
ARGYLL AND BUTE COUNCIL

**OBAN, LORN
AND THE ISLANDS AREA COMMITTEE
9th DECEMBER 2016**

**CUSTOMER SERVICES
COMMUNITY SERVICES
DEVELOPMENT AND INFRASTRUCTURE SERVICES**

**THIRD SECTOR ASSET TRANSFER – FORMER PUBLIC TOILETS AND
SURROUNDING GROUND AT DERVAIG ISLE OF MULL**

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to advise the Committee of an unsolicited enquiry from the North West Mull Community Woodland Company Limited (NWMCWCL) also referred to as the North West Mull Community Group, for the transfer of the former Dervaig Public Toilets and surrounding ground in order that the group can rebuild new toilets and develop new amenities for visitors, enhance the tourism experience and indirectly improve the local economy.
- 1.1 The former public toilets and ground are owned by the Council. The ground is held and maintained by Housing Services. The toilets are no longer in operation and are held by Amenity Services.

RECOMMENDATION

- 1.3 That the Committee agree to recommend to the Council that the former Dervaig public toilets and adjacent land is sold to the NWMCWCL for the sum of £100.
- 1.4 It is further recommended that the Committee agrees to delegate to the Executive Director of Customer Services authority to agree the terms of the sale to the Third Sector.

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2. INTRODUCTION

- 2.1 The purpose of this report is to advise the Committee of an unsolicited enquiry from the North West Mull Community Woodland Company Limited (NWMCWCL) also referred to as the North West Mull Community Group, for the transfer of the former Dervaig Public Toilets and surrounding ground in order that the group can rebuild new toilets and develop new amenities for visitors, enhance the tourism experience and indirectly improve the local economy.

3. RECOMMENDATIONS

- 3.1 That the Committee agree to recommend to the Council that the former Dervaig public toilets and adjacent land is sold to the NWMCWCL for the sum of £100.
- 3.2 It is further recommended that the Committee agree to delegate to the Executive Director of Customer Services authority to agree the terms of the sale to the Third Sector.

4. DETAIL

- 4.1 The NWMCWCL requested the acquisition of the former Dervaig Public Toilets and adjacent ground, all as shown by area on the attached plans and photograph. The site is owned by the Council. The ground is held and maintained by Housing Services. The toilets are no longer in operation and are held by Amenity Services.
- 4.2 The toilets are currently closed and the Council pay an annual grounds maintenance charge.
- 4.3 In accordance with the Council's Third Sector Asset Transfer Policy both Amenity Services and Housing Services were consulted in respect of the request from NWMCWCL and it was agreed, in principle, that the asset requested could be made available for transfer to the third sector.
- 4.4 The site has been assessed by the DVS Property Specialists as a potential housing site having a market value of £30,000. However disposal of the asset

for a nominal sum could result in savings of £2000 in demolition and publicity costs and £426 in annual maintenance costs.

- 4.5 A Business Case in respect of the disposal of the asset has been prepared by Amenity Services and Housing Services, a copy of which is attached for Members information. The Business Case has been scored in terms of the Council's Asset Transfer Policy by the Finance Manager and has a high score of 91.
- 4.6 As a result of this Business Case, it has been determined that the assets should be made available for disposal for the sum of £100. In determining this price, both Amenity Services and Housing Services have taken into account that the sale would enable the Group to remove the former toilets and thereby improve the aesthetics of the area. Thereafter the Group would construct new toilets for visitors thereby improving the tourism experience and indirectly assisting to improve the local economy. The Council would save the annual grounds maintenance costs.
- 4.7 Should Members be agreeable to the site being sold to the NWMCWCL the matter will require to be referred to the Council for their agreement as the transfer is at less than market value. The market value was calculated on the basis that the site was suitable for housing development. It was not valued as amenity land.
- 4.8 The Council requires to comply with the requirements of the Disposal of Land by Local Authorities (Scotland) Regulations 2010 and the related Scottish Government Guidance. The regulations require that local authorities, before deciding in favour of a disposal at less than best consideration, appraise and compare the costs and other disbenefits and benefits of the proposal. In relation to the specific requirement of the Council's decision Regulation 4 of the 2010 Regulations provides as follows:

4.-(1) The circumstances in which a local authority may dispose of land for a consideration less than the best that can reasonably be obtained are that –

(a) the local authority is satisfied that the disposal for that consideration is reasonable, and

(b) the disposal is likely to contribute to any of the purposes set out in paragraph (2), in respect of the whole or part of the area of the local authority or any persons resident or present in its area.

(2) Those purposes are the promotion or improvement of –

(a) economic development or regeneration;

(b) health;

(c) social well-being; or

(d) environmental well-being.

The required evaluation has been undertaken by the Council's Amenity Services and Housing Services in terms of the business case referred. They have concluded that the disposal is: reasonable; and likely to contribute to economic development and regeneration in accordance with the business case referred to.

CONCLUSION

- 5.1 Given that the subjects have been declared by Amenity Services and Housing Services as being available for transfer to the Third Sector it is recommended that the Committee agree to recommend to the Council that that the former Dervaig public toilets and adjacent land are sold to the NWMCWCL for the sum of £100.
- 5.2 It is further recommended that the Committee agree to delegate to the Executive Director of Customer Services authority to agree the terms of the lease to the sale to the Third Sector.

6. IMPLICATIONS

- 6.1 The implications for the Oban Lorn and Isles Committee are as outlined in the table below.

| Table 6.1: Implications for the Oban, Lorn and the Islands Area Committee | |
|--|---|
| Policy | None |
| Financial | Savings £2000 in demolition and publicity costs and £426 in annual maintenance costs. |
| Legal | Disposal would be in accordance with the Council's Third Sector Asset Transfer Policy. The Disposal of Land by Local Authorities (Scotland) Regulations 2010. |
| HR | None |
| Equalities | None |
| Risk | None |
| Customer Service | Improved customer service for the Dervaig community and tourists at minimal cost to the Council |

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15 November 2016

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