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<b>Report To:</b>	<b>Environment &amp; Regeneration Committee</b>	<b>Date:</b>	<b>31 October 2019</b>
<b>Report By:</b>	<b>Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>LP/123/19</b>
<b>Contact Officer:</b>	<b>Audrey Galloway</b>	<b>Contact No:</b>	<b>01475 712102</b>
<b>Subject:</b>	<b>Craigend Resource Centre – Transfer of Land</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to seek authority to transfer ownership of two areas of land extending, in total, to 1,530sqm or thereby, as shown hatched on the attached plan, Appendix 1 at McLeod Street, Greenock to Craigend Resource Centre Ltd (CRC) on the basis of the Heads of Terms detailed within the body of this report.

## 2.0 SUMMARY

- 2.1 CRC currently occupies the building shown hatched on the plan at Appendix 2. They now wish to acquire land adjacent to their current property to enable them to build a new facility to accommodate a wider range of activities. A report to this Committee in May 2014 provided details of CRC's proposals and the Committee authorised a letter of intent to be issued to CRC confirming the Council's commitment to the project and confirming that the site outlined on the plan at Appendix 2 would be made available to CRC at nil consideration subject to a number of conditions being fulfilled by 30 September 2015. Further reports have been brought back to this Committee extending that deadline in order to provide CRC with sufficient time to obtain all their funding which they confirm they have now achieved and this report seeks authority to either transfer the ownership of; or enter into a 99 year lease of land identified within this report to CRC.

## 3.0 RECOMMENDATIONS

It is recommended that the Committee:

- 3.1 Notes the outcome of the open space consultation in relation to the proposed disposal and the terms of the representations received as detailed in the body of the report; and
- 3.2 If, having regard to those representations, the Committee determines the disposal should proceed, that delegated authority be granted to the Corporate Director Environment, Regeneration & Resources to either transfer ownership of, or enter into a 99 year lease of the two sites shown outlined on the plan attached at appendix 1 and amounting to 1,530sqm, or thereby, to Craigend Resource Centre for no consideration, but that subject to their obtaining appropriate planning permission for the project and otherwise on terms and conditions acceptable to the Head of Legal and Property Services and the Chief Financial Officer.

## **4.0 BACKGROUND**

### **Craigend Resource Centre**

- 4.1 Craigend Resource Centre has been operating in Inverclyde since 1995 and was developed with funding provided through the Urban Aid Programme. Occupancy is currently regulated by virtue of an FRI Lease which is continuing on a yearly basis.
- 4.2 A series of reports have previously been placed before this Committee to progress the renewal and extension of the lease to CRC subject to the CRC's changing requirements, however, the current aspiration is for either outright transfer of ownership of the land or a long lease of 99 years, in order that CRC can construct a new facility to meet current needs.
- 4.3 A report on the proposed transfer was brought before this Committee in May 2014. That report authorised the issuing of a Letter of Intent confirming the Council's commitment to the project and confirming that the site outlined in appendix 2 would be made available to CRC at nil consideration, subject to a number of conditions being fulfilled by 30 September 2015. That letter has been extended on two occasions as CRC had not obtained all of their required funding by 2015. A copy of the Letter of Intent is attached at Appendix 3.
- 4.4 In July 2019 CRC confirmed they had obtained all necessary funding for the project, which amounts £2,310,000 in total and is made up of the following:
- Regeneration Capital Grant Fund - £1.18m
  - Big Lottery - £950,000
  - Robertson Trust - £180,000
- 4.5 One of the conditions of the Letter of Intent is that CRC will have obtained appropriate planning consent for the demolition of the existing facility and the construction of a new Resource Centre. CRC have now submitted a planning application, however, due to a proposed change to the present land use, this application will require to go to the Planning Board for consideration. Therefore this condition has not yet been satisfied; however, due to time constraints it is necessary to bring this report before Committee now.
- 4.6 CRC have appointed consultants to assist with the delivery of this project and Council Officers have been advised that drawdown of money from the RCGF fund must take place by 31<sup>st</sup> March 2020. In order to meet this timescale authority to the transfer is required now so that the consultants can issue a tender for the works as soon as planning permission is received. The consultants wish to appoint contractors towards the end of January 2020 and the tender process is expected to take approximately 10 weeks, therefore a report on the land transfer to the next Environment & Regeneration Committee would be too late.

