

ABERDEEN CITY COUNCIL

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| COMMITTEE | City Growth and Resources |
| DATE | 3 February 2021 |
| EXEMPT | The content of the report is public but Appendix 1 should be considered exempt under Paragraph 9 of schedule 7A of the Local Government (Scotland) Act 1973. |
| CONFIDENTIAL | No |
| REPORT TITLE | Community Asset Transfer Requests received for the Tillydrone Community Centre |
| REPORT NUMBER | RES/22/027 |
| DIRECTOR | Steven Whyte |
| CHIEF OFFICER | Stephen Booth |
| REPORT AUTHOR | Cate Armstrong |
| TERMS OF REFERENCE | 4.1 & 4.4 |

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise the Committee of the asset transfer requests received for the Tillydrone Community Centre.

2. RECOMMENDATIONS

That the Committee:-

- 2.1 Note the three community asset transfer requests submitted for the Tillydrone Community Centre;
- 2.2 Accept the recommendation as outlined in Appendix 1 to progress the asset transfer request; and
- 2.2 Instruct the Chief Officer – Governance to conclude missives for the transfer of the property incorporating various terms and conditions as are necessary to protect the Council's interest, together with any other matters as are required to complete the transaction.

3. BACKGROUND

- 3.1 The Former Tillydrone Community Centre was declared surplus to the Council's requirements on 4th March 2019 and closed following the opening of the new Tillydrone Community Campus in August 2019. It has been vacant since August 2019.
- 3.2 The Former Community Centre is located on north side of Gordon's Mills Road, close to the Diamond Bridge. This area is designated as Green Belt and therefore the site would not be suitable for development purposes.

- 3.3 As a Community Centre the building is considered to be within Class 11 – Assembly and Leisure.
- 3.4 The property including the adjacent parking area has a market value of £160,000, as calculated by an internal valuation in accordance with the Royal Institute of Chartered Surveyors valuation guidance. See Appendix 2 for a site plan.
- 3.5 There have been several community groups, all communities of interest, interested in the property and initially it was hoped that 2 or more of these would come together to make a joint application for the transfer of ownership of the property. Unfortunately, they were unable to reach a mutual agreement and this joint interest did not progress into a formal application at that time.
- 3.6 As several community groups had expressed interest in progressing an asset transfer request for the community centre it was decided that all the interested groups would be asked to submit their applications simultaneously so that the requests could be processed in parallel.
- 3.7 Three valid applications were received from:
Granite City Taekwondo (GCTK)
The Polish Association Aberdeen (PAA)
The Catalyst Community Regeneration Company (CCRCo)
- 3.8 The full application requesting an asset transfer and all supporting documents are available for reading on the Community Asset Transfer page on the [ACC website](#).
- 3.9 As part of the Community Asset Transfer process all transfer requests must be made available for the local and wider community to view and to be able to submit their representations regarding the proposed Community Asset Transfer. The request was publicised at the Tillydrone Community Campus and the application and the supporting documents were available to view within the new Tillydrone Library and on the Aberdeen City Council website. No formal representations were received by Aberdeen City Council prior to the closing date for representations to be submitted. The Tillydrone Community Council were also provided with access to all the applications and the supporting documents.
- 3.10 Tillydrone Community Council noted that they had been contacted by and met with 2 of the community groups; the Polish Association Aberdeen and Granite City Taekwondo to discuss their proposals. They indicated that they favoured the proposal put forward by Granite City Taekwondo as they had provided a *“very concise business plan which involves integrating with the Tillydrone Community. They also noted to us that there would be time slots scheduled for community use, which we also felt was also an important factor”*.
- 3.11 When reviewing the application, the panel are required to assess whether the benefits of the asset transfer request are; greater or less than the benefits of an alternative proposal. An alternative proposal may be another asset transfer, or

another proposal made by the Council. In the case of surplus properties such as the Tillydrone Community Centre, disposal on the open market can be considered as an alternative proposal. The price offered for the transfer should also be considered alongside the non-financial benefits. Consideration of what outcomes could be achieved with any profits or savings that might be made, or what impact any financial loss might have, compared with the benefits offered by each of the different community proposals or any alternative proposals.

3.12 In assessing the benefits of the transfer request the panel had to consider whether agreeing to it would be likely to promote or improve:

- Economic development
- Regeneration
- Public health
- Social wellbeing
- Environmental wellbeing or
- Reduce inequalities of outcome which result from socio-economic disadvantage

3.13 Consideration is also given to the impact that the request and the proposed services will have on the Council and the services it provides. Will there be an overlap with existing services? Will there be a positive or negative effect on the Council's Services.

3.14 GCTK were formerly a non-profit making Taekwondo Club that has operated in Aberdeen for circa 19 years. They registered as a SCIO to enable them to progress an asset transfer request for the Tillydrone Community Centre. Their objectives are to retain a local community facility for and in productive local community use. Their community is identified as the people within the City of Aberdeen.

