

Finance and Resources Committee

10.00am, Thursday, 8 September 2022

Ravelston Pavilion and Surrounding Parkland – Community Asset Transfer

Executive/routine Wards Council Commitments	Routine 5 – Inverleith
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1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee:
 - 1.1.1 Approves the disposal of Ravelston Park Pavilion and surrounding land, Craigmock 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 Place.

Paul Lawrence

Executive Director of Place

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Report

Ravelston Pavilion and Surrounding Parkland – Community Asset Transfer

2. Executive Summary

- 2.1 This report seeks authority to dispose of Ravelston Pavilion and surrounding land to Blackhall Community Trust on terms as specified in the Community Asset Transfer (CAT) request which are outlined in this report. The proposed sale is a Community Asset Transfer under Part Five of the Community Empowerment (Scotland) Act 2015.

3. Background

- 3.1 Immediately following the introduction of Part 5 of the Community Empowerment (Scotland) Act 2015 in January 2017, Blackhall Community Trust (BCT) approached the Council to pursue a community asset transfer of Ravelston Pavilion and surrounding land under the Act.
- 3.2 BCT was formed 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.
- 3.3 From the outset, BCT was aware that there were protection issues surrounding the park in terms of removing the area of sale from common good, which required Court of Session approval, and gaining Fields in Trust permission for the proposed sale. These are addressed separately below.
- 3.4 The CAT request was processed in accordance with Council policy with a Stage 1 Panel granting approval to proceed to Stage 2 on 21 August 2017. BCT then worked up a detailed business plan, consulted with the community on their proposals and submitted a valid Stage 2 application on 21 November 2018. The Stage 2 Panel met on 20 December 2018 and recommended the request be considered by Finance and Resources Committee. Committee met on [7 March 2019](#) and approved the CAT request.

- 3.5 Following the CAT approval, work commenced on altering the common good status of the proposed sale area. This required a submission to the Court of Session by the Council with fees underwritten by BCT. A prescribed process was followed under Part 8 of the Community Empowerment (Scotland) Act, which involved an eight-week public consultation. Over 300 responses were received in response to the consultation and these were summarised and included in the Court submission. The court granted permission for the common good status to be altered in March 2021.
- 3.6 Following the Court approval of changing the common good status, the Council received a formal complaint in respect of the handling of the CAT request and Court submission. Following investigation, through the proper process, the complaint was partially upheld, finding that the initial consultation on the CAT request was shorter than the 20 working days stipulated in the Act. Consequently, a revised CAT request has been resubmitted by the applicant for a smaller area of land and the process rerun.
- 3.7 With regard to Fields in Trust dedication, a report is being presented to Culture and Communities Committee on 16 August, which, if approved, will allow for a further 12-week consultation to determine the community's views on whether to dedicate Orchard Brae Park to Fields in Trust as replacement for lost ground in Ravelston Park. The transaction will be conditional on the sale area being removed from the Fields in Trust dedication.

4. Main report

- 4.1 BCT submitted a valid CAT request under Part Five of the Community Empowerment (Scotland) Act 2015 to purchase the property.
- 4.1 The proposal was assessed by the Operational Estates Team in accordance with the CAT policy scoring matrix. The result was a strong submission. The stage 2 panel was held on 2 August 2022 to consider the submission and after deliberation, made the following recommendation:-
- 4.2.1 *The stage 2 CAT panel has considered the request from Blackhall Community Trust for the community asset transfer of Blackhall Pavilion and Surrounding Parkland and agrees that a report be prepared for consideration by Finance and Resources Committee on 8th September and a Council decision on the request made at that meeting.*
- 4.3 The terms provisionally agreed for the disposal of the property are as follows:-
- 4.3.1 Purchaser: Blackhall Community Trust;
- 4.3.2 Price: £11,750;
- 4.3.3 Suspensive Conditions: the offer is conditional upon the sale area being removed from the Fields in Trust dedication;

- 4.3.4 Costs: the purchaser is to meet the Council's reasonable legal fees and a Estates Surveyor's 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 six months in which to make their offer. Any sale would be conditional on the outcome of removing the Fields in Trust dedication from the sale area.
- 5.2 Should Committee determine to reject the asset transfer request or significantly alter the terms of the 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 A capital receipt of £11,750 will be received and the Council will be relieved of future maintenance costs. The financial year in which the receipt will be received is dependent upon the removal of Fields in Trust dedication from the sale area.
- 6.2 The applicant obtained an opinion on market value of the property in 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 valuers assessed the premises as a commercial nursery and provided the following commentary on the market value figure:
- 6.2.1 We have applied a Multiplier of 3.00 to the EBITDA (Earnings before interest, tax, depreciation and amortization) of £6,301 equating to a rounded Market Value of £19,000, in line with our vacant possession Market Value. This underlines the poor trading performance of the existing business which is trading with very low profit or loss making and is being run as a registered charity; and
- 6.2.2 This is not to say an efficient commercial operator would not be able to achieve a higher level of trade, predominantly by increasing the current fee rates to a level more in line with the local nursery market. However, any commercial operator would be required to spend significant capex on the property to bring it up to a high standard of business, including upgrading the heating system, insulation, window replacements and additional storage space. Having regard to the time and costs of refurbishment, we are of the opinion that a commercial operator would view the business as closed.
- 6.3 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.

- 6.3.1 It appraises and compares the costs and dis-benefits of the proposal with the benefits;
 - 6.3.2 It satisfies itself the proposed consideration for the disposal in question is reasonable; and
 - 6.3.3 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.
- 6.4 The proposals align with Council commitments and contributes to these criteria therefore the proposed sale price is justifiable and that a sale price of £11,750 is acceptable in this instance.