## **5.0 DETAILS OF PROPOSAL**

- 5.1 Rather than extend the present facility as reported in 2014, CRC now wish to construct a completely new facility on a site to the rear of the current facility, it will comprise a single storey property in three distinct but open plan sections providing an open plan multi-function hall, kitchen and dining facilities, a crèche, a laundry room and an IT room. Plans for the proposal are attached at Appendix 4. So that service provision will not be disrupted, the intention is that the new build will be completed, or practically completed, before the present community facility is demolished.
- 5.2 In addition to the community hub, car parking at the facility will be increased from the current provision of four spaces to 20 spaces. CRC have advised that they no longer wish to acquire the whole of the site as originally outlined in the plan at Appendix 2, instead they now only wish to acquire two parcels of land which together will comprise the new facility and the car park servicing the new facility. The two sites are shown on the plan at Appendix 1.
- 5.3 As part of the proposal, CRC's contractors will move the current play area from its present position to a site elsewhere within the vicinity of the new community facility although the exact

location has yet to be confirmed. The play area will remain in the ownership of the Council and the present equipment will be retained and reused, however, any new location will require to be laid out in accordance with recommendations from the Council's Environmental Services for Play Areas.

## **6.0 BEST VALUE JUSTIFICATION**

6.1 In terms of Section 74 of the Local Government (Scotland) Act 1973, the Council shall not dispose of land for a consideration less than the best that can reasonably be obtained. However, this obligation is qualified by the Disposal of Land by Local Authorities (Scotland) Regulations 2010 which enable the Council to dispose of property at less than best consideration provided that it has first carried out an appraisal of the disposal and compared the costs and disadvantages with the advantages of the proposal.

6.2 Guidance to the Regulations explains how to carry out this comparison and after doing so, the Council may dispose of the property for less than best consideration if it is satisfied that disposal for that consideration is reasonable and that it contributes to one or more of the following purposes:-

- a) Economic development or regeneration;
- b) Health;
- c) Social wellbeing; or
- d) Environmental wellbeing

6.3 The report in May 2014 considered this proposal and advised that it met with purposes (a) and (c) as detailed above.

6.4 Officers within Safer & Inclusive Communities previously prepared an appraisal in terms of the 2010 Regulations in relation to the proposal. Whilst predominately unchanged that proposal has been updated to reflect the current proposal and is attached at Appendix 5. Officers advise that there is an extensive, detailed document that is available for Members' scrutiny on request. In summary, the beneficial outcomes anticipated are as follows:

- Assist the regeneration of the community and promote social, environmental and economic regeneration, including the further development of a community enterprise.
- Encourage the involvement of local people in shaping and regenerating their community.
- Help to increase the income stream for Craigend Resource Centre.
- Encourage people to develop and innovate where they live.
- Provide opportunities for learning and community capacity building.

6.5 The Council must also comply with EU State Aid rules which seek to ensure that there is no subsidy to an economic undertaking which would distort competition. Discussions with the State Aid unit have confirmed that the risk of State Aid being present is low if the transfer is in relation to the transfer of ownership at nil value for use as a community hub.

## **7.0 OPEN SPACE CONSULTATION**

7.1 As the proposal involves a disposal of land forming an open space, public consultation on the proposed disposal is required in terms of Section 27 of the Town and Country Planning (Scotland) Act 1959. Further, the Committee must consider and have regard to any objections received as a result of that consultation in reaching their decision on whether or not the disposal should proceed. The Committee granted delegated authority to officers to progress such a consultation at its meeting of 29 August 2019.

