

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	31 May 2023
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Pavilion at Alexander Hamilton Memorial Park, Stonehouse – Asset Transfer to Friends of Stonehouse Park
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1. Purpose of Report

The purpose of the report is to:-

- ◆ advise the Committee of the request for asset transfer, by lease, of the pavilion within Alexander Hamilton Memorial Park, Stonehouse to Friends of Stonehouse Park and request approval to the principal terms and conditions of asset transfer as set out in Section 5 of the report

2. Recommendation(s)

The Committee is asked to approve the following recommendation(s):-

- (1) that the pavilion at Alexander Hamilton Memorial Park, Stonehouse be leased to Friends of Stonehouse Park, subject to the terms and conditions outlined in Section 5 of the report; and
- (2) that the Executive Director (Housing and Technical Resources), in conjunction with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of the lease and enter into the necessary legal agreements on terms which are in the best interests of the Council.

3. Background

- 3.1. The Council owns a pavilion within the Alexander Hamilton Memorial Park, Stonehouse. The property houses electrical equipment that serves the wider park, however, has not been used as a pavilion for many years and is in poor condition.
- 3.2. Friends of Stonehouse Park is a local community organisation that has been working in partnership with the Council to deliver projects and run local events in the park.
- 3.3. Friends of Stonehouse Park submitted a request for Community Asset Transfer of the pavilion, by lease, the validation date for which was 11 January 2023.
- 3.4. In addition to placing the application and supporting documentation on the Council's Planning Portal, notices were placed on the property advising that the Council was considering an asset transfer. The closing date for responses was 6 March 2023 at which time 31 representations were received, all supportive of the proposal.
- 3.5. The request was placed before the Community Asset Transfer Assessment Panel when the following matters were taken into consideration.

3.6. Property

- 3.6.1. The property, as shown on the attached plan, consists of a former pavilion set within Alexander Hamilton Memorial Park, Stonehouse. A single storey brick building with a pitched roof, this property has been vacant for some considerable time and is in a very poor condition.
- 3.6.2. The property does not have an independent vehicular access and therefore, in any lease agreement, the group will have exclusive occupation of the building but can only be given non-exclusive access rights through the park. There are private residencies within the park which share the existing access arrangements.
- 3.6.3. The pavilion houses electrical equipment that services the wider park and alterations will be required to ensure that the Council can continue to access this equipment.
- 3.6.4. The Council has a clear and marketable title, however, the existing lease with South Lanarkshire Leisure and Culture will require to be terminated.
- 3.6.5. The Planning Service has indicated that planning Consent will be required for change of use.
- 3.6.6. The in-house Valuer has placed a rental value of £1 per annum on the property which reflects the level of investment required to bring the property back into use and its location within the public park.

3.7. Organisation

- 3.7.1. Friends of Stonehouse Park is a Scottish Charitable Incorporated Organisation (SCIO), Scottish Charity No. SC052194. The organisation has been running for over 7 years and became a SCIO in 2023. The constitution contains an “asset lock” requiring that if the organisation ceased to exist, the ownership of the land would transfer to another charitable organisation with similar objectives.
- 3.7.2. The organisation has 20 members, a Board who has private business experience and has held positions in other community organisations, secured funding from various sources and delivered community projects as well as have a wider pool of volunteers.
- 3.7.3. The objectives of the organisation are:-
 - ◆ the provision of recreational facilities and the organisation of recreational activities within the Alexander Hamilton Memorial Park
 - ◆ the advance of citizenship or community development by hosting and encouraging community participation at events within the park
- 3.7.4. The Friends of the Stonehouse Park have been arranging and delivering events within the park since 2014 and have worked in partnership with the Council to secure the £225,000 funding for the refurbishment of the park’s band stand and a range of other projects.

3.8. Project

- 3.8.1. The proposal is for a 15-year lease followed with phased investment in the property. Initially the electrical equipment access will be created and the wind and watertight repairs will be undertaken to allow the organisation to store all of its equipment and supplies.

