

# City of Edinburgh Council

## Application for an Asset Transfer

### Stage 2 – Sustainable Business Case

#### Introduction

Following assessment of a Stage 1 Expression of Interest by a Panel, your organisation may be invited to progress your proposals, setting out in further detail the wider community benefits, provision of services and financial aspects of your proposals that could enable the transfer of the land and/or building currently owned by the City of Edinburgh Council.

This form provides for the following:

- Section 1 - Guidance on the Council's Asset Transfer Policy and on submitting a request at Stage 2;
- Section 2 - Sources of free and specialist (with a fee) advice and support in progressing a detailed capability and financial plan;
- Section 3 – Completing the Stage 2 Form. This addresses the wider community benefits, proposed provision of services, the costs involved and how you intend to maintain ownership and revenue provision over many years. (The form can be completed and submitted electronically).

#### **Section 1 - Guidance**

You should read the [Scottish Government Guidance for Community Transfer Bodies](#) to ensure that you have included all the information required for this submission to comply as an Asset Transfer request. Specific timescales for submissions apply and you should make yourself familiar with these.

Applicants should also read the Council's Asset Transfer Policy prior to completing an initial request (Stage 1 – Expression of Interest Form) or the more detailed Stage 2 – Sustainable Business Case.

Question - Why do we need to set out our detailed proposals at Stage 2 for using the asset and how the project is to be funded?

Answer: Your application will be considered by the Council's Finance and Resources Committee. The Committee needs to know that the proposals contain a number of key factors, for example;

- Is there evidence of strong community support for your proposals for use of the asset and any related impacts taken into account?
- Is there a considered analysis of the market for the use of the asset as this lets Committee know that other services/provision has been examined within the local area and across the City?
- Have the financial aspects of acquiring and using the asset been thoroughly examined to ensure that any risk is minimised and that the prospect of returning to the Council for assistance or for requests for funding is minimal?

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Question – What is a Sustainable Business Case, what should be included and how should this be presented?

Answer: A detailed Business Case is required to cover a period of years, setting out how you intend to use and finance the asset.

The sustainability aspects relate to; (i) how you intend to continue long-term ownership, (ii) arrangements for strong governance and intended operations including financial arrangements for long-term growth, (iii) improving community benefit and (iv) minimising any harmful environmental impacts.

In relation to how your plans should be presented, this is a matter for you to decide, so long as your Stage 2 Business Case provides the level of detail required.

Question - What can be included within a sustainable business plan?

Answer: The following is provided for additional guidance only and is not comprehensive because plans for the use of an asset will be different in each case. You may wish to consider some of these elements within your plan which will help make use of the asset a success.

#### **Part A**

Market and operational environment:

- strategic fit between the business objectives of the community body and the proposed use of the asset;
- impact of taking on the asset based upon current and future capacity and capability;
- the skills of the community body that will enable sound management and productive use of the asset;
- the strength of partnership to take on and make the asset a success, in particular clear identification of the community benefits arising from the transfer of the asset;
- current capacity and what partnership arrangements exist to enhance the prospects for medium and long-term success of the use of the asset;
- is there a clear business growth plan and marketing plan in place in order to maximise the use and income generation prospects;
- why the asset is needed and its intended use - aligned to local policy, strategy and community needs;
- define the economic, social and environmental benefits of the use of the asset and the advantages in this regard of the proposal;
- demonstrate engagement with the wider community in order to ascertain usage and success of the proposal;
- management of risk, accounting for unforeseen circumstances and avoiding putting at risk the core organisation/partners;
- information on the strength of commitments by interested parties;
- the most advantageous delivery model and governance structure to manage the asset during/post transfer.

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#### **Part B**

Financial management - Budget and income, provides evidence of:

- revenue costs are known and plans take these into account;
- repairs and other improvements to the asset are taken into account to reflect the business proposition;
- projected income/expenditure plan for at least five years to identify a range of sustainable income streams;
- financial risks to both the asset and applicant organisation;
- projected utilisation and cash flow forecasts;
- market analysis and mitigation of financial risk for partners and the wider community;
- available funds to invest in the asset.

#### **Section 2 – Sources of Advice and Support**

In examining the use of an asset for the benefit for the community it may be helpful for you to request specialist help and support. The following organisations\* are independent of the Council and can provide additional support if requested. Dependent upon the nature of the request, some of these will be free and some may apply a fee.

- [Development Trust Association Scotland](#)
- [Edinburgh Business Gateway](#)
- [Edinburgh Third Sector Interface](#)
- [Community Shares Scotland](#)

Also,

- Council and the Community Learning and Development Service

\*Other support agencies are available and this should not be interpreted as an endorsement from the Council.

Sources of further information and reference\* are also available, some of which are as follows:

- [SME Business Planning Toolkit](#)
- [Starting a Social Enterprise – Business Planning](#)
- [Business planning – 8 critical success factors](#)

\*Other sources of information and advice are available and should not be interpreted as an endorsement from the Council.

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**Section 3 – Completing the Stage 2 Sustainable Business Case Form**

Assessment Scoring

Question: How will Stage 2 submissions be assessed?

Answer: A scoring matrix will be applied in the assessment of proposals and these will consider the proposed use and financial provisions made for the asset.

The following scoring will apply:

<u>Score</u>	<u>Criteria</u>
0 = Poor	Little or no response in regards to the submission with ill defined unrealistic ambitions
1 = Weak	The submission contains only minor detail and is not based on robust information
2 = Moderate	The submission provides a level of detail which enables understanding with acceptable projected benefits
3 = Strong	The submission provides sufficient evidence that the issue has been taken into account with sound, sustainable Best Value characteristics
4 = Very Strong	The applicant has included all the issues in the submission and has provided additional information which enables detailed understanding with strong and sustainable Best Value characteristics with robust related project benefits

Assessing Equality and Rights and Sustainability Impacts

The Council under the Equality Act 2010 and the Climate Change (Scotland) Act 2009 with the related Public Sector Duties is required to assess whether there are any detrimental impacts potentially arising within asset transfer proposals and to identify how these can or should be mitigated. Council officers will assist you in the development of these assessments which are used by the Council in the decision making process. Questions are included within the application form (see part C).

Completing the Stage 2 Form

The key questions in the form below are designed to tell Committee about the governance of your organisation, your detailed plans for the asset, support from the local community and other interested parties, financial plans, current relationship with the Council and other information. Information contained within the application will however be shared with those involved within the decision-making process and data protection and commercial confidentiality arrangements will apply on such occasions.

The Stage 2 Form contains sections for (i) information on the key elements of the Business Case, (ii) information on how the asset relates to Council policy outcomes and/or key public strategies in Edinburgh and (iii) any additional information. Please ensure that if you have a

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separate Business Case that you attach it to your Stage 2 Form as this will avoid the need for any delays in the assessment of your submission.

Please note that:

- Council officers may require a number of follow-up meetings to discuss your proposals. This is with the aim of better understanding your intentions.
- The minimum timelines, whilst set out in the policy, may be extended for particularly complex submissions, for the briefing of community members and other interested parties including local elected members, or where there is a delay in submitting additional information beyond the control of those involved.

### **Finalising your submission and accompanying information**

Please ensure that you answer all of the questions asked throughout the form. Failure to fully respond may delay your request being considered by the Council.

Please also ensure that:

- a) You attach the required documents as identified at the end of the form,
- b) Three people from your organisation sign off the application. This is to ensure that the Board of Directors/Management Group are aware of and support the submission.

Please return the form to:

Property and Facilities Management  
G4 Waverley Court  
4 East Market Street  
Edinburgh  
EH8 8BG

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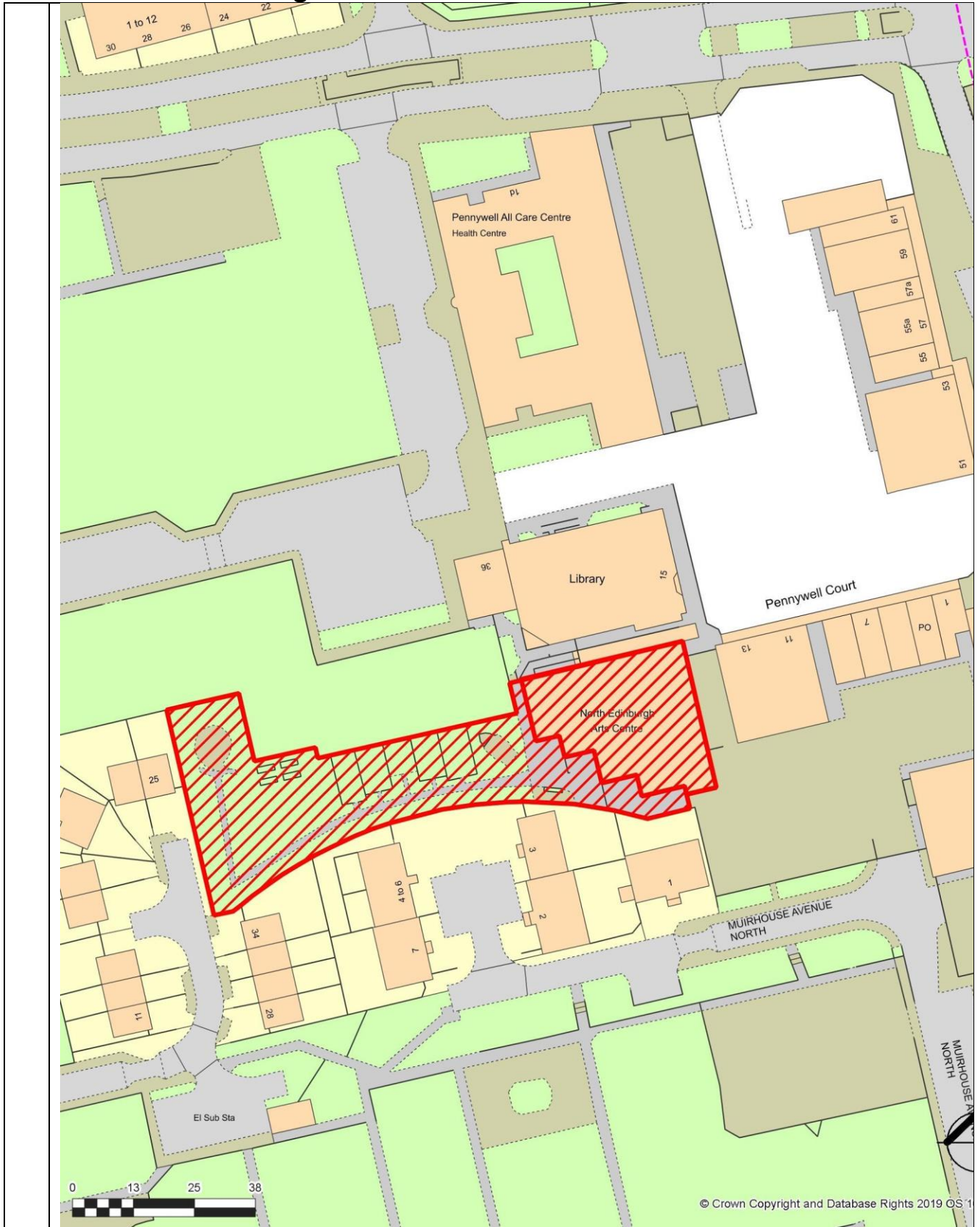
**APPLICATION FOR THE TRANSFER OF AN ASSET  
CURRENTLY OWNED BY THE CITY OF EDINBURGH COUNCIL**

**Request to the Council**

	<table border="1"> <tr> <td>Is this application being made under Part 5 of the Community Empowerment (Scotland) Act 2015?</td> <td></td> <td>YES</td> </tr> </table>	Is this application being made under Part 5 of the Community Empowerment (Scotland) Act 2015?		YES
Is this application being made under Part 5 of the Community Empowerment (Scotland) Act 2015?		YES		
1.	<p><b>Are you requesting the transfer of a building that is owned or leased by the City of Edinburgh Council</b> NO</p> <p><b>Are you requesting the transfer of a piece of land that is owned or leased by the City of Edinburgh Council</b> YES</p>			
2	<p><b>Please identify the building and/or piece of land that is the subject of your request:</b>  NAME: North Edinburgh Arts (site 1) &amp; Muirhouse Library Site (site 2)  ADDRESS: 15a Pennywell Court &amp; 15 Pennywell Court, Edinburgh  POSTCODE: EH4 4TZ  MAP REFERENCE: (please attach a map indicating the location of the building/land – this is in order that all parties are clear on the nature of the request)</p> <p>Please see the two, contiguous, sites shaded in red; first map Site 1, 15a Pennywell Court, second map Site 2, 15 Pennywell Court :</p>			

