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## NORTH AYRSHIRE COUNCIL

21 September 2022

### North Ayrshire Council

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<b>Title:</b>	<b>The Knox Institute, Kilbirnie – Proposals for Future Status and Use.</b>
<b>Purpose:</b>	To advise Council of the current situation relating to the Knox Institute; the historical purposes placed on it; and to propose a way forward by dissolving the Trust and in turn, alleviate the Council of the historical purposes and the asset in a manner that will benefit the local community.
<b>Recommendation:</b>	<p>That Council:</p> <ul style="list-style-type: none"><li>a) Agrees in principle to dissolve the Knox Trust and authorises officers to initiate the legal process required;</li><li>b) Agrees that the costs for the legal process be met from the existing Community Asset Transfer Start Up Funding;</li><li>c) Authorises officers to lease 21 – 23 Main Street at the current commercial rent, to the Radio City Association in order that the building can be utilised while the legal process is ongoing; and</li><li>d) Agrees to accept a further report to share the findings of the legal process regarding the future of the Knox Institute.</li></ul>

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### 1. Executive Summary

- 1.1 The dissolution of The Knox Trust (the Trust) will bring a complex, historical, legal situation to a conclusion and alleviate future Trustees from the responsibilities that have been historically placed up on them.
- 1.2 The dissolution of The Trust will allow one of Kilbirnie's most significant buildings to be made available for Community Asset Transfer (CAT). In doing so it will be brought back into use delivering services to the local community and have a secure future. This will meet the aims of Community Wealth Building, Placemaking and Town Centre Regeneration.
- 1.3 Permitting a lease for 21 – 23 Main Street will allow the building to be used by the local community whilst the legal process progresses, and any subsequent CAT process takes place.
- 1.4 This report recommends that the Trustees take the opportunity that has been presented by Radio City Association to dissolve the Trust. It also recommends that officers are authorised to engage with the relevant process to make this happen.

## **2. Background**

- 2.1 The Knox Institute is an architecturally significant building located at 19 – 23 Main Street, Kilbirnie (Appendix I - Location Map). Designed and built by Robert Snodgrass of Beith, it opened in 1892 and was a gift to the town of Kilbirnie by Robert William Knox Esq. in memory of his father William Knox. The Knox Family were a major employer in Kilbirnie and the surrounding area, operating a number of mills and producing thread that was used extensively across the world. The family were well known and well connected, renowned locally for their supportive, forward-thinking approach to caring for its employees and their families.
- 2.2 At its opening, The Knox Institute is recorded as comprising of “A library, a reading room, recreation rooms and other necessary “premises” for the purpose of providing facilities for the self-improvement, recreation and social intercourse and enjoyment of the inhabitants of Kilbirnie.” Officially opened on the 19th November 1892, the building originally housed three shops on the ground floor, a reading room, committee room, and the town’s first library on the first floor, and a 1,000 square feet recreation room, complete with billiard table on the second floor.
- 2.3 From its opening until 1920, the Institute was operated by a Trust (established for the purpose) and was self-financing, making use of the income from the shops on the ground floor in order to meet running costs. However, between 1920 and 1931 it started running at a loss. Family members of the original Trustees made up the deficiencies over the years. Revenue continued to fall and owing to lack of funds, the Trustees were unable to keep the buildings and furniture in proper repair.
- 2.4 In 1931 The Trustees approached the District Council of Kilbirnie to take on the asset and they agreed that they were willing to take over the Institute subject to the Trust provisions as contained in the original Disposition. A Petition was considered by the Court of Session on 27th October 1931 resulting in a report by J R Dickson, Advocate. This concluded the transfer of the asset and the Trust status to Kilbirnie District Council.
- 2.5 Despite the agreement to change the administrative body, there was no approval for the Council to alleviate itself or dispose of the asset stating that, “to hold or use the subjects or to sell, alienate or dispoise the same or part thereof, otherwise than for the ends, uses and purposes and in terms of the powers and subject to the conditions and declarations hereinbefore expressed”. To that end, the Council cannot, sell or dispose of the Institute other than to a body who will deliver a similar range of beneficial, community-based outcomes as those set out by the original Trust. Until recently, no such body has been found.
- 2.6 The building was Grade B Listed in December 1980 by Historic Scotland but continued to have “retail” outlets on the ground floor.
- 2.7 North Ayrshire Council became responsible for the Knox Institute after local government reorganisation in 1996. All of North Ayrshires Elected Members are Trustees. The building was used briefly by the Council’s Educational Services as a Youth Club during 1996/97 and following a review by the Council’s Educational Services in 1998, it was decided that, despite refurbishment works being carried out, the building did not comply with legislative accessibility requirements. At this point, The Knox Institute was declared

surplus to Educational Services' requirements. Other uses were explored but the building did not meet accessibility needs, had no car parking to facilitate ease of access nor did not meet the purposes of the Trust.

- 2.8 A new purpose-built library was opened in 1975 and fulfilled the role of a public library serving the town. Kilbirnie is also served with good community facilities in the Walker Hall, Radio City, Bridgend Community Centre and the local schools. While all of these offer facilities to deliver recreational activities, as was proposed by the original Trust, no one found the existing building suitable with its accessibility barriers.
- 2.9 In 2018, an investment of £300,000 was made in the building as part of the Kilbirnie Conservation Area Regeneration Scheme (CARS). £225,000 came for the CARS allocation and a further £75,000 from Historic Environment Scotland. Although this improved the stability of the structure, allowed it to be removed from the Buildings At Risk Register, and made it wind and watertight, it did not address the internal works required to make it deemed fit for purpose. The present state of the building means that the Council would find it difficult to source financial resources in the present economic climate to improve the condition of the building sufficiently to bring it up to standard, as well as meet the aims and purposes of the Trust.
- 2.10 In 2019, Radio City Association submitted an application requesting a CAT of the Knox Institute. The request states that the end use of the building would be to provide a range of activities that are of benefit to the community of Kilbirnie and may meet the aims and purposes as set out by the Trust. The CAT application presents a unique and ideal opportunity to enable the Council to petition the Court to dissolve the Trust, to enable the Knox Institute to be sold, free of the restrictions of the Trust.
- 2.11 Radio City Association currently occupy 19 – 21 Main Street and have also requested to lease 21- 23 Main Street (ground floor shop) from which to deliver activities as they await a decision on the CAT. The barrier to the second request (for 21 – 23) is the current Standing Orders which prevent the granting of the lease as the asset has not been publicly advertised as available for lease. The group have indicated that they are willing to pay the commercial rent associated with the property should it be available.
- 2.12 The submission of the CAT application has presented NAC with a potential vehicle to initiate Court Action and its submission resulted in a second request to Counsel seeking clarity. Counsel confirmed that the Trust could potentially be dissolved, and the asset disposed of if there was an interested party who had a clear destination of purpose and intent with regard to the aims of The Trust. Just as with the original Trust in 1931, the agreement to dissolve the Trust and transfer its assