

# North Lanarkshire Council

## Report

### Youth, Equalities and Empowerment Committee

approval  noting

Ref LMcM/GS

Date 26/08/19

### Campsies Centre (Cumbernauld) Ltd. Dissolution and Asset Transfer Update

**From** Lizanne McMurrich, Head of Communities

**Email** simpsongi@northlan.gov.uk **Telephone** 01698 520500

#### Executive Summary

Following the decision by the former Infrastructure Committee in May 2018 to wind-up the Council's wholly owned company Campsies Centre (Cumbernauld) Ltd (CCCL), this report provides members with an update on the dissolution procedure. The report advises that the balance of cash assets held by the company at that time was c £3.2m and confirms that the net balance of funds, after the settling of Campsies debts and liabilities, will transfer to the council for subsequent allocation to projects in Cumbernauld and its vicinity and in support of The Plan for North Lanarkshire. The report summarises funding decisions and proposals by the Board of Directors and outlines a recommended procedure for consideration and allocation by North Lanarkshire Council of the remaining balance.

#### Recommendations

It is recommended that the Youth, Equalities and Empowerment Committee:

- (1) Note current status of the dissolution of Campsies Centre (Cumbernauld) Ltd;
- (2) Note that, after the settlement of CCCL debts and liabilities, the remaining balance will transfer to the council for management and disbursement to projects within the vicinity of Cumbernauld which are making a contribution to The Plan for North Lanarkshire;
- (3) Agree that this balance will sit within the Head of Communities budget to enable funding considerations to be taken within the context of the council's wider funding programmes and further agree that any such projects are subject to assessment by council officers in accordance with existing procedures for grant award funding and the capital programme;
- (4) Approve the projects commended for funding by the company's Board of Directors, as listed in Appendix 1, subject to full financial and governance scrutiny via the above procedures, which the council will fulfil in consideration of each project, and;
- (5) Agree that further potential funding allocations from this budget are considered by this committee at future meetings.

#### The Plan for North Lanarkshire

Priority Improve North Lanarkshire's resource base

Ambition statement (24) Review and design services around people, communities, and shared resources

## 1. Background

- 1.1 On 2 May 2018, the former Infrastructure Committee considered the findings of the ALEO service review into the Campsies Centre (Cumbernauld) Ltd which has the purpose of facilitating the redevelopment of Cumbernauld Town Centre. Committee approved the dissolution of CCCL and agreed that the net assets at the time of transfer be earmarked for allocation to projects within the vicinity of Cumbernauld.
- 1.2 It was envisaged that dissolving the company would bring a one off net resource to the council of around £3.2m, and this would be managed in-house to ensure that it is effectively aligned to the council's key business plan objectives and future ambitions for North Lanarkshire while also reflecting the original objectives of CCCL which are detailed in the Articles of Association and make provision for:
- The general benefit and use of the community within Cumbernauld New Town's boundaries to redevelop Cumbernauld town centre and its environs and associated areas; and,
  - To promote and stimulate the growth and development of business and other enterprises in connection with Cumbernauld's redevelopment and to implement initiatives to realise and achieve the full economic potential of Cumbernauld's redevelopment.

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## 2. Report

### Funding Considerations to Date

- 2.1 Since the decision was taken to dissolve CCCL, council officers have been undertaking the required due diligence in preparation for the winding up of the Company, which will be completed via the process of striking off from the register of companies held by Companies House. This involves the preparation and signing of a formal transfer agreement between the council and the CCCL Board setting out the terms under which the assets and undertaking of CCCL transfer to the council. Thereafter, CCCL enters into a three month non-trading period before submitting the formal application to Companies House for striking off.
- 2.2 During this period, funding totalling just under £348k has been awarded to a number of projects for a variety of purposes including support for community safety initiatives, employment, training and advice projects, health and wellbeing and community based initiatives.
- 2.3 At its meeting on 19 June 2019 the Board agreed a list of additional projects totalling £1,801,309, which they wish to commend for progression and financial assistance by the council, post company dissolution. These are attached as Appendix 1 along with details of the current status of each project and sponsoring council service and/or community organisation. Where projects are '*still to be assessed*' it is recommended that these are subject to full financial and governance scrutiny which the council will fulfil in consideration of each project, notwithstanding the Board's desire that they be delivered. The Board have been advised that some of these projects may not be progressed due to insufficient information at this stage, absence of a clear business case or limited alignment with either The Plan for North Lanarkshire and/or CCCL's original objectives.
- 2.4 A number of other projects were considered by the company, however these were not commended for funding by the council.