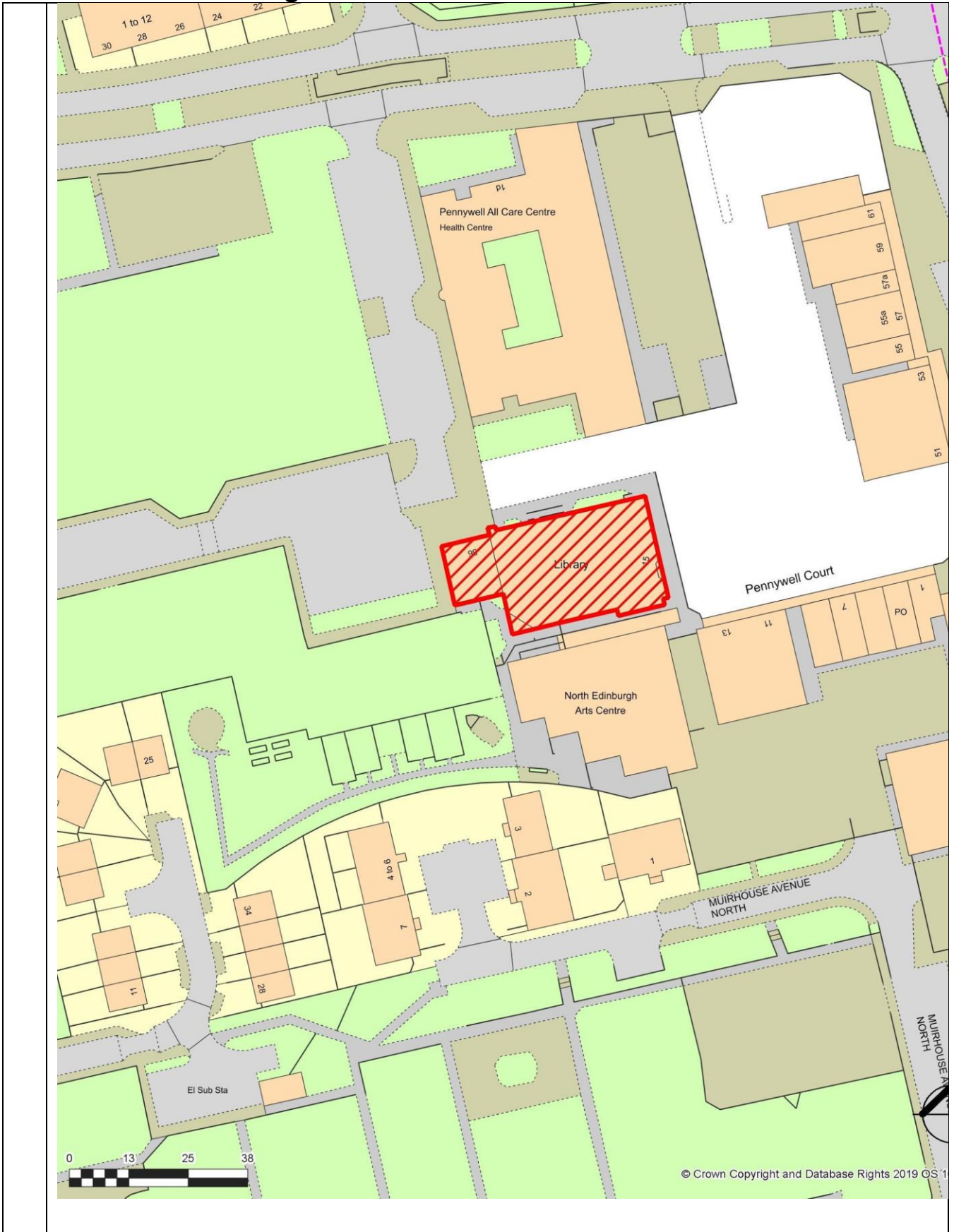
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2 a	<p><b>Please state whether this is an application to purchase or to lease the property or if the request is for other rights to use the property:</b></p> <p>Purchase</p>	
2 b	<p><b>VALUE</b></p> <p><b>Have you sought an independent financial assessment of the value for the building/land?</b> If so please identify the source and the estimated value (Note: because your request concerns a public asset, references to the source(s) and value(s) may be referenced in reports to council committee(s) in reference to your submission: Yes</p>	
	<p>Source: Graham + Sibbald 40 Torphican Street Edinburgh EH3 8JB www.g-s.co.uk</p>	<p>Estimated value (£) Site 1: £130,000 land &amp; £450,000 building Site 2: £270,000; vacant site £110.00</p>
3	<p><b>Please detail below the nature of the request to the Council</b> (please complete one section only):</p>	
3 a	<p>Total transfer by sale or lease of the building/land identified in Section 2 above: :</p> <p>YES</p>	
3 b	<p>Gradual transfer by sale or lease of the building/land identified in Section 2 above:</p> <p>NO (Please delete as necessary)</p>	
3 c	<p>A transfer of just a part of a larger building or part of a larger area of land</p> <p>NO (Please delete as necessary)</p>	
3 d	<p>If the request is for other property rights (ie not a sale or a lease) to make use of a property please specify the nature and extent of the rights sought:</p>	
4	<p><b>Please indicate below the purchase price, rental or other payment being offered for the asset (please complete one section only)</b></p>	
4 a	<p>Where a purchase is being requested please state the price that you are prepared to pay for the building/land that you have identified in Section 2 above:</p> <p>£240,000</p>	

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	A stage 2 bid is being prepared for submission to the Scottish Land Fund for this amount, to be considered/agreed in August 2020.
4 b	Where a lease is being requested please specify: (i) The annual rent that you are prepared to pay: (ii) The duration of the lease requested: (iii) Any other special lease terms required:
4 c	Where another form of occupancy (not a sale or lease) is being requested please state the price that you are prepared to offer for such rights to use the property:
5	<p><b>Please summarise below the reasons for making the Asset Transfer request, any special terms and conditions applicable to the request, how you intend to use the Council building/land and any related timescales:</b></p> <p>The transfer of the land NEA occupies and adjacent plot would allow NEA to continue and expand its essential work as a community hub and provide, additionally:</p> <ul style="list-style-type: none"> <li>● An expanded and extended café and catering space</li> <li>● An accessible and fit for purpose library</li> <li>● Ground floor, first and second floor - re-configured space for light enterprise activities, micro and start up business space, hot-desking, as well as studios for art and the performance space.</li> </ul> <p><b>Our Vision:</b> To keep NEA at the centre of a happy, healthy, kind, creative, inspired and inspiring community Evolved vision following changes: This will be a happy, healthy, kind, creative, inspired, enterprising and resilient community.</p> <p><b>Key Areas of Development:</b> Our research report identified the following as key areas for development:</p> <ul style="list-style-type: none"> <li>● Space and support for small business and enterprise activity</li> <li>● Additional creative and play activities for families and young children (pre- school and primary)</li> <li>● A space where young people feel safe and can be empowered to develop their own programme of activities</li> <li>● Expansion of café and food related activities, including growing space</li> <li>● Learning and training opportunities</li> </ul> <p><b>The Space:</b> Our architect has developed a schematic vision for the site. Various options were considered, which can be seen in the associated technical report. These ranged from modest pods in the garden and small incremental extensions (resulting in losses to the green space) to an ambitious master plan for the NEA, library, nursery and public space. Following extensive</p>

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discussion, a preferred design was defined, though significant further work will need to be done to flesh this out and hone the design to be fundable and fit for purpose.

#### **Local challenges:**

The local need is identified in detail in the research report but is summarised here. A need to stimulate Enterprise. Unemployment rates are higher than across Edinburgh and Scotland and in particular this relates to youth unemployment.

Those who are employed report poor, insecure and vulnerable jobs with limited career prospects and the chance of personal fulfilment. The market, First Port and other initiatives have shown latent local enterprise and innovation but no space to develop it. 45% of respondents to the survey wanted space for new and existing businesses to grow and develop and 40% would welcome enterprise support and training.

#### **Youth Investment:**

25% of the total population are under the age of 16 (compared to Scotland 16.9%).

Despite there being good local youth provision, young people and stakeholders talked of the need for a space where young people could come together, have ownership of and feel safe. There was a lingering perceived issue of anti-social behaviour from young people in the evening.

#### **Families and Children:**

As regeneration continues, more families are moving in to the area. Services and facilities are needed to strengthen families and ensure the community can be a welcoming and interesting place to bring up families.

Though it is still perceived to be a “problem area” by some media outlets, overall, there was significantly positive feedback about this being a safe, welcoming community. We will build on that positive momentum.

#### **Purchasing the site**

A valuation is currently being undertaken with a view to North Edinburgh Arts purchasing and occupying the site that it occupies as well as the site of the current library. Due to the time to raise funds and construct a substantial extension, it is envisaged that title transfer will happen in two phases, allowing transfer of currently occupied land, which is much simpler to do, to be done early.

The aspiration is to purchase the former library site up to the defined boundary line shown in red area A (525m<sup>2</sup>). The potential shared garden court shown in green – area B (210m<sup>2</sup>) will also be purchased by NEA. The small area to the west of the NEA site would allow for potential expansion of 1 further studio – area C (65m<sup>2</sup>).

There is a further option to consider joint land development with the nursery to enhance both parties work, particularly in relation to green space and this will be considered during the development.

This should be read in conjunction with the technical vision report.

#### **Background:**

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North Edinburgh Arts (NEA) runs a purpose built creative and community venue. It has been operating from its Muirhouse base, though serving the whole of North Edinburgh, (Forth, Almond and Inverleith Wards) for over 20 years. Open for around 52 hours each week, the building incorporates two arts studios, a 96-seat theatre, recording studio, gallery, offices and a café with children's play area leading onto a large community run garden, with a craft/making space beyond.

North Edinburgh Arts identifies itself as offering local people “a place to relax, explore, learn, meet, share, volunteer and have fun in”. The centre is therefore much more than an arts centre, although art and creativity is vital to the identity of the place. Over 30 hours of creative workshops are on offer each week, most with a family focus, alongside a wide range of other events including exhibitions, dance shows, circus skills workshops, community theatre, poetry readings and film clubs. The venue is also home to a number of organisations who are connecting creatively with young people, families and adults living across the area.

As well as activity, events and workshops within the centre, the outside space is vital. The garden is a place to “create, recycle, try out new ideas, grow, read, rest and play”.

NEA had 34,000 visits in 2018/19.

#### **Reasons for expansion:**

Muirhouse is an area of targeted regeneration efforts at the moment which includes housing (more than 700 new units), health facilities, a new nursery and the development of a new town centre based around a public square. Works have been ongoing since 2012 with the bulk of the public works to be completed by 2022. The proposed development of NEA fits within this larger strategic development.

NEA is keen to secure the land currently leased to ensure it is held in community ownership for the long term. This increase in control would allow for securing development funding. NEA wishes to expand its building to allow space for expansion. The NEA building sits on a tight site. Without losing the highly valuable community garden, extensions will be limited. Discussions have been taking place over the past year and a half with the City of Edinburgh Council, to explore the possibility of NEA purchasing and redeveloping the site on which the library currently sits. This would involve a new building that, in addition to replacing the existing library, would provide further space for community activity. As well as buildings, NEA also wants to protect the quality, range and type of green space available to current residents and those moving into the area.

#### **Vision:**

NEA's vision is to ensure there is accessible community space of high quality, incorporating carbon neutral and innovative design. The community space will reflect current community aspirations, while being flexible enough to respond to unplanned future demand.

The context of the adjacent public square, McMillan Square, is vital to the development. It gives an open aspect to any development, allowing for a new welcome reception space to be created at the end of the public square that is easily seen and attracts local people in. In addition, the space is used for markets, festivals and other community activity led by North Edinburgh Arts and others, creating a vibrant, busy “village green” feel to this part of North Edinburgh.

#### **Use of proposed purchased land:**

Purchase of a much larger piece of land including the site on which the current library stands. The library is due to be demolished and rebuilt and under the plans being discussed, NEA would take over the design and build and lease it back to the Council who would become an anchor tenant. Owning the whole site opens up a whole new range of opportunities for NEA. NEA plans are for a three storey building configured as follows:

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1. An expanded and extended café and catering space
2. An accessible library
3. Space for light enterprise activities
4. The existing café space would house heavy enterprise activity including the Community Shed

Consideration of these models show that activity could be significantly scaled up at all levels in a larger space, future-proofing the organisation.

#### **Why NEA**

The residents of Muirhouse & West Pilton have been living amongst a prolonged and expansive development site, and will continue to do so for the next 3 years at least. During that time North Edinburgh Arts has consistently offered a safe, welcoming, and positive place within which people can meet, volunteer, get creative, support one another and find out about other services on offer across the area. Our role as a de facto community hub has developed as other organisations joined us to operate out of the venue.

