



ASSET TRANSFER REQUEST - OVERALL ASSESSMENT

DRAFT ONLY NOT FOR RELEASE – NOT FINALISED

The purpose of this document is to evidence the assessment of an Asset Transfer Request (ATR) in respect of the asset identified below and in compliance with the Part 5 of the Community Empowerment (Scotland) Act 2015.

The Asset Transfer Group will review and evaluate the assessments provided by the relevant Council Departments and carry out a comparison of the benefits of the proposal against the Council alternative.

CTB Information/Information about the Land and Rights Requested

Name: Kilmory Woodlands

Address: 50a Union Street, Lochgilphead, PA31 8JS

Contact Details: Peter Hogbin

Relevant documents attached Y / N

Asset: Part of Kilmory Home Farm, Lochgilphead, Kilmory, PA31 8RT bounded on 3 sides by forest tracks and the fourth side by the property boundary.

Plan attached: Y / N

Title Confirmed Y / N

The subjects form part and portion of All and Whole the subjects known as Kilmory Home Farm and Others more particularly described in, and shown coloured pink including the red verges and brown on the plan annexed and subscribed as relative to, Disposition by The Secretary of State for Scotland in favour of Argyll and Bute District Council dated Sixth January and recorded in the General Register of Sasines applicable to the County of Argyll on Eighth February both months in the year Nineteen Hundred and Seventy Seven. The proposed access to the subjects is not shown on the plan submitted with the application.

[Documents located here: Sharepoint link](#)

UPRN: PV08206180001 [Land at Kilmory Home Farm](#)

Ownership
Lease

Details of Lease: 99 year lease £1 per annum.

Other Rights Y / N

Details None

COMMUNITY REQUEST / CURRENT PROPOSED USE

Set out the reasons for the request and how Land / Building (s) will be used:

Lochgilphead Community Council commissioned Community Enterprise in 2016 to produce an Action Plan for Lochgilphead. The report identified that facilities for young people and children are missing in Lochgilphead. The report listed potential actions should include improving and further developing forest trails, cycle paths and signage.

A survey by Mid Argyll Youth Development Services found that there is a shortage of sporting facilities in Mid Argyll and additional sports facilities emerged as one of the top priorities among young people for improving the quality of life in Mid Argyll.

The Mid Argyll Rugby Football Club does not have a suitable area of ground on which to construct a pitch. It has identified the proposed site would be ideal for the purpose. It needs the pitch to be up to 120m x 70m to comply with SportScotland's recommendations for pitch size. Mid Argyll RFC regularly have around 60 boys & girls from P4 – S3 age groups who train twice a week and playing every weekend throughout the season. At a recent event 170 young players turned out for a game. The numbers have grown considerably in the last 3 years by over 300%. We now have five different age youth teams. The number of members would rise significantly if a pitch is made available. We have P4-5 minis. P6-7 Mini's, Under14 Boys, Under15 Girls and Under16 Boys to provide training equipment for and also, five sets of strips to provide. The aim at the club is to try to promote rugby participation, extra-curricular activity, team building, health & wellbeing and fitness education throughout all school ages with the hope that this will progress in later life and help to keep Mid Argyll RFC active and training in the community. Our main aim is to re develop our first team which hasn't had the players to run in recent years, but this requires us to grow our grass roots rugby schemes. With the development of our rural children in mind we also know that rugby is a sport that, no matter where the children go to, educationally or work wise in later life, a club will always be looking for new members and players. We are looking to provide a platform for these young players to carry on throughout their life and encourage the fitness and health side of the sport. With increased coach development, we would like to open sessions up further in the future to younger children and children with special needs if possible. This proposed development would gain the full support of the Scottish Rugby Union.

The Mid Argyll Athletics Club does not have a suitable area of ground on which to construct a track. It has identified the proposed site would be ideal for the purpose. It needs the track to occupy 180m x 100m to comply with SportScotland's recommendations for track size. Mid Argyll Athletics Club was started in 1984 and currently has around 70 active members. We provide training for athletes from age 7 to 18 and facilitate the opportunity to compete at indoor and outdoor athletics events at

a local, regional and national level. We are fully affiliated to Scottish Athletics and all of our coaches are trained by Scottish Athletics. We do a range of activities included in the three main athletic disciplines of running, jumping and throwing. This proposed development would gain the full support of the Scottish Athletics.

