

Agenda Item	10.a
Report No	HP/07/26

The Highland Council

Committee: Housing and Property

Date: 28 January 2026

Report Title: Community Asset Transfer Withdrawal of Offer – Black Isle Education Centre

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

1.1 The Community Empowerment (Scotland) Act introduces a right for community bodies to request to own, lease or use public sector assets through a process known as Community Asset Transfer (CAT). As part of this request a discount on market value can be requested. Once a formal request is submitted, Local Authorities have 6 months to assess the application against a range of potential community benefits and determine whether to grant the request.

1.2 Where Council assets are over the value of £100,000, decision on the transfer of any asset rests with the Housing and Property Committee.

1.3 This report asks Members to consider the withdrawal of offer that was previously agreed at this Committee to Raddery House Ltd. (RHL) for the Black Isle Education Centre on 29 January 2025, as per point 6 of the terms of transfer agreed at the Committee:

“Should RHL fail to secure the funding required to purchase the Assets and conclude the contract, in their entirety as per the request, within a period of 1 year from the date of agreement to sell the Assets, the Council reserves the right to withdraw the offer.”

As detailed within the report, Raddery House Ltd. Have been unable to purchase the Assets and conclude the contract, with no indication that this position may change. It is therefore recommended to withdraw the offer and committee approval is sought for this.

2 Recommendations

2.1 Members are asked to:-

- i. **Agree** to the withdrawal of offer for the land and property comprising the Raddery Wood and the Former Black Isle Education Centre, Raddery, the Black Isle, to Raddery House Ltd. based upon the terms of transfer as set out in the report to this Committee on the 29 January 2025;
- ii. **Agree** to the process for disposal of the asset as set out in the report at 6.1; and

- iii. **Note** the consideration given to an alternative use of the asset by the Housing service as set out in the report at 6.5.

3 Implications

- 3.1 **Resource** – During the financial year 2025/26 the cost to Highland Council has been approximately £11,420; £6,635 for rates and £4,785 for maintenance costs, mainly due to vandalism. These costs have been recurring and are likely to increase until the Council disposes of the asset.
- 3.2 **Legal** - There are not considered to be any implications associated with this withdrawal of offer.
- 3.3 **Risk** – Should the asset fail to sell on the open market the Council could be left with a financial liability for ongoing rates and maintenance costs.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - There are not considered to be any implications associated with this withdrawal of offer.
- 3.5 **Gaelic** - There are not considered to be any implications associated with this withdrawal of offer.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children’s Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

5 Background

- 5.1 In January 2025, the Housing and Property Committee agree to the transfer of the former [Black Isle Education Centre and Raddery Woodland](#) to Raddery House Ltd. (RHL) for the sum of £325,000. The vision for the site was to develop an intergenerational meeting, wellbeing and recreational hub for the whole of the Black Isle community, providing indoor and outdoor facilities for a wide range of groups and individuals. The business plan projected the work being carried out over a 10-year timescale in five stages. It was noted at the time that the project was ambitious but the group were confident in delivery over a 10 year period.
- 5.2 There were a number of conditions related to the transfer of the asset, one of which was:-
 - Should RHL fail to secure the funding required to purchase the Assets and conclude the contract, in their entirety as per the request, within a period of 1*

year from the date of agreement to sell the Assets, the Council reserves the right to withdraw the offer.

RHL have not been able to raise the funds to complete the transfer in line with the condition above. No assurance has been given to suggest that this position is likely to change in the immediate future. Given this, it is recommended to withdraw the offer and proceed with disposal as outlined at section 6.

6 Disposal of Assets

- 6.1 In order to market the property again, marketing materials would require to be refreshed to reflect the current condition of the site and prevailing market conditions. It is anticipated that the former Black Isle Education Centre campus and Raddery Woodland would be marketed separately.
- 6.2 Previous marketing in 2022 demonstrated limited demand for the former Black Isle Education Centre campus. This reflected the scale of the site, its former educational use (which would require a change of use for most alternative proposals), and uncertainty around redevelopment potential. Any interested parties would be likely to require an extended period to undertake feasibility studies and detailed due diligence to assess development options, costs and planning prospects. As a result, it is difficult to predict market interest or the timing at which an acceptable offer may be received.
- 6.3 The valuation carried out by Bell Ingram for the Community Asset Transfer indicated a value of £415,000 for Raddery House and associated buildings and £50,000 for Raddery Woodland. However, since the date of the valuation report, the property has continued to fall into decline, and it is therefore unlikely to achieve the value stated. A disposal of the campus at or around the valuation level would be beyond delegated authority and would therefore require Committee approval. The transaction timetable would also be influenced by the extent of offer conditions, which are likely to be significant given the complexity of the site.
- 6.4 On a prudent basis, it is estimated that disposal of the campus would not conclude before early 2027, allowing approximately six months for marketing, around three months for approvals, and a further three to six months for conveyancing, assuming no significant delays. A conditional offer could extend this timeframe further. Disposal of Raddery Woodland is expected to be more straightforward and could potentially be concluded during 2026.
- 6.5 Housing Development has considered this site for affordable housing prior to the Community's CAT request. It was discounted for the following reasons:-
- the location is not suitable for mainstream affordable homes with lack of services within a reasonable distance; and
 - the indicative cost of development with the level of infrastructure upgrade required

These reasons are still pertinent making the site unviable for affordable homes.

Designation: Assistant Chief Executive - Place

Date: 16 December 2025

Author: Willie MacKinnon, Community Development Manager

Background Papers: Housing and Property Report 29 January [2025](#)

Appendices: None