These include Muirhouse Link Up (engaged almost 2,100 local people, over 30 as new volunteers), Volunteer Edinburgh, North Edinburgh Drug and Alcohol Centre, Tinderbox Orchestra, Licketyspit Theatre Company and Firstport's 'What if North Edinburgh' enterprise programme. Alongside these tenant organisations, the venue is also used as a place to meet, share and celebrate by:

- local primary and high schools, to include Oakland School
- local youth agencies
- Muirhouse Housing Association
- BAME organisations, to include Living in Harmony and The Welcoming
- CEC social work and children and families departments
- Circle Scotland
- Living Well North Edinburgh
- CLG
- Royston Community Project

amongst others, as well as acting as a conduit for city and national cultural organisations such as Edinburgh's Festivals, National Museums of Scotland, National Galleries of Scotland. The latter's Community Co-ordinator hot desks at NEA one day a week further underscoring the role of our organisation as a trusted community link.

Our work, particularly around place making, greenspace development, and play has won awards from the Scottish Urban Regeneration Forum, 2014, the Scottish Civic Trust, 2015, Children in Scotland, 2016, and was shortlisted and Highly Commended at the UK Planning and Place Making Awards, 2016 and 2017, respectively. Additionally, our Director was appointed Chair of the Scottish Regeneration Forum in 2017.

NEA was the lead organisation for Community Action North, delivering the People Powered Community Report incorporated into the LOIP for the NW locality, a significant achievement due to the level of local consultation work conducted to produce a local plan that accurately reflected what really matters to local people.

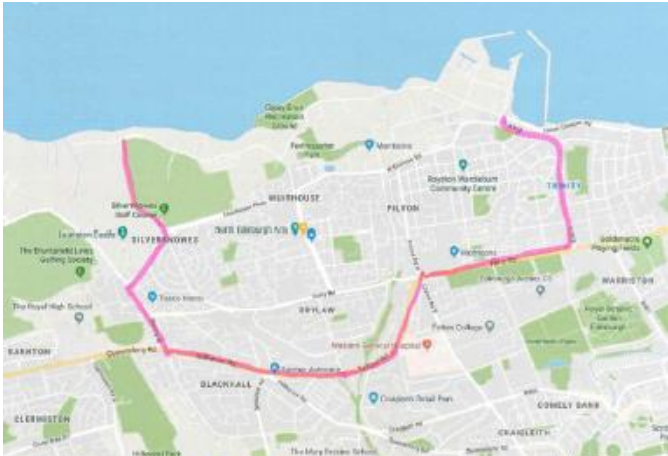
Unlike most other locality/neighbourhood plans, the consultation process identified a series of cross-cutting themes that were recognised by local people as being fundamental to challenging

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	<p>poverty and inequality in the area. These went beyond the typical health, employment, education issues and covered: relationship building; childcare; information &amp; communications; perception of the area; and, making our voices heard. A recognition of the need to build local capacity in these areas is the backbone of this application.</p> <p>Additionally The North West Action Group (NWAG) comprising Fresh Start, North Edinburgh Arts, FirstPort, Pilton Community Health Project, St Andrew’s and Muirhouse Old Kirk, Muirhouse Housing Association and community representatives has sprung from the Community Action North work.</p> <p>NWAG allows for shared strategic leadership to collaboratively tackle local issues identified through extensive community action research e.g. People Powered Community report, Food for Thought, and as set out in the North West Edinburgh Local Outcome Improvement Plan.</p> <p>Key priorities include: social connectedness and relationship building, providing more accessible affordable community spaces, addressing food poverty, tackling individual loneliness and isolation, and combatting negative perceptions of the area by enabling local people “to create projects that bring people together and improve their own lives, builds pride, and create that sense of community spirit.”</p> <p>We believe our proposed capital plans, underpinned by a Community Asset Transfer embody our community’s aspirations, and address many of the issues highlighted by them over the past three years.</p>
6	<b>Date of Submission to the Council: 24<sup>th</sup> March 2020</b>

### PART A – About your organisation

<b>A1.1</b>	<p><b>Organisation Name, Location and geographic areas of current operation:</b></p> <p>North Edinburgh Arts, 15a Pennywell Court, Edinburgh, EH4 4TZ.</p> <p><b>Map showing NEA membership area:</b></p> 
	<b>Organisation postal address:</b>

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<b>A1.2</b>	North Edinburgh Arts, 15a Pennywell Road, Edinburgh, EH4 4TZ.		
<b>A1.3</b>	<b>Organisation Contact details for this request:</b>		
	<b>Name</b>	Kate Wimpress	
	<b>E-mail</b>	<a href="mailto:director@northedinburgharts.co.uk">director@northedinburgharts.co.uk</a>	<b>Tel. Number</b>
<b>A1.4</b>	<b>Organisational Governance</b> – State the type of organisation you are, for example a registered charity or a registered company. If your agency is not a registered charity or company, please state if you have a <b>Constitution / Statement of Aims / Memorandum and Articles</b> (relevant documents must be supplied on request)		
	Registered Charity and Company limited by guarantee		
<b>A1.5</b>	<b>OSCR Registration</b> Number (if your organisation is a charity registered in the UK and/or Scotland):		
	SC027700		
<b>A1.6</b>	<b>Companies House Registration Number</b> if applicable		
	184477		

**PART B – Your proposal for use of the asset**

In summary, please answer the following questions relating to your proposal (please ensure that you attach your full Business Plans as this will provide further detail)

NOTE: the term ‘the asset or asset’ means the Council-owned asset which is the focus of your submission

	Assessment of the operational and market environment
<b>B1</b>	<b>Please summarise below any history that your organisation has for; (i) delivering good quality services, (ii) meeting the needs of your community and (ii) enabling sustainable growth of your organisation?</b>
	<p>Answer:</p> <p>North Edinburgh Arts (NEA) runs a purpose built creative and community venue. It has been operating from its Muirhouse base, though serving the whole of North Edinburgh, (Forth, Almond and Inverleith Wards) for over 20 years. Open for around 52 hours each week, the building incorporates two arts studios, a 96-seat theatre, recording studio, gallery, offices and a café with children’s play area leading onto a large community run garden, with a craft/making space beyond.</p> <p>North Edinburgh Arts identifies itself as offering local people “a place to relax, explore, learn, meet, share, volunteer and have fun in”. The centre is therefore much more than an arts centre, although art and creativity is vital to the identity of the place. Over 30 hours of creative workshops are on offer each week, most with a family focus, alongside a wide</p>

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range of other events including exhibitions, dance shows, circus skills workshops, community theatre, poetry readings and film clubs. The venue is also home to Muirhouse Link Up and others connecting creatively with young people, families and adults living across the area.

As well as activity, events and workshops within the centre, the outside space is vital. The garden is a place to “create, recycle, try out new ideas, grow, read, rest and play”.

NEA had 34,000 visits in 2018/19, primarily from residents of Muirhouse, West Pilton and Drylaw. Muirhouse is an area of targeted regeneration efforts at the moment which includes housing (more than 700 new units), health facilities, a new nursery and the development of a new town centre based around a public square. Works have been ongoing since 2012 with the bulk of the public works to be completed by 2022. The proposed development of NEA fits within this larger strategic development.

The NEA Director, overseen by the Board, leads delivery of the organisation’s projects managed by the NEA team. The NEA Director has over 25 years’ experience of managing public funds and has built the turnover (£277,000 in 2010 to £681,047 in 2019 as per audited accounts) and staff team (4, 2010 to 20, 2019 as per audited accounts, seven of whom are local residents) for the organisation during her tenure. As noted above, she Chairs the Scottish Regeneration Forum, a post held since 2017 offering an overview of national regeneration policies and practices.

NEA, the staff team, and the Board have had responsibility for a number of large-scale projects and have accrued the necessary human, financial, material and communication skills, expertise and resources to undertake this project successfully.

NEA has been the arts organisation in Muirhouse & West Pilton for 20 years, and de facto community anchor organisation for the past 9, cultivating expertise around cultural planning; community participation; public and participatory art; greenspace development and innovative uses of creative play in child development. Previous multi-partner projects include:

- North Edinburgh Grows: full regeneration of the half acre garden to the rear of the venue (project budget £210,000, main funder Big Lottery Fund) into a creative space for growing and play. This project received the Creative Regeneration Award from the Scottish Urban Regeneration Forum in 2014, and the Scottish Civic Trust My Place Award in 2015.
- NW Edinburgh Partnership Centre Arts Programme: a 26-month programme of imaginative artist residencies engaging creatively with the local community, patients and staff of the new build NHS Partnership centre in Muirhouse, North Edinburgh (project budget £195,000, main funder Creative Scotland).
- Scottish Government ESF Aspiring Communities Fund project ‘North Edinburgh Arts – Community Action North’, 2017-19 value £186,000, to establish the foundations for a meaningful and sustained reduction in poverty and inequality in the community of Muirhouse and West Pilton by:
  - putting residents at the heart of decisions impacting their community;
  - establishing a new way of working in which residents and organisations (public, third and private sector) worked together to identify and develop responses to key local issues and opportunities.



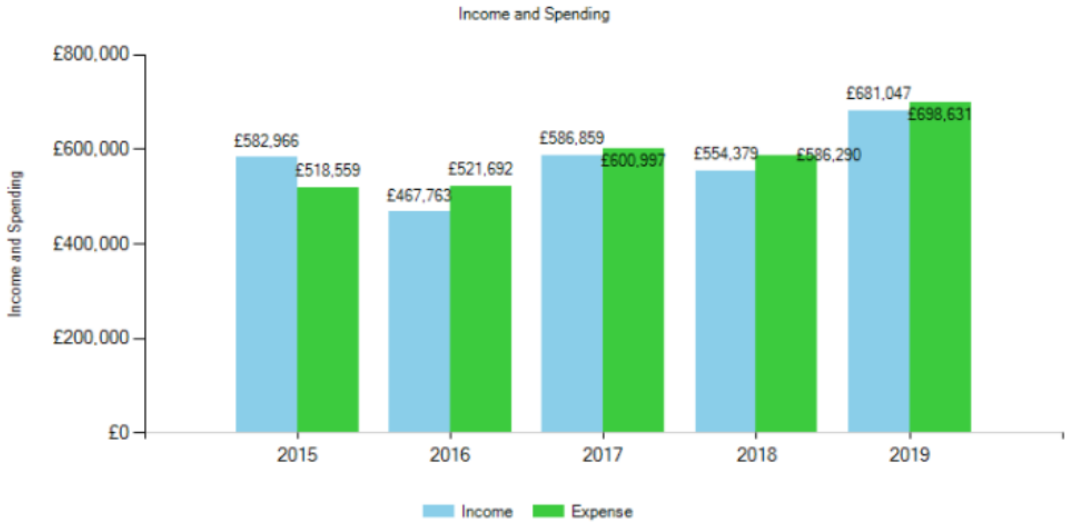
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	<ul style="list-style-type: none"> <li>Climate Challenge Fund Community Shed Project value £126,000 2 year programme developing a social enterprise project to make and mend items utilising recycled wood to build resilience and reduce carbon, and waste going to landfill.</li> </ul> <p>NEA's accounts are fully audited annually, and inspected by the OSCR and by our core revenue funder The City of Edinburgh Council. Our dedicated finance officer keeps full records of our income and expenditure, currently around £580,000 per annum, and has many years of experience in managing public funds.</p> <p>The NEA Director and finance officer meet weekly and have managed, to satisfactory completion, a number of projects of this scale funded by the Scottish Government, the National Lottery Community Fund, and Creative Scotland. Monthly management accounts are produced for review and are scrutinised by the NEA Board at their meetings every two months. NEA currently has a qualified accountant sitting on the Board.</p>
B2	<p><b>Is there a strong business-fit between the core objectives of your organisation and the proposed use of the asset?</b></p>
	<p>Answer: <b>Enterprise and small business support</b></p> <div style="text-align: center;"> </div> <p>We will relocate the current café to the new site, freeing up this space for enterprise units. This will include the Community Shed, currently located in a building that is due to be demolished as part of the regeneration plans for Muirhouse. This will give them security, a more visible presence and an opportunity to expand and to reach more people who will benefit from their activities.</p>

