

PROPOSAL FOR ASSET TRANSFER: STORE, DEE STREET, BANCHORY



Image 1 – Front elevation of property, March 2024

1. EXECUTIVE SUMMARY

Banchory Community Trust seeks an Asset Transfer of a small storage building in the Town Centre in order that long-established community use of the property can continue. Community ownership would enable community events and activities to continue and allow cosmetic improvements to be made to the building thereby increasing its social value as an asset for people in Banchory. Banchory Community Trust is very confident that it can fund the purchase and operation of the building through its existing financial model and additional fundraising.

2. BACKGROUND

2.1 Banchory Community Trust

Banchory Community Trust (BCT) is a Company Limited by Guarantee (SC268718) and a registered Scottish charity (SC041630). The organisation was formerly known as Banchory and District Initiative Ltd and has been operating in the town for 20 years.

BCT delivers community improvements and projects which benefit the local area. BCT also provides an ‘umbrella’ for small community projects to work for the benefit of the area. Current projects include Banchory Farmers Market, Number One (a wellbeing hub), Studio 1 (a social enterprise arts and crafts shop) and annual events such as Christmas Festival and North of Scotland Pipe Band Championship. Groups which operate under the auspices of the company are Banchory First Responders, River Dee Radio and Deeside Climate Action Network.

BCT qualifies as a Community Transfer Body in terms of the requirements of the Community Empowerment (Scotland) Act 2015 for a “community-controlled body”. A copy of our Articles of Association is attached at Appendix 1.

2.2 The Asset

Address: Store, Dee Street, Banchory, AB31 5XS

The property is a c.6m x 3m, single-story, rectangular structure situated on the western corner of Bellfield Car Park to the south of Bellfield Care Home (see Appendix 2). It is owned by Aberdeenshire Council and named in their records as ‘Store’. There is no UPRN for the structure on The Council’s public asset register. The Valuation Roll reference number is VR20657.

It is believed the property could form part of the Common Good of Banchory as it may be built on land originally gifted to the Town Council in 1947 which, following a protracted process, became the formal property of the Burgh in 1973. An examination of the Titles will be required. A copy of the disposition to Banchory Town Council is attached at Appendix 3, but the exact boundary of the gifted land is unclear when compared with a search of historical maps undertaken at the National Library of Scotland.