3.15 GCTK have made a request for a 19 year lease of the property with a request that transfer of ownership of the asset should progress once they have a proven track record of running the facility and providing the services. The proposed rent is £5.00 per annum with an annual stepped increase of £5.00 for 4 years. As part of their application, they have noted several terms and conditions they required to be included in the lease if their request is successful.

3.16 The terms and conditions they have requested require the Council to undertake a full building inspection and have any required maintenance repairs and cyclical testing carried out to ensure that the Community Centre is fit for occupation.

3.17 They have also requested that the Council have the 2 sets of doors at the main entrance be upgraded to automatic electric doors and have a ramp fitted at the rear fire exit door.

3.18 GCTK's primary activity will be provision of Taekwondo Classes, other proposed activities in the Centre include educational activities and life-long learning, a Foodbank service, community gatherings, and fundraising events.

They also plan to let out space to other local community groups to provide an income stream. They propose to reserve 20 - 26 hours a week of the available lets for community use at nil cost. The letting fee for other groups will be £15.00 per hour at year 1, rising gradually to £20.00 at year 5.

- 3.19 CCRCo is a limited company set up by the Catalyst Vineyard Church for the purpose of acquiring buildings that might be under-utilised or in need of refurbishment and overseeing their rejuvenation and development for the benefit of the wider communities where the local church groups are located. They intend to use the Community Centre as a community hub providing a range of mid-week community activities and hosting Sunday Church services. Their community body is identified as the adult individuals who are committed adherents of the Catalyst Vineyard Church, publicly expressing Christian faith commitment, fully engaged in the community life of Catalyst Vineyard Church including regular participation in Catalyst Vineyard Church services, and who are engaged in the delivery of Catalyst Vineyard Church's social transformation activities in Aberdeen, Aberdeenshire and other locations.
- 3.20 CCRCo have requested the transfer of ownership at the nominal price of £1.00.
- 3.21 CCRCo are looking to establish a community hub to support the local community with activities such as Sunday Services, Mainly Music, Catalyst Kids, Holiday Clubs, Catalyst Youth, Catalyst Students, The Alpha Course, Connect groups, a Foodbank, a Men's drop-in club, a CAP money course, as well as various community events. Space would also be available to rent at a reasonable rate to other local community groups, whose ethos complements that of the Church and their Christian faith.
- 3.22 CCRCo will be funded mainly through donations received by the Catalyst Vineyard Church.
- 3.23 The Polish Association Aberdeen is an unincorporated community group that is in the process of registering as a SCIO so they are eligible to progress their asset transfer request for ownership of the Tillydrone Community Centre. The objectives of this group are the advancement of citizenship or community development, the advancement of the arts, heritage, culture or science, the promotion of equality and diversion, the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended, and in the furtherance of this by; undertaking activities which further the purposes and provide public benefit to the Polish Community in the City of Aberdeen and its environs. Their community is identified as any individual over 16 who identifies as having a connection with Poland and who wishes to further the purposes of the organisation. Their existing services, previously ran from the Union St premises include counselling services, Polish Library, free information point, a Drumming group, English Classes, Polish classes for non-polish speakers.
- 3.24 PAA are requesting the transfer of ownership at the nominal price of £1.00.

- 3.25 PAA are looking to set up a community centre / hub for their existing PAA services and for other Polish community partner organisations, groups and individuals and also local community initiatives. They would continue to run and expand on their existing services, some of which are listed above. New planned projects included a parent's club, book club, DIY / Craft Club, youth groups in conjunction with the Polish Scouting Group, Polish Sunday School, dance and art classes
- 3.26 The panel discussed the information supplied by each of the three community transfer bodies in relation to the corresponding questions within the evaluation assessment and the panel came to a consensus as to the appropriate score to award for each question for each community group.
- 3.27 Having discussed each of the individual proposals the panel then gave consideration as to which of the requests, if any, provided the greater benefits for the local area and would demonstrate best value for the Council if it were recommended for acceptance.
- 3.28 As noted above 2 of the offers received have requested the transfer of ownership for £1.00. If one of these offers were to be accepted then the property would no longer be the responsibility of the Council, as ownership of the property would be transferred to the community group and liability for any holding costs in relation to the property would cease.
- 3.29 If the transfer request for the lease of the property were approved then the property would remain in Council ownership. The community group would take responsibility for covering the running costs going forward, but under the proposed terms and conditions, if agreed to, the Council would have to bear the cost of undertaking a full condition survey and implementing any required repairs or maintenance prior to the lease being formalised. In addition to this is the request for the Council to have the current access points upgraded by providing 2 sets of automated doors at the front entrance and the installation of a ramp at the rear.
- 3.30 The Council are not required to accept the terms and conditions as stated by the community body wishing to progress the lease but it is possible that this community group would not be in a position to progress the asset transfer if any statutory maintenance or repair works required to make the building fit for occupation were not undertaken unless they could secure external funding.
- 3.31 If the proposed terms and conditions were removed or amended the community group would be in a position to submit a request for a review of the decision by the Review Sub Committee. It should be noted that all the community bodies would be in a position to submit a request for a review of the decision if they are unhappy with the terms and conditions or the decision they receive.