7.2 The consultation involved:

- Advertising the proposal in two consecutive weeks in the Greenock Telegraph;
- Publishing details of the proposal on the Council website;
- Posting notices of the proposal at the site and on notice boards in public libraries; and
- Direct intimation of the proposal on the Community Councils and such other community bodies as colleagues in Community Learning and Development have

advised may wish to be kept informed as to the proposal.

- 7.3 The consultation period ends on Monday 21 October 2019 and the outcome of the consultation exercise will be reported to the Committee prior to the date of the meeting and as addendum to this report will be circulated as soon as possible.

## 8.0 IMPLICATIONS

### 8.1 Finance

#### Financial Implications:

##### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

##### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

### Legal

- 8.2 As the proposal will involve the disposal of land that is open space, public consultation is required in terms of Section 27 of the Town and Country Planning (Scotland) Act 1959, and the Committee must consider any objections received in that consultation before deciding to proceed with the disposal. The Committee granted delegated authority to officers to progress such a consultation at the meeting of 17 January 2019
- 8.3 As the proposed disposal is for a consideration that is less than best consideration that can reasonably be obtained, it is necessary to set out the justification provided in the body of the report for the disposal, in terms of Section 74 of the Local Government (Scotland) Act 1973 and Disposal of Land by Local Authorities (Scotland) Regulations 2010.
- 8.4 If the Committee accepts the recommendations in this report, officers in Legal and Property Services will adjust the necessary legal documentation with the other parties involved to implement same.

### 8.5 Human Resources

No implications

### 8.6 Equalities

#### Equalities

- (a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

**8.7 Repopulation**

No implications.

**9.0 CONSULTATIONS**

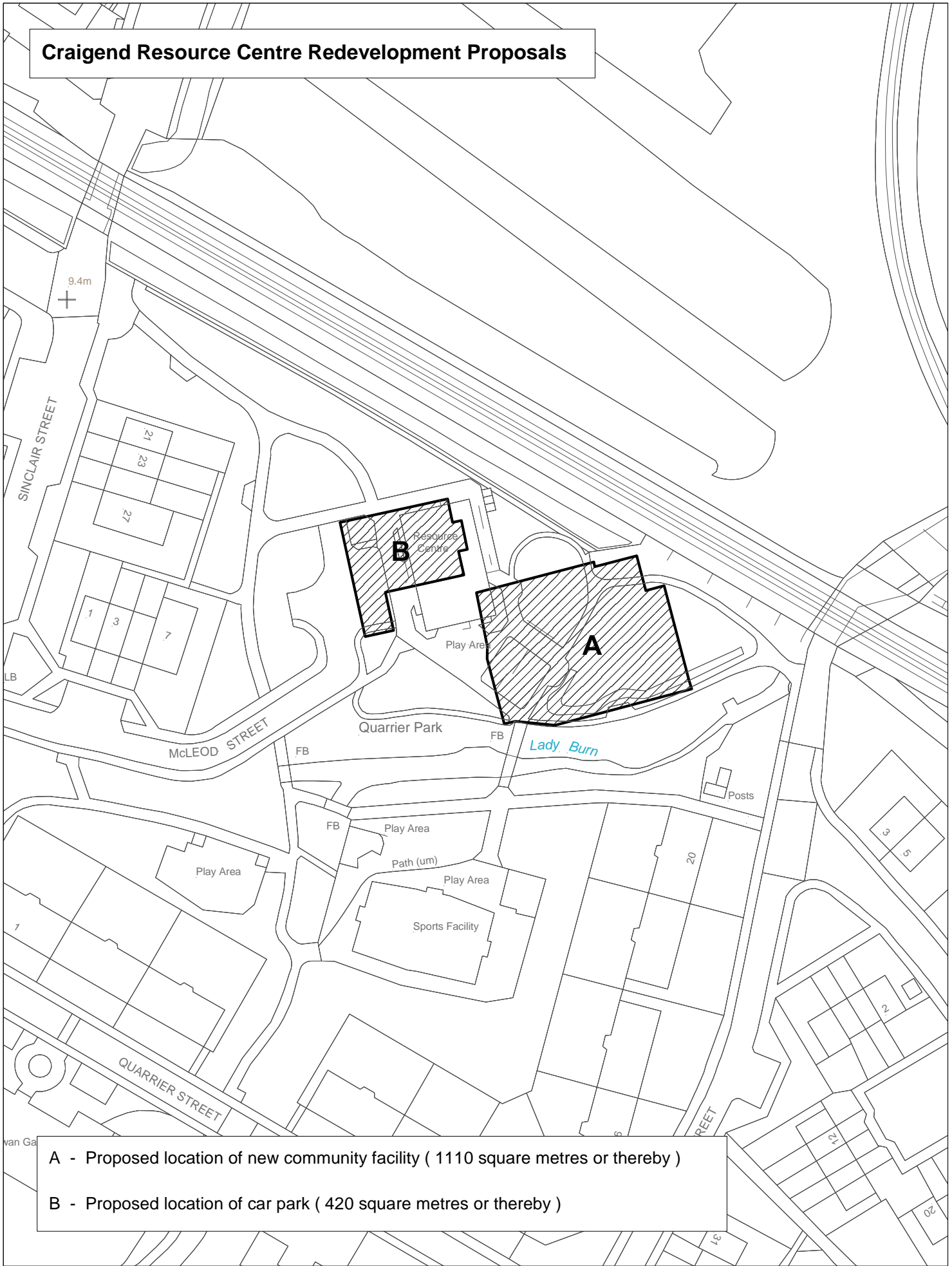
9.1 The Chief Financial Officer has been consulted on the contents of this report.

