

# Finance and Resources Committee

10.00am, Thursday, 25 January 2024

## Gracemount Mansion, 47 Gracemount House Drive, Edinburgh – Proposed Community Asset Transfer

Executive/routine  
Wards

Routine  
16- Liberton/Gilmerton

### 1. Recommendations

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- 1.1 That the Finance and Resources Committee approve the disposal of Gracemount Mansion, 47 Gracemount House Drive, 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

## Gracemount Mansion, 47 Gracemount House Drive, Edinburgh – Proposed Community Asset Transfer

### 2. Executive Summary

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- 2.1 This report seeks authority to dispose of Gracemount Mansion to Gracemount Mansion Development Trust on terms as specified in the Community Asset Transfer 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

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- 3.1 Gracemount Mansion is a Grade B listed building, which had been run as a community centre since the 1950's. The building closed in 2018 due to ceiling collapses, leaving the interior of the building in a dangerous condition. The mansion remains unoccupied and has suffered vandalism since its closure.
- 3.2 Gracemount Mansion Development Trust (GMDT) was incorporated in November 2022, although developed its vision, mission and constitution during 2021, with an established core steering group in existence since 2020 to drive proposals for the community asset transfer (CAT).
- 3.3 Prior to the establishment of GMDT, during 2020 a community group, 'Friends of the Mansion' (FoM) was set up, originating from the 'Save the Mansion' idea and Facebook presence. FoM community group was established to gauge community appetite and support for a community asset transfer of the Mansion and grounds.
- 3.4 They have a development team of 11 staff members (7 FTE), and several contractual relationships with the Council and other organisations. The bulk of services are funded by grants received from Scottish Government and the third sector.
- 3.5 GMDT now has over 80 members and a board of trustees with a broad range of experience.

### 4. Main report

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- 4.1 GMDT's aim is to develop the Mansion and its grounds to not only restore the services that were lost but go far beyond this by creating a transformative

community asset that will generate a wide range of social, economic and environmental benefits to the whole area.

- 4.2 GMDT intend to develop a transformative community asset by redeveloping the buildings and surrounding green spaces into an exciting, financially sustainable community hub that offers a wider range of creative learning, volunteering, mental and physical health benefits, and social and environmental activities, in line with their charitable purposes.
- 4.3 The Mansion is adjacent to a number of schools, and in an area lacking in functional parkland, it currently exists as an informal greenspace and activity area.
- 4.4 GMDT submitted a CAT request for the purchase of Gracemount Mansion, which was processed in accordance with Council policy with a Stage 1 Panel granting approval to proceed. GMDT then worked up a detailed business plan, consulted with the community on their proposals and submitted a Community Asset Transfer request under Part Five of the Community Empowerment (Scotland) Act 2015 to purchase the property which was validated on 18 September 2023.
- 4.5 The stage 2 request was assessed by Council officers using the Community Asset Transfer policy scoring matrix. The result was a strong/very strong submission.
- 4.6 The Stage 2 panel met on 11 January 2024 and the following outcome was agreed by the panel:

*OUTCOME: The panel thanks GMDT for the quality of their presentation and answering the questions raised by the Panel in respect of their community asset transfer request for the purchase of Gracemount Mansion.*

*The panel recommends that Finance and Resources Committee approve the proposal subject to the conditions.*

- 4.7 The following terms have been provisionally agreed for the disposal:

- 4.9.1 Purchaser: Gracemount Mansion Development Trust;

- 4.9.2 Price: £100;

- 4.9.3 Costs: each party to meet their own costs; and

- 4.9.4 Other conditions:

- The Walled Garden and Stable Block are excluded from the CAT;
- An Elected Member sits as an observer on the board of trustees;
- Regular programme updates are provided to Committee through the Business Bulletin;
- The Council retains step in rights, to acquire the property from the date of the sale for a period of five years in the case of non-achievement of agreed programme milestones; and
- A forum of Elected Members, trustees and community council representatives meet regularly to provide oversight of the strategic benefits arising from the programme.

## 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 GMDT 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 the review be unsuccessful, a subsequent right of appeal to Scottish Ministers.

## 6. Financial impact

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- 6.1 A nominal capital receipt will be received in financial year 2024/25.
- 6.2 The applicant obtained an opinion on market value of Gracemount Mansion in the amount of £0.350m. The market value figure has been verified by one of the Council's registered valuers.
- 6.3 The proposed disposal price of £100 reflects the extensive liabilities which GMDT will inherit. As a result of the CAT there will be a significant cost saving to the Council in terms of ongoing future maintenance liabilities and revenue costs such as non-domestic rates, insurance, security and emergency maintenance call outs.
- 6.4 Given GMDT's alignment to Council commitments and the significant community benefit the scheme will offer on completion it is recommended Committee considers that a discount from the purchase price is justified in this instance.
- 6.5 The proposed sale 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:
  - 6.5.1 It appraises and compares the costs and dis-benefits of the proposal with the benefits;
  - 6.5.2 It satisfies itself the proposed consideration for the disposal in question is reasonable; and
  - 6.5.3 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.
- 6.6 The proposals align with Council commitments and contributes to these criteria therefore a proposed discount is justifiable and acceptable in this instance.

## **7. Equality and Poverty Impact**

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- 7.1 There are no immediate impacts on any equality, human rights (including children's rights) and socio-economic disadvantage implications as identified in the Integrated Impact Assessment at this stage. Enabling Gracemount Mansion to become an active community hub will provide future benefits as defined in GMDT's business case.