- 3.8.2. The property will ultimately be refurbished, by Friends of Stonehouse Park, to provide a Community Hub with kitchen/café, toilets and meeting space, and be available to other community organisations such as the Rugby Club, Scouts, etc.
- 3.8.3. There is no detailed “business plan” accompanying the application, however, the initial running of the facility as a store will incur low revenue costs and the Friends of Stonehouse Park accounts show adequate accessible funds and an ability to regularly raise funds through applications to funders and local events/activities.
- 3.8.4. A funding application is being made to the Council’s SLC Community Asset Transfer fund for the costs of redesigning the electrical supply area to enable external and secure access. This work will be carried out by the Council.
- 3.8.5. At the time of writing the report, no funding applications have been submitted in respect of the wind and watertight repairs although the group has used an architect to assess the property and obtained an initial quote for the work.

4. Assessment

- 4.1. Friends of Stonehouse Park has an established and experienced Board, stable membership and a track record of delivering successful events within the park and working well with Council’s Land Services.
- 4.2. The scale of the project is such that risks are considered to be minimal and the proposal is likely to be viable and sustainable. However, planning consent will be required for change of use and the exact sources of funding are still to be identified.
- 4.3. The community benefits derived from the proposal relate to health and wellbeing, and promotion of high quality, thriving and sustainable communities.
- 4.4. Within its asset transfer request, Friends of Stonehouse Park requested transfer by lease at a nominal rental of £1 pa. The Community Asset Transfer Working Group assessed the potential community benefits and recommend that a discount of 100% be applied. As this is a request for a lease and the rental value is nominal the requested rent of £1 pa is recommended.

5. Proposal

- 5.1. It is proposed to grant a lease of the pavilion at Alexander Hamilton Memorial Park, Stonehouse, as shown on the attached plan, to Friends of Stonehouse Park, on the following principal terms and conditions:-
 - i. the lease will be for 15 years
 - ii. the rental is £1 per annum if asked
 - iii. the use will be for a community hub and store
 - iv. the tenants would be responsible for all repairs and maintenance
 - v. the tenants would be responsible for all necessary insurances required in connection with their occupation and use of the site including public liability insurance
 - vi. full details of any proposed alterations to be provided to the Council for landlord’s consent
 - vii. date of entry to be agreed
 - viii. each party to bear their own legal fees, tenants to pay registration fees and Land and Buildings Transaction Tax (LBTT) if required
 - ix. tenants to obtain all necessary statutory consents including planning and building standards required for their use of the premises

- x. assignation will not be permitted; subletting permitted subject to landlord's consent
- xi. tenants will be responsible for any rates or other property charges resulting from their occupation and use of the subjects

5.2. The offer of lease will be conditional upon:-

- ◆ The tenant securing any necessary planning consent for change of use
- ◆ Suitable funding being secured for:-
 - the initial set up of access to electrical equipment
 - the phase 1 wind and watertight repairs
- ◆ A long stop date of 18 months for the lease to be entered into, failing which the Council can withdraw from the transaction

6. Employee Implications

6.1. There are no employee implications for South Lanarkshire Council.

7. Financial Implications

7.1. The proposed asset transfer removes the future liability for the maintenance of the pavilion and secures investment in the building.

8. Climate Change, Sustainability and Environmental Implications

8.1. There are no issues in relation to climate change, sustainability and the environment contained within this report.

9. Other Implications

9.1. In terms of the Community Empowerment (Scotland) Act 2015 the Council has until 11 July 2023 to provide a notice of its decision whether to agree to or refuse the asset transfer request.

9.2. The organisation has a right to appeal to Scottish Ministers should a decision not be made in that timescale or the asset transfer request be refused.

10. Equality Impact Assessment and Consultation Arrangements

10.1. Consultation has taken place with the Community, Land Services, Planning, Legal, and Finance Services as well as having been published for public consultation.

10.2. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.

