

Lucky Ewe
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Date 31 May 2022
Your Ref
Our Ref NM/NS_CATStrathden
Enquiries to Neil McCormick
Telephone [REDACTED]
Direct Line
Email [REDACTED]

Dear Ms Brown

Asset Transfer Request under the Community Empowerment (Scotland) Act 2015
Decision Notice - Refused
Date of Notice – 31 May 2022

This Decision Notice relates to the asset transfer request made by Lucky Ewe on 22 November 2021 in relation to land at Stratheden Hospital and the former mortuary building.

NHS Fife has decided to refuse the request.

The reasons for this decision are as follows:

- The request did not provide sufficient evidence on how the group intended to fund the proposal in a sustainable way. The applicant had not identified all costs associated with establishing the Charity on the Stratheden site and delivering the proposal (including, but not limited to the following, the provision of services, access requirements, car parking requirements, obtaining any necessary planning consent, the extent of the refurbishment costs (including the removal of asbestos from the mortuary building), reliance on third parties), in the short-term, nor how these costs would also be covered in the medium and long term,. Nor did the applicant provide sufficient evidence of contingency planning for each stage of the proposals.
- The request did not provide sufficient evidence of (i) the applicant's need for the extent of the land and building requested; and/or (ii) the applicant having the appropriate skills and resources required to manage and maintain the significant extent of assets requested.
- The projected benefits were not based on clearly evidenced information, and the proposal did not demonstrate a coherent plan for the development of these benefits in a robust and deliverable fashion.
- The request did not provide sufficient evidence of the level and nature of the community support for the proposals and/or demand for some of the proposed services.
- Agreeing to the request would restrict the Board's ability to carry out its functions. There would be a direct impact on NHS Fife's ability to deliver health and care services on the Stratheden site, with clinical concerns raised around infection control mitigation and potential health and safety risks to a group of



very vulnerable patients for whom Stratheden is their place of residence. The potential for the Board's future plans (including possible future expansion of the extent of mental health inpatient facilities required across Fife and on the Stratheden site) to be limited by the extent of the request was also noted.

- The offer rental of £52 per annum was significantly below the anticipated market value of £580,000 and the market rental value of £3,500 per annum. The loss of capital receipt would impact on the Board's ability to invest proceeds in patient care.
- A proposed lease term of 25 years for the land requested would create a Modern Limited Duration Tenancy ('MLDT'), with a separate commercial lease being required in respect of the mortuary building. The grant of a MLDT raises a number of concerns for the Board, including: the security of tenure afforded to a tenant under a MLDT; possible difficulties in irritating such a lease following tenant breaches; statutory assignation provisions; possible implications on the landlord to provide fixed equipment; potential difficulties in agreeing use restrictions, particularly given the staged nature of Lucky Ewe's proposals and the extent of the area of land requested set against an insufficient level of evidence of the need for such a sizeable area of land and that the appropriate skills and resources will be in place to manage and maintain the land and buildings.

Right to appeal

You have a right to appeal to the Scottish Ministers. Any application for appeal must be made in writing to:

The Scottish Ministers
Scottish Government
St. Andrew's House
Regent Road
Edinburgh
EH1 3DG

by **30 June 2022**, which is 20 working days from the date of this notice.

Guidance on making an application appeal is available at: [Asset transfer: summary guide - gov.scot](https://www.gov.scot/resources/consultation-papers/plain-language/asset-transfer-summary-guide-2022-06-01.pdf)
(www.gov.scot)

Yours sincerely



MR NEIL McCORMICK
DIRECTOR OF PROPERTY & ASSET MANAGEMENT

On Behalf of NHS Fife Board