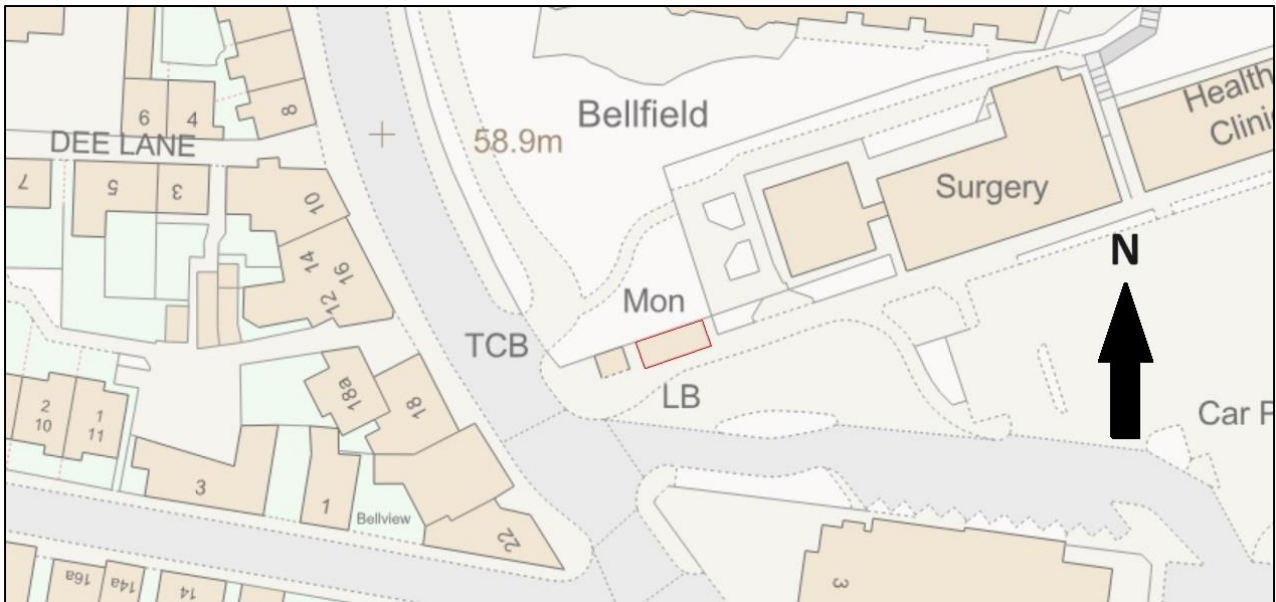


Image 2 – Map of property (outlined in red)

2.2.1 Condition and value

A condition report of the property has been produced for BCT by architect Gary Grant. The property is in overall sound condition with minor repairs required. The entirety of the building requires redecoration. A copy of the condition report is provided at Appendix 4.

DM Hall LLP have undertaken a commercial valuation of the property in accordance with the requirements of the latest edition of the RICS Valuation - Professional Standards (Red Book). The market value of the property is estimated to be £15,000 which includes an allowance of £5,000 for a water connection and WC to be added. There are no plans to make any such additions to the property. A copy of the valuation report is provided at Appendix 5.

2.2.2 Historic and present usage

The property was originally a public convenience built in the early 1950s by Banchory Town Council. It was decommissioned sometime in the 1980s when new public facilities were built nearby. For a short time it was used as a base for Community Learning and Development and then became a storage area. Over time it has undergone external changes to the windows and doors, with the internal area converted to a single open space with a small cupboard.

Over the past ten years, projects associated with BCT have used the property on a regular basis and this need for space is expected to continue indefinitely. The community events team store signage, gazebos, seating and other equipment, and over the past 3 years it has been used as a store and bothy for the Banchory Growing Together collaboration which

maintains green spaces around the town. It has also been used as a base for arts and crafts projects. A license to occupy the property was agreed with BCT in 2020 and continues to the present day.

Aberdeenshire Council has not made use of the property for over a decade and in our discussions with officials, we have ascertained that they have identified no future use. The license to occupy is a short-term arrangement from Aberdeenshire Council's perspective. If an asset transfer cannot be agreed, the Council have advised that they will seek to rent the property at commercial rates or dispose of the building on the commercial marketplace. If that was to occur, BCT would be unable to continue use of the property, and the asset would be lost to the community. Community projects would then struggle to continue without basic storage for equipment in the Town Centre.

3. PROPOSAL

Banchory Community Trust wishes to take ownership of the property from Aberdeenshire Council in order that it may be refurbished and can continue to be used as a base to deliver events and projects which benefit the community.

3.1 Community benefit

The property is a key community asset as a base from which a multitude of events and projects are delivered. Basic storage, whilst not glamorous or headline grabbing, is a cornerstone of active citizenry. The property is in a central location beside Bellfield Park and Car Park and a short walk from the High Street, local amenities and public services. It is therefore ideal for storing equipment and tools which are regularly used for the benefit of the town.

Bellfield Rose Garden group and Deeside Climate Action Network are presently using the building to store their garden tools and as a base to meet volunteers. This initiative developed throughout the COVID-19 restrictions with outdoor activities and space for people to meet safely. There are over 20 volunteers working in the gardens and green spaces around the town. Most of the volunteers have identified that they are in recovery from mental illness and that working with the garden project has improved their health. The group leader is training with Trellis Gardening for Wellbeing programme to work with people who are referred to the project

from Health & Social Care partners. Having the building available to meet has been important part of the group session.