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	<p>From our research we know that there is a demand for affordable workspaces for existing small businesses and to support new enterprises in the area. Alongside space for individual businesses, we will develop co-working spaces and shared making spaces from which people can try out new ideas and learn in a co-operative environment. We anticipate that there will be an opportunity for a social enterprise/small business to provide business services, accounting, general administration, marketing, to businesses in the workspace and the wider community.</p> <p>In partnership with Firstport and other business support providers we will provide access to locally based support and information for potential and new businesses to ensure they have the best start to their business journey.</p> <p>We will continue to support the development of a local market and will work with the steering group to create events that will complement the market activity. We will seek to take advantage of the proposed developments at Granton Waterfront and will encourage and support skilled employment and business opportunities that may arise from this.</p>																		
B3	<p><b>How will your organisation’s current operational capacity and financial turnover be affected by taking forward your proposals for the asset?</b></p>																		
	<p>Answer:</p> <p><b>Financial stability:</b> The organisation is financially robust. Over the years there has been good stability as can be seen below.</p> <p>The current financial position is secure from a combination of core grants from Edinburgh charitable grants and fundraising and self-generated income from events, space let and the café.</p> <p>There is a good diversity of income streams.</p> <div style="text-align: center;">  <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Income and Spending</caption> <thead> <tr> <th>Year</th> <th>Income</th> <th>Expense</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>£582,966</td> <td>£518,559</td> </tr> <tr> <td>2016</td> <td>£467,763</td> <td>£521,692</td> </tr> <tr> <td>2017</td> <td>£586,859</td> <td>£600,997</td> </tr> <tr> <td>2018</td> <td>£554,379</td> <td>£586,290</td> </tr> <tr> <td>2019</td> <td>£681,047</td> <td>£698,631</td> </tr> </tbody> </table> </div>	Year	Income	Expense	2015	£582,966	£518,559	2016	£467,763	£521,692	2017	£586,859	£600,997	2018	£554,379	£586,290	2019	£681,047	£698,631
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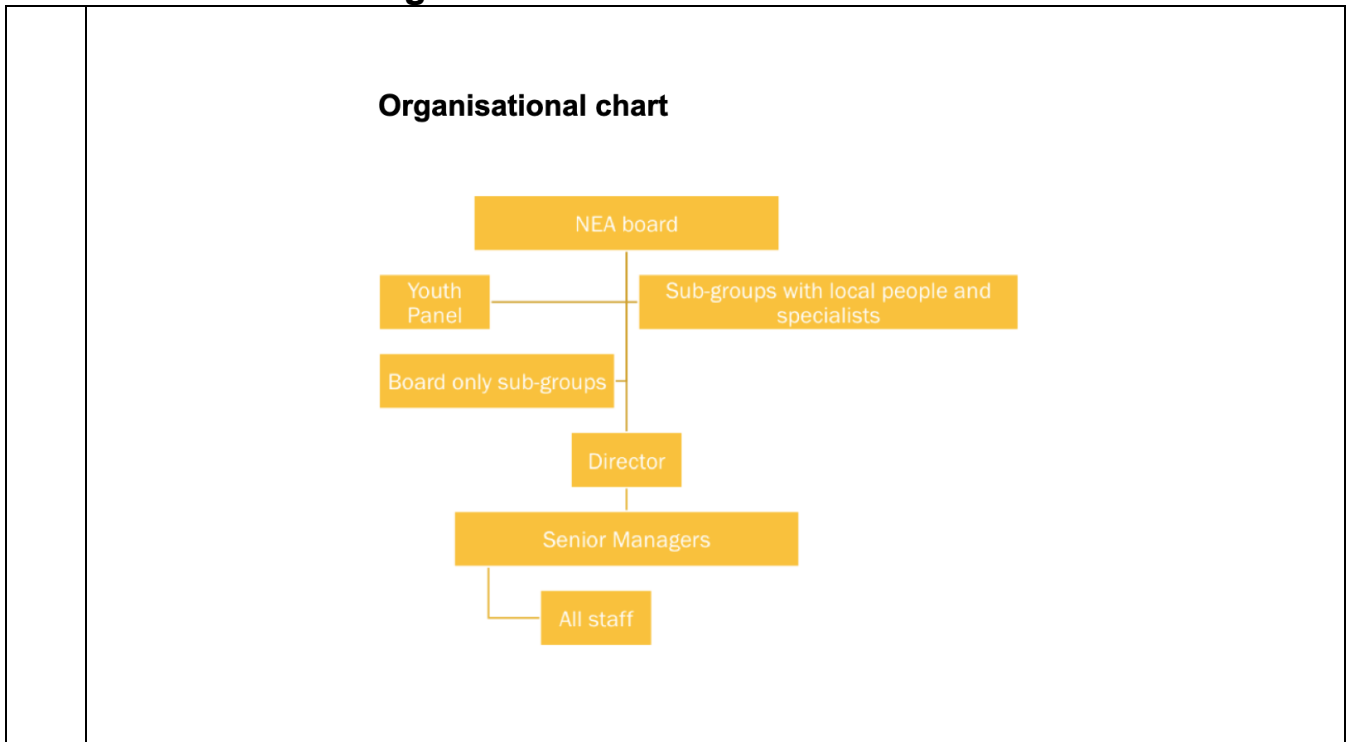
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B4	<p><b>Please evidence below, the strength of leadership and skills of the Board and staff of your organisation to maximise the prospects of the asset? If the skills are not currently in place, please describe how you intend to address this.</b></p>
	<p>Answer:</p> <p><b>Governance and Strategic Management:</b>  The Trust has 12 directors, with 3 office bearers, chair, treasurer and a minute secretary. The chief officer (Director) takes the role of company secretary. We have substantial representation from local people, many of whom are involved in other community groups and clubs in North Edinburgh and this representation on the board to ensure what we deliver will meet the needs of everyone in our community. The chair, Lesley Hinds is an ex-local elected member and Lord Provost of the city. She brings an in-depth understanding of the community along with good links to strategic partners.</p> <p>The finance role is undertaken by the staff team and reported to the board by the Director.</p> <p>As part of the journey to developing more community ownership of the site and buildings, to bring more local people into decision making. It would not be appropriate to increase the board to something unmanageable so we would set up time limited sub-groups based on need at the time. In the imminent period, this is likely to be around the steering of the physical development. We are also keen to bring young people directly in to an influencing role and set up, in partnership, a small youth panel to enable youth influence on our activities and plans.</p> <p>We already have robust processes in place reporting on progress and discussions at meetings, through our Agendas, Minutes and other records. We will ensure these are maintained and strengthened as we secure funding and have targets and outcomes to meet. Minutes are made publicly available. NEA has no trading subsidiary, but if room and space rental becomes a significant part of the business, which is not charitable, this may be required.</p> <p><b>Staffing</b>  It is envisaged that the smart building navigation and management, including some key-pad entry to enterprise units, will mean that there is no increase in staffing.</p> <p>Volunteers will continue to support the work of the organisation. They also run creative events and help develop projects. They are provided with support and supervision and we have a Volunteering Policy to ensure volunteers get the support they need through induction training and ongoing access to training as required, as well as ensuring we recruit new volunteers on an ongoing and regular basis. The aim to recruit volunteers from a variety of backgrounds is a key objective.</p>

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**B5 Please detail how you intend to evidence long-term community benefit arising as a result of the proposed asset transfer?**

Answer:

**Monitoring and Evaluation:**  
We already have robust monitoring and evaluation systems in place for all our work, partly to communicate our impact to members and the general public and partly to report to funders.

**Evidence is and will be collected from the following:**

- Numbers and nature of people at events and initiatives
- Numbers of people at the café
- Numbers of local people from income deprived backgrounds (we can judge this from the use of Good Neighbour cards for local residents) in proportion to total usage
- Number of creative hires (booking the performance space and rehearsal and planning rooms)
- Number of room bookings for community groups
- Number of private hires
- Value of income generated by each element of the project
- Occupancy levels for room hire
- Number of enterprise spaces and co-working spaces booked
- We will monitor the impact these projects are making for local people, groups and families and capture this through life stories of those involved; this will be valuable to feedback to funders and stakeholders as well as being a good way to promote what we do in North Edinburgh
  - Strengthening of our customer database (to use for ongoing direct marketing)
  - Numbers and nature of volunteers. All volunteers will have an application form with aspirations as well as skills and interests and we can easily track the increase (or otherwise) of volunteers.

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	<ul style="list-style-type: none"> <li>● User surveys which will be kept simple and used on a regular basis. These will be compared with the baseline information. These surveys will be on-line and will give the opportunity to make changes so they, as customers, can see the immediate benefit of giving feedback This will relate to individuals as well as groups.</li> <li>● An annual survey to user groups who are using the building: this will monitor the impact the development of the building on local partners.</li> <li>● We use Facebook to gather comments and responses electronically.</li> <li>● Our marketing plan will agree targets for numbers of followers and numbers of likes etc. on social media.</li> <li>● The success of activity in the building will be dependent upon the efforts and motivation of existing and new staff, board members and volunteers. Staff will be given the opportunity at staff meetings and at board meetings to report on their perspective of how things are progressing.</li> </ul> <p><b>How We Will Use This Information:</b></p> <ol style="list-style-type: none"> <li>1. Sharing learning with others: gathering this data from our users, customers, groups, stakeholders and partners will show what works and what doesn't and this can be shared with similar organisations to support their plans.</li> <li>2. Getting better at what we do: gathering data related to a baseline will allow us to continuously improve and to continue to meet the needs of people in our community.</li> <li>3. Design new things: we will use this information to design our services and to engage with our community, our partners, funders and stakeholders in future plans.</li> <li>4. Communicating with our members: it is vital to report to members at an AGM and also about how things are progressing</li> <li>5. Reporting to funders: we have an obligation to report on activity and let funders know what impact their investment has had.</li> </ol>
B6	N/A
	N/A
B7	<p><b>Please summarise below the partners involved in your proposal, describing the current and future strength of partnership work in the context of the submission and if so, is this influencing the operational arrangements for the asset?</b></p>
	<p>Answer:</p> <p>NEA has worked hard to foster strong partnerships with a range of organisations and groups over the years particularly in North Edinburgh.</p> <p><b>Covid-19:</b> following the outbreak of Covid-19, NEA has been a leading organisation, working in partnership, with other groups, in setting up North Edinburgh Covid-19 Foodshare Group. NEA, working with other partners have ensured a co-ordinated approach to delivering three food packages and successful joint funding bids, with NEA securing over £140,000 for their own and partners efforts. This partnership has strengthened our relations with local organisations which can only be fruitful for future working arrangements, for this NEA project.</p>

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North Edinburgh Arts building hosts a number of organisations and works in partnership to deliver joint projects and work programmes in NEA. The list includes, Tinderbox, First Port, Volunteer Edinburgh and North Edinburgh Drug and Alcohol Centre.

#### **North West Action Group**

Partnership has been common in North Edinburgh for many years and has taken many iterations. All the main partners already work closely together but consideration was recently given to bringing this closer together.

To this end a new group has been set up comprising a number of anchor organisations in the area; Ourselves; Fresh Star; Old Kirk Muirhouse Church, Pilton Community Health Project (PCHP), Muirhouse Housing Association (MHA) and Firstport.

#### **NEA Community**

Though not a collaborative bid, various organisations have been consulted on our bid. Below are partner organisations and opportunities:

- **City of Edinburgh Council:** joint development of innovative library services. Joint development of site, to create a Community Hub: new community space. Developing on an adjacent site. New Nursery: opportunity for early learning and other activities in library and NEA space.
- **First Port:** development partner for local social enterprise business support and infrastructure guidance. Support to new entrepreneurs who commit to using the space. Joint projects to develop new enterprise ideas on site.
- **Granton Community Gardeners:** joint use of land across the community.
- **Muirhouse Youth Development Group** – support to develop youth panel and guidance to young people to support engagement and involvement in design development.
- **Link Up:** now integrated into NEA: continuing use of space. Input into development of Youth Panel.
- **Pilton Youth and Children's Project:** support to develop youth panel and guidance to young people to support engagement and involvement in design development.
- **Local Primary and Secondary Schools:** creative learning programmes as well as input to garden and other spaces. Work and voluntary placements as part of curriculum for excellence. Input into development of youth panel.
- **North Edinburgh Drug and Alcohol Centre:** continuing tenant and delivery partner. Look to engage people with NEA, e.g. through the Shed.
- **Volunteer Edinburgh (VINE):** continuing user of space with an aspiration to have a permanent base for volunteering in the area.
- **Edinburgh College:** provider of range of qualifications and students to fill a variety of placements, including to Community Shed. Support provision of training courses. (digital, STEAM)

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- **Skills Development Scotland** : partner in development of science/technology events.
- **Pilton Community Health Project:** use of bigger space for events Strategic lead - Food for Thought Forum.
- **Fresh Start:** collaborative work with their new hub, including future enterprise work on up-cycling.
- **Festivals:** existing partnership work with Edinburgh Festivals. Opportunity to be a key partner with Edinburgh International Festival.

At the current time **key assets** that NEA has to offer:

- Open and welcoming
- Affordable
- High quality space
- Community run
- Proximity to many other services
- Financial stability
- Leading organisation in North Edinburgh

#### **NEA submission if successful will:**

- Create new North Edinburgh Community Hub
- Create shared space with Council and other organisations
- With current planning proposals for McMillan Town Centre, NEA will be land locked, land purchase would achieve extra community space.
- Preserve garden space
- Shed project would be able to relocate to main building
- Footfall increased to increase service provision for the increasing population
- Enhanced cafe provision and increased turnover
- Job creation
- Social Enterprises created
- New enhanced Library provision, with increased visitors
- Extended building and community activity opportunities
- NEA project would encourage people to McMillan Town Centre
- Create a Carbon Neutral new building
- Increase Number of bookings and users
- Value of income generated by each element

The work with our partners and the consultation exercise carried out, NEA have made organisational changes for new operational arrangements for the asset:

- Following an Extraordinary AGM, NEA have agreed a new Memorandum and Articles, to create a new membership scheme. This will open up our decision making process to all members. There will be Ordinary Individual Member” for residents who live in North Edinburgh. Associate Member” for residents who live outside North Edinburgh: “ Junior Members” individual members who live in North Edinburgh.