9.2 The Head of Regeneration & Planning has been consulted on this report.

**10.0 BACKGROUND PAPERS**

10.1 None.

# Craigend Resource Centre Redevelopment Proposals



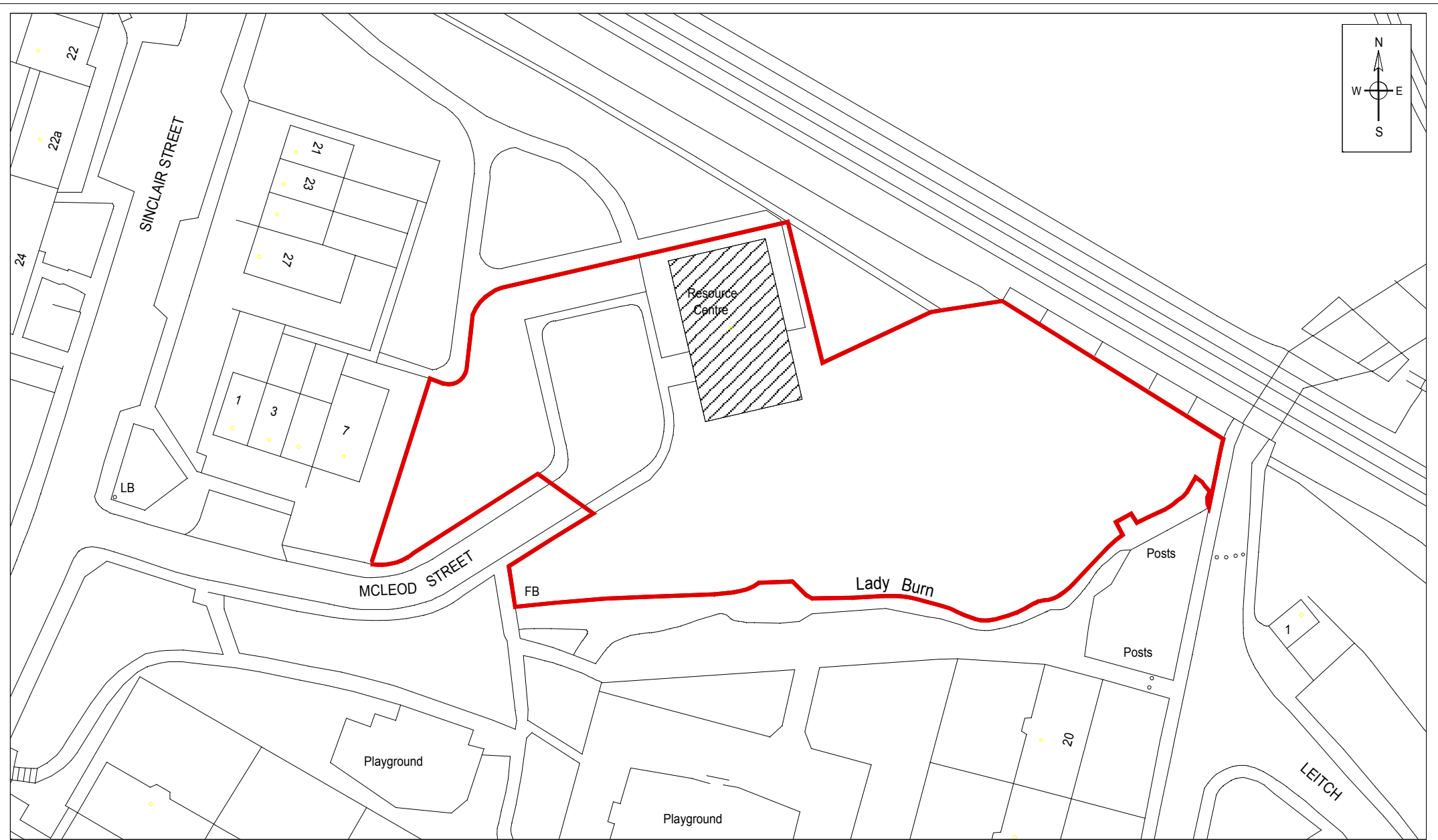
A - Proposed location of new community facility ( 1110 square metres or thereby )