Stephen Gibson

Executive Director (Housing and Technical Resources)

24 April 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent
- ◆ Caring, connected, sustainable communities

Previous References

- ◆ None

List of Background Papers

- ◆ Asset Transfer Application Ref CAT/23/0002

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Joanne Forbes, Head of Property Services

Ext: 4073 (Tel: 01698 454073)

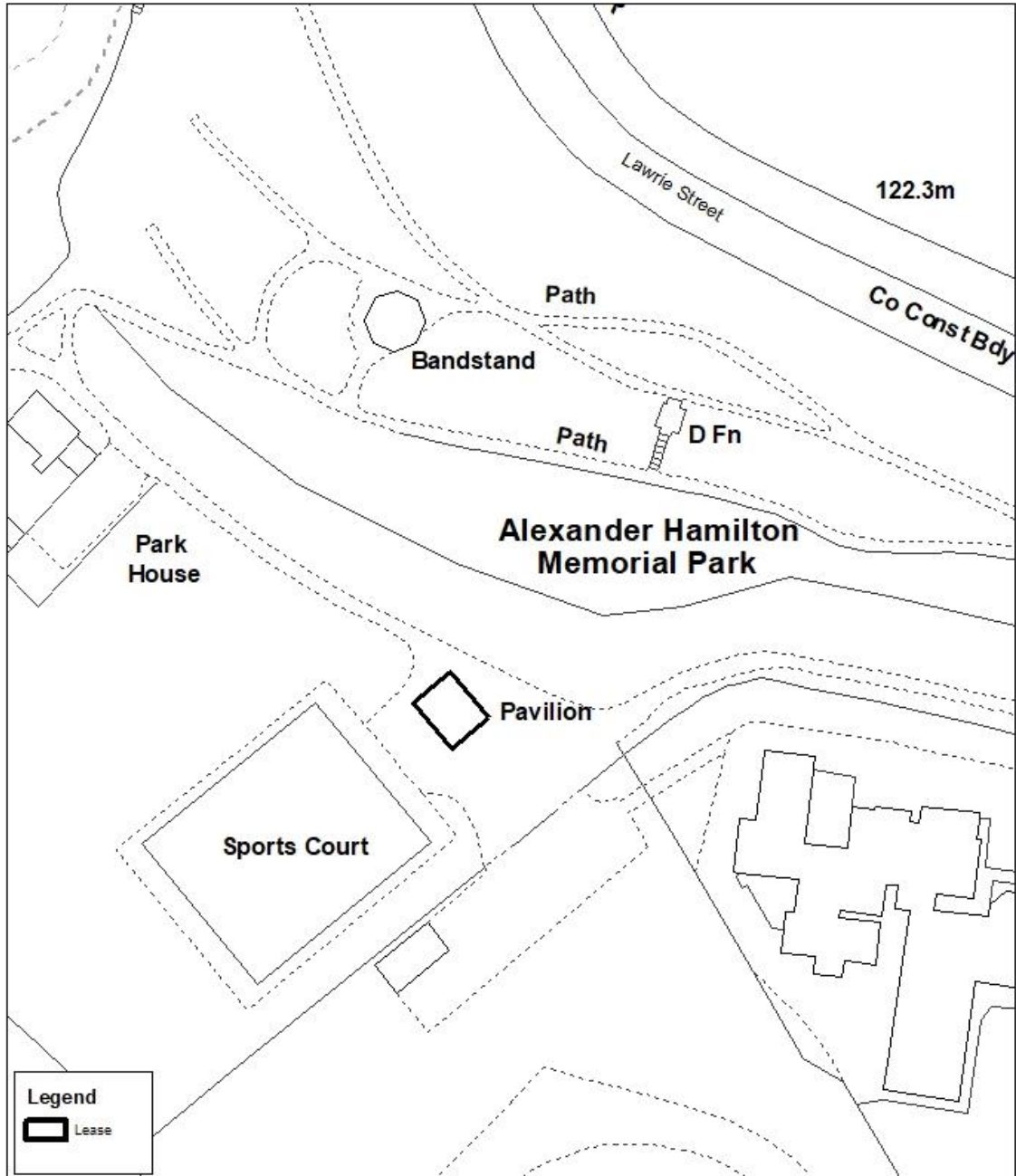
E-mail: joanne.forbes@southlanarkshire.gov.uk

LOCATION PLAN - For Committee Purposes Only

Stonehouse Park Pavilion
Lawrie Street
Stonehouse



HOUSING AND TECHNICAL



Ordnance Survey

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Ordnance Survey 100020730.



DATE: 20/04/2023