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	<ul style="list-style-type: none"> <li>● NEA reviewed its staffing structure, created a new management structure, created and appointed a new Deputy Director post. This frees up NEA Director to concentrate on delivering and funding our Business Plan</li> <li>● NEA Board has created a Board Community Asset Transfer Sub-Committee.</li> </ul>
B8	<p><b>Please describe the governance arrangements which will oversee the operations of the asset.</b> If this is to be separate to arrangements for your organisation, please provide further description and include diagrams if necessary. Please also describe how accountability for the asset will be provided for.</p>
	<p>Answer:</p> <p>North Edinburgh Arts is a company limited by guarantee (company number SC184477) registered with OSCR as a Scottish charity (charity number SC027700). Its objects are;</p> <ol style="list-style-type: none"> <li>1. To advance education through promotion of the arts, particularly among the residents of North Edinburgh.</li> <li>2. To provide, in the interests of social welfare, facilities for recreation and other leisure time occupation available to the public at large within North Edinburgh, with a view to improving their conditions of life.</li> </ol> <p>The Board of NEA has 12 directors, with 3 office bearers, chair, treasurer and a minute secretary. The chief officer (Director) takes the role of company secretary. NEA has substantial representation from local people, many of whom are involved in other community groups and clubs in North Edinburgh and this representation on the board to ensure what NEA will deliver and meet the needs of everyone in the community. We have robust processes in place reporting on progress and discussions at meetings, through our Agendas, Minutes and other records. Minutes are made publicly available. NEA will ensure these are maintained and strengthened when securing funding and have targets and outcomes to meet. Minutes are made publicly available.</p> <p>NEA has no trading subsidiary, but if room and space rental becomes a significant part of the business, which is not charitable, this may be required.</p> <p>In order to develop more community ownership of the site and buildings, NEA plans to bring more local people into decision making. NEA would set up time limited sub-groups based on need at the time. In the imminent period, this is likely to be around the steering of the physical development. NEA is also keen to bring young people directly into an influencing role and set up, in partnership, a small youth panel to enable youth influence on NEA activities and plans.</p> <p>NEA has engaged Richard Murphy Architects to undertake NEA community ownership feasibility study. They have been an excellent and visionary partner and we would be keen to retain their services for the duration of the project. Following full procurement (to the end of the build and default period) the development will be led by the architect as lead project manager, appoint a Project Manager to provide objective support and manage the refurbishment and new build. NEA has significant technical expertise on the board at the moment. The full design team would comprise architect, structural engineer, mechanical and electrical engineer,</p>



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quantity surveyor, CDM co-ordinator (for health and safety) and any specialists that were required.

The NEA project will involve a number of partners, including the City of Edinburgh Council and NEA would want to set up a Project Board, to oversee the refurbishment of the existing NEA and the new Community Hub.

North Edinburgh Arts Board recently held a Governance Away Day, facilitated by Arts in Business:

Board covered:

1. The legislative background of a company limited by guarantee
2. The general duties of charity trustees
3. Conflicts of interest
4. The roles and relationships of the board and staff
5. Who does what?
6. Making your board meetings work for you
7. The role of the board in advocacy and fundraising

Following the Away Day, the Board made changes to its Board meetings, NEA membership, staff structure, reviewed the skills of the Board, Treasures role and reviewed NEA Memorandum and Articles.

The board of NEA are jointly and severally responsible for the overall governance and strategic direction of the SCIO (Scottish Charitable Incorporated Organisation), and financial health, probity of its activities, developing North Edinburgh Arts aims, objectives and goals in accordance with the governing document, legal and regulatory guidelines. All Board members are aware of, and understand, their individual and collective responsibilities. They meet every second month and are kept up to date by the NEA Director. Suitably qualified and experienced staff are employed to manage the building on a day to day basis. NEA have recently appointed a new Deputy Director and fulltime Finance Director. This is in preparation for NEA community ownership of the site and buildings.

#### **Accountable to**

As the board are responsible and liable for the governance and functioning of NEA. They are accountable in varying degrees to a variety of stakeholders, including: members, beneficiaries, funders, and OSCR. The board feeds back to the members at the AGM and will hold regular steering group meetings with the members to ensure the organisation remains led by the community of members. Reports from other funders will be submitted as required.

#### **Main Responsibilities Governance**

- To ensure that NEA, and its representatives, function within all legal and regulatory requirements applicable, and in line with the organisation's governing document, continually striving for best practice in governance.
- To maintain the fiduciary duty invested in the position, undertaking such duties in a way that adds to public confidence and trust in NEA.
- To take appropriate professional advice in all matters where there may be a material risk to NEA. Review NEA Risk Register, on a regular basis.
- To determine the overall direction and development of NEA through good governance and clear strategic planning.
- To avoid any personal conflict of interest.

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	<ul style="list-style-type: none"> <li>● To manage and use the resources of NEA to optimise its potential.</li> <li>● To ensure that robust systems are in place for internal financial control and the protection of NEA funds and assets. Appoint a Treasurer, who will liaise with the Finance Director and report to Board meetings, on financial matters.</li> </ul> <p><b>Main Duties</b></p> <ul style="list-style-type: none"> <li>● Ensuring NEA complies with legislative and regulatory requirements and acts within the confines of its governing document and in furtherance to the charitable objects.</li> <li>● Acting in the best interest of NEA, beneficiaries and future beneficiaries always.</li> <li>● Promoting and developing NEA for it to grow and maintain its public benefit.</li> <li>● Maintaining sound financial management and control of the charity’s resources. Ensuring a fully effective and appropriate system for the recruitment, appointment and monitoring of the work and activities of the Director and, where applicable, other members of the senior management team.</li> <li>● Ensuring the effective and efficient administration of the charity and its resources, striving for best practice in good governance.</li> <li>● Acting as a counter-signatory on Duncan Place cheques (including any electronic transactions) and any applications for funds.</li> <li>● To maintain absolute confidentiality about all aspects of the Board’s business, bearing in mind the over-riding legal obligations placed upon trustees.</li> </ul> <p><b>Statutory Duties</b> The following is a précis of the legal duties Directors must fulfil:</p> <ul style="list-style-type: none"> <li>● Duty of trust;</li> <li>● Duty to comply with the Board’s governing documents;</li> <li>● Duty to act in the best interests of the NEA, present and future beneficiaries;</li> <li>● Duty to avoid conflicts of interest;</li> <li>● Duty to safeguard assets;</li> <li>● Duty not to benefit from their position;</li> <li>● Duty of care;</li> <li>● Duty to act personally;</li> <li>● Duty to act collectively; and</li> <li>● Duty to keep accounts.</li> </ul>
B9	<p><b>Please evidence how you know that your proposals for the use of the asset are supported by and meet the needs of the wider community and City. You should describe the level and nature of support for the request from the community.</b></p>
	<p>Answer:</p> <p>Engaging with as many people as possible in different ways was a critical part of the research phase for the feasibility study that has fed into this business plan. Every effort was made to carry out participative community engagement. The aim was to ensure that proposals for community asset transfer and development were community-led and addressed a real need. NEA commissioned Community Enterprise to carry out this work and around 400 people have contributed to the consultation.</p>

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NEA Business Plan gives details of the research and analysis NEA have carried out in terms of NEA proposals for the existing building, garden and land adjacent for a new Community Hub.

#### The result of the community engagement resulted in support for the Project:

- NEA is a busy well used facility and the community are **supportive of the asset transfer of the land.**
- Respondents to the survey overwhelmingly supported NEA securing the land for the long term benefit of the community: **96.2% were in favour.**
- NEA would benefit from extended opening hours to cater more for working people.
- Muirhouse is an area of targeted regeneration efforts at the moment which includes housing (more than 700 new units), health facilities and the development of a new town centre. Works have been ongoing since 2012 with the bulk of the public works to be completed by 2022. The proposed development of NEA fits within this larger strategic development.
- There is a very strong policy fit against a range of strategy areas.
- The vast majority of respondents to the survey agreed to some extent with the statements on the impact of securing the future of NEA for the community. There was particular agreement that the project would bring the community together (**50% strongly agreed; 45.1% agreed**); that it would secure the future of NEA as a vibrant community-led arts and performance venue (**53.1% strongly agreed; 43.2% agreed**); and help people feel less isolated (**56.8% strongly agreed; 38.3% agreed**).

The local need is identified in detail in the research report but is summarised here. The research report identified the following as key areas for development:

- Space and support for small business and enterprise activity
- Additional creative and play activities for families and young children (pre-school and primary)
- A space where young people feel safe and can be empowered to develop their own programme of activities
- Expansion of café and food related activities, including growing space
- Learning and training opportunities

The local need is identified in detail in the research report (Business Case).

#### Summary:

A need to stimulate Enterprise. Unemployment rates are higher than across Edinburgh and Scotland and in particular this relates to youth unemployment.

45% of respondents to the survey wanted space for new and existing **businesses** to grow and develop and 40% would welcome enterprise support and training.

**Youth Investment.** 25% of the total population are under the age of 16 (compared to Scotland 16.9%). Despite there being good local youth provision, young people and stakeholders talked of the need for a space where young people could come together, have ownership of and feel safe.

**Families and Children.** As regeneration continues, more families are moving into the area. Services and facilities are needed to strengthen families and ensure the community can be a welcoming and interesting place to bring up families.

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	<p><b>2020 NEA Away Day:</b> With attendance of all existing projects based in NEA, they were supportive of NEA asset transfer of land and enthusiastic for the expansion of the arts and culture service provision, expanded programme, employment opportunities, the opportunity for the establishment of new enterprises, incorporating carbon neutral, innovative design and Community Hub.</p>
<p>B1 0</p>	<p><b>Where applicable, please detail how your proposals for use of the asset will enhance the existing use of the building/land</b></p>
	<p>Answer:</p> <p>NEA is keen to secure the land currently leased to ensure it is held in community ownership for the long term. This increase in control would allow for securing development funding. The NEA building sits on a tight site and without this community asset transfer NEA will be landlocked with no room for expansion. Much loved community garden will be secured for the use of the community.</p> <p><b>Enhancement due to Community Asset Transfer will:</b></p> <ul style="list-style-type: none"> <li>• Expanded arts and culture programme.</li> <li>• Would provide further space for community activity which will be an accessible community space of high quality, incorporating carbon neutral and innovative design.</li> <li>• A new welcome reception space will be created at the end of the public square that is easily seen and attracts local people in. McMillan Town Centre is a public square which is vital to the regeneration of Pennywell and the wider area.</li> <li>• A new space would be used for markets, festivals and other community activity led by North Edinburgh Arts and others, creating a vibrant, busy “village green” feel to this part of North Edinburgh.</li> <li>• The Shed project will be relocated in the NEA building.</li> <li>• Much loved community garden will be maintained for the use of the community.</li> <li>• Create opportunities, in the new community space, to set up businesses and social enterprises. The Firstport What if? Project based in North Edinburgh Arts will deliver and support new businesses and social enterprises.</li> <li>• Create a space where young people can come together, have ownership of, feel safe and participate in activities. (25% of the total population are under the age of 16 (Scotland 16.9%).)</li> </ul>

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- Additional space at NEA will ensure more activities for children and young people, including informal meeting space for parents and children and drop-off crèche facility. (47.4% of all families with dependent children living in the area are single parent families, this is notably higher than the Scottish average of 27.6%. 25.4% of children live in 'out of work' households (Scotland 14.9%).)
- The new space will create an expanded catering facility on the ground floor which will allow expansion of the cafe's menu and extend opening hours ensuring that greater numbers can benefit from our low cost high value meals.
- A cafe space will be hired by local food businesses to make products and also be used by local growing projects to preserve foods during glut periods.
- Provide a local meal delivery service for isolated and vulnerable people in the community. Also an opportunity for a new social enterprise
- Expand our current volunteering and training opportunities. Additional space and increased activity, NEA will expand the range and number of training places available. With partners including local businesses, schools and Edinburgh College, NEA will provide skills training in Catering and Hospitality.
- Design and equip a library that will be fit for the 21<sup>st</sup> century, with leadership from the Library service and consultation with the community. The Library would be twice the size as previously proposed by the Council.
- Deliver a Carbon Neutral Building.
- Increase opportunities to work with the International Festival and other Festivals, to deliver festival programmes in North Edinburgh.
- Boost the local economy and create jobs
- Third sector organisations retained and increased in the area.
- Create a digital hub that will include a makerspace where people can access high quality maker equipment to work on projects, network, build and learn. Access to a Makerspace will develop high-end science, technology and creative skills, building capacity within the community to take advantage of employment and enterprise opportunities that will arise from the proposed cultural developments at the Waterfront.
- New community space will expand our work with local schools to support the curriculum in relation to drama and arts. NEA will work with Skills Development Scotland and other partners to provide outreach events for school pupils and family

