

# Report

Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>8 December 2021</b>
Report by:	<b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Low Waters Hall, Hamilton – Asset Transfer to the Trustees of Clyde Scouts</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ advise the Committee of the request for asset transfer, by lease, of Low Waters Hall to the Trustees of Clyde Scouts (the Scouts) and request approval to the principal terms and conditions of asset transfer as set out in Section 5 of the report

## 2. Recommendation(s)

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

- (1) that Low Waters Hall be leased to the Trustees of Clyde Scouts, 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 Low Waters Hall, Elliot Crescent, Hamilton and it is at present leased to South Lanarkshire Leisure and Culture and managed as an operational hall.
- 3.2. The Scouts wish to see the hall refurbished and to develop the role that the building plays within the community through direct community management. Whilst the transfer request is for a lease to the Trustees of Clyde Scouts, the day-to-day management would be undertaken by the local 112<sup>th</sup> Lanarkshire Scouts.
- 3.3. The Scouts submitted a request for Community Asset Transfer of the hall, the validation date for which was 23 July 2021.
- 3.4. In addition to placing the application and supporting documentation on the Council's Planning Portal, a notice was placed on the property and nearby Notice Boards advising that the Council was considering an asset transfer. The closing date for responses was 9 September 2021 at which time 10 representations were received; 9 were in support of the proposal and 1 was neutral.
- 3.5. The request was placed before the Community Asset Transfer Assessment Panel on 20 October 2021 when the following matters were taken into consideration.

### 3.6. Property

- 3.6.1. The extent of the land requested, as shown on the attached plan, is circa 564 square metres and is an operational hall.
- 3.6.2. The property is still in operational use and forms part of the arrangements with South Lanarkshire Leisure and Culture. SLLC has confirmed that there are no issues in relation to staff given that halls such as Low Waters are managed on an “on demand” basis and hall keepers can be expected to make up their hours across a number of sites.
- 3.6.3. The property requires an estimated £55,000 of investment over the next 5 years.
- 3.6.4. Planning and Economic Development have indicated that there would be no significant planning issues as the prospective use is the same as the previous use.
- 3.6.5. The Council’s in-house valuer has placed a value of £2,500 per annum on the property, in terms of rental value.
- 3.6.6. There is no parking associated with the hall and limited independent redevelopment potential.

### 3.7. Organisation

- 3.7.1. Due to the structure of the Scout organisation, the asset transfer request is in the name of The Trustees of Clyde Scouts, which is an unincorporated organisation and a registered charity SC010415. However, the day-to-day operation and management of the facility will be undertaken by 112<sup>th</sup> Lanarkshire Scouts which has been established since 1999, is an unincorporated organisation and a registered charity SC034313.
- 3.7.2. 112<sup>th</sup> Lanarkshire Scouts has an experienced leadership and a membership of over 100 young people with a growing waiting list.
- 3.7.3. The objectives of the organisation are:-
  - ◆ The purpose of scouting is to contribute to the development of young people in achieving their full physical, intellectual, social and spiritual potentials, as individuals, as responsible citizens and as members of their local, national and international communities

### 3.8. Project

- 3.8.1. The proposal is for the Scouts to take a 20-year full repairing and insuring lease, refurbish the property and continue to manage the hall as a community facility. The facility will enable the Scouts to increase the number of sessions that they can offer and reduce their waiting list. The Scouts have met with representatives of the existing users of the hall, which are mainly daytime uses, and are keen for these lets to continue after the asset transfer.
- 3.8.2. The Scouts have carried out extensive consultation including discussion with the existing users of the hall and local residents.
- 3.8.3. The Scouts are aware that the hall has no dedicated parking and of local residents’ concern about the increased traffic to the hall. They have entered into discussions with other local organisations about alternative parking and developed options for staggered drop off/pick up times to address those concerns.

3.8.4. The business plan demonstrates that the Scouts are aware of the potential effect of COVID-19 on demand for the hall from other groups and that they will require a building survey to understand the level of investment required to bring the property up to the standard they wish. They have secured funding for the survey; however, this is still to be carried out.

3.8.5. The Scouts have identified a number of potential funders and commenced discussions regarding capital and revenue bids; however, at this stage, there is no certainty of funding for the renovations. The organisation, however, has a strong record of generating funding for projects.

#### **4. Assessment**

4.1. The property is suitable for the proposed use and the Trustees of Clyde Scouts, as an organisation, has the experience and capacity to manage the facility.

4.2. The business and financial plans acknowledge the risks and the proposed lease terms include for a break clause in years 2 and 5 in order to address any concerns regarding sustainability.

4.3. The community benefits derived from the proposal relate to cultural, educational and recreational opportunities.

4.4. Within their asset transfer request, the Scouts requested a 100% discount on the jointly agreed valuation. The Community Asset Transfer Working Group assessed the potential community benefits and recommends that a discount of 67% be applied to the market value to reflect the benefits to the community.

#### **5. Proposal**

5.1. It is proposed to lease Low Waters Hall to the Trustees of Clyde Scouts, on the following principal terms and conditions:-

1. The lease will be to the Trustees of Clyde Scouts
2. The lease will be for a period of 20 years
3. The date of entry to be agreed
4. The rental shall be £825 per annum being a 67% discount on the market value of £2,500 p.a.
5. The lease to be fully repairing and insuring
6. The tenants will pay the buildings insurance costs as charged by the Council
7. The tenants will be required to obtain and exhibit as required public liability insurance to the value of £5 million for any one claim
8. The property will be used as a community hall
9. The tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects
10. Assignment and subletting will not be allowed without the Council's express consent
11. Landlord's consent will be required for any structural alterations to the property
12. Each party to be responsible for their own legal costs however the tenants will require to pay any registration fees and Land & Buildings Transaction Tax (LBTT) if required
13. A one year rent free period to acknowledge that, during the first 12 months whilst the property is being improved, the Scouts will still have costs associated with bookings at other premises

5.2. The offer to lease will be conditional upon the following:-

- ◆ The Scouts being satisfied with the outcome of a building survey
- ◆ A long stop date of 1 year for the lease to commence, failing which the Council will be entitled to withdraw from the transaction

## **6. Employee Implications**

- 6.1. There are no employee implications given the nature of the hall keeper arrangements.

## **7. Financial Implications**

- 7.1. The Council will receive an income from the lease of £825 per annum.
- 7.2. The proposed asset transfer removes the liability for the maintenance and investment in Low Waters Hall during the course of the lease, estimated to be £55,000.

## **9. Climate Change, Sustainability and Environmental Implications**

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

## **8. Other Implications**

- 8.1. In terms of the Community Empowerment (Scotland) Act 2015 the Council has until 23 January 2022 to provide a notice of its decision whether to agree to or refuse the asset transfer request.
- 8.2. 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.
- 8.3. If the asset transfer is to proceed, the existing lease with SLLC will require to be terminated.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. Consultation has taken place with the Community, Land Services, Planning, Legal, SLLC 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.

**Daniel Lowe**

**Executive Director (Housing and Technical Resources)**

28 October 2021

## **Link(s) to Council Values/Objectives**

- ◆ Accountable, effective, efficient and transparent
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

## **Previous References**

- ◆ None

## **List of Background Papers**

- ◆ None

**Contact for Further Information**

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

Frank McCafferty, Head of Property Services

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## LOCATION PLAN - For Committee Purposes Only

Low Waters Hall  
Eliot Crescent, Hamilton



### PROPERTY SERVICES



Contents outlined in Black 564 square metres or thereby.