Mid Argyll Shooting Club does not have a suitable area of ground on which to construct target sports facilities. It has identified the proposed site would be ideal for the purpose. It needs the target facility to occupy 75m x 50m to comply with Scottish Target Shooting's recommendations for location of the target and changing rooms. The object of the Club is to provide facilities for and to promote participation of the whole community in the sport of target shooting also to encourage skill in target shooting by providing instruction and practice in the use and safe handling of air weapons. The Club now wishes to grow capacity through new facilities and bring more people together, both young and old through target sports. Kilmory Woodland will help launch the next stage in the Club's development and bring about an off-grid target sports facility. This will not only create a home for target sports in Mid Argyll but increase the resilience for the sport. It will provide a seven-day facility. Bringing people together more often and giving opportunity to more people to socialise and become active through target sports. The Club is affiliated to the national governing body, Scottish Target Shooting. Scotland is successful in the world of target sports having Olympic and Commonwealth athletes within its shooting team. The Club has instructors qualified through UK national body, the National Small-bore Rifle Association. The Club provides opportunity for its members to participate in national leagues and competitions. Through Scottish Target Shooting, the Club can access progression pathways leading to participation in international sport.

Forestry Enterprise Scotland is wishing to further develop its BMX tracks in the area and Kilmory Woodlands would provide a focus point.

The development of sports facilities will be a major factor in improving health and wellbeing of young people.

We will promote equality and inclusion. Our focus will be to include disabled people in all sports and to ensure opportunities are available for women/girls in sport.

This will be a phased development, working with national bodies for sport and the community through local grass roots clubs.

Set out current or proposed use of asset:

While the asset has been identified surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Council's Framework Concept Master Plan 2015 ("the Plan").

SECTION 1: BENEFITS - ASSESSMENT

1.1 Does the request demonstrate that agreeing to the request be likely to promote or improve Economic Development

Yes No to some extent (Assessed as WEAK by Economic Development)

How does the Request demonstrate this:

Economic Development have assessed the request and made the following comments in relation to this criteria:

The request-states:

People living in Lochgilphead will not have to travel outside the area to take part in the sporting activities taking place in Kilmory Woodlands

Tourists and visitors to the area will have better facilities available to them.

It will support growth of the local economy

By providing more and better facilities, it will encourage more families to settle in Mid Argyll.

It will reduce the need for teams to travel for suitable pitches to play on and keep investment locally

However, it is not possible to substantiate these statements as the asset transfer request provides no information to support them.

If yes, would it be to a greater extent than any alternative proposal?

Yes No Not applicable

Outline Relevant Evidence Below:

Council current / proposed use:

While the asset has been identified as surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Council's Framework Concept Master Plan 2015 ("the Plan").

The economic development benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate. As part of that development, Economic Development require to retain rights of way in relation to the asset to enable the installation of power and water to allow for the development set out in the Plan. It is also anticipated that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the request relates may be required to be incorporated within it.

In addition, the Plan includes a large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

1.2 Does the request demonstrate that agreeing to the request be likely to promote or improve Regeneration

Yes No to some extent (Assessed as POOR by Economic Development)

How does the Request demonstrate this:

Economic Development have assessed the request and made the following comments in relation to this criteria:

The Asset Transfer Request makes statements that the site will be developed, however there is little detail of what this development will be. While, there may be employment during the construction phases, the asset transfer request provides no detail or clarity in relation to future employment possibilities.

Additionally, while there is mention of infrastructure development there is only an outline impression of what could be developed.

If yes, would it be to a greater extent than any alternative proposal?

Yes No Not applicable

Outline Relevant Evidence Below:

Council current / proposed use

While the asset has been identified as surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Plan.

The regeneration benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate. As part of that development, Economic Development require to retain rights of way to enable the installation of power and water to allow for the development set out in the Plan. It is also anticipated that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the asset transfer request relates may be required to be incorporated within it.

In addition, the Plan includes a large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

1.3 Does the request demonstrate that agreeing to the request be likely to promote or improve Public Health

Yes No to some extent (assessed as MODERATE by SET)

How does the Request demonstrate this:

The Social Enterprise Team have assessed the request and made the following comments in relation to this criteria:

Statements made in sections Sec 4.1, 4.2, 8.1 support increasing the availability of spaces for sport and recreation which will in turn lead to increased people's involvement thereby public health. Their focus is on young people.

If yes, would it be to a greater extent than any alternative proposal?

Yes No Not applicable

Outline Relevant Evidence Below:

Council current / proposed use

While the asset has been identified as surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Plan.

The public health benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate. As part of that development Economic Development require to retain rights of way to enable the installation of power and water to allow for the development set out in the Plan. It is anticipated that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the asset transfer relates may be required to be incorporated within it.

