

# Finance and Resources Committee

10.00am, Thursday, 26 January 2023

## WHALE Arts Centre 30 Westburn Grove Edinburgh – Community Asset Transfer

Executive/routine	Routine
Wards	2
Council Commitments	

### 1. Recommendations

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- 1.1 It is recommended that Finance and Resources Committee approve the disposal of WHALE Arts Centre, 30 Westburn Grove, Edinburgh 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

## WHALE Arts Centre 30 Westburn Grove Edinburgh – Community Asset Transfer

### 2. Executive Summary

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- 2.1 This report seeks authority to dispose of the WHALE Arts Centre to WHALE Arts on terms as specified in the Community Asset Transfer (CAT) request which are outlined in this report. The proposed sale is a CAT under Part Five of the Community Empowerment (Scotland) Act 2015.

### 3. Background

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- 3.1 WHALE Arts Centre, 30 Westburn Grove Edinburgh is occupied by WHALE Arts. The land, on which their building is built, is leased from the Council on a peppercorn rent of £1 per annum until 2024. They wish to purchase the Council's leasehold interest in order to access other funding opportunities that are not currently available.
- 3.2 WHALE Arts run a purpose built creative and community venue with associated land in Wester Hailes. Since being set up by local people in 1992, WHALE Arts has firmly established itself as the cultural anchor organisation for Wester Hailes. As a community-led charity and social enterprise, WHALE Arts' mission is to be the creative heart of a vibrant, thriving community.
- 3.3 The organisation is a building and place-based community-led charity and social enterprise which acts as a conduit between the community and creative opportunities through the delivery of projects, programmes and events and by connecting the community with city and national partners.
- 3.4 WHALE Arts works with their partners to develop community, creative and cultural projects that builds upon successes to inspire and empower residents, workers, artists and designers to continue to demonstrate the power of creativity as a driver of social change.

### 4. Main report

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- 4.1 WHALE Arts submitted a valid CAT request, under Part Five of the Community Empowerment (Scotland) Act 2015, to purchase the property. In accordance with

Council policy on CAT, a panel was convened to consider WHALE Arts' expression of interest. The panel's recommendation was for WHALE Arts to develop their stage 2 (Sustainable Business Case) submission, which involves the development of a business case, valuation, development plans, and evidencing need through community consultation.

- 4.2 The stage 2 application was received, and the proposal was assessed by the Council using the CAT policy scoring matrix. The result was a strong submission.
- 4.3 The provisionally agreed terms for the disposal are as follows: -
  - 4.3.1 Purchaser: WHALE Arts Limited;
  - 4.3.2 Price: £125,000; and
  - 4.3.3 Costs: Each party to meet their own costs.
- 4.4 The applicant obtained an opinion on market value, on the special assumption of outright ownership of the heritable interest with vacant possession of 30 Westburn Grove, at £395,000. This market value has been verified by the Council's RICS registered valuers. Given WHALE Art's alignment to Council commitments and the significant community benefit the scheme will offer on completion, it is considered that a sale price of £125,000 for the leasehold interest is justified in this instance.
- 4.5 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:
  - 4.5.1 It appraises and compares the costs and dis-benefits of the proposal with the benefits;
  - 4.5.2 It satisfies itself the proposed consideration for the disposal in question is reasonable; and
  - 4.5.3 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.
- 4.6 The proposals align with Council commitments and contributes to these criteria and therefore it is considered that the proposed sale price is justifiable in this instance.

## **5. Next Steps**

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- 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 WHALE Arts 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.

- 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 that review be unsuccessful, a subsequent right of appeal to Scottish Ministers.

## **6. Financial impact**

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- 6.1 A capital receipt of £125,000 will be received in financial year 2023/24.

## **7. Stakeholder/Community Impact**

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- 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.
- 7.2 As part of the CAT Stage 2 Business Case Submission, WHALE Arts have consulted widely in the community with regards to the future use of their building. Detail on the consultations undertaken can be found in the WHALE Arts Business Case which is available for reading using the link at 8.1 below.
- 7.3 Ward members have been made aware of the recommendations of the report.

## **8. Background reading/external references**

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- 8.1 Whale Arts Centre - [CAT Stage 2 Submission](#)
- 8.2 Community Asset Policy – [Community Asset Transfer Policy](#)

## **9. Appendices**

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- 9.1 Appendix 1 – Location plan.