

Finance and Resources Committee

10.00am, Thursday, 7 March 2019

Proposed Sale - Ravelston Park Pavilion, Craigcrook Road, Edinburgh EH4 3RU

Item number	8.8
Executive/routine	Routine
Wards	5
Council Commitments	32 , 33 , 35 , 39

1. Recommendations

- 1.1 That Committee approves the disposal of Ravelston Park Pavilion, Craigcrook Road, Edinburgh, to Blackhall Community Trust on the terms set out in this report and on such other terms and conditions to be agreed by Executive Director of Resources.

Stephen S. Moir

Executive Director of Resources

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Proposed Sale - Ravelston Park Pavilion, Craigmock Road, Edinburgh EH4 3RU

2. Executive Summary

- 2.1 This report seeks authority to dispose of Ravelston Park Pavilion located at Craigmock Road, Edinburgh to Blackhall Community Trust on the terms outlined in the report. The proposed sale is a Community Asset Transfer under Part Five of the Community Empowerment (Scotland) Act 2015.

3. Background

- 3.1 Ravelston Park Pavilion is currently leased on an internal insuring and repairing basis to Blackhall Nursery. The lease duration is 12 months and is renewed annually on 31st October. The passing rental is £500 per annum.
- 3.2 Blackhall Community Trust (BCT) are applying for a Community Asset Transfer (CAT) of Ravelston Park Pavilion in order to build a new community hub for the Blackhall community and space for a new early learning and childcare centre (for the community-run charity Blackhall Nursery). On completion of the transfer, BCT would be the landlord of the building and Blackhall Nursery the anchor tenant.
- 3.3 Ravelston Park is included on the Common Good Register and the pavilion is currently designated as inalienable common good. In order to allow the sale to proceed, the Council require to obtain Court of Session approval to change the common good designation. The Council and BCT will enter into an agreement whereby BCT will fund Council legal fees and court costs in respect of court approval. The sale will be conditional on the removal of the inalienable common good status.
- 3.4 Ravelston Park Pavilion was declared surplus in 1999 and since then has been used as a community run nursery with some community use outwith nursery opening hours. The property has been progressively modernised to form the current layout, with extensions added in 2001, 2003 and 2008, funded by a number of Scottish Government and European capital grants. The current lease arrangement commenced in 2010.

4. Main report

- 4.1 BCT was formed in 2017 to explore the improvement of Ravelston Park Pavilion to better meet the needs of the community and nursery. Their aim is to create a fit for purpose space, owned and run by the community, which will provide facilities for use by local people of all ages together with suitable space for Blackhall Nursery to expand its provision to meet new Scottish Government requirements for Early Learning and Childcare.
- 4.2 BCT submitted a Community Asset Transfer request under Part Five of the Community Empowerment (Scotland) Act 2015 to purchase the property. In accordance with Council policy on Community Asset Transfers, a panel was convened to consider BCT's expression of interest, comprising stakeholders, councillors and community groups. The panel's recommendation was for BCT to develop their stage 2 (Sustainable Business Case) submission, which incorporates a business case, valuation, refurbishment plans, and evidences need thorough community consultation.
- 4.3 The stage 2 application was received, and the proposal was assessed by the Operational Estates Team in accordance with the Community Asset Transfer policy scoring matrix. The result was a strong to a very strong submission. The panel reconvened to consider the submission and it was decided via a unanimous vote to approve the application.
- 4.4 The terms provisionally agreed for the disposal of the property are as follows:
- | | |
|-----------------------|---|
| Purchaser: | Blackhall Community Trust |
| Price | £11,750 |
| Suspensive Conditions | The offer is conditional upon removal of inalienable common good status (BCT to fund Council legal fees and Court costs). |
| Fees | The purchaser is to meet the Council's reasonable legal fees and Property and Facilities Management's administration fee. |

5. Next Steps

- 5.1 Should Committee approve the transfer request, a decision notice will be issued in accordance with the terms of the Community Empowerment (Scotland) Act 2015, setting out the terms noted above and inviting BCT to offer to purchase the property on the agreed terms. The applicant is then afforded a minimum statutory period of at least 6 months in which to make their offer. The Council, funded by BCT, would also take action to pursue the removal of the inalienable common good status through the Courts.
- 5.2 Should Committee be minded to reject the asset transfer request, the applicant has a statutory right to have the decision reviewed by the Council and, should the review be unsuccessful, a subsequent right of appeal to Scottish Ministers.