In addition, the Plan includes a large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

1.4 Does the request demonstrate that agreeing to the request be likely to promote or improve Social or Environmental wellbeing

Yes No to some extent (assessed as MODERATE by SET)

How does the Request demonstrate this:

The Social Enterprise Team have assessed the request and made the following comments in relation to this criteria:

Statements made in sections Sec 4.1, 4.2, 8.1 demonstrate that the project would improve and promote Social / Environmental wellbeing particularly in relation to young people.

If yes, would it be to a greater extent than any alternative proposal?

Yes No Not applicable

Outline Relevant Evidence Below:

Council current / proposed use

While the asset has been identified as surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Plan.

The social and environmental wellbeing benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate. As part of that development, Economic Development require to retain rights of way to enable the installation of power and water to allow for the development set out in the. It is anticipated that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the request relates may be required to be incorporated within it.

In addition, the Plan includes a large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

1.5 Does the request demonstrate that the request would be likely to reduce inequalities of outcome which result from socio-economic disadvantage

Yes No to some extent (assessed as MODERATE by SET)

How does the Request demonstrate this:

The Social Enterprise Team have assessed the request and made the following comments in relation to this criteria:

Statements made in section Sec 4.1, demonstrate that some of the projects would be likely to reduce inequalities of outcomes for girls in sport. They give a commitment to promoting equality and inclusion mentioning people with disabilities and women/girls particularly.

If yes, would it be to a greater extent than any alternative proposal?

Yes No Not applicable

Outline Relevant Evidence Below:

Council current / proposed use

While the asset has been identified as surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Plan.

The reduction of inequalities resulting from socio-economic disadvantage benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate. As part of that development Economic Development require to retain rights of way to enable the installation of power and water to allow for the development set out in the Plan. It is anticipated that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the request relates may be required to be incorporated within it.

In addition, the Plan includes a large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

1.6 Does the request demonstrate the extent to which the requests ties into CPP, SOA and CP outcomes

Yes No to some extent (assessed as STRONG by SET)

How does the Request demonstrate this:

The Social Enterprise Team advised that:

Sec 8.1 and 8.2

The request indicates support for 5 of the 6 CPP outcomes

And 4 Corporate Plan outcomes

1.7 Consider any other benefits which might arise if the request were agreed to and compare with any other benefits which might arise if an alternative request, including current use were to be adopted in respect of the asset to which the request relates

(Assessed as MODERATE BY SET)

Request

SET have assessed the request and made the following comments in relation to this criteria:
Section 4.2

The request states that:

It supports Argyll & Bute Council's 6 long term outcomes 2 of which state that all our children will be more active and have increased opportunities to participate in play, recreation and sport, also that people are active and healthier across all dimensions of health and wellbeing.

It will give access to greenspace, nature and other leisure activities to positively enhance lives and health.

It focuses investment on a disadvantaged rural area

It enables a wider engagement with sport and exercise

Alternative Request (including current use)

While the asset has been identified as surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Plan.

The CPP SOA outcomes to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate. As part of that development, Economic Development require to retain rights of way to enable the installation of power and water to allow for the development set out in the Plan. It is anticipated

that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the request relates may be required to be incorporated within it.

In addition, the Plan includes large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

1.8 Outline any other negative impact(s) if request agreed to

Economic Development and the Social Enterprise Team have assessed the request and determined that :

A 99 year lease would provide the community transfer body with security and exclusive right to the land while concerns remained about the deliverability of the project. In addition any other development of the site or other groups wishing to utilise the site would be required to fit within the confines of Kilmory Woodlands aims and objectives.

Additionally, access to the site is crucial to its development and the group have submitted with their request a letter of comfort from MacLeods offering access rights through land owned by them. However the request contains no detail of what this will entail or any cost they might incur when trying to use the access.

The request provides no detail of how the group will access the asset should those access rights be withdrawn or become subject to onerous conditions in the future which the group are unable to meet.

1.9 Outline the impact the request's failure would have

Yes No to some extent (Assessed as POOR by SET)

How does the Request demonstrate this:

The Social Enterprise Team assessed the request and have not been able to highlight any examples from the request which would outline any impact of the failure of the Project.

There is no reference to issues or consequences should the request be granted therefore, the request has not identified the issues and risks to be managed to mitigate potential failure of the project.

Section 1 - Assessment

Please rate Section 1 in accordance with the evidence table (page 17) at Section 6 from Poor – Very Strong

MODERATE - The request is neutral in terms of setting out a more positive benefit for the Council and Community than the current use by the Council.

Please outline the reasons for this assessment below:

While the request does set out positive benefits that would arise if it were agreed, the benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate set out in the Plan. As part of that development, Economic Development require to retain rights of way to enable the installation of power and water to allow for the development set out in the Plan; and it is anticipated that as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land to which the request relates may be required to be incorporated within it.

