

FALKIRK COUNCIL

Title: Community Empowerment:

Lease of 19F Winchester Avenue, Denny

Meeting: Executive

Date: 28 November 2017

Submitted By: Director of Development Services

1. Purpose of Report

This report is to seek approval to lease Unit 19F Winchester Avenue, Denny (see Appendix 1) at below market rent to Denny & Bonnybridge Men's Shed to support the organisation's activities in the community.

2. Recommendations

2.1 The Executive is asked to agree:

- a) to lease Unit 19F Winchester Avenue, Denny to Denny and Bonnybridge Men's Shed for a period of 5 years on full repairing and insuring terms at a nominal rent of £1 per annum;
- b) to note that the proposals are in compliance with the Council's statutory obligations in respect of disposal of land and buildings at less than best price;
- c) that the Director Of Development Services be authorised to conclude the lease transaction on the terms set out in this report.

3. Background

- 3.1 The Community Empowerment (Scotland) Act 2015 provides that appropriately constituted community transfer bodies can apply to lease or acquire land or property under the Community Asset Transfer provisions of the Act. At its meeting on 10 January 2017 the Executive approved the asset transfer request process including the creation of a corporate group to assess applications.
- 3.2 Denny and Bonnybridge Men's Shed is a Scottish Charitable Incorporated Organisation (SCIO) established to provide recreational facilities and advance social needs, health and wellbeing of men in the area. The group are affiliated to the Scottish Men's Shed Association.

3.3 An application has been received from the group to lease Unit 19F Winchester Ave, Denny at nominal rent through the Council's normal letting process. This is not, therefore, a statutory asset transfer under the Community Empowerment (Scotland) Act 2015. However, the Council is required to consider the application in a similar way by assessing the application under the regulations governing leases or disposals of land and property at less than market value as detailed in section 5 of this report.

4. Proposal

- 4.1 Men's Shed currently occupy the property on a short term lease arrangement but require the nominal rent to progress fit out of the property, to ensure their activities are sustainable and to maximise community benefits.
- 4.2 A five year lease is sought. In the normal manner for this type of transaction this will be on full repairing and insuring terms where the tenant will be responsible for all aspects of the property and costs of occupation.
- 4.2 Men's Shed propose to create a workshop kitted out with benches, hand tools and machinery; create a room for I.T. and office use; create a room for socialising. Small building projects will be carried out involving woodwork, metal working, hand tools and machinery.
- 4.3 The Steering Committee has prepared a business plan with peer support from other successful Men's Shed groups across Scotland.
- 4.4 The benefits suggested by Men's Shed are of men having a brighter outlook; remaining healthier; being less lonely and depressed; improving relationships at home and forming friendships and, as a consequence, a reduced cost to society. Men's Shed also offer options for health organisations such as NHS, Chest Heart and Stroke Scotland to refer candidates.

5. Considerations

- 5.1 The rent proposed is nominal relative to the market rent of £4,200 per annum. Accordingly, the transaction will fall within the scope of s11 of the Local Government in Scotland Act 2003 which amends s74 of the Local Government (Scotland) Act 1973 allowing local authorities to dispose of land for less than best consideration but only in certain circumstances.
- 5.2 The Disposal of Land by Local Authorities (Scotland) Regulations 2010 sets out the procedure. It also sets out the circumstances in which a local authority may dispose of land for a consideration less than the best that can reasonably be obtained. It must be satisfied that in making the decision the disposal will contribute to the promotion or improvement of:-

- (a) economic development or regeneration;
- (b) health;
- (c) social well-being; or
- (d) environmental well-being
- 5.3 A full assessment of the application has been undertaken by a group of officers from various services across the Council including Social Work (Adult Services) Unit, Community Learning and Development, the Growth and Investment Unit, Governance, Policy & Improvement and Asset Management.
- 5.4 The assessment carried out by the Corporate Asset Transfer Working Group of officers concluded:
 - The proposal meets the Council's priorities to empower and enable people to be self reliant and promote stronger, more self-reliant communities.
 - It accords with SOLD outcomes to make our area a fairer and more equal place to live, with a healthier population where people will live full, independent and positive lives within supportive communities.
 - The concept assists in reducing social isolation and builds up social support activities within the community at a relatively low cost relative to the impacts.
 - There are significant benefits identified for public health, social well being and the reduction of inequalities as well as strong economic development and regeneration benefits.
 - The ability of the organisation to deliver is thought to be good despite a relatively weak business plan.
 - Men's Shed has good local and wider public support through strong community networks.
 - The reputation of Falkirk Council should not be harmed should the project fail. Falkirk Council will have given substantial assistance for the project to succeed.
 - The project does not compete with services being provided by Falkirk Council.
 - There are direct financial implications to the Council of £4,200 per annum loss of rent in an area of strong commercial demand.
- 5.5 The Group recommends that based on the above assessment, in particular, its strong potential for contributions to the promotion and improvement of economic development, regeneration, health and social well being that the application be approved.

6. Consultations

6.1 Consultations with Services are incorporated in the assessment process as detailed in section 5.

7. Implications

Financial

7.1 The unit at Winchester Avenue is part of the Council's commercial portfolio and this proposal will remove the opportunity to generate income of £4,200 per annum to Falkirk Council.

Resources

7.2 None

Legal

7.3 The proposals will be subject to the successful conclusion of all necessary lease arrangements.

Risks

7.4 This proposal reduces the availability of industrial units in the Denny to support the relocation or establishment of small businesses.

The venture may not prove to be ultimately successful and the consequences may involve the unit being returned to Falkirk Council in poorer condition than that which it was taken.

The business plan is marginal at this stage but it is contended that the future development of activities in line with other Men's Sheds operating successfully in many other locations indicates the proposals are sustainable.

Equalities

7.5 The group provides support for a wide range of social and health needs. This addresses age related problems, bereavement, loneliness, depression and assist forming friendships and relationships.

Sustainability/Environmental Impact

7.6 None.

8. Conclusions

8.1 The proposal accords with many of the Council's priorities and those of the Scottish Government. The group is properly constituted and appears to have the capacity to deliver its activities and benefits.

8.2	This proposal does not, at least directly, assist the financial pressures facing
	the Council due to the loss of rental income that could be gained from the unit.
	However the corporate assessment indicates that there are benefits in
	economic development, regeneration, health and social well being and
	therefore in approving the application for a nominal rent this complies with the
	land and property disposal regulations.

Director of Development Services

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Date: 14 November 2017

APPENDICES

Appendix 1 – Plan showing Location of Unit

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

Community Asset Transfer Assessment Pro-forma for Men's Shed.