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	<p>events that will raise awareness of Science, Technology, Engineering, Arts and Mathematics (STEAM).</p> <ul style="list-style-type: none"> <li>• Create access to a quiet space and computer facilities for homework and study. NEA will create a homework club where young people can learn in a supported environment.</li> <li>• Improved health through enhanced programme</li> </ul> <p><b>In NEA Business Case, 2.5, there are details of the three outcomes listed below:</b>  <b>Outcome 1 : Our community will achieve more sustainable economic, environmental and social development through the ownership of land and buildings.</b>  <b>Outcome 2 : Our community will have a stronger role in and control over their own development.</b>  <b>Outcome 3 : The community will have a well-managed, financially sustainable space</b></p>
B1 1	<p><b>Please outline how your proposals take account of the influence of local and city market forces and (i) if so are there plans in place to ensure that your proposals for the use of the asset are competitive in order to sustain the asset, (ii) if not please explain why.</b></p>
	<p>Answer:  As an organisation, North Edinburgh Arts, has been operating for over 20 years with a Director, a strong staff complement, and competent board, all the necessary policies and procedures are in place. These are reviewed regularly by the board and the Director keeps on top of changes and new legislation.</p> <p><b>NEA will ensure the community will have a well-managed and create a financially sustainable space.</b>  Increases in space, new services and an expansion of existing work will allow income to be generated from the anchor tenant (the library) and enterprise units while increasing customer numbers to the café, events and other initiatives. Combining increased income generation with good governance and partnership work will lead to less reliance on grants and more financial sustainability.</p> <p><b>Research</b>  From our research we know that there is a demand for affordable workspaces for existing small businesses and to support new enterprises in the area. The market for hot-desking and studio space has grown over the years. With the closure of London Road and other studio spaces, the demand is increasing. Affordable community space where organisations can build long-term relationships with users is in demand. A current example: Tinderbox, based in NEA, shows what can be achieved, with extra income for NEA and a designated sustainable base for Tinderbox.</p> <p>Alongside space for individual businesses, NEA will develop co-working spaces and shared making spaces from which people can try out new ideas and learn in a co-operative environment. We anticipate that there will be an opportunity for a social</p>

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	<p>enterprise/small business to provide business services, accounting, general administration, marketing, to businesses in the workspace and the wider community. With the relocation of the current café to the new site, freeing up this space for enterprise units. This will include the Community Shed, currently located in a building that is due to be demolished as part of the regeneration plans for Muirhouse. This will give them security, a more visible presence and an opportunity to expand and to reach more people who will benefit from their activities.</p> <p>In partnership with Firstport and other business support providers we will provide access to locally based support and information for potential and new businesses to ensure they have the best start to their business journey. We will continue to support the development of a local market and will work with the steering group to create events that will complement the market activity. We will seek to take advantage of the proposed developments at Granton Waterfront and will encourage and support skilled employment and business opportunities that may arise from this.</p> <p><b>Marketing and promotion</b> of the assets are covered in question B12</p> <p><b>In NEA Business Plan at 7: Income Generation and Sustainability</b>, gives details of NEA plans, which are in place to ensure NEA proposals are competitive and sustainable, in the future. Also full financial projections are shown in Appendix 1.</p> <p><b>In 5.8, Risk Mitigation:</b> NEA have carried out a risk assessment, identified the steps NEA needs to take and action to be carried out. NEA approach seeks to ensure NEA is sustainable and affordable and so, the plan will be reviewed and updated annually.</p> <p><b>5.6 Monitoring and Evaluation:</b> NEA already has robust monitoring and evaluation systems in place for all their work, partly to communicate our impact to members and the general public and partly to report to funders.</p>
B1 2	<p><b>If suitable, is there marketing and development plan in place for the asset for the next five years? If so, please provide further details in relation to your approach</b></p>
	<p>Answer:</p> <p><b>Marketing and Development Plan</b></p> <p>North Edinburgh Arts: <b>Key Messaging</b> In all of our marketing information targeting locals and entrepreneurs, we will clearly identify the key assets that NEA has to offer:</p> <ul style="list-style-type: none"> <li>• Open and welcoming</li> <li>• Affordable</li> </ul>

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- High quality space
- Community run
- Proximity to many other services

North Edinburgh Arts has already good customer numbers at the café and strong occupancy rates. The community asset transfer will increase space in the café, requiring more customers and increase the lettable space, particularly the enterprise space. The garden will be protected and the Shed project will be able to be relocated to NEA existing building. The approach will therefore build on our existing marketing strategy and be organic rather than aggressive. A new library, reflecting the needs of the community, will also be able to promote and market all the services provided in the Community Hub.

The nursery, with a link to North Edinburgh Arts, with space for over 180 children and their parents will be an opportunity to promote and market the new and existing spaces to new customers. The current space for the Shed is very challenging for use by the community and the space will be demolished. With relocation of the Shed into the existing building will create an opportunity for expansion of the service and an opportunity to promote and market this service to a new audience.

The **marketing strategy** will be an effective means of communicating and consulting with the local community to ensure that its needs and interests are understood and that services and facilities being provided reflect the needs of the people of North Edinburgh.

Marketing will also be crucial to reach new entrepreneurs who would benefit from the space available.

Promotion is already being carried out through social media and local press as well as NEA own website. NEA has 3444 followers on Twitter, 3,775 followers on Facebook and 1,148 on Instagram with an aspiration to grow these numbers.

We have good relationships with the local press and will utilise partnerships to mutually communicate news in the area. One of the key motivations for the North West Action Group is to increase information flow about what is available locally. For example, Fresh Start will have a marketing strategy for the new hub and, ideally, there should be some synergy between this and NEA's strategy. Similarly, PCHP leads on the food strategy, to which NEA has input, and regularly communicates food related activities across the area. North Edinburgh Covid-19 Foodshare Group has strengthened NEA work with key partnerships in North Edinburgh which will result in enhanced marketing and communications to the community.

**Marketing Strategy : 6.2 in Business Plan**

<b>2019 to 2022 Increasing interest during planning, fundraising and build</b>	<b>2022/23 Establishment and launch</b>	<b>2023/24 and forward Growth and developm</b>
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	<p>Agree marketing objectives and write (or commission) marketing strategy Utilise monitoring and evaluation data to drive marketing Review social media strategy with targets to grow followers Develop page on NEA website to gather notes of interest, especially in enterprise space. Clearly identify different customer groups – profile and needs Develop a sub-brand for the enterprise space Build and Improve stakeholder relations through partnership meetings Clarify monitoring tools to judge effectiveness of marketing Regular blogs, posts on Facebook and/or Twitter about the fundraising and build</p>	<p>Arrange official opening event Roll out new expanded social media strategy Advertising locally with stories in North Edinburgh News Use of other Facebook to communicate impact of the newly revamped NEA Increase social media posts/shares – general E-newsletters via MailChimp Secure external support for marketing, say from Just Enterprise or pro bono support from a PR firm. Develop database of customers</p>	<p>Review usage targets for each activity Expand communications strategy Enhance the team, either with new resource, or placements and students Continue social media plan Continue regular newsletters via MailChimp to a growing number of people. Weekly blogs, posts on Facebook and/or Twitter News in Edinburgh Evening News and local publications such as housing associations magazines</p>
<p><b>Marketing Communications Plan: 6.3 in Business Plan</b></p> <p>The key communications tools underpinning our marketing strategy are shown in the table below:</p>			

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	<p><b>Service: Letting enterprise space and hot-desking</b></p>	<p><b>Objective:</b> to launch and populate a social enterprise hub with space to stimulate and support the development of local enterprise ideas. Target of 25 entrepreneurs in one year</p> <p><b>Communications:</b></p> <ul style="list-style-type: none"> <li>• Use of core partner in First Port</li> <li>• Use of local referrers, from PYCP to Fresh Start</li> <li>• Use of national and regional referrers where social entrepreneurs go, including business gateway, Just Enterprise, Community Enterprise, Social Firms Scotland, Social Enterprise Academy etc.</li> <li>• Devise social media plan, with regular tweets and facebook posts advising of development of the enterprise accommodation and additional support</li> <li>• Gather prospect names of people who may be interested in accommodation in advance</li> <li>• PR campaign to social enterprise outlets, such as promotion via Senscot and SES bulletins</li> <li>• Create attractive local flyer for distribution across the community.</li> <li>• Website promoting all spaces available and activities offered; on-line booking available through website</li> </ul>	
	<p><b>Target Market –</b> new entrepreneurs, ideally locally and likely to be young people</p>		

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<p><b>Service:</b> Increased local use of core activity, garden, café, events etc.</p>	<p><b>Objective:</b> We will increase our usage by 25% in year one following extension and refurbishment</p> <p><b>Communications:</b></p> <ul style="list-style-type: none"> <li>• Establish good links with all local primary schools, Craigroyston High School and Broughton High School.</li> <li>• Utilise local partnerships</li> <li>• Design marketing material aimed for online and hard printed format</li> <li>• Deals and discounts in the cafe</li> <li>• Devise social media campaign aimed at promoting programme of new initiatives</li> <li>• Develop portfolio of photos and quotes from events held</li> <li>• Develop website</li> <li>• Sandwich boards at the entrance and electronic boards in reception</li> </ul>			
<p><b>Target Market</b> – everyone in North Edinburgh</p>				
<p><b>Budget</b></p> <p>North Edinburgh Arts will set a budget for marketing aside each year. Whilst a small budget is allowed for marketing, we will also use volunteers, placements and students to support this.</p>				
<p><b>2020/21</b></p>	<p><b>2021/22</b></p>	<p><b>2022/23</b></p>	<p><b>2023/24</b></p>	<p><b>2024/25</b></p>
<p>On-going £1000</p>	<p>Keeping people informed £1200</p>	<p>Establishment and launch £3000</p>	<p>Maintenance £1200</p>	<p>Maintenan £1200</p>
<p><b>Monitoring and Evaluation: 6.5 in Business Plan</b></p> <p>North Edinburgh Arts will monitor key outputs including:</p> <ul style="list-style-type: none"> <li>• Number of bookings and users following marketing activity</li> <li>• Turnover in café</li> <li>• Visitors to library</li> <li>• Value of income generated by each element</li> </ul>				

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	<ul style="list-style-type: none"> <li>• When are our busier times; subsequently we will also monitor when our quiet times are to identify what can be done to fill these quiet spells</li> <li>• We will find out from customers, groups and individuals how they heard about NEA to identify how effective our marketing is</li> <li>• The impact we make through ongoing customer satisfaction surveys and open community events asking people about NEA, what difference we are making and what could be done to improve things or ideas for new activities and services</li> </ul>
<p>B1 3</p>	<p><b>Please detail evidence of support from the appropriate <u>Neighbourhood Partnership</u>, Councillors, other community leaders and other relevant interests?</b></p>
	<p>Answer:</p> <p>NEA gave a presentation at the last CEC North West Locality Committee in March 2019 and elected members were supportive of the work carried out by NEA and their proposals for community asset transfer. NEA have briefed Peter Strong and Scott Duncan at North West Local Office. They have both been supportive and excited by NEA proposals for McMillan Town Centre.</p> <p>North Edinburgh Arts wrote to elected members (letter below), to set out NEA background, our achievements and proposal for community asset transfer. We briefed elected members at the City Chambers and some visited North Edinburgh Arts. All elected members were supportive of NEA ambitious vision for NEA future:</p> <p>Lord Provost Frank Ross, Councillor Donald Wilson, Convener of Culture and Communities Committee, 4 Almond Ward Councillors, 3 Inverleith Ward Councillors, 2 Forth Ward Councillors, 3 MSPS, 1 MP, Councillor Adam McVey, Council Leader has visited NEA, Board and has been briefed on our community asset transfer.</p> <p>Statements of support: Councillor Cammy Day, Forth Councillor and Deputy Leader of Edinburgh Council “We all support moves to a community hub model, and are keen to work with NEA on developing their business case and appropriate funding opportunities”</p> <p>Ben McPherson Member of the Scottish Parliament for Edinburgh North and Leith: “I have always found NEA to be an exemplary project; delivering innovative programmes and providing my constituents with a space in which to gather and learn new skills. Additionally, I am always very impressed with your range of exhibitions, dance shows, community theatre performances and the range of films shown through your film clubs. I am particularly aware of the difference NEA makes to my younger constituents, through organisations which utilise your building, such as Licketyspit Theatre Company and Tinderbox Orchestra. The proposal for the development of McMillan Square, seems to me to be a transformational use of the built environment, which I am sure will be appreciated by my constituents in West Pilton and beyond.”</p> <p>Christine Jardine Member of Parliament for Edinburgh West: “I will be happy to write in support of plans for new community space at McMillan Square and offer whatever support I can. I look forward to working with you in future.”</p> <p>Dear Elected Member</p>

# City of Edinburgh Council

## Application for an Asset Transfer

### Stage 2 – Sustainable Business Case

The Board of North Edinburgh Arts invite you to a briefing about our future plans for our venue and the local area. We want to share our work around Community Asset Transfer, our ambitious Business Plan, answer any questions you might have, and ideally gain your support for our existing proposals. These aim to deliver ambitious, high quality, and much needed community space for North Edinburgh building on the success of our organisation through the last decade.