In addition, the Plan includes large area of ground which is set aside for community use/ open recreation which will be connected via road network, footpaths & cycle routes which may be suitable for the purpose to which the request relates.

SECTION 2 - GOVERNANCE - ASSESSMENT

GOVERNANCE

- 2.1 Does the request demonstrate that the CTB members have the appropriate skills, experience and qualifications to deliver the request, or does the body have a plan for engaging people who do?

Yes No to some extent (assessed as MODERATE by SET)

How does the Request demonstrate this:

The Social Enterprise Team have assessed the request and have highlighted the following examples from the request in support of this criteria:

The group have a number of membership organisations backing the proposal sec 4.5, 5.1

The project is supported by

Lochgilphead Community Council.

Argyll Green Woodworkers Association.

The Rugby Club

Clubs and other groups

Argyll & Bute Rugby Development Officer

Live Argyll

Mid Argyll Rugby Club

Mid Argyll Athletics Club

Mid Argyll Shooting Club

Mid Argyll Youth Development Services

Argyll Green Woodworkers

Local businesses

Macleod Construction Limited

DA MacDonald

Kevan Brown Ltd

Samborek

MJ Fabrication

APE Solutions

John Frier Forestry & Garden Supplies

National organisations

Police Scotland

Sports Scotland

Athletics Scotland

Scottish RFU

Scottish Target Shooting

However, the request does not make clear to what extent, if any the above will be engaged by the group in relation to their proposal or whether there is a plan in place to ensure this.

Additionally, the request provides no evidence or assurance that the CTB have an appropriate plan for engaging with people with the appropriate skills, experience and qualifications when required to deliver the request.

2.2 Does the request demonstrate that the Community body have suitable governance arrangements for the scale of the request?

Yes No to some extent (assessed as MODERATE by Legal Services)

How does the Request demonstrate this:

Legal Services have assessed the request and made the following comments in relation to this criteria:

Kilmory Woodlands is a company limited by Guarantee and not having a share capital. It is registered under the Companies Act (Company Number SC0547407) its governance arrangements are set out in the Articles of Association of Kilmory Woodlands submitted with the application. The Articles of Association meet the requirements of s19 and s80 of the Community Empowerment (Scotland) Act 2015. The Directors, who will be responsible for the running of the company, have a range of experiences in managing differing commercial and charitable operations. It is provided that expert advice will be sourced where needed.

No information is however provided in respect of the governance arrangements of any other group that will require to take forward a part/s of the project to deliver the stated benefits of the community proposal. The submission does not therefore provide sufficient evidence that all relevant issues have been taken into account in demonstrating that suitable governance arrangements are in place for the full scale of the project.

2.3 Where relevant do they have a succession plan in place for recruiting Board Members /Trustees in the future?

Yes No to some extent (assessed as POOR by SET)

How does the Request demonstrate this:

SET have assessed the request and made the following comments in relation to this criteria:

The organisation has been newly set up and has provided no information on succession planning.

2.5 Does the request demonstrate compliance with state aid rules?

Yes No Not applicable (assessed as weak by Legal Services)

If no, set out evidence below:

Legal Services have assessed the request and made the following comments in relation to this criteria:

It is provided only that 'De Minimis aid rules will apply' no robust information has been provided or assessed. It considered by Legal Services that the rent of £1 per annum offered will be less than the marked value of the asset. The disposal, if it were agreed to, would accordingly be less than market value and as such may constitute state aid, if it provides an economic advantage to a trading entity.

A valuation will require to be obtained to determine the market value of the asset for State Aid assessment.

Governance - Assessment

Please rate Section 2 – Governance in accordance with the evidence table (page 17) at Section 6 from Poor – Very Strong

MODERATE - Governance arrangements are MODERATE

Please outline the reasons for this assessment below:

The request sets out that the Directors, who will be responsible for the running of the company, have a range of experiences in managing differing commercial and charitable operations.

However, it is provided that expert advice will be sourced where needed and lists a range of organisations who it states are backing the plan. However, the request not provide evidence or assurance that there is plan for engaging those organisations or to what extent they wish to or will engage with the proposal.

In addition the asset transfer request provides no information on the governance arrangements of any other group that will be required to take forward a part/s of the project to deliver the stated benefits of the community proposal. Further, there no information within the asset transfer request on succession planning or in relation to compliance with State Aid rules.

SECTION 3 - FINANCIAL ARRANGEMENTS

- 3.1 Has the CTB identified all the relevant costs of the request or facilities including initial investment, ongoing running costs and end of project costs?

Yes No Not applicable (Assessed as POOR by Strategic Finance)

Outline Relevant Evidence Below:

Strategic Finance have assessed the request and made the following comments in relation to this criteria:

The Asset Transfer request suggests that the costs associated with the transfer of the land and future use of it would be in the region of £1m.