## Consideration Process for Future Projects

- 2.5 Subject to finalisation of the projects listed in Appendix 1, the potential net budget transferring to the council is just over £1m, as summarised in Appendix 2. While monies will require to be retained for settlement of final company costs and liabilities, the balance will be allocated to projects in line with The Plan for North Lanarkshire. It is recommended that this budget is held by the Head of Communities to enable future projects/funding proposals to be considered within the context of the council's wider funding programmes, participatory budgeting proposals and Local Development Programme activity in the Cumbernauld area. It is further recommended that future projects are subject to assessment in line with the arrangements currently in place for the Grant Awards Programme and the capital programme project ranking and selection methodology to ensure compliance with Following the Public Pound requirements and consistency of approach across council funding programmes. This will also strengthen oversight and co-ordination of funding allocations and promote the development of potential contributory funding partnerships for specific projects within Cumbernauld and its environs. Following such assessment, details of individual projects and the recommendations in relation to potential funding awards will be submitted to this committee for consideration.

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### **3. Equality and Diversity**

#### **3.1 Fairer Scotland Duty**

The Grant Award Programme assessment process identifies where a project supports an equality need and this is reflected in the scoring methodology.

#### **3.2 Equality Impact Assessment**

As above.

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### **4. Implications**

#### **4.1 Financial Impact**

The net asset transfer position is outlined within Appendix 2.

#### **4.2 HR/Policy/Legislative Impact**

There are no issues requiring consideration at this stage.

#### **4.3 Environmental Impact**

While there are no environmental impacts arising from this report, members should note that a number of the commended projects will improve the physical environment through the creation or upgrading of play facilities and public parks. In a number of cases these upgrades will result in reduced future maintenance costs for the council.

The assessment of new projects, including those '*still to be assessed*' within Appendix 1, will include consideration of environmental impacts and the identification of potential ongoing revenue requirements and how these will be resourced.

#### 4.4 Risk Impact

The requirement to identify potential risks associated with a project is clearly set out in both the Grant Award Programme assessment procedure and the capital bid methodology. Considering CCCL funding proposals against these criteria will enable the early identification of potential risks and ensure that these are adequately recorded and monitored in the project management and implementation stages as projects are taken forward.

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#### 5. Measures of success

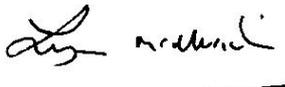
- 5.1 Suitably robust governance and oversight arrangements in place to consider and allocate the residual balance of funds transferring from CCCL to the council.
- 5.2 Funding allocated to projects which benefit Cumbernauld and its surrounding areas while also supporting The Plan for North Lanarkshire and fulfilling the original objectives of CCCL.
- 5.3 Impact and outcomes delivered by the funded projects meet those as set out in the initial applications and as per assessment recommendations.
- 5.4 Compliance with Following the Public Pound requirements and accountability and transparency of the funding allocation, monitoring and reporting procedures.

