

COMMUNITY SERVICES

Castle Toward – Application for Community Buyout

1. SUMMARY

- 1.1 This report provides an update on the progress made by the South Cowal Community Development Company in relation to a potential buyout of the Council's property at Castle Toward in terms of the Land Reform (Scotland) Act 2003 and the support provided by council officers to the Company to prepare their application.

2. RECOMMENDATION

- 2.1 It is recommended that the Council:
- a) note the progress made by the South Cowal Development Company with support from Council Officers in preparing their application for a community buyout of Castle Toward in terms of the Land Reform (Scotland) Act, 2003.
 - b) note the anticipated submission of the application prior to 30 November 2013
 - c) confirm the instruction to the Executive Director of Community Services to progress with the marketing of the property if the application for a community buyout is not lodged with the Scottish Government by 30 November 2013

3. BACKGROUND AND DETAIL

- 3.1 At the meeting of 27 June 2013 the Council confirmed the previously made delegation to the Executive Director of Community Services to deal with all matters related to the possible disposal of Castle Toward, through the marketing of the property on the open market. At Council meeting on 26 September 2013, the Council were subsequently advised that, following a tender exercise, it had a compliant tender for these services awaiting acceptance. The Council was further advised of contact from the South Cowal Development Company who intimated its interest in preparing an application for a community buyout of Castle Toward in terms of the Land Reform (Scotland) Act, 2003. The Company had made a request to the Council that it delay any plans to market the property until such time as the Company had

sufficient time to explore the potential registration of a community interest and/or buyout option.

- 3.2 Following consideration of this request and noting the information provided by the Executive Director of Community Services on his meeting with the Company, the Council considered the implications associated with the request and agreed:

“that the Executive Director - Community Services implement his delegation on 1 December 2013 subject to there being no known impediment at that time”.

- 3.3 The Executive Director of Community Services has maintained contact with the Company with offers of assistance and assisted with the provision of the following support:

- Advice on the application process and requirements
- Copies of title plans
- Planning and listed building advice
- Valuation information from previous marketing exercise
- Contact advice re the joint valuation board for electoral roll purposes

- 3.4 Additionally, the Company have received support from other agencies and interests including HIE.

- 3.5 Critically at the time of writing the Company advise that they are on schedule to submit their application prior to the 30 November 2013 deadline. Once an application is lodged with the Scottish Government, the Council is effectively prohibited from progressing the sale of the property on the open market until the community buyout process detailed in the paper to council in September 2013 is exhausted. In preparing for their submission, the Company have advised of the following progress:

- Community survey completed which has demonstrated in excess of the required 10% of community support.
- Appointment of new Company Directors and increasing membership of the company to in excess of 100 members
- Meetings with HIE and the Scottish Government Land Unit regarding feasibility study funding
- Preparation of 1st draft application to the land Unit for comment

- Commencement on the preparation of initial business plan

3.6 If the Company submits its application within the 30 November 2013 deadline process, the application will follow the process summarised in the September 2013 council paper. If they do not meet the deadline but still intend pursuing an application after the council has commenced the marketing process, this would be regarded a “late application” in terms of the Scottish Government procedures. The implications of a late application are as noted in the September 2013 paper.

4. CONCLUSION

4.1 In line with the Council decision at its meeting of 26 September 2013, the Executive Director has not accepted the tender for the marketing of Castle Toward. The South Cowal Development Company has been provided with support to prepare its application for a community buyout of Castle Toward in terms of the Land Reform Scotland Act 2003. Contact has been maintained with the Company in the intervening period and at the time of writing the Company has indicated it is on schedule to submit its application prior to the 30 November 2013.

5. IMPLICATIONS

5.1	Policy	The decision to defer the exercise of the delegation to market the property is in accordance with the previous decision of the Council.
5.2	Financial	There are financial consequences associated with the length of time taken to dispose of the property.
5.3	Legal	Note the legal implications arising from the Land Reform Scotland Act 2003.
5.4	HR	None at this time.
5.5	Equalities	None at this time.
5.6	Risk	There are significant financial, reputational and local economic risks associated with the disposal of the property.
5.7	Customer Service	None at this time.

Cleland Sneddon
Executive Director of Community Services

25 November 2013