This is an estimate and there is no breakdown of this figure. There is a note of a meeting held on 25 March 2019 that conflicts with amount, it says that the “project to develop the ground would be a 10 year project that might cost up to £10m”. These are two quite different estimates. It further suggests that the operating costs would be covered by levying a service charge on the participating clubs, there is no breakdown of either the estimated operating costs or estimated income from the clubs. It further notes that the various clubs will source their own funding required for the development of facilities, this could be problematic if sharing facilities.

2.8 Has the CBT identified appropriate and realistic sources of funding?

Yes No Not applicable (Assessed as POOR by Strategic Finance and POOR by SET)

Outline Relevant Evidence Below:

Strategic Finance have assessed the request and made the following comments in relation to this criteria

Potential sources of funding have been identified for the four themes, Kilmory Woodlands, Mid Argyll Rugby Club, Mid Argyll Shooting Club and Community Woodland. It is unclear as to the ambition of funds requested and there is no mention of raising money if there is matched funding requirements.

SET have assessed the request and made the following comments in relation to this criteria. While Sec 6.1 of the asset transfer request provides some ball park costings there is no detail in relation to the methodology used to arrive at those figures

Additionally, while potential running costs are mentioned in the request, it provides no detail of what they might entail or how they would be funded other than passed on to users.

On the basis of the above, the asset transfer request does not provide evidence or assurance that the CTB has identified all the relevant costs of the request or facilities including initial investment, ongoing running costs or end of project costs.

3.2 Where relevant have they identified how the request will be funded in the longer term?

Yes No Not applicable (assessed as POOR by Strategic Finance)

Outline Relevant Evidence Below:

Strategic Finance have stated the following in support of this assessment:

In terms of development of the land, it has been assumed that capital costs will be available from grants, trusts, National Lottery and others. Once operational, it suggests that the operating costs would be covered by levying a service charge on the participating clubs, there is no breakdown of either the estimated operating costs or estimated income from the clubs.

On the basis of the above the asset transfer request does not provide evidence or assurance that the CTB has identified all the relevant costs of the request or facilities including initial investment, ongoing running costs and end of project costs.

3.3 Set out value to the Council in existing/proposed use

Assessed as POOR by Strategic Finance

Strategic Finance stated the following in support of this assessment:

There are undoubtedly economic benefits with this project but difficult to assess the value to the Council.

3.4 Set out feasibility and cost of relocation of services elsewhere

Not applicable

3.5 Set out potential revenue savings to the Council arising from transfer

(Assessed as POOR by Strategic Finance)

No revenue saving identified.

Financial - Assessment

Please rate Section 2 – Financial in accordance with the evidence table (page 17) at Section 6 from Poor – Very Strong

POOR - Financial Arrangements are poor

Please outline the reasons for this assessment below:

Financial arrangements are weak, based on estimates and it is not clear if they are realistic of the proposal is sustainable. It is not clear whether any of anticipated sources have been applied for and none have been awarded and may be substantially materially less than set out. Additionally, the request has not provided evidence or assurance that the relevant costs have been adequately identified including initial investment, ongoing running costs and end of project costs or how the project will be funded in the future.

SECTION 4 - RELATED PROJECTED BENEFITS - ASSESSMENT

4.1 Do the proposed benefits of the request contribute to achieving the authority's functions?

Yes No Not applicable (Assessed as WEAK by Economic Development)

How:

Economic Development have assessed the request and made the following comments in relation to this criteria

The request states at **Sec 4.2 and 6.1**

People living in Lochgilphead will not have to travel outside the area to take part in the sporting activities taking place in Kilmory Woodlands

Tourists and visitors to the area will have better facilities available to them.

It will support growth of the local economy

By providing more and better facilities, it will encourage more families to settle in Mid Argyll.

It will reduce the need for teams to travel for suitable pitches to play on and keep investment locally

However the request does not provide any information to substantiate these assertions and on that basis has not demonstrated how the proposed benefits of the request would contribute to achieving the authority's functions.

4.2 Do the proposed benefits of the request have an unacceptable impact on the ability of the authority to deliver its functions?

Yes No to some extent (Assessed as POOR by Economic Development)

How

Economic Development have assessed the request and determined that there is not enough detailed information in the request to make an assessment.