NEA is keen to secure the land currently leased to ensure it is held in community ownership for the long term. This increase in control would allow our organisation, in partnership with other third sector partners, to secure development funding. The organisation is also assessing options for acquiring other land to allow space for expansion. The NEA building sits on a tight site, and we have been in discussion with officers of the City of Edinburgh Council to explore the possibility of NEA purchasing and redeveloping the site Muirhouse Library currently occupies. This would involve a new building that, in addition to replacing the existing library, would extend NEA's capacity and provide further space for community activity. NEA's vision is to ensure there is accessible community space of high quality, incorporated with a carbon neutral and innovative design. The community space will reflect current community aspirations, whilst being flexible enough to respond to unplanned future demand.

For your information I have included a short summary and background to NEA, below, and you may wish to find out more by visiting our website at [www.northedinburgharts.co.uk](http://www.northedinburgharts.co.uk), and have a look at our Case for Support summary here <http://bit.ly/caseforsupportNEA>

We have arranged two dates for the briefing but would be happy to meet with you, on an individual basis, at a time and place of your choice to talk through the plans.

Councillor Gavin Barrie:

"To whom it may concern,

As a Local Authority Councillor for the adjoining Ward to the location of North Edinburgh Arts (NEA,) I am highly impressed with the work carried out in our community by them, and I am fully supportive of their Community Asset Transfer application. NEA is in an area of targeted regeneration efforts at the moment which includes housing and the development of a new town centre based around a public square. NEA's vision will ensure there is accessible community space of high quality to compliment the other regeneration work being undertaken. I believe the proposed new community space will reflect the needs of the community, while being flexible enough to respond to future demand. In addition, NEA's new proposal will address the demand for affordable workspaces for existing small businesses and to support new enterprises in the area. I seek that the decision makers on this application look favourably on their asset transfer request and assist them in all possible means to achieve their desired outcome.

Yours sincerely,  
**COUNCILLOR GAVIN BARRIE"**

From Councillor Graham Hutchison:

North Edinburgh Arts vision for a landmark community hub building at Macmillan Square is exactly what is required as centrepiece to the redevelopment in the area.

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The proposed project would bring many benefits to my constituents at the heart of their community.

The following Community & Cultural Organisations have expressed enthusiasm for our plans:

7<sup>th</sup> May 2020

To whom it may concern

As Treasurer of The Muirhouse /Salvesen Community Council I writing to endorse the following plans, proposed by North Edinburgh Arts:

To purchase the land the NEA building and garden sit on, currently leased from the City of Edinburgh Council, to bring them fully into community ownership, to purchase an additional piece of Council owned land next to their building and to work in partnership with the City of Edinburgh Council and other partners to create an exceptional creative and community hub facing onto the new MacMillan Square.

Yours faithfully

Roy Douglas

Dear Kate,

Thank you for sending the copies of the plans for future development of North Edinburgh Arts. As programme manager for What If...North Edinburgh? part of First Port's social enterprise development programme I welcome them. I know from my work with local people how much new community space is needed to enable people to develop their creative and business ideas. The lack of affordable co-working space and space to bring people together to develop creative responses to the issues faced in the community is felt keenly.

We desperately need long term investment in community infrastructure to support local people in creating a thriving neighbourhood. Establishing a well designed space run for and by the community is a crucial foundation in that regeneration programme.

Regards  
Julie

Julie Smith  
What if...North Edinburgh? Programme Manager  
c/o North Edinburgh Arts  
15a Pennywell Court  
Edinburgh EH4 4TZ

Pilton Community Health Project is very supportive of your plans and see many benefits to the local communities both of our organisations serve in the North of Edinburgh

We wish you all well at this time.

Best wishes

Helen  
Director

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Dear Kate

I fully support your application for the asset transfer and am happy to endorse your plans.

I look forward to working with you in the new exciting chapters of both NEA and Fresh Start.

If you require further information please do not hesitate to get back to me.

Kind regards  
Biddy

Biddy Kelly

Managing Director  
Fresh Start  
0131 476 7741  
DD 0131 370 9135  
M 07387105200  
[www.freshstartweb.org.uk](http://www.freshstartweb.org.uk)

6<sup>th</sup> May 2020

To whomever it may concern – Letter of Support

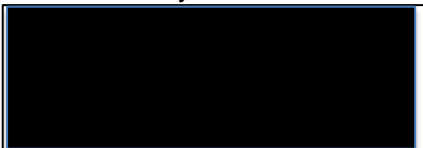
The purpose of this short note is to pledge our support for North Edinburgh Arts Centre (NEAC) community asset transfer application.

NEAC is an established, a key and valued community anchor organisation in North Edinburgh. If successful, this asset transfer would enable NEAC to increase and deepen their social impact across our local community, at a time when the organisation is needed by others more than ever.

It is fantastic to see NEAC new 'social home' will include greater space for young people, also working space for existing and start-up social enterprises.

I wish them every success for the future and greatly admire the heightened ambition they bring, at a time when our local community needs inspiration and some hope for the future.

Yours faithfully

A rectangular black box used to redact the signature of Douglas Samuel.

Douglas Samuel  
Chief Executive  
Spartans Community Football Academy

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**Stage 2 – Sustainable Business Case**

Tragic Carpet  
Studio 2.34 St Margaret's House  
London Road  
Edinburgh  
EH7 6AE

23rd March 2020

Letter of support to Kate Wimpres in support of a Community Asset Transfer

Dear Kate,

I am writing to you in support of North Edinburgh Arts and its visionary development plans.

I have been a 'user' of this community focused gem for many years as a parent, as a social activist and volunteer and as an artist. The existing provision, developed by you and your staff and volunteers, has transformed the facility from a rather beautiful anachronism to a quality arts place, a hub for its local community both young and old, a provider of wholesome and imaginative food at competitive and attractive prices, a locus for the free sharing of food and other items, an outdoor space burgeoning with artist and community co-involvement, a space for local groups to come together and grow in response to their own needs. It offers a professional, welcoming, caring and empowering interface with all whom they serve and is a phenomenal think tank with the power and connections to listen to its community.

I wholeheartedly and passionately support this Community Asset Transfer Bid and know that its successful outcome will transform lives in Pilton and Muirhouse now and for future generations. This project is one of the finest examples of arts based, embedded community development we have, it is entirely focused on its user base, entirely interested in the outcomes for the community within which it lives and entirely selfless in its approach to partnership working, bringing artists and other resources in to build ongoing and outcome rich relationships with local people.

I wish you a hugely successful application.

Yours sincerely,  
Freda O'Byrne

Dear Kate,

I saw that you were looking for letters of support in relation to expansion plans for NEA and wanted to add my voice to the pile. As you know, I have been bringing First Bite Youth Theatre to perform in the theatre for 11 years now. Our most recent outing was just a couple of weeks ago. As always, it was a wonderful experience for the whole group who grow exponentially from performing in a dedicated theatre space with full technical support. Feedback has been fantastic and we are already planning our visit next March!

In the time that we have been working with NEA, the venue has totally transformed. In those early days we were often the only ones eating in the cafe at lunchtime, this year we could barely get a seat! It was great to see so many people using the building in so many different ways, and feeling so comfortable and at home in the space. It did feel markedly busier this year, and I can see that more space to develop further activities and resources for the



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	<p>community would be very welcome. The expansion plans look exciting, and I wish you every success as you go forward.</p> <p>Best wishes - Rebecca Kilbey Director, Live Drama and First Bite Senior Youth Theatre</p> <p>North Edinburgh Arts have support for our community asset transfer proposal, from officers who are part of the regeneration of North Edinburgh and in particular, McMillan Town Centre. Also Children and Families, who have proposals for a new build Nursery, next to North Edinburgh Arts, can see the positive opportunities for partnership working with NEA Community Hub.</p>
B1 4	<p><b>Are there any objections to your proposals for the asset that you are aware of? If yes please detail these and how your organizations is dealing with these, if no then please detail how you would handle any concerns should these develop in the future.</b></p>
	<p>Answer:</p> <p>No. There has been widespread support for the NEA Community Asset Transfer application. If there are any objections NEA will engage with a person or organisations to address their issues. If following engagement there are still objections, NEA would engage an independent mediator, to find a way forward.</p>

	Financial Management
B15	<p><b>In relation to your plans for the asset, is the proposed income dependent upon; (i) a single income source, (ii) a dominant income source or (iii) multiple, but inter-dependent sources of income? Please detail below.</b></p>
	<p>Answer:</p> <p>Multiple, but inter-dependent sources of income as outlined in the Business Plan budget. The organisation has an existing turnover of c.£650,000 per annum, made up of unrestricted and restricted grants from ten funders, complemented by earned income equal to 12% of annual turnover.</p>
B16	<p><b>In relation to your plans for the asset, are the sources of income sustainable, i.e.; likely to persist over the next few years, or are short-term, or will there be a need for subsidy from another source for example the parent organisation or public funds?</b></p>
	<p>Answer:</p> <p>The asset, once built ,will be sustainable via rental and overhead contributions from individuals and organisations, to include the CEC Library Service, using the facilities.</p>

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B17	<p><b>In relation to your plans for the asset, please evidence any trading and other efforts to generate income.</b> Please include any anticipation of bidding for public sector grants/contracts or other funding?</p>
	<p>Answer: As noted above the income generated to cover the running costs of the asset will be earned. NEA currently raises 12% of annual income via café sales, room hires and office rentals, and the extended building and café space will allow for this income to increase from c. £85,000 per annum to c.£130,000. This will cover the overheads associated with the new spaces, and contribute c. £7,000 per annum to NEA general funds.</p>
B18	<p><b>Please describe below the financial relationship between your organisation and your plans for use of the asset.</b> Please include details about implications that there may be for your organization and the asset and how you will manage any risks identified.</p>
	<p>Answer:  The asset will be run as an extension of our current building, and will operate using our existing financial systems. The NEA Director has run the organisation for twelve years, stabilised and grown the turnover, and has diversified the funding streams to make the financial situation of the organisation more robust. This has included developing an earned income stream from desk and office lets, room hires and café sales. The asset, following the capital fund process, will add a small surplus to NEA as set out in the business plan.</p>
B19	<p><b>Has your organisation ever been investigated on the basis of poor financial management or failure to demonstrate good organisational governance?</b></p>
	<p>Answer: No, not since the existing Director and Board took over in 2008. They inherited a weak financial situation and have stabilised and developed the organisation.</p>
B20	<p><b>Does your organisation currently have operational capital, if yes is this being applied as part of the request, if no, will the proposed asset provide for a financial asset or liability?</b></p>
	<p>Answer: No. Once built the asset will be a financial asset, as noted in B17. NEA working in partnership with CEC will offer the strongest, and most compelling, partnership by which to secure the funds required to build the asset.</p>
B21	<p><b>Is the request for asset transfer being made in order to add to an existing property asset portfolio for the purposes of continued trading?</b></p>
	<p>Answer: Yes, the asset will allow for fit for purpose space for continued trading.</p>

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B22	<p><b>Please indicate with an example where the financial aspects of your proposal have been successfully applied elsewhere?</b></p>
	<p>Answer: Before community consultation was started, research was carried out by Community Enterprise and North Edinburgh Arts, on projects similar to NEA. Desk research was carried out and four case studies were done to bring learning from other projects. Community Enterprise have extensive experience and success advising projects, similar to NEA. Their experience with other projects ensured NEA Business Case was influenced by the existing financial viability found elsewhere. .</p> <p>The NEA Director has also reviewed similar projects such as Broomhouse in Edinburgh, Platform in Glasgow and the Bromley-by-Bow Centre in London</p> <p>Richard Murphy Architects, who have extensive experience in designing and delivering similar projects, including libraries in community hubs, have stimulated and influenced thinking with various design solutions for NEA project. Their experience ensured consideration of models for financial viability</p>
B23	<p><b>Please identify if; (i) your proposals for impacts upon the finances of your organisation and (ii) plans for mitigation if negative issues arise concerning cash-flow, liquidity or financial capacity issues that may impact upon the request?</b></p>
	<p>Answer: NEA will commence a separate Capital Build funding programme as detailed in the Business Plan, separate to existing revenue budgets. A two year timetable to secure the capital funds has been discussed with officers in the preparation for this fund, with the partnership between NEA and CEC able to attract a wider range of funders, and higher level of support compared to individual approaches.</p> <p>Once operating the asset will add a small surplus to NEA as set out in the business plan.</p>
B24	<p><b>How do you intend to continue to operate should any income related to the proposed building/land not be generated as planned? Have you plans for alternative forms of income and/or alternative business model should income streams not continue?</b></p>
	<p>Answer:</p> <p><b>Revenue:</b> North Edinburgh Arts financial revenue situation is strong, with core funds, via grants agreed in principle, in place for the next two years. The NEA Business Plan is fully researched, with revenue and capital income predictions, NEA is confident their plans will prove successful.</p>