There is an art and craft group to using the building occasionally as storage. They are an offshoot of the garden group who are interested in doing crafts when the weather is not suitable for being outside. The main outcome for this group is improving mental wellbeing. Some of the group members have been painting murals on the fences surrounding the Bellfield Rose Garden but they require an indoor space for occasional sessions and storing equipment.

The Deeside Climate Action Network (DCAN) is actively engaging with the community of Banchory with a number of initiatives. Their group members are collaborating with other local groups o community growing and wildlife projects and they presently lend equipment funded through the Scottish Government's Just Transition Fund, which is stored in the property.

As the Store is a key building at in a prominent location, its cosmetic appearance could be greatly improved which would be of benefit to the community and visitors alike. As Aberdeenshire Council has no plans to refurbish the property, community ownership will allow investment at the site.

This proposal's benefit to the community is supplemented by economic benefits to the town as the Store is a key piece of infrastructure in delivering local events. Banchory Farmers Market has been operating for over 20 years and supports c.20 primary producers and small businesses on a monthly basis. The market also draws visitors from the surrounding areas and provides a boost to the Town Centre. The North of Scotland Pipe Band Championship is a national competition and part of the Royal Scottish Pipe Band Association's annual schedule. The event brings 5,000+ people to Banchory and is celebrating its 10th anniversary in 2025. Other events including festive celebrations and ad-hoc community gatherings are also reliant on use of the Store.

3.2 Community Support

This request has the support of Banchory Community Council and all of the volunteer-led projects who currently use the property. The wider group of volunteers and membership of Banchory Community Trust also support this request for Community Asset Transfer. An opportunity for local people to show their support via an electronic form resulted in over 500 submissions in under a week. This represents over 6% of the population of the town, a

significant number considering the proposal is for a storage building. A full list of names and postcodes is supplied in Appendix 6. If a Common Good Order is required, a high level of public support has been established.

3.3 Refurbishment

A basic refurbishment of the property is proposed in two stages. Phase one would consolidate current usage and make basic improvements for safety and cosmetic reasons, phase two would reduce running costs by introducing energy efficiency measures. Commitment to delivery Phase 1 is confirmed. Phase 2 is dependent on available funding and planning regulations in Year 2 of ownership.

Phase 1

Repair of external woodwork, flashings, and window.

Installation of smoke alarm and emergency light.

External painting.

Phase 2

Insulation and solar power generation (subject to planning process).

Replacement of wall heaters.

3.4 Project Team

The asset transfer and refurbishment would be managed by the board of BCT. Additional professional advisors will be commissioned where there are gaps in expertise. The ongoing management of the property would be handled by an experienced Board of Directors.

The board members have initiated and managed community projects for over 30 years. They have previously refurbished two properties, Number One and Studio 1 and continue to manage both of these successfully.

Jean Henretty - project management and funding expertise. Qualified community development and previously qualified nursing and healthcare.

Matthew Merchant - architect and project manager. Has provided free professional advice to previous community construction and refurbishment projects.

Alasdair Ross - former administrator of rural estate including residential, retail and other commercial property. Current Third Sector Policy and Engagement officer in Aberdeenshire.

Paul Panchaud - retail and hospitality business owner. Has managed his own businesses and properties for over 50 years.

Norma Makin - Experienced charity treasurer and former elected representative for Banchory.

Professional advisors include:

Gloria Malcolm, Aberdeenshire Voluntary Action

Gary Grant, Architect

DM Hall LLP

Appropriate legal support will be engaged when conveyancing begins.

4. BUDGET

4.1 Purchase

A purchase price of £1 is offered in order that resources can be directed towards improving the facility. The social and community benefit of the asset transfer considerably outweighs the commercial value of the property. Conveyancing fees are estimated in the region of £5,000 for which a grant has been secured from Banchory Community Fund. Expenses already incurred for a condition survey and professional commercial valuation of the property have also been covered by a grant from Banchory Community Fund.