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#### 6. Supporting documents

- 6.1 The following documents support this report:

- Appendix 1 - Projects Commended for Approval by CCCL Board
- Appendix 2 - Campsies Centre Cumbernauld Ltd – Net Asset Transfer Position



**Lizanne McMurrich**  
**Head of Communities**

## Appendix 1

<b>Projects commended by Campsies Board which are already complete or at an advanced stage</b>					
Sponsoring Source and/or Community Organisation	Description	Location	Campsies Funding	Status	Other Sources of Funding
Play Services / Village Community Council	Establish new playpark (MUGA)	Cumbernauld Village	£ 78,000	Complete	£30,000 from LDP
Kildrum Community Council / Play Services	Clouden Road MUGA	Kildrum	£ 80,000	Complete	£10,000 from LDP
Campsies Board	Glen Morrison play area	Craigmarloch	£ 50,000	Onsite	
Campsies Board	Glen Cova play area	Craigmarloch	£ 10,000	Onsite	
Campsies Board	Glen Dochart play area	Craigmarloch	£ 10,000	Onsite	
Play Services / LAP	Fort Marmion play area	Greenfaulds	£ 150,000	Onsite	
Campsies Board	Broom Road play area	Abronhill	£ 5,000	Onsite	
Play Services / LAP	Sandyknowes play area	South Carbrain	£ 12,000	Onsite	£38,000 from LDP
Campsies Board	Westfield Park	Westfield	£ 30,600	Onsite	
Country Park Team	Play facility at Palacerigg	Palacerigg	£ 300,000	Onsite	
Campsies Board	Dunbrach Road play area	Balloch	£ 70,000	Complete	
Campsies Board	Dullatur play area	Dullatur	£ 4,000	Complete	
Castlecary Community Council / Campsies Board	Castlecary Memorial Garden	Castlecary	£ 13,564	Complete	
<b>Projects commended by Campsies Board which have been assessed and are recommended for progression</b>					
Sponsoring Source and/or Community Organisation	Description	Location	Campsies Funding	Status	Other Sources of Funding
Project Lead – NLC in partnership project with Scottish Wildlife Trust	Cumbernauld Living Landscapes	Various locations throughout Cumbernauld	£ 300,000	Recommended	
	Aria lighting enhancements		£ 10,145	Recommended	
	Sponsorship of Cumbernauld 10k 2019		£ 10,000	Recommended	
	Asist Village allotments		£ 10,000	Recommended	
<b>Projects commended by Campsies Board which have still to be assessed by the council</b>					
Sponsoring Source and/or Community Organisation	Description	Location	Campsies Funding	Status	Other Sources of Funding
	Cumbernauld House Park		£ 80,000	Assessment required in line with Open Space Strategy	

	Cumbernauld Community Park		£ 250,000	Assessment required in line with Open Space Strategy	
	Unemployed Workers (Year 2+3)		£ 28,000	Assessment required	
<b>Projects commended by Campsies Board which are not recommended for progression by the council</b>					
	Primary School ash pitches		£ 240,000	Not recommended to proceed, not aligned to Sports Pitch Strategy approach or community hubs at present	
	Parking St Andrews primary		£ 60,000	Not proceeding, insufficient overall funding package available	

**Total: £ 1,801,309**

## Campsies

### Net Asset Transfer position

	£	
<b>Net asset position as at the 31 March 2018 (Per Audited Annual Accounts)</b>	<b>3,228,120</b>	<b>(Cash at Bank £3,096,835)</b>
Less Project expenditure (Donations) for the year to 31 March 2019 (Appendix 1)	(338,275)	
Less Net Operating Expenditure for the year	(45,671)	
<b>Net asset position as at 31 March 2019 (per Audited Annual Accounts)</b>	<b>2,844,174</b>	<b>(Cash at Bank - £2,888,124)</b>
Less Project expenditure (Donations) post 31 March 2019 Feasibility Study for existing Cumbernauld Theatre Building	9,480	
<b>Residual net assets to be transferred</b>	<b>2,834,694</b>	
Commended Project List (Appendix 1)	1,801,309	
<b>Residual Net Asset Transfer Less Commended Project Listing</b>	<b>1,033,385</b>	