B - Proposed location of car park ( 420 square metres or thereby )

SCALE 1:1000  
GMcC OCT 2019

## APPENDIX 1





**APPENDIX 2**

**THIS PLAN IS INDICATIVE ONLY.**

SCALE: 1:750

DRAWN BY:

DATE 01/10/2019

Originating Group:

Drawing No.

craignd5

## APPENDIX 3

Enquiries to: Audrey Galloway  
Telephone: 01475 712102  
E-mail: [audrey.galloway@inverclyde.gov.uk](mailto:audrey.galloway@inverclyde.gov.uk)  
Our Ref: AG/AI  
Your Ref:  
Date: 28 March 2018

Inverclyde  
council

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Douglas Westwater  
Project Manager  
Craigend Resource Centre  
McLeod Street  
GREENOCK  
PA15 2HD

Dear Sir


### Transfer of Craigend Resource Centre

I refer to the site of the Craigend Resource Centre (CRC) Greenock more particularly described in the plan included in Annex 1 of this letter (the "Site"). I note your desire to use the Site for the existing Resource Centre and proposed extensions thereto (the "Project"). On behalf of and as authorised by Inverclyde Council, I hereby confirm Inverclyde Council's intention to transfer the Site to Craigend Resource Centre for nil consideration and on terms acceptable to Inverclyde Council for the sole use of the Project subject to the following conditions being purified to the satisfaction of Inverclyde Council on or before 30 September 2018.

1. Appropriate Planning Consent being obtained for the extensions;
2. The Chief Financial Officer of Inverclyde Council being satisfied:
  - (a) with the financial and Business Plans relating to the Project and CRC; and
  - (b) that all relevant approvals and finance have been received from CRC's bank/financial/external funding institutions in relation to the Project and the Business Plan;
3. All the terms of the Disposal of Land by Local Authority (Scotland) Regulations 2010 and any other legislation or regulations with which Inverclyde Council must comply having been satisfied;
4. Confirmation from the Scottish Government's State Aid Unit that the transfer of the Site complies with the European State Aid Rules; and
5. Confirmation from CRC that the terms and extent of the title to the Site are acceptable to CRC.