6. Financial impact

- 6.1 Should the proposal proceed a capital receipt of £11,750 will be received. The financial year in which the receipt will be received is dependent upon the Common Good restriction being successfully removed by the Court of Session.
- 6.2 The applicant obtained an opinion on market value of the property of the amount of £12,500. The Council commissioned their own valuation from framework consultants, which gave a market value of £19,000. In addition to providing comparable sale evidence, the Council's valuers assessed the premises as a commercial nursery, noting the existing business is trading with very low profit or loss making and is being run as a registered charity. The valuers noted a commercial operator could achieve a higher level of trade but would have to spend significant capital on the property to bring it up to a high standard of business. The valuers were of the opinion that a commercial operator would view the business as closed.
- 6.3 Given the proposed scheme's alignment to Council commitments, it is considered that a sale price of £11,750 is justified in this instance. It aligns with the following commitments:
- 32. Double free early learning and childcare provision, providing 1,140 hours a year for all 3 and 4-year olds and vulnerable 2 year olds by 2020.
 - 33. Make early years provision more flexible to fit families' needs and provide additional resources to families so that no children are educationally disadvantaged when they start formal schooling.
 - 35. Improve access to libraries and community centres making them more digital and delivering them in partnership with local communities.
 - 39. Put exercise at the heart of our health strategy by increasing access to sport and leisure facilities
- 6.4 The proposed sale price has also been considered in relation to The Disposal of Land by Local Authorities (Scotland) Regulations 2010, which provides that where the disposal (or lease) is for a consideration less than the best that can reasonably be obtained, a Local Authority can dispose of the asset, provided it follows certain steps:
- 6.4.1 It appraises and compares the costs and dis-benefits of the proposal with the benefits;
 - 6.4.2 It satisfies itself the proposed consideration for the disposal in question is reasonable; and
 - 6.4.3 It determines that the disposal is likely to contribute to the promotion or improvement of any one of: economic development or regeneration, health, social well-being, or environmental well-being, of the whole or any part of the area of the local authority or any person in the local authority area.

- 6.5 The proposals align with Council commitments and contributes to these criteria and therefore the proposed sale price is considered justifiable.

7. Stakeholder/Community Impact

- 7.1 Consultation was undertaken through the CAT advisory panel. The panel consisted of various stakeholders, councillors and community groups which ensured broad analysis and guidance and eventual approval of the application. Participants in the panel included ward members, representatives of Blackhall Primary School, Community Ownership Support Service, the Minister of Blackhall St Columba's Church and Council estates team officers.
- 7.2 As part of the CAT Stage 2 Business Case Submission, BCT have consulted widely in the community with regards to the future use of Ravelston Park Pavilion. Detail on the consultations undertaken can be found in the BCT Business Case which is available for reading using the link at 8.1 below.
- 7.3 The appropriate ward members have been informed of the recommendations contained within this report.
- 7.4 The impact on sustainability has been considered. There is no negative impact on the environment as the result of the proposed sale.

8. Background reading/external references

- 8.1 CAT Stage 2 Submission:
http://www.edinburgh.gov.uk/downloads/download/2753/ravelston_park_pavillion
- 8.2 Community Asset Transfer Policy:
http://www.edinburgh.gov.uk/info/20029/have_your_say/772/community_asset_transfer

9. Appendices

- 9.1 Appendix 1 – Location Plan.

APPENDIX 1

