

DH/cw  
20<sup>th</sup> February 2013

Dr Alistair Noble  
Chairman, Nairn Improvement Community Enterprise  
Delnieswood  
16 Moss-side Drive  
Nairn  
IV12 5PN

Dear Alistair

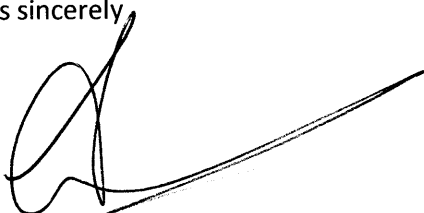
**Nairn Improvement Community Enterprise**

I wrote to you on 24<sup>th</sup> December 2012 indicating that the Finance, Housing and Resources Committee would consider a report on 30<sup>th</sup> January 2013 which proposed taking Nairn Town Centre assets off the market (copy of the report attached for your information).

I can now tell you that the Committee agreed the recommendations within the report and, should you wish to access appropriate Council advice regarding 'Right to Buy', please speak to your Ward Manager, Louise Clark, in the first instance.

Once again let me wish you all the best with your plans for Nairn.

Yours sincerely



Councillor Drew Hendry  
**Leader of Highland Council**

encs:

**Councillor Drew Hendry**  
Leader of Highland Council

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## THE HIGHLAND COUNCIL

Finance, Housing and Resources Committee – 30 January 2013

|             |  |
|-------------|--|
| Agenda Item |  |
| Report No   |  |

### Land and Property

#### Report by Depute Chief Executive/Director of Housing & Property

##### Summary

This report seeks approval to sell Dalchreichart Primary School to Dalchreichart Area Residents Association for a price of £50,000, which is below market value and to approve a 12 month low cost lease with Dalchreichart Area Residents Association to allow them use of the building until the sale is concluded. The report also seeks approval for the proposal that certain Nairn Town Centre properties are temporarily withdrawn from the market for six months.

#### 1. Dalchreichart Primary School

- 1.1 Dalchreichart Area Residents Association (DARA) is a voluntary constituted organisation. Residents of Dalchreichart and West Glenmoriston, from Dundreggan to Bunloyne, are eligible to join. The committee comprises 4 elected members and 3 co-opted members representing the interests of the community.
- 1.2 DARA are seeking to purchase Dalchreichart School at below market value so that they can deliver:
  - local social services
  - activities to promote social cohesion, particularly for older people
  - a house for rent
  - reduction in CO<sup>2</sup> emissions and heating costs for many by provision of local wood fuel
  - potential employment opportunities
- 1.3 Details of the proposals submitted by DARA are attached as **Appendix 1**. DARA will also be carrying out formal consultation with Health and Social Care about the proposals relating to the local social services they intend to provide to the community.
- 1.4 It should be noted that the market value of the subjects in their current condition is estimated to be £120,000. The Council would forego 58% of this potential capital receipt from a below market value disposal. However, the Council would realise a potential capital receipt almost immediately during a period of reduced property transactions activity and disposal of the property will provide the Council with a saving of on-going property revenue costs and further marketing costs.
- 1.5 It should also be noted that, in accordance with the Disposal of Land by Local Authorities (Scotland) Regulations 2010, the Council can dispose of property for a consideration less than the best that can reasonably be obtained if the Council is satisfied that the disposal is reasonable, and is likely to contribute to economic development or regeneration, social well-being, health or environmental well-being.

- 1.6 The Asset Management Project Board has now considered DARA's proposals and the financial implications and potential benefits to the Community and to the Council. The Board concluded that disposal of Dalchreichart Primary School to DARA was likely to fulfil the conditions set out in paragraph 1.5 and agreed to recommend the matter to the Finance Housing and Resources Committee for approval.
- 1.7 Members are therefore asked to agree that the Council enters into an agreement with DARA to sell the Dalchreichart Primary School, subject to an Economic Development Burden, for the sum of £50,000, and that the Council offers a low cost lease of Dalchreichart Primary School to DARA for a period of not more than 12 months on terms and conditions to be agreed by the Depute Chief Executive/Director of Housing & Property to allow DARA use of the building until they raise sufficient funds to purchase it.

## **2. Nairn Town Centre Properties**

- 2.1 The buildings known as the Nairn Town Centre properties (including the former Community Centre plus attached toilets, old Social Work offices on King Street and areas of the town centre car parking currently in Highland Council ownership) have been actively marketed since October 2011 (following withdrawal of the Co-op's interest in the site). This was as detailed in the Nairn Town Centre Development Brief agreed by Planning, Environment and Development Committee on 3 March 2011
- 2.2 There has been very little interest from the market in these properties and no offers have been received. The Council obtained Scottish Government funding to demolish the old Community Centre which is currently being used under a temporary contract.
- 2.3 Nairn Members have requested that the properties are withdrawn from the market to allow a local community company (Nairn Improvement Community Enterprise - NICE) sufficient time to compile a suitable business case to purchase part or all of the properties from the Council under Community Right To Buy legislation. It is further recommended that the Council works in a partnership approach with NICE over the use of the sites, in consultation with local Members, to ensure that any plans brought forward by NICE also fit into Highland Council's plans for Nairn Town Centre.
- 2.4 It is proposed that the properties are withdrawn from the market for a period of six months, which is the statutory period under the Community Right To Buy legislation. Therefore NICE will be given until the end of July 2013 to prepare their detailed business case.

## **3. Resource Implications**

- 3.1 The resources implications of the proposals are set out in the report. In relation to the Nairn Town Centre properties; any proposal to sell part or all of the properties to NICE would be the subject of a separate report to a future FHR committee.