Inverclyde Council shall be the sole judge in determining whether each of the aforementioned conditions have been purified and may require such evidence as it deems appropriate. In the event that each of the conditions contained in this letter has been purified to the satisfaction of Inverclyde Council, Inverclyde Council shall enter into discussions with CRC to transfer the Site to CRC on terms acceptable to Inverclyde Council. If any of the aforementioned conditions have not been purified or waived by Inverclyde Council by 30 September 2018, Inverclyde Council shall not transfer the Site to CRC.

Yours faithfully

  
Gerard Malone  
Head of Legal & Property Services





DO NOT SCALE FROM THIS DRAWING

All dimensions to be confirmed on site prior to manufacture / fabrication of all elements and construction.

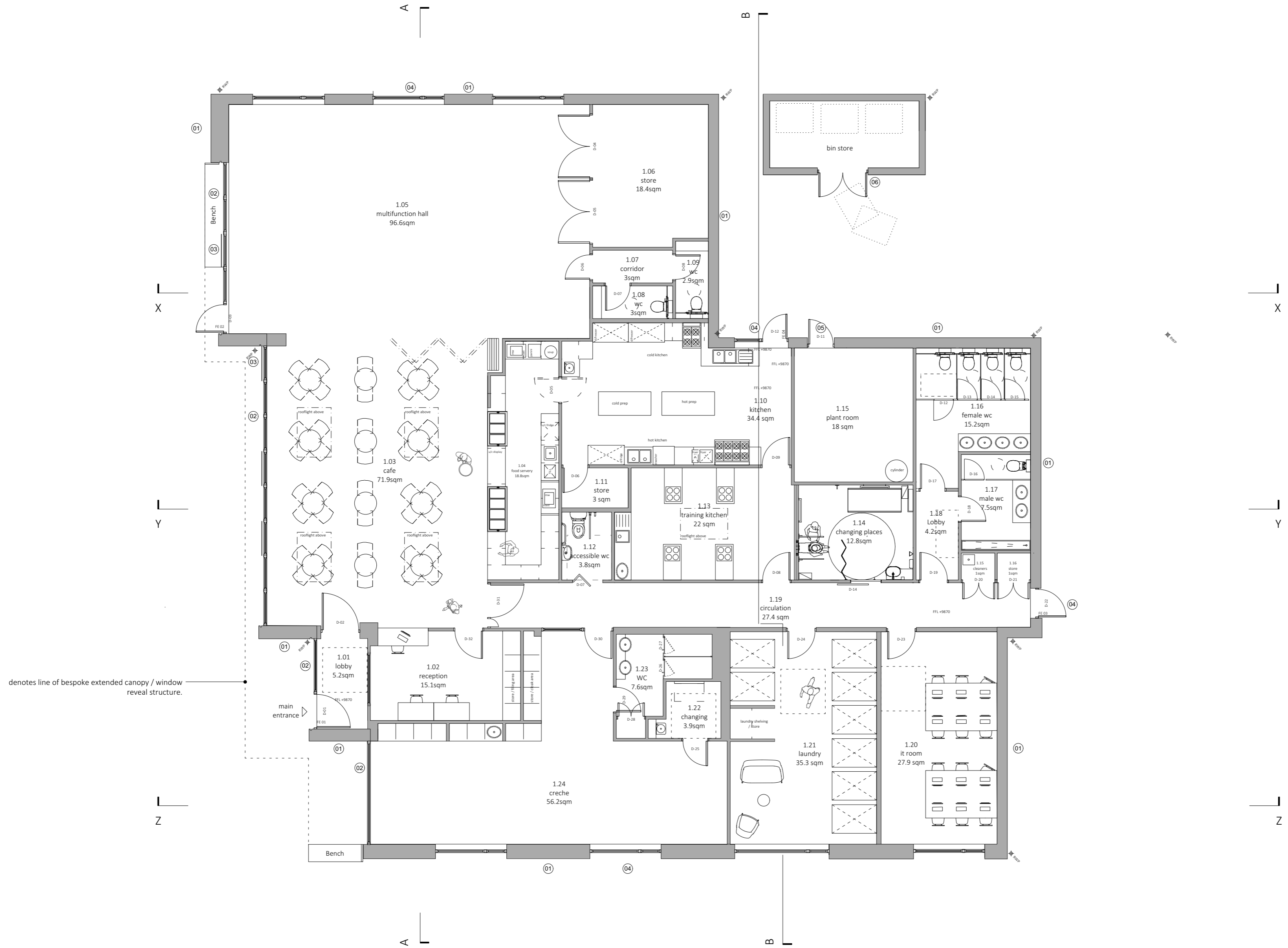
Following electronic transfer of drawing information, it is the responsibility of the recipient to ensure scale.