4.2 Refurbishment

The refurbishment of the property is planned to be carried out in two phases as described above with the estimated total cost of Phase 1 being £2,200. Grant schemes have already been identified which could support expenditure, underwritten by our own unrestricted reserves. These are the Marr Area Fund, and Banchory Developer Obligation Fund for Community Buildings and three national retailer community funds held locally. Public fundraising will be undertaken, and “in-kind” support has already been indicated by local trades and qualified volunteers, keeping costs down and showing further community support (for example painting is materials only). There is current commitment to Phase 1 of the refurbishment, with Phase 2 subject to the availability of funding to undertake energy efficiency measures. As shown in 4.3 below, the ability to manage the asset is not contingent on this work being undertaken, but is a future ambition. Advice is being sought from Business Energy Scotland on these matters, but has a long lead-in time. Opportunities to cover the

cost of Phase 2 could include applications to the Just Transition Fund, Vattenfall Unlock Our Future Fund, and the Rural Communities Challenge Fund.

4.3 Running costs

As the current occupant of the property, BCT can confirm that annual running costs are minimal due to the size of the property and its limited usage. As a registered charity, BCT is entitled to mandatory rates relief of 80%. 20% discretionary rates relief will be sought in addition. There is no water connection to the property, therefore no water or wastewater charges are applicable. There are no current drainage charges applicable to the property. Our current use of the property allows estimation of future energy costs. The property contains electric lights and heaters with a further external light. The current insurer can provide building and contents cover as an addition to BCT's existing policy.

Purchase and Phase 1 Refurbishment Expenditure		Income	
Professional fees	£1,000	Banchory Community Fund	£6,000
Legal fees	£5,000	Grants	£1,500
EICR	£130	Fundraising and own funds	£830
Phase 1 Refurb	£2,200		
Total expenditure	£8,330	Total income	£8,330

Running costs Year 1 Expenditure		Income	
Electricity	£360	Banchory Farmers Market	£300
Rates (100% relief)	0	Project storage fees	£240
Insurance (Building and Contents)	£270	Event storage fees	£300
Maintenance	£200		
Total expenditure	£830	Total income	£840

Running costs Year 2 Expenditure		Income	
Electricity	£375	Banchory Farmers Market	£312
Rates (100% relief)	0	Project storage fees	£252
Insurance (Building and Contents)	£280	Event storage fees	£312
Maintenance	£220		
Total expenditure	£875	Total income	£876

Running costs Year 3			
Expenditure		Income	
Electricity*	£390	Banchory Farmers Market	£324
Rates (100% relief)	0	Project storage fees	£264
Insurance (Building and Contents)	£291	Event storage fees	£324
Maintenance	£240	Own funds*	£9
Total expenditure	£921	Total income	£921

*Phase 2 refurbishment and installation of solar power and battery storage would reduce electricity charges to nil, and may even generate income, however for the purposes of this proposal we include the full estimation. Own funds would only be required if Phase 2 does not proceed as desired.

5. RISK REGISTER

Risk Description	Likelihood	Impact	Mitigation Strategy
Structural Issues (e.g., foundation problems, roof damage)	Low	High	Conduct a thorough structural inspection.
Environmental Hazards (e.g., asbestos, mould)	Low	High	Conduct an assessment and remediate any hazardous materials.
Legal and Regulatory Compliance (e.g., planning restrictions)	Low	High	Ensure compliance with all relevant laws and regulations before and after transfer.
Community Engagement and Support (e.g., lack of interest, insufficient resources)	Medium	Medium	Engage local residents and use membership of BCT to secure necessary resources.
Financial Sustainability (e.g., ongoing maintenance costs, utility bills)	Low	Low	Robust financial planning to ensure the long-term sustainability of the asset.
Insurance Coverage (e.g., inadequate coverage, claims disputes)	Low	Medium	Obtain appropriate insurance coverage for the building and its contents.
Unexpected Costs (e.g., unforeseen repairs, maintenance)	Low	Low	Develop a contingency fund to cover unexpected expenses.
Organisational Resilience (e.g., ability to adapt to change, withstand disruptions)	Medium	Medium	Robust mechanisms for strategic planning and business planning.