This should include details of the individual skills and experience.</p>	3
<p>D.4 - Has the organisation demonstrated they have clear governance and decision-making procedures for managing the asset and delivering the services e.g. there needs to be a clear process for making decisions including who will be responsible for booking rooms, dealing with site problems, compliance with legal issues such as health and safety.</p>	2
<p>D.5 - Has the organisation demonstrated they have a clear understanding as to what is required in relation to managing an asset? E.g. insurance, maintenance of the building, boilers, firefighting equipment and electrical items, EPC, legionella testing etc.</p>	3
<p>D.6 - Has the organisation provided details of the monitoring arrangements to be put in place to ensure the project delivers its key objectives?</p>	2
<p>Section E – Financial Information</p> <p>E.1 - Has the applicant organisation provided their projected income and expenditure and cash flow forecasts? Have they demonstrated there is sufficient projected cash flow to show the proposal is financially viable?</p>	3
<p>E.2 - Has the organisation demonstrated the need as to why the asset should be transferred at less than best consideration?</p>	2
<p>E.3 - Use of Resources</p> <p>Has the organisation identified all the resources required to deliver the benefit?</p> <p>Consider:</p> <ul style="list-style-type: none"> • Funding obtained so far • Funding and support required from the Council • Other sources of funding • Number of employees or volunteers available to run/maintain the asset 	3
<p>E.4 - Has the organisation demonstrated prioritisation of resources in the longer term in order to contribute to sustainable development? Demonstrate future funding or self-financing arrangements. Are the assumptions credible/ evidenced?</p>	2
<p>Section F – Property</p> <p>F.1 - If the organisation seeks a discount then the benefit of the request should be proportionate to the value of the asset and the level of discount. Has the discount been justified?</p>	2

F.2 - Will the project have an overall financial benefit on public sector costs (e.g. removes the maintenance burden from the Council)	3
F.3 – Has sufficient consideration been given to property costs?	2
F.4 – Has the organisation provided sufficient evidence that they merit and can sustain exclusive use of the asset (based on current user information provided)?	2
G. Local and National Outcomes	
G.1 - Consider how the proposed benefits of the asset transfer request will contribute to achieving the Council's outcomes or to national outcomes more generally.	3
G.2 - Consider how the proposal will impact on the Council's own delivery of services.	3
G.3 - To what extent does the proposal contribute to local or national priorities? Produce a clear plan for achieving intended outcomes (ideally showing links to local or national outcomes)	2

Total score: 65 / 104

Assessment Scoring Matrix

To assess proposed use and financial arrangements for the asset. Must be proportionate and appropriate.

-2	Has negative impact on the Councils activities
-1	Has negative impact on existing provision/ existing benefit
0 = Poor	Little or no response in regard to the submission with ill-defined unrealistic ambitions
1 = Weak	The submission contains only minor detail and is not based on robust information
2 – Moderate	The submission provides a level of detail which enables understanding with acceptable projected benefits
3 = Strong	The submission provides sufficient evidence that the issue has been considered with sound, sustainable Best Value characteristics
4 = Very Strong	The applicant has included all issues in the submission and has provided additional information which enables detailed understanding with strong and sustainable Best Value characteristics with robust related project benefits