

# EAST AYRSHIRE COUNCIL

## CABINET REPORT – 18 MAY 2011

### PROPERTY REVIEW – NEW CUMNOCK

#### Report by the Executive Director of Finance and Corporate Support

#### 1. PURPOSE OF THE REPORT

- 1.1 To provide Cabinet with details of a review which has been undertaken in respect of Council owned properties located within New Cumnock and to seek authority to proceed with the proposals identified within this Report.

#### 2. BACKGROUND

- 2.1 As a result of a previous review in connection with the provision of education facilities within New Cumnock, Cabinet at a meeting on 19 March 2008 agreed to close Cairnhill Primary School and refurbish/extend Castle Primary School to accommodate all nursery/primary school education within New Cumnock.
- 2.2 Contractors have been invited to submit tenders for carrying out the construction works associated with the refurbishment and extension of Castle Primary School. The closing date for submission of tenders has passed and the tenders received are currently being evaluated with the intention of awarding a contract. It is anticipated that work will start on 28 August 2011 with a completion date of 21 March 2013.
- 2.3 The current review relates to the remaining operational properties located within New Cumnock.

#### 3. PROPERTY CONSOLIDATION PROPOSALS

- 3.1 **NEW CUMNOCK TOWN HALL** – It is recognised that the Town Hall, which is category C listed, is in a poor condition and would require extensive repair works if it is to be retained as an operational facility. The part of the building comprising the Main Hall has been closed for many years due to its poor condition and has previously been declared surplus to Council requirements. The only part of the building currently in use comprises the Local Office.
- 3.1.1 Plans have been developed which, if implemented would enable the Local Office to be relocated to the New Cumnock Community Centre. The recommendation contained within this Report is to proceed with this proposal.
- 3.1.2 The New Cumnock Liaison Group, which is a community organisation, have previously expressed a potential interest in acquiring the Town Hall for the purpose of refurbishing the building to create additional community and associated facilities including a cafe. This proposal will be subject to the Group securing the required funds to meet the cost of the refurbishment works. The Group have obtained a detailed report and feasibility study associated with their proposals and have been meeting to discuss the contents of the report and to determine whether they wish to proceed with this project should the building become available. A decision is still awaited.

- 3.1.3** It is proposed that consideration be given to this Group's interest in acquiring the Town Hall if they are able to develop a viable, funded plan for the property.
- 3.1.4** In the event that the New Cumnock Liaison Group are no longer interested in acquiring this building then it is proposed that the property be marketed for sale on the basis that the building will only be sold provided the potential purchaser can demonstrate to the Council that there is an identified end use for the property, funding to carry out the refurbishment works is in place and a contract to carry out the proposed works will be awarded on completion of the sale.
- 3.1.5** If there are no other viable uses for this property or a successful purchaser is not identified by the time the local office relocation takes place, then it is proposed that applications be submitted for all necessary statutory consents to allow the building to be demolished and the site cleared with the ground being reinstated to enable it to be used for car parking.
- 3.2 NEW CUMNOCK COMMUNITY CENTRE AND LIBRARY** – It is proposed that the Local Office be relocated from the Town Hall to accommodation within the Community Centre which will be refurbished and modified to meet the requirements of a Local Office. The proposed new Local Office will share the existing access to the Library which will allow these facilities to operate independently of the remainder of the Community Centre and vice versa.
- 3.2.1** Meetings have taken place with New Cumnock Community Association who manage the letting of the Community Centre and the Community Association have confirmed that they are supportive of the Council's proposals to relocate the Local Office within the Community Centre utilising the accommodation proposed by the Council subject to an alternative meeting room being made available to replace the existing meeting room which will be converted into the Local Office. In this respect it is proposed that redundant toilet/showers be removed from a room within the Centre and that this room be refurbished to create a new meeting room. The Community Association are in agreement with this proposal.
- 3.2.2** Part of the accommodation which will be utilised by the proposed new Local Office currently comprises toilets associated with the redundant changing rooms forming part of the New Cumnock Swimming Pool Complex which is leased to the New Cumnock Environmental Regeneration Volunteers (NERV). Contact has been made with representatives of NERV who have confirmed that they are prepared to vacate this part of the building to accommodate the Council's proposals.
- 3.2.3** It is proposed that further improvement works be undertaken within the Community Centre which will include refurbishment of the existing toilets to provide new accessible toilets and some redecoration of the community centre. The total cost of the proposed works associated with the conversion/refurbishment of the accommodation to form a Local Office, the creation of a new meeting room, the provision of new accessible toilets and proposed redecoration works is estimated to be £0.193m.
- 3.2.4** The Development Trusts Association Scotland recently met with community representatives in New Cumnock to discuss community ownership. The possibility of transferring the New Cumnock Community Centre to a Community Group, which would enable additional funding to be sourced using the Council's involvement as match funding, is under active discussion and any proposals will be submitted to Cabinet as appropriate.

