

THE HIGHLAND COUNCIL

Resources Committee – 15th April 2009

Agenda Item No.	
Report No.	

Property Disposals Requiring Scottish Ministers' Consent

Report by the Director of Housing and Property

Summary

Members are invited to approve property disposals at below market value, subject to receipt of Scottish Ministers consent.

1. Background

- 1.1 The lease or transfer of property which proposes a disposal to a third party at below market value requires Scottish Ministers consent in terms of Section 74 of the Local Government (Scotland) Act 1973.

2. Lease Transactions

2.1 Lease of Former Library, Bayfield Lane, Portree

- 2.2 The former Library, Bayfield Lane, Portree is owned by the Highland Council and held by the Education Culture and Sport Service. The property was vacated in 2008 on the opening of the new facility at Portree High School.

- 2.3 The Director of Education Culture and Sport has agreed that the Former Library property be used by the Portree YMCA and Skye Bible Church to provide youth and community facilities. The use of the premises would enable Portree YMCA and Skye Bible Church to develop an improved range of youth services to the Skye community, some of which would otherwise fall to the Council to provide and pay for.

- 2.4 Accordingly, the Director of Housing and Property has provisionally agreed heads of terms with Portree YMCA and Skye Bible Church jointly and severally, for a lease of the subjects to 31st March 2012 on tenants full repairing and insuring terms, at a nominal rental of £10.00 (Ten Pounds) per annum.

- 2.5 The tenants will thereafter have the opportunity either jointly or individually to continue the tenancy of the subjects and only if neither organisation is interested in continuing the lease will an alternative tenant or use for the building be sought.

- 2.6 Resources Committee is asked to approve the lease of the former Library, Bayfield Lane, Portree to Portree YMCA and Skye Bible Church, jointly and severally, at less than market value, subject to Scottish Ministers consent.

- 2.7 Local Members and the Ward Manager have been consulted and are supportive of the proposal.

3. Sales Transactions

3.1 Land at South Bonar Industrial Estate

- 3.2 At the Sutherland County Committee on 23 October 2006 Members agreed to sell the site known as the Former Filling Station, South Bonar Industrial Estate on the open market. The site is held by the Planning and Development Service.
- 3.3 A local community group, the Kyle of Sutherland Youth Development Group, then expressed an interest in acquiring the site as they already own land adjacent and the additional land would facilitate the development of youth facilities. After consultation with the group, the holding service and the local councillor, it was provisionally agreed that the site be sold to the Kyle of Sutherland Youth Development Group for a nominal sum.
- 3.4 Local Members and the Ward Manager have been consulted and are supportive of the proposal.

3.5 Raasay Sports Pitch, Mill Place, Isle of Raasay

- 3.6 The Council owns Raasay Sports Pitch which is held by the Education Culture and Sport Service. The pitch is generally in poor condition, has an uneven surface and no effective drainage.
- 3.7 The Raasay Community Association has expressed an interest in acquiring the Sports Pitch. The Association proposes to extend and improve the pitch, level the surface and install drainage. This would allow increased usage by other Raasay sports groups and could be used as a venue for community events.
- 3.8 After consultation with the Raasay Community Association, the holding service and the local members, it was provisionally agreed that the site be sold to the Raasay Community Association for a nominal sum.

4. Resource Implications

- 4.1 It is considered that the market rental value of the former Library, Bayfield Lane, Portree would be in the region of £8,500 per annum (subject to market interest being realised in the current economic climate) and the Council would potentially forego this figure. The Council would be relieved of the significant maintenance and repair responsibilities for the building. The Tenants would meet the Council's reasonable legal fees arising.
- 4.2 It is considered that the market value of the site at South Bonar Industrial Estate would be in the region of £3,000 and the Council would potentially forego this capital receipt. The Purchasers would meet the Council's reasonable legal fees arising.
- 4.3 It is considered that the market value of Raasay Sports Pitch would be in the region of £4,000 and the Council would forego this capital receipt. The Purchasers would meet the Council's reasonable legal fees arising.

5. Recommendations

5.1 Members are invited to approve

1. the lease of the former Library, Bayfield Lane, Portree to Portree YMCA and Skye Bible Church, jointly and severally on a full repairing lease to 31st March 2012 at a nominal rent of £10 per annum;
2. the sale of the former filling station site at South Bonar Industrial Estate to the Kyle of Sutherland Youth Development Group for a nominal sum.
3. the sale of the Raasay Sports Pitch, Mill Place, Isle of Raasay to Raasay Community Association for a nominal sum.

5.2 Members are further invited to agree that the Director of Housing and Property seeks consent for these transactions from the Scottish Ministers under Section 74(2) of the Local Government (Scotland) Act 1973.

Signature:

Designation: **Director of Housing and Property**

Date:

Author/Ref: Allan Maguire, Head of Housing Development and Estates, 01463 702528