This drawing is copyright. It is sent to you in confidence. It must not be copied, reproduced, used or disclosed to or by third parties without permission.

**APPENDIX 4**

**Notes**

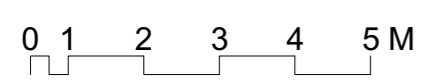
- ① Standing seam metal cladding dark colour (exact tbc).
- ② PPC Alu frame double glazed windows, dark colour (exact tbc).
- ③ Bespoke perforated metal panel PPC aluminium.
- ④ PPC Alu frame double glazed windows with intergrated(?) electronic security shutter within.
- ⑤ ??
- ⑥ Vertical timber cladding, painted dark grey colour (exact tbc).



Rev	Date	Note

Ground Floor Plan - as proposed  
1:100 @ A2

Total GIFA 534sqm



BNCH Architecture and Design  
Tordine, First Floor, 20 Trongate  
Glasgow, G1 5ES  
Scotland, UK  
Tel: 0141 552 4710  
info@bnch-architecture.co.uk  
www.bnch-architecture.co.uk

Project Description:  
**New-build Craigend Resource Centre  
Greenock**

Drawing Description:  
**Floor Plan - as proposed**

Job No: **223**  
Status: **Planning Application**  
Drawn By: AS  
Checked By: JALP  
Date Created: 09/07/19  
Scale: 1:100

AL1101

## **Proposal to release land for nil consideration at Craigend Community Centre, Greenock**

### **Summary of the Proposal**

Craigend Resource Centre has been operating in Inverclyde since 1995 and was developed with funding provided through the Urban Aid Programme. The centre has a track record of delivering a range of services to the local community. This includes Learning Activity; Social and Recreational Activity; Community Cager/ Salad Bar; Information and Advice; and Laundrette. As part of the future development of the facility, Craigend Resource Centre recognises that there is a requirement to consider the long-term accommodation needs in order to develop, services and allow the organisation to grow and expand.

Craigend Resource Centre has conducted a feasibility study, funded by Inverclyde Council, and community consultation which suggest there is need and scope to develop the facilities provided at the Centre in a number of areas including:

- Opportunity to expand the range of services and activity provided by the Centre in response to local needs, focusing on
  - Older People's Services
  - Support for Young People
  - Health and Wellbeing
  - Learning and Employability
  - Enterprise Activity
  - Community Activity
- Opportunity and need to improve the functioning of the building and expand the range of facilities. This includes proposals to build a new extension and upgrade the existing accommodation, including a new multi-purpose hall, extended crèche, shared courtyard space, refurbishment of the existing building and environmental improvements.
- Opportunity to improve the viability of the centre. Based on the expanded range of activity and accommodation, five year financial plans have been prepared. These demonstrate the ongoing need for the current level of revenue support from the Council, however they also demonstrate an improved income generation position as a result of the expanded café and increased letting income.

The centre will provide a wide range of opportunities for socialising, accessing advice and support services, training and recreational activities to support the development of the local community.

### **Details of Craigend Resource Centre**

Craigend Resource Centre (CRC) has been operating for over 18 years as a community managed and operated facility. The organisation became established in 1995 as a company limited by guarantee (No 158273) and is a registered Scottish Charity (SCO23698). The Memorandum and Articles of Association indicate that the CRC will operate as a membership body that is open to local people living in the lower east area of Greenock and surrounding areas.

The Board of Directors are elected on an annual basis from the membership and currently comprises 6 members. The Board meets on a monthly basis and is responsible for the overall management and direction of the organisation.