7. Stakeholder/Community Impact

- 7.1 Consultation was undertaken through the CAT advisory panel. Stakeholders involved in the CAT Panel comprised all ward members and council officers involved with the project, including representatives from Estates, Lifelong Learning and Parks and Greenspaces.
- 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 their property. 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 In August 2019, an eight-week public consultation was held on the alteration to common good status of the area of sale. At the conclusion of the consultation, over 300 responses were received and the results were used to inform the application to the Court of Session. A link to the consultation is provided at 8.4 below.
- 7.4 On receipt of the Stage 2 application, legislation stipulates that there is a 20-day consultation period to receive public comments on the request. In addition, the applicant can respond to the representations. 79 responses were received and the applicant has commented on these. The comments are publicly available on the Council's CAT webpage. A link is provided in 8.5 below.
- 7.5 The ward members have been informed of the recommendations contained within this report.
- 7.6 The impact on sustainability has been considered. There is no negative impact on the environment as the result of the proposed sale.

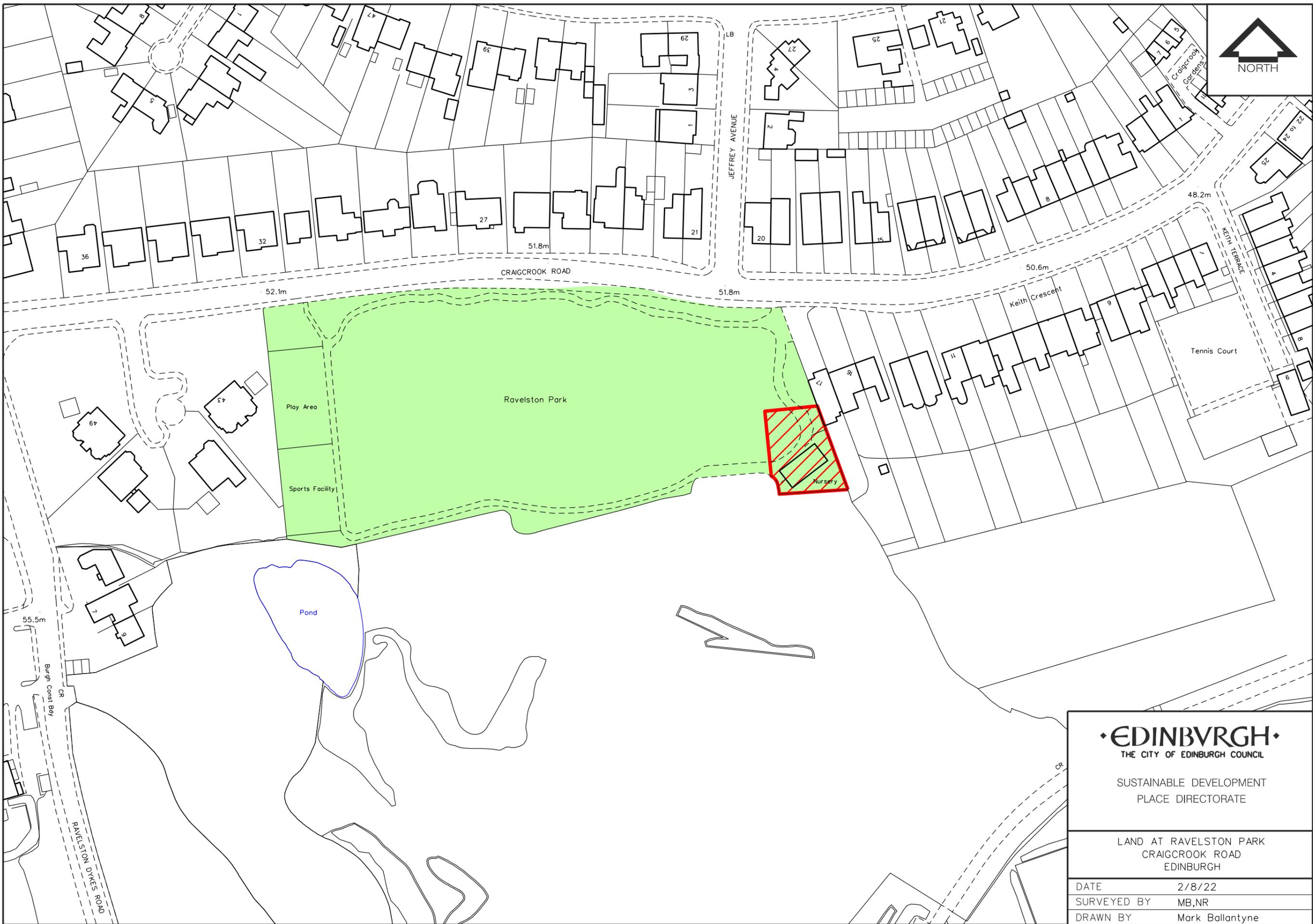
8. Background reading/external references

- 8.1 [CAT Stage 2 Submission:](#)

- 8.2 [Community Asset Transfer Policy:](#)
- 8.3 [Finance and Resources Committee Report 7 March 2019](#)
- 8.4 [Common good Consultation August 2019](#)
- 8.5 [Representations to CAT request April 2022](#)

9. Appendices

- 9.1 Appendix 1 – Location plan.



EDINBURGH
THE CITY OF EDINBURGH COUNCIL

SUSTAINABLE DEVELOPMENT
PLACE DIRECTORATE

LAND AT RAVELSTON PARK
CRAIGCROOK ROAD
EDINBURGH

DATE	2/8/22
SURVEYED BY	MB,NR
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/2057a

SITE PLAN

SCALE 1:1250

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