4.3 Are there any obligations / restrictions imposed on the Authority that may prevent, restrict, or effect ability to agree to the request? (Matrix 3.3)

Yes No

Describe obligations Restrictions:

Legal Services advise that the Council requires to secure Best Value in its operations in accordance with the Disposal of Land by Local Authorities (Scotland) Regulations 2010. It should be noted that best value does not always mean the highest possible price – all authorities have the ability to dispose of property at less than marked value where there are wider public benefits to be gained. A valuation will require to be obtained to determine the market value of the asset to enable a Best Value assessment to be undertaken

Describe how the request intends to comply with any obligations / Restrictions imposed (Matrix 3.4)

There is not enough detailed information in the request to make an assessment.

4.4 Does the request demonstrate Community Support for the project, community demand for the request and the extent to which the community will be served by the request? (Asset Matrix 3.5/3.6)

Yes No To some extent (assessed as weak by SET)

How does the Request demonstrate this:

The Social Enterprise Team have assessed the request and made the following comments in relation to this criteria:

The Request indicated support from Allan Wright ABC Rugby Development Officer (presumably now Live Argyll) and additionally mentions working with Mid Argyll RFC and Active Schools.

It indicates Mid Argyll Athletics Club have seen the proposal, however the proposal still requires to gain their full support. Additionally, while the request indicates that Mid Argyll shooting club and Forestry Enterprise Scotland's wish to develop BMX tracks it is not clear if they are party to or support the request.

In addition, the Council received one representation from local residents which strongly objected to the proposal on a number of grounds specifically:

- They would be unfairly subjected to noise and light pollution.
- The value of their property would be adversely affected.
- They believe it would have a detrimental affect on their mental health.
- They have concerns for the varied natural habitat, and wild animals, and insect life thriving in the area outlined.

On that basis, while the request indicates that there is some community support for the proposal that support is not universal. Additionally, it is not possible to determine from the information provided whether all the groups listed are supportive. Therefore there is no evidence or assurance of the community support for the project as stated in the request.

Section 4 - Assessment

Please rate Section 3 in accordance with the evidence table (page 17) at Section 6 from Poor – Very Strong

WEAK - project related benefits are weak

Please outline the reasons for this assessment below:

While the request sets out that proposed benefits of the request contribute to achieving the authority's functions there is insufficient information provided as to how those will be achieved. There is not enough information to assess whether the proposed benefits of the request have an unacceptable impact on the ability of the authority to deliver its functions.

In addition, the Economic Development require to ensure that they retain rights of way for water and power to allow the development of the Kilmory Industrial Estate and that any development that takes place will have no negative impact on the future drainage or operation of the expanded industrial estate.

Further, any project related benefits to be achieved by the request would be outweighed by the proposal potentially adversely affecting and jeopardising the development of the Kilmory Industrial Estate set out in the Plan As part of that development the Service require to retain rights of way to enable the installation of power and water to allow for the development set out in the Plan, and as the Plan is revisited and amended as required in relation to the layout of the phases, some of the land may be required to be incorporated into the within it.

SECTION 5 – SUSTAINABILITY AND EQUALITY – ASSESSMENT

5.1 Outline any evidence of the sustainability of the request (assessed as POOR by SET and Strategic Finance)

The Social Enterprise Team and Economic Development have assessed the request and made the following comments in relation to this criteria

The request is for a 99 year lease but little work is shown on how the project will be developed. The request suggests the site will be developed over 10 years but the only area they show any work on developing is the rugby pitches, but there is no detailed costing or draft business plan.

Strategic Finance assessed the request and made the following comments in relation to this criteria:

This is an ambitious project which is likely to cost a significant sum of money with little analysis of the cost.

5.2 Outline the extent to which the request encourages equal opportunities (Assessment Matrix) (assessed as MODERATE by SET)

The Social Enterprise Team have assessed the request and made the following comments in relation to this criteria

Sec 4.1

The request states: We will promote equality and inclusion. Our focus will be to include disabled people in all sports and to ensure opportunities are available for women/girls in sport. They also included an equalities policy as part of their submission.

5.3 Outline the extent to which the request demonstrates robust monitoring / reporting arrangements are in place (assessed as MODERATE by SET)

The Social Enterprise Team stated have assessed the request and made the following comments in relation to this criteria

Sec 4.5

Details the experience of the board and refers to advisors they would engage.

The Directors of Kilmory Woodlands bring a wide range of experience and ability in managing differing commercial and charitable operations.

Brian MacLennan Asset Manager, Scottish Canals

Jilly Wilson Owner of The Square Peg

Graham Love Manager at the Grab Trust, previous manager of the MacPool

Dorothy Allen Argyll & Bute Council IT Project Manager

Peter Hogbin Former tenant farmer. Peter, with others, also set up and was Company Secretary to the Ardrishaig Community Trust 2008-2012

The company will retain professional advisors to assist with all stages of the development, including architects Grant Murray, land agent Paul Nicol, with business development and financial advice from Douglas Westwater at Community Enterprise.