## **4. Equality Implications**

- 4.1 There are no implications arising from these proposals.

## **5. Legal Implications**

- 5.1 The legal implications are set out in the report.

## **6. Climate Change Implications**

6.1 There are no implications arising from these proposals.

## 7. Risks

### 7.1 Dalchreichart Primary School:

- If, after 12 months, the property is sold to DARA and they do not succeed in attracting the capital funding to refurbish the building the property may need to be sold. To mitigate this risk a development burden would allow DARA to dispose of the property with the proceeds of any sale up to the development burden level being returned to the Council.
- If the property is not transferred at below market value to the community there is a risk there would be further deterioration of a prominent building in the centre of the community, potentially making it even more difficult for the Council to sell in future. Mitigation against this risk would be to sell the property at below market value.
- If the property is not transferred at below market value to the community there is a risk there would be a loss of social capital investment in a community project. Mitigation would be as above.

7.2 **Nairn Town Centre:** There are no associated risk implications.

## 8. Recommendation

Members are asked to:

1. **Agree** that The Council enters into an agreement with DARA to sell the Dalchreichart Primary School, subject to an Economic Development Burden, for the sum of £50,000.
2. **Agree** that the Council offers a low cost lease of Dalchreichart Primary School to DARA for a period of not more than 12 months on terms and conditions to be agreed by the Depute Chief Executive/Director of Housing & Property to allow DARA use of the building until they raise sufficient funds to purchase it.
3. **Agree** that the Nairn Town Centre properties are withdrawn from the market for a period of six months (up to 31 July 2013) to allow Nairn Improvement Community Enterprise sufficient time to prepare a detailed business plan under the Community Right To Buy legislation.
4. **Agree** that the Council works in a partnership approach with NICE over the use of the properties, in consultation with local Members, to ensure that any plans brought forward by NICE also fit into Highland Council's plans for Nairn Town Centre.

**Signed:**

**Designation:** Depute Chief Executive/Director of Housing and Property

**Authors:** Charles Stephen, Ward Manager (Aird & Loch Ness and Inverness South)  
Allan Maguire, Head of Property Partnerships

**Date:** 18 January 2013

## **Dalchreichart Community Focal Point**

### **Background**

The project was initiated in March 2012 when concern for the care of older residents in the area was raised with the local Councillors. Ensuing discussions led to the proposal for using the old school building to help meet the growing needs of the aging population.

Dalchreichart School has, in the past, served as an important social hub for the local community. The building and its facilities provided a mechanism for the community to undertake a wide range of activities and events.

Consultation with those living within the community showed almost unanimous support for taking ownership of the old school. A sub group of DARA has been working toward making it possible to create a viable community focal point to enable:-

- Provision of hot meals in a community facility
- Provision of a social centre for older people
- Provision of an emergency centre
- Provision of affordable housing
- Establishment of a wood fuel co-operative, supplying fuel at advantageous cost to residents and for sale to a wider public.
- Employment from the wood fuel business
- Provision of allotments

DARA have enlisted the support of DTAS to compile their Business Plan and Financial Projections and to receive advice regarding funding in relation to purchase of the old school.

### **Proposal**

DARA are seeking to purchase Dalchreichart School for £50,000 so that they can deliver:

- local social services
- activities to promote social cohesion, particularly for older people
- a house for rent
- reduction in CO<sup>2</sup> emissions and heating costs for many by provision of local wood fuel
- potential employment opportunities

They are also seeking entry at the earliest possible opportunity through a low cost lease arrangement until they have raised sufficient funds to conclude the purchase.

### **Benefits**

#### **Community Empowerment**

Local communities are a valuable source of energy, creativity and talent. They are made up of people with rich and diverse backgrounds who each have something to contribute to making it flourish. The role of government is to help communities to work together to fulfil their potential.

Local and national government is committed to communities being supported to do things for themselves – community empowerment – and to people having their voices heard in the planning and delivery of services – community engagement and participation.

Where communities are empowered we would expect to see a range of benefits: local democratic participation boosted; increased confidence and skills among local people; higher numbers of people volunteering in their communities; and more satisfaction with quality of life in a local neighbourhood. Better community engagement and participation leads to the delivery of better, more responsive services and better outcomes for communities.

DARA are embracing the ethos of community empowerment by offering to take ownership of local resources so that they can deliver better, more responsive services and better outcomes for their community

### **Community Resilience**

Community Resilience is about communities using local resources and knowledge to help themselves during an emergency in a way that complements the local emergency services.

DARA have factored this aspect of community provision into their Business Plan by recognising the potential use of the old school as an emergency centre where accommodation can be provided and from where emergency services can be co-ordinated and delivered. This is likely to be an important feature in a community with an ageing demographic profile.

### **Public Benefit**

The main benefit to the Council will be the potential future savings from older people being able to remain living in their own homes because of the support from local care services and not having to go into residential care or into hospital.

The cost for residential accommodation for one person for one year is about £50,000. DARA estimate that it is likely that 10 of their older residents are likely to require some residential care over the next decade if better, more responsive home based care services are not provided to maintain them in their own homes.

The aspirations of DARA to be able to provide local more responsive services are in accord with the Council's policies to empower local communities and to maximise the health and independence of older people.

The Council will benefit, also, by receiving almost immediately a capital receipt from a property that has been vacant since 2006 and that is likely to be difficult to sell at present on the open market.

**Charles Stephen**  
**Ward Manager**