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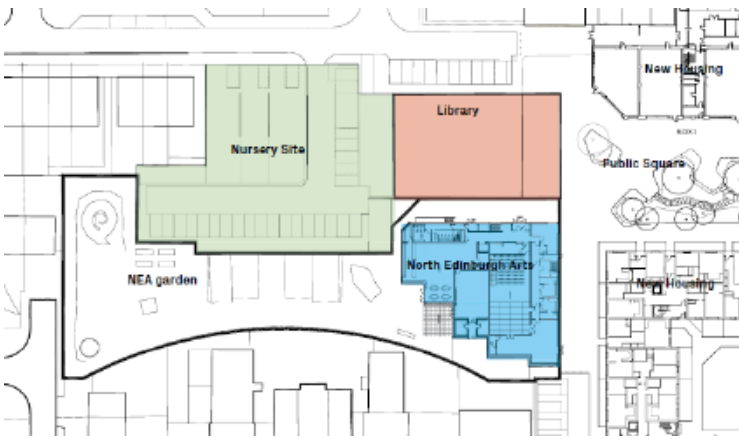
	<p>The Director and Board will continue to review budgets, including income generation on a continual basis and will know in the early stages if targets are not being met.</p> <p><b>Capital Development Costs:</b> The project requires refurbishing the building to a high standard while moving the reception and café, establishing fit for purpose studios and enterprise space, as well as creating a new library.</p> <p>NEA are aware there is increasing pressures on capital funding for community projects across Scotland, there is a need for caution in approaching fundraising for NEA and have decided to cap the costs at £5m. There may be VAT support that will reduce the VAT liability, thus increasing what can be achieved for the budget. NEA need to continue discussions with the City of Edinburgh Council to agree an approach to this challenging target.</p> <p>NEA Business Plan at 7.3 has a Capital Funding table which divides available capital funding for community projects into two sections to indicate more likely sources of funding.</p> <p>NEA Business Plan at 7.5 gives details of Income Generation and Sustainability</p> <p>A new NEA staffing structure has been implemented and the Director will be leading and concentrating on applying for capital funding. NEA Board and the Director have experience and strong connections with key funding organisations.</p>
B25	<p><b>What are your plans for the proposed asset should your organisation incur operational difficulties or cease to trade?</b></p>
	<p>Answer: It will revert to the ownership of Creative Scotland, and CEC as per the agreement set out in 1998.</p>
B26	<p><b>How have you factored in the impact of the total ‘on-costs’ for the asset for your organisation, i.e. repair, maintenance, insurance, energy requirements?</b></p>
	<p>Answer: Yes as outline in point B17.</p>
B27	<p><b>Please summarise below how you have factored in the following in regards to your proposals for use of the asset; market awareness, sales and other income generation opportunities.</b></p>
	<p>Answer: The proposed use of the asset is based on the existing market, sales and income generation undertaken by NEA, coupled with external research conducted by Community Enterprise in preparing the business plan.</p>

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	NEA raises £85,000 per annum via earned income at present, office/room rental and café sales, and have had surplus demand for office and desk space in 2018/19 and 2019/20.
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### PART C - Sustainability Impacts

C1	<p><b>In considering your proposals it is important that the impacts of proposals for use of the asset on the City’s economy, community-wellbeing and environment are identified.</b></p> <p>Please detail below the impacts upon the following:</p>
	<p>Muirhouse is an area of targeted regeneration efforts at the moment which includes housing (more than 700 new units), health facilities, a new nursery and the development of a new town centre based around a public square. Works have been ongoing since 2012 with the bulk of the public works to be completed by 2022. The proposed development of NEA fits within this larger strategic development</p> <div style="text-align: center;">  </div> <p>The building (blue area) and community garden (white area) is owned by the charity. However it is built on a one acre site owned by City of Edinburgh Council who issue a ground lease (currently not charged) which runs until 2031. NEA is keen to secure the land currently leased to ensure it is held in community ownership for the long term. This increase in control would allow for securing development funding. The organisation is also assessing options for acquiring other contiguous land to allow space for expansion. The NEA building sits on a tight site. Without losing the highly valuable community garden, extensions will be limited.</p> <p>At the same time, discussions have been taking place with the City of Edinburgh Council to explore the possibility of NEA purchasing and redeveloping the site on which the library currently sits. This would involve a new building that, in addition to replacing the existing library, would provide further space for community activity. As well as buildings, NEA also wants to protect the quality, range and type of greenspace available to current residents</p>

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	<p>and those moving into the area. NEA’s vision is to ensure there is accessible community space of high quality, incorporating carbon neutral and innovative design. The community space will reflect current community aspirations, while being flexible enough to respond to unplanned future demand.</p> <p>The context of the adjacent public square is vital to the development. It gives an open aspect to any development, allowing for a new welcome reception space to be created at the end of the public square that is easily seen and attracts local people in. In addition, the space is used for markets, festivals and other community activity led by North Edinburgh Arts and others, creating a vibrant, busy “village green” feel to this part of North Edinburgh. Muirhouse is an area of targeted regeneration efforts at the moment which includes housing (more than 700 new units), health facilities, a new nursery and the development of a new town centre based around a public square. Works have been ongoing since 2012 with the bulk of the public works to be completed by 2022. The proposed development of NEA fits within this larger strategic development.</p> <p>NEA submission if successful will:</p> <ul style="list-style-type: none"> <li>• Create new North Edinburgh Community Hub</li> <li>• Create shared space with Council and other organisations</li> <li>• With current planning proposals for McMillan Town Centre, NEA will be landlocked, land purchase would achieve extra community space.</li> <li>• Preserve garden space</li> <li>• Shed project would be able to relocate to main building</li> <li>• Footfall increased to increase service provision for the increasing population.</li> <li>• Enhanced cafe provision and increased turnover.</li> <li>• Job creation</li> <li>• Social Enterprises created</li> <li>• New enhanced Library provision, with increased visitors.</li> <li>• Extended building and community activity opportunities</li> <li>• NEA project would encourage people to McMillan Town Centre</li> <li>• Create a Carbon Neutral new building</li> <li>• Increase Number of bookings and users.</li> <li>• Value of income generated by each element</li> </ul>
C2	<p><b>Please detail below what you think are the benefits to the Edinburgh economy, please outline both positive and negative benefits that you think may occur:</b></p>
	<p>Answer:</p> <p>Main outcomes/benefits Though these are bespoke to NEA, we have related them to the three outcomes in the Scottish Land Fund stage 2 application.</p> <p><b>Outcome 1 : Our community will achieve more sustainable economic, environmental and social development through the ownership of land and buildings.</b></p>

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	<p>25 people per year will become more economically active through running their own enterprise, the bulk of which will be social enterprises.</p> <p>Expanding the café and other initiatives will allow us to increase the staffing and turnover of the organisation as well as creating a stronger and larger volume local supply chain.</p> <p>Being a very significant part of the local regeneration plans, will take this area from one which had a terrible reputation, to one where families and individuals are vying for homes. A better environment will see the nearly 6000 local people happier and more content, enjoying the environment where they live.</p> <p>Through events, the library, the café and many other initiatives, we aim to have direct contact with at least 50% of the community which will stimulate a greater sense of belonging and social cohesion. Crucially this will be inter-generational and between people of very varying backgrounds.</p>
C3	<p><b>Please detail below what you think are the benefits to the community outlining both positive and negative benefits that you think may occur: for example; what the impacts on the local community will be:</b></p>
	<p>Answer:</p> <p><b>Outcome 2 : Our community will have a stronger role in and control over their own development.</b></p> <p>We estimate that over time 500 local people will attend regular, well-advertised, information sessions, design meetings and consultation events to contribute ideas and thoughts to the vision and plans. There will be a feeling that this is “our building”.</p> <p>We will increase local representation on the board (which is already high) and create sub-groups, advisory panels and other mechanisms allowing 25 local people from all backgrounds to be directly involved in decision making. Local people will articulate feelings of empowerment over what happens locally.</p> <p>An estimated 10 young people will be invited onto a supported youth panel to ensure direct and relevant influence on the way NEA progresses. Young people will report a sense of ownership, as community contributors, not service recipients.</p> <p><b>Outcome 3 : The community will have a well-managed, financially sustainable space</b></p> <p>Increases in space, new services and an expansion of existing work will allow income to be generated from the anchor tenant (the library) and enterprise units while increasing customer numbers to the café, events and other initiatives. Combining increased income generation with good governance and partnership work will lead to less reliance on grants and more financial sustainability</p>
C4	<p><b>Please detail below what you think are the benefits to the City environment – please outline both positive and negative benefits that you think may occur:</b></p>
	<p>Answer:</p>

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As the regeneration work in Pennywell and Muirhouse presents some fine residential development and a smart new All Health Centre, it still lacks a “Civic Heart”. The welcomed McMillan Square is lacking in creating a sense of place for the community. Our proposal will ensure continuity of development across the façades of the arts centre, library, and nursery, providing a focal point of view from Pennywell Road, across McMillan Square to the new development. McMillan Square can be an accessible welcoming, destination space for local people to come together for street arts, markets and social interaction. The new NEA development extends the benefits and truly offers a “Civic Heart”.



**PART D – Summary Budget Information**

D1	<p><b>If appropriate, please summarise the budget arrangements for the requested building/land:</b></p> <p>Please see detailed budget and financial projections in the Business Plan</p>		
		Income	Expenditure



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**PART E - Other Issues relating to your request**

Current financial and other support from the City of Edinburgh Council

<b>E1</b>	Please identify below any investment that your organisation currently receives from the Council:		
		£sum	Purpose
	Annual Revenue Grant Culture & Communities	£150,000	To agreed annual targets.
<b>E2</b>	Please identify below any investment that your organisation has attracted from the Council in regards to the proposed transfer of the building/land identified in item 2 above:		
		£sum	Purpose
	N/A		
<b>E3</b>	Please identify below any investment in kind that your organisation currently receives from the Council in regards to the proposed transfer of the building/land identified in item 2 above:		
		£sum or equivalent value	Purpose
	N/A		
<b>E4</b>	If receiving investment or other financial support as above, is it anticipated that this will continue for the future and be of benefit in regards to your proposals for the building/land?		
	Yes, the CEC revenue grant has been agreed in principle for the period to March 2023.		

Added Social Value

<b>E4</b>	Please summarise below any additional social added value that your proposals may generate (for example; this may include volunteering, new services, improved trading or other initiatives)	<i>Please identify any equivalent</i>
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		<i>social added value (£m)</i>	
	<p>Added social value will be generated via:</p> <ul style="list-style-type: none"> <li>- Creating better places to live and work</li> <li>- Increased Volunteering opportunities</li> <li>- Activities to reduce social isolation and improve physical &amp; mental well-being.</li> <li>- Support for organisations being able to remain and grow in a location within the neighbourhood of those they support</li> <li>- Civic pride in McMillan Square</li> <li>- A reduction in anti-social behaviour</li> </ul>		

**Submission Checklist**

Please check that you have included the following as part of the accompanying information to your stage 2 submission:			
		Yes	No
	Full Business Plan (including financial plans) for the use of the Council-owned building or land	Yes	
	Most recent Full Year Accounts for your organisation	Yes	
	Articles of Association/ Constitution/Governance Document for your organisation	Yes	
	Supporting material from community members or other interests (inserted in section B13)	Yes	
	Have you read the Council Policy on Asset Transfers?	Yes	
	Have you read the Guidance for completing the application?	Yes	
	Have you read the Scottish Government Guidance for Community Transfer Bodies?	Yes	
	Are you able to prepare public briefing material on your proposal and present at committee	Yes	

**Signing Off**

Please get the following to sign-off your application*:	
Signature	
Chairperson of your organisation NAME: Lesley Hinds, Chair DATE: 8 <sup>th</sup> May 2020	
Senior Director/Committee Member NAME/POSITION: Mary Keegan, Vice Chair DATE: 8 <sup>th</sup> May 2020	
Name of person submitting the application:	

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	NAME/POSITION: Kate Wimpers Director	
	DATE: 8 <sup>th</sup> May 2020	

\* Signatories in signing the above assess that the information contained within the application form is accurate at the time of submission. In addition, should their request be successful, conditions of transfer will be the subject of separate legal agreement(s) with the Council.