4. FINANCIAL IMPLICATIONS

- 4.1 The financial implications arising from the recommendation to accept the asset transfer request would be that the Council would no longer have responsibility

for the holding costs of the property of circa £25,000 per annum including business rates.

- 4.2 There could also be financial implications resulting from any alternative decision made by Committee as any of the community bodies dissatisfied with the decision would then be entitled to submit a request for a review. If the applicants are unhappy with the decision from the Sub Committee then a subsequent appeal can be lodged with the Scottish Ministers. This would result in the Council being responsible for the holding costs of the property until the appeal process is completed. This could take up to 2 years, as each stage of the review and appeal process could take up to 6 months, and the Council is prohibited from disposing of the property until this process has concluded. Therefore, the Council will continue to be liable for the holding costs for the property during this process.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report other than the requirement of legal resource to complete the transaction under the Part 5 of Community Empowerment (Scotland) Act 2015.
- 5.2 The Community Empowerment (Scotland) Act 2015 introduced a right for community bodies to make requests to the Council for any land or buildings they feel they could make better use of. Community Bodies can request ownership, lease or other rights as they wish. The Act requires the Council to assess these requests transparently against a specified list of criteria and to agree the request unless there are reasonable grounds for refusal. A disposal at less than market value can be justified when these additional benefits empower communities and align with local and national priorities to enable the delivery of Best Value. To demonstrate that this resource would be put to good use the Council must demonstrate that this Asset Transfer gives Best Value, and that the benefits provided by the community group outweighs the loss of the capital receipt that the Council would otherwise have received. The Council are required to consider the following types of benefit: (a) economic development or regeneration; (b) public health; (c) social well-being; (d) environmental well-being; (e) reduce inequalities from socio-economic disadvantage; (f) any other benefits that might arise through the alternative use of the asset.

| Category | Risk | Low (L) Medium (M) High (H) | Mitigation |
|-----------------------|---|-----------------------------------|---|
| Strategic Risk | None in relation to this recommendation | | |
| Compliance | None in relation to this recommendation | | |
| Operational | There are risks in relation to staff through the retention of vacant building | L | Approve the recommendation of this Report |

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| | which would require regular inspection and management. | | |
| Financial | 1. If responsibility of the asset is retained by the Council; the property's annual holding costs of circa £25,000 would require to be met by the Council until the property could be disposed of. | L | 1. Approve the recommendation to accept the asset transfer request for the asset. |
| | 2. Not achieving Best Value | L | 2. Accept the asset transfer request for the property, including any necessary terms and conditions to ensure Best Value is achieved for the Council |
| Reputational | If the property remains vacant, it will be subject to further deterioration and disrepair and may be subject to vandalism causing reputational damage to the Council. | L | Approve the recommendation for the asset transfer request of the asset |
| Environment / Climate | None in relation to this report. | | |

7. OUTCOMES

| <u>COUNCIL DELIVERY PLAN</u> | |
|---|-------------------------|
| | Impact of Report |
| Aberdeen City Council Policy Statement | No Impact |
| Aberdeen City Local Outcome Improvement Plan | |
| Prosperous Economy Stretch Outcomes | |

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| | The proposals within this report support the delivery of LOIP Stretch Outcome 1 – 10% increase in employment across priority and volume growth sectors by 2026. GCTK plan to provide to let space to small ./ new businesses. |
| Prosperous People Stretch Outcomes | The proposals within this report support the delivery of all Children & Young People Stretch Outcomes 3 to 7 in the LOIP. GCTK have plans to support children though educational activities |
| Prosperous Place Stretch Outcomes | The proposals within this report support the delivery of LOIP Stretch Outcome 13 – No one in Aberdeen will go without food due to poverty by 2026. GCTK plan to set up a foodbank |

8. IMPACT ASSESSMENTS

| Assessment | Outcome |
|-----------------------------------|--------------|
| Impact Assessment | |
| Data Protection Impact Assessment | not required |

9. BACKGROUND PAPERS

Application Documents and supporting documents available on ACC website as per link below.

[Asset Transfer Request - Applications and supporting documents](#)

10. APPENDICES

*Appendix 1 Community Asset Transfer Request Tender Summary
Appendix 2 Site Plan*

11. REPORT AUTHOR CONTACT DETAILS

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| Name | Cate Armstrong |
| Title | Estates Surveyor |
| Email Address | carmstrong@aberdeencity.gov.uk |
| Tel | 07824543208 |