

Report

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| Report to: | Housing and Technical Resources Committee |
| Date of Meeting: | 29 September 2021 |
| Report by: | Executive Director (Housing and Technical Resources) |

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| Subject: | Former Walston Primary School, Elsrickle Asset Transfer to Biggar and District Men's Shed |
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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 the former Walston Primary School at Elsrickle to Biggar and District Men's Shed, 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 the former Walston Primary School be leased to Biggar and District Men's Shed subject to the terms and conditions outlined in Section 5 of the report
- (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 former Walston Primary School has been closed for approximately three years following the opening of the new primary school.
- 3.2. Biggar and District Men's Shed has been seeking a permanent location within the area from which to operate and this single-story building with four main rooms meets its requirements. It submitted a request for Community Asset Transfer of the main school building, the validation date for which was 11 May 2021.
- 3.3. The request does not include the neighbouring former canteen building or residential property.
- 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 21 June 2021 at which time three representations were received.
- 3.5. The request was placed before the Community Asset Transfer Assessment Panel on 19 August 2021 when the following matters were taken into consideration.
- 3.6. Property
- 3.6.1. The extent of the property requested is shown on the attached plan.

- 3.6.2. The Council registered its title in 2013 and this will not be the subject of warranty by the Registers of Scotland until 2023. This would not prevent a sale of the property but would require an insurance to be obtained as part of the transaction.
- 3.6.3. Planning and Economic Development have indicated that the property is considered suitable for residential or community use and is suitable for the proposed project. Planning consent will not be required in respect of the use of the property as a Men's Shed although consent for any future extensions to the property and the proposed market garden will be needed.
- 3.6.4. The property requires repair and it is estimated that £8,000 is required to bring the property up to occupiable condition.
- 3.6.5. The property has been valued by the District Valuer at £80,000.
- 3.6.6. The rental value of the property has been assessed as £6,000 per annum by the Council's in-house Valuer.
- 3.7. Organisation
- 3.7.1. Biggar Men's Shed is a Scottish Charitable Incorporated Organisation (SCIO), Scottish Charity No. SC049102. The organisation has been established for two years.
- 3.7.2. The purpose of the organisation is to provide recreational facilities and advance the social needs, health and wellbeing of men of all ages and backgrounds living in the Biggar and surrounding areas.
- 3.7.3. The organisation has 21 members, membership being restricted by the lack of suitable premises and the pandemic. Through the recent public consultation, a potential pool of new members has been identified.
- 3.7.4. Although the organisation has not been operating long, there are strong connections with other community groups in the area, the support of a national organisation and the Trustees have a range of skills and experience.
- 3.8. Project
- 3.8.1. The project is to use the facility as a Men's Shed. The lack of a suitable premises has restricted the organisation's development and the former Walston School provides that opportunity.
- 3.8.2. The property will be used for workshops and meeting space with aspiration for a market garden in the future. Not all rooms within the property will be needed immediately by the Men's Shed and, in recognition that income will be required to support the running costs, some rooms will be let out on a bookable basis to other organisations in the short term.
- 3.8.3. Funding had not been identified by the Men's Shed to bring the property up to an occupiable standard. The business model is based around income being generated from donations, sale of products and services created by members and open days. It is recognised in the business plan that the first couple of years carry a financial risk.
- 3.8.4. The three representations submitted as part of the public consultation process were primarily concerned with the issue of car parking and access. Biggar and District Men's Shed have demonstrated that they will have parking for in the region of 20 cars and have responded to the parties' concerns.

4. Assessment

- 4.1. The property is suitable for the proposed use and the organisation clearly has the drive and enthusiasm to establish a vibrant Men's Shed delivering support and opportunities to those in the community that can feel isolated. However, given current low membership, the condition of the property and the financial risks there are concerns regarding the viability and sustainability of the proposal.
- 4.2. The original request for asset transfer was based upon sale of the property at £1. Following discussions, Biggar and District Men's Shed has agreed that, in order to secure entry as quickly as possible and to mitigate the financial risks, the proposal will now be on the basis of lease. This does not prevent the organisation from making a further approach to purchase the property at a future date when it is more established and the financial viability has been demonstrated.
- 4.3. The condition of the property is not suitable for immediate entry and works are required to the electrics, roof, gutters, downpipes and ceilings before Biggar and District Men's Shed can safely take occupation.
- 4.4. An application was made to the new Community Asset Transfer Fund for the funds to carry out these works. The application was approved by the Prioritised Investment Group at its meeting on 23 August 2021 and preparations have been made for the Council to carry out the necessary works upon approval of this report.
- 4.5. The community benefits derived from the proposal relate to health and wellbeing, education, environmental and recreational.
- 4.6. The Community Asset Transfer Working Group assessed the potential community benefits and recommended that a discount of 65% be applied to the market value to reflect the benefits to the community.
- 4.7. The risks associated with the asset transfer are considered high, however, these have been mitigated by the proposed lease.

5. Proposal

- 5.1. It is proposed to lease the former Walston Primary School, as shown on the attached plan, to Biggar and District Men's Shed, on the following principal terms and conditions:-
 1. The lease will be to Biggar and District Men's Shed.
 2. The lease will be for a period of 10 years.
 3. The date of entry to be agreed.
 4. The rental shall be £2,100 per annum.
 5. That one year rent free be granted to enable the group to become established.
 6. The lease to be fully repairing and insuring, this is conditional upon the Council undertaking a schedule of agreed wind and watertight repairs prior to the lease commencing.
 7. The tenants will pay the buildings insurance costs as charged by the Council.
 8. The tenants will be required to obtain and exhibit, as required, public liability insurance at a level agreed with the Council.
 9. The property will be used in conjunction with the tenants' activities as operators of a 'Men's Shed' within the UK Men's Shed Association.
 10. The tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects.
 11. Assignment and subletting will not be allowed without the Council's express consent.

12. Landlord's consent will be required for any structural alterations to the property.
13. Each party to be responsible for their own legal costs, however, the tenants will require to pay any registration fees and Land and Buildings Transaction Tax (LBTT) if required.

6. Employee Implications

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

7. Financial Implications

- 7.1. The property is surplus and the proposed asset transfer removes the potential for a capital receipt of £80,000.
- 7.2. The grant of a lease on a full repairing and insuring basis removes the Council's liability for the ongoing maintenance and management of the property.
- 7.3. The Council will carry out essential repairs to the property prior to the commencement of the lease.

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 24 November 2021 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.

Daniel Lowe

Executive Director (Housing and Technical Resources)

25 August 2021

Link(s) to Council Values/Objectives/Ambitions

- ◆ 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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email: frank.mccafferty@southlanarkshire.gov.uk

LOCATION PLAN - For Committee Purposes Only

Former Walston Primary School
Elsrickle, Biggar



PROPERTY SERVICES