The aims of the Charity are:

- The prevention or relief of poverty,
- The advancement of education,
- The advancement of health,
- The advancement of citizenship or community development

The Centre employs a full time Co-coordinator, part time administrator, full time caretaker, part time caretaker and 8 part time catering staff.

### **Proposal – Land and Market Value**

The proposal is to transfer, at nil consideration, two parcels of land which will comprise the footprint of the new Community Centre plus the car park serving the new Centre, to enable CRC to build a new purpose built facility to extend the range of activities which can be accommodated, all in accordance with the detailed feasibility study appended.

The DV has provided a market valuation of the current facility based on its current use as a Community Centre at £103,000.

The community group has raised funding of over £2million pounds for construction of the new facility and this funding together with the justification detailed below is considered to have addressed any concerns relating to a disposal at less than best consideration.

### **Details of the Current Use of the Asset/Land**

The land is currently occupied by the Craigend Resource Centre building, car park, play area and recreational space, with the remainder being unmaintained ground.

### **Justification of the Proposal**

#### **National Policy Context.**

The Scottish Government launched the “Promoting Asset Transfer” programme in 2009 to increase levels of awareness and interest within local authorities of using asset transfer as a means of increasing community ownership of assets and together with COSLA they jointly launched a Community Empowerment Action Plan. This described their commitment to community empowerment with community ownership seen as one aspect that can help build capacity to deliver empowerment.

The Disposal of Land by Local Authorities (Scotland) Regulations 2010 came into effect on 1<sup>st</sup> June 2010 and these regulations removed the previous requirement, in terms of section 74 (2) of the Local Government (Scotland) Act 1973, to seek Scottish Ministers’ consent to dispose of land/property at less than the best value consideration subject to certain conditions.

#### **Local Policy Context.**

The proposal is strongly aligned to the Inverclyde Alliance Outcomes Improvement Plan (OIP) 2017/22 and sets out the outcomes that the community planning partners in Inverclyde, known as the Inverclyde Alliance, will seek to improve, which in turn should improve the wellbeing and quality of life of the residents of Inverclyde.

Inverclyde Alliance has identified three strategic priorities that reflects both the needs of our population and the aspirations of our communities, with the overall aim of reducing deprivation and inequalities. The three strategic priorities are:

### **Re-population**

Inverclyde's population will be stable and sustainable with an appropriate balance of socio - economic groups that is conducive to local economic prosperity and longer term population growth.

### **Inequalities**

There will be low levels of poverty and deprivation and the gap in income and health between the richest and poorest members of our communities will be reduced.

### **Environment, Culture and Heritage**

Inverclyde's environment, culture and heritage will be protected and enhanced to create a better place for all Inverclyde residents and an attractive place in which to live, work and visit.

We want to get it right for everyone in Inverclyde, but recognise that there are particular communities that require targeted attention. Those areas which are identified as being subject to multiple deprivation and experiencing the greatest inequalities will receive targeted interventions in regard to housing, health, community safety, environmental improvements and community capacity building etc. We have developed Locality Plans for three areas in Inverclyde which experience the greatest level of inequality and deprivation, using a wide variety of data including the Scottish Index of Multiple Deprivation, to identify those areas. In the plans we set out priorities to improve outcomes for communities that have been developed with communities. The annual report also provides an update of activity within the localities of:

The expansion of the facilities and services provided at Craigend Resource Centre will enable the group to assist in the regeneration of their community and promote social, environmental and economic regeneration including volunteering and increased community cohesion.

The project will also increase income generation for the group enabling it to become more sustainable.

The justification for this proposal may be summarised as follows:

- Assist the regeneration of the community of and promote social, environmental and economic regeneration, including the further development of a community enterprise.
- Encourage the involvement of local people in shaping and regenerating their community, promote local volunteering and increase community cohesion.
- Help to increase the income stream for Craigend Resource Centre.
- Encourage people to develop and innovate where they live.
- Provide opportunities for learning and community capacity building.