## **8. Climate and Nature Emergency Implications**

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- 8.1 There is no immediate environmental impact to report but enabling the CAT to allow for the future capital development of Gracemount Mansion will result in a more energy efficient building with facilities and building management resources that are compliant with net zero ambitions.

## **9. Risk, policy, compliance, governance and community impact**

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- 9.1 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.
- 9.2 As part of the CAT Stage 2 Business Case Submission, GMDT 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 GMDT Business Case which is available for reading using the link at 10.1 below.
- 9.3 Ward members have been informed of the recommendations contained within this report.

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

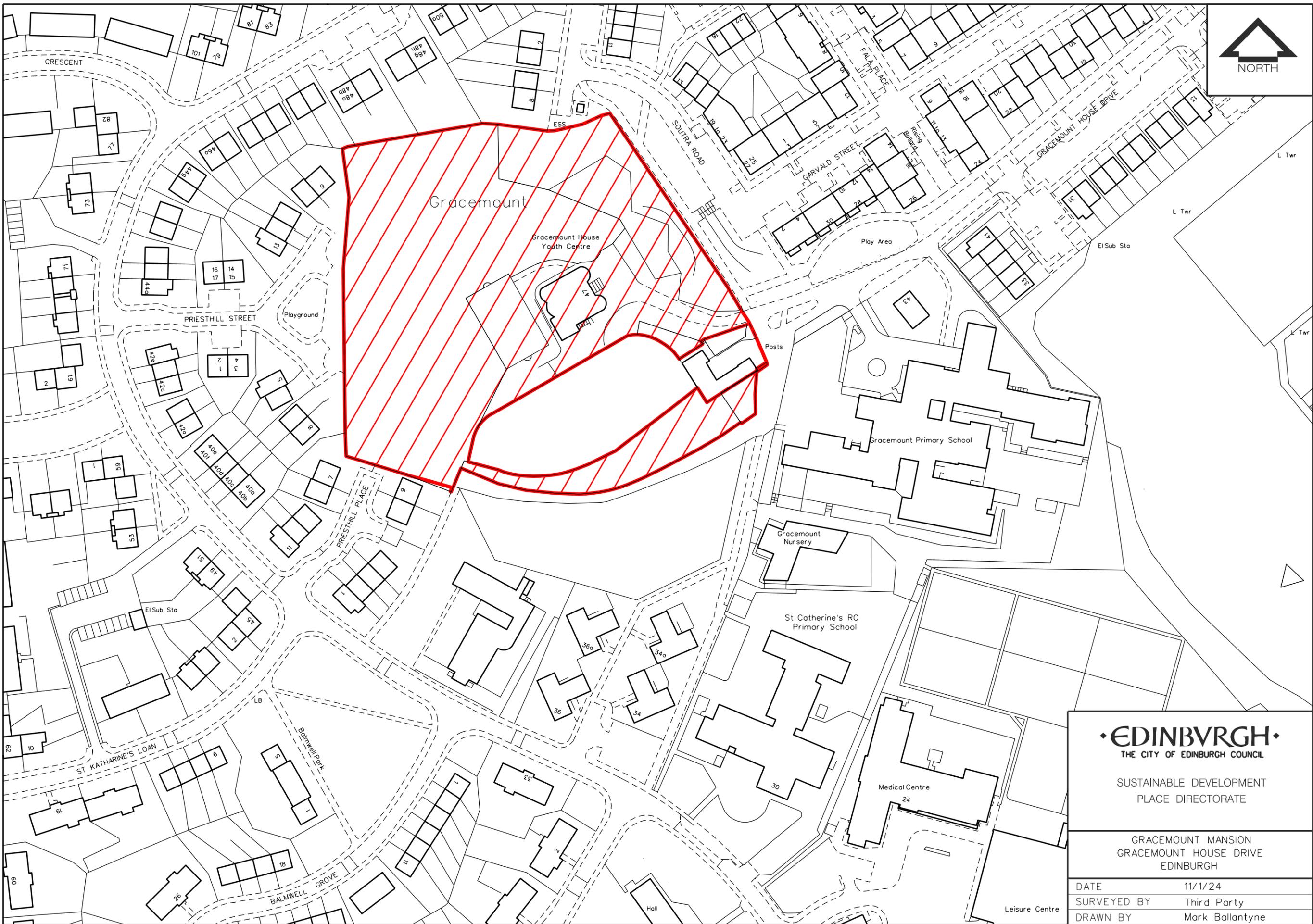
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- 10.1 [CAT Request Application](#), Gracemount Mansion – The City of Edinburgh Council.
- 10.3 [Community Asset Transfer Policy](#).
- 10.2 Walled Garden and Stable Block at Gracemount Mansion, Gracemount House Drive, Edinburgh – Proposed New Lease – [Finance and Resources Committee](#), 26 January 2023.

## **11. Appendices**

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- 11.1 Appendix 1 – Location plan.



SITE PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

**EDINBURGH**  
THE CITY OF EDINBURGH COUNCIL

SUSTAINABLE DEVELOPMENT  
PLACE DIRECTORATE

GRACEMOUNT MANSION  
GRACEMOUNT HOUSE DRIVE  
EDINBURGH

DATE	11/1/24
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	N.T.S.
NEG. NO.	A3/1983a