**3.3 NEW CUMNOCK SWIMMING POOL** – The former Community Services Committee at a meeting on 21 September 2000 agreed that the New Cumnock Swimming Pool be declared surplus to operational requirements subject to agreement of a suitable lease with the New Cumnock Environmental Regeneration Volunteers (NERV).

**3.3.1** The swimming pool has been leased to NERV since 1 April 2001 at a rental of £1.00 per annum, if asked, and in accordance with the terms of the lease NERV have been responsible for payment of all maintenance and running costs associated with the operation of the swimming pool including payment of a management fee to the Galleon Trust. The current running costs are in the region of £68,000 per annum. NERV have indicated that further expenditure estimated to be in the region of £56,000 will be required to upgrade the pool to comply with modern standards.

**3.3.2** NERV have indicated that they have sufficient funds to keep the pool open this summer but due to funding constraints it is their intention to close the pool in September 2011 and terminate the lease on 31 December 2011.

**3.3.3** As indicated within paragraph 3.2.2 NERV have converted the former changing rooms into office accommodation and although NERV have indicated that they will be prepared to relinquish part of this accommodation, they wish to retain the remaining part of the building for use as office accommodation. It is proposed that a new lease be entered into with NERV in respect of this part of the building only as this will not prevent any other party from operating the swimming pool should such a party be identified.

**3.3.4** Consideration will require to be given to the future of the swimming pool including the identification of a plan of action associated with the decommissioning of the pool. If an alternative operator or use for the facility cannot be identified before the lease is terminated, then the option of demolishing the facility and clearing the site will require to be explored given potential Health and Safety risks.

**3.4 NEW CUMNOCK GAMES HALL** – It is proposed that New Cumnock Games Hall continues to operate as per the existing arrangements.

## **4. FINANCIAL IMPLICATIONS**

**4.1** The proposed re-location of the Local Office to the Community Centre and associated upgrade works are estimated at £0.193m.

**4.3** Demolition and reinstatement works for the New Cumnock Town Hall and New Cumnock Swimming Pool, if these prove necessary, are estimated at £0.300m

**4.4** Closure of the New Cumnock Town Hall will achieve an annual revenue saving of £0.016m.

**4.2** The annual revenue costs of capital debt repayment for these projects is £0.008m per £0.100m therefore £0.200m of the capital costs would be met on a spend to save basis with the remaining £0.293m being met from the Regeneration- Other Areas fund.

## **5. LEGAL IMPLICATIONS**

**5.1** All of the land and properties referred to within this Report are owned by East Ayrshire Council.

## **6. POLICY AND COMMUNITY PLANNING IMPLICATIONS**

**6.1** The proposals contained within this Report comply with the Council's Community Planning policies.

## **7. ASSET MANAGEMENT IMPLICATIONS**

**7.1** The proposals contained within this Report meet the Council's policy objectives in respect of Asset Management and in particular ensuring the best/most effective use of Council assets.

## **8. RECOMMENDATIONS**

**8.1** It is recommended that Cabinet:

- (i) agrees that works should proceed within New Cumnock Community Centre to create accommodation suitable for use as a Local Office and that the New Cumnock Local Office be relocated from New Cumnock Town Hall to the new accommodation being provided within New Cumnock Community Centre.
- (ii) agrees that works should proceed within New Cumnock Community Centre (a) to create a new meeting room to replace the existing meeting room which will be occupied by the Local Office, (b) to upgrade existing toilets and (c) to carry out internal redecoration.
- (iii) agrees that New Cumnock Town Hall be declared surplus to Council requirements and that the Executive Director of Finance and Corporate Support be authorised to enter into negotiations with the New Cumnock Liaison Group regarding the possible disposal of the property to this Group. Should the Group be unable to develop a viable plan to proceed on this basis the property should be advertised for sale on the basis that if a viable sale is not achievable by the time the local office is relocated, the building will be demolished with the site being cleared and reinstated to provide car parking.
- (iv) agrees that consideration be given to the identification of alternative proposals in relation to New Cumnock Swimming Pool, but if no other viable operator can be identified before the lease is terminated, the facility should be demolished and the site cleared and reinstated;
- (v) agrees that £0.200m of the costs be met on a spend to save basis and that the balance of £0.293m be allocated from the Regeneration- Other Areas fund; and
- (vi) Otherwise, notes the contents of the report.

Alex McPhee

**Executive Director of Finance & Corporate Support**

SMcV/AMcP

4 May 2011

### **LIST OF BACKGROUND PAPERS**

**Nil**

Members wishing further information should contact Malcolm Roulston, Head of IT and Asset Management, on 01563 576809.