The project is supported by Lochgilphead Community Council.

The Rugby Club has a number of members who are experienced business managers and tradesmen, including Lee Buckley Manager at Kevan Brown Ltd.

Section 5 - Assessment

Please rate Section 4 in accordance with the evidence table (page 17) at Section 6 from Poor – Very Strong

WEAK – Sustainability and Equality are weak

Please outline the reasons for this assessment below:

There is evidence of the promotion of equality and monitoring /reporting arrangements contained within the request however it does not provide any evidence or assurance in relation to the sustainability of the project.

SECTION 6 – BEST VALUE – ASSESSMENT

- 6.1 Outline the extent to which the request demonstrates Best Value in the following (Assessment Matrix)

Vision & Leadership (Section 1 – Benefits)

MODERATE – S1.6 - Request state support for 5 of the 6 CPP outcome and 4 Corporate Plan outcomes – however no evidence to support these claims.

Effective Partnerships (Section 1 Benefits and Section 3 – Related Project Benefits) WEAK

WEAK - Section 3.4 – Request indicated support from ABC Rugby Development Officer, however Mid Argyll Athletics Club yet to indicate support and unclear whether Mid Argyll shooting club and Forestry Enterprise Scotland support the proposal.

Governance and accountability (Section 2 – Governance)

WEAK – (Section 2) while the request indicates that CTB members may have the appropriate skills, experience and qualifications to deliver the request and do have an intention to engage people who can add additional skills, no information is however provided on how they plan to do so.

In addition the asset transfer request provides no information on the governance arrangements of any other group that will be required to take forward a part/s of the project to deliver the stated benefits of the community proposal. Further, there no information within the asset transfer request on succession planning or in relation to compliance with State Aid rules.

Use of Resources (Section 1 Benefits and Section 2 – Governance)

WEAK - 2.7-2.9 – Financial arrangements are weak or unverifiable – sources of funding while included are assumptions and none have been secured – failure to secure funding would mean the project being withdrawn by the group according to their own business plan

There is no evidence provided as to how the CTBs current and future resources will be used as a medium to long term plan.

Performance Management (section 4 – Sustainability and Equality)

MODERATE – (Section 4.3) - The Directors of Kilmory Woodlands bring a wide range of experience and ability in managing differing commercial and charitable operations. The company will retain professional advisors to assist with all stages of the development, including architects Grant Murray,

land agent Paul Nicol, with business development and financial advice from Douglas Westwater at Community Enterprise.

The project is supported by Lochgilphead Community Council.

The Rugby Club has a number of members who are experienced business managers and tradesmen, including Lee Buckley Manager at Kevan Brown Ltd.

Sustainability (Section 4 – Sustainability and Equality)

POOR - It is difficult to provide assurance on the sustainability of the project based on the information received.

Equality (Section 1 and Section 4 – Sustainability and Equality)

MODERATE - equalities policy included as part of their submission.

Section 6 - Assessment

Overall Scoring of Best Value				
Area Assessed	Rating	Score	Weighting	Weighted Score
Vision and Leadership	MODERATE	3	14.2851%	0.43
Effective Partnerships	WEAK	2	14.2851%	0.29
Governance and Accountability	WEAK	2	14.2851%	0.29
Use of Resources	WEAK	2	14.2851%	0.29
Performance Management	MODERATE	3	14.2851%	0.43
Sustainability	POOR	1	14.2851%	0.14
Equality	MODERATE	3	14.2851%	0.43
TOTAL		16	100	2.3

Overall Rating	
Score/Weighted Score	Overall Rating
>4.5	Very Strong
>3.5 and <=4.5	Strong
>2.5 and <=3.5	Moderate
>1.5 and <=2.5	Weak
<=1.5	Poor

Total Weighted Score: 2.3

WEAK

SECTION 6 – OVERALL ASSESSMENT

Evidence	Overview
Very Strong	<ol style="list-style-type: none"> 1. The request strongly sets out a more positive benefit for the Council and Community than the current of proposed use by the Council. 2. Governance and financial arrangements are strong and sustainable. 3. Related projected benefits are very robust and demonstrate value for money: suitability, effectiveness, prudence, quality, value, and the avoidance of error and other waste. 4. Robust demonstration of sustainability equality and Performance Management 5. Best Value characteristics are evidenced and contained throughout the overall approach
Strong	<ol style="list-style-type: none"> 1. The request provides evidence of a more positive benefit for the Council and Community than the current of proposed use by the Council. 2. Governance and financial arrangements are sound and sustainable. 3. Related projected benefits are demonstrated well and represent value for money 4. Demonstration of sustainability and performance management are in evidence and promotion of equalities is demonstrated well 5. Best Value characteristics are in evidence in the request.
Moderate	<ol style="list-style-type: none"> 1. The request is neutral in terms of setting out a more positive benefit for the Council and Community than the current of proposed use by the Council. 2. Governance and financial arrangements are in place and acceptable 3. Related projected benefits are acceptable and could lead to value for money 4. Some evidence of sustainability, equality and performance management is demonstrated 5. Best Value characteristics have been considered in the request
Weak	<ol style="list-style-type: none"> 1. The Request does not set out a more positive benefit for the Council and Community than the current of proposed use by the Council. 2. Governance and financial arrangements are weak. 3. Related projected benefits are not based on robust information and demonstrates questionable value for money. 4. Sustainability and Performance Management are not well demonstrated and promotion of equality is not well demonstrated 5. Best Value characteristics are not well demonstrated in the request.
Poor	<ol style="list-style-type: none"> 1. The Request does not set out a more positive benefit for the Council and Community than the current of proposed use by the Council. 2. Governance and financial arrangements are poor. 3. Related projected benefits are ill defined and/or unrealistic and do not

	<p>demonstrate value for money.</p> <p>4. Little evidence of sustainability, Performance Management or promotion of equality is demonstrated</p> <p>5. There is little evidence of Best Value characteristics in the request.</p>
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OVERALL CONCLUSION

This sets out the conclusions on the request with regard to the information provided in the request and the provisions set out in Part 5 Section 82(3) of the Community Empowerment (Scotland) Act 2015.

Please note that the Act requires that the Council assesses each request transparently against a specified list of criteria and agrees to the request unless there are reasonable grounds for refusal.

However, the request is capable of being refused when such reasonable grounds exist including cases where the benefits of the asset transfer request are judged to be less than the benefits of an alternative proposal, where agreeing to the request would restrict the relevant authority’s ability to carry out its functions, or where another obligation on the relevant authority prevents or restricts its ability to agree to the request.

(Matrix 6.1-6.5)

6.1. Please assess strength of the Proposal

Overall Scoring of Request				
Area Assessed	Rating	Score	Weighting	Weighted Score
Section 1 – Benefits	MODERATE	3	16.667%	0.50
Section 2 – Governance	MODERATE	3	16.667%	0.50
Section 3 – Financial Arrangements	POOR	1	16.667%	0.17
Section 4 – Related Project Benefits	WEAK	2	16.667%	0.33
Section 5 – Sustainability and Equality	WEAK	2	16.667%	0.33
Section 6 – Best Value	WEAK	2	16.667%	0.33
TOTAL		13	100	2.16

Overall Rating	
Score/Weighted Score	Overall Rating
>4.5	Very Strong
>3.5 and <=4.5	Strong
>2.5 and <=3.5	Moderate
>1.5 and <=2.5	Weak
<=1.5	Poor

Total Weighted Score: 2.16

Total Weighted Rating: WEAK

6.2. Please identify any State Aid Issues

None Identified

6.3. What is the justification for the price at less than market value?

None Identified

6.4. How does the proposal present Best Value against any current or intended proposal?

Best Value has been assessed as WEAK in Section 5 of the document

6.5. Outline any reasonable grounds for refusal:

1. The request or accompanying documentation was not sufficiently robust to give confidence that the plans and benefits will be achieved, it is not clear whether anticipated funding sources have been applied for and none have been awarded; the request has not adequately identified relevant costs including initial investment, ongoing running costs and end of project costs or how the project will be funded in the future.
2. There is currently no access to the site which is crucial to its development. While the group have obtained a letter offering access rights there is no detail of what this will entail or what cost they might incur when trying to use the access. Access is some way from the town and entry to the site other than through the new Industrial Estate is limited to a private road off the main road or through the council car park and garden;
3. While the asset has been identified surplus to requirements and is zoned for community use, it is integral to the development of the Kilmory Industrial Estate as set out in the Council's Concept Framework Master Plan 2015. The benefits to be achieved by the request would be outweighed by the proposal potentially adversely affect and jeopardise the development of the Kilmory Industrial Estate. As part of that development the Service require to retain rights of way to enable the installation of power and water to allow for the development set out in the framework plan, and as the plan is revisited and amended as required in relation of the layout of the phases, some of the land may be required to be incorporated into the development plan.
4. The consideration of the project related benefits, sustainability, equality and best value within the asset transfer request was weak and 99 year lease would provide the community transfer body with security and exclusive right to the land while concerns remained about the deliverability of the project. In addition any other development of the site or other groups wishing to utilise the site would be required to fit within the confines of Kilmory Woodlands aims and objectives.

Date Determined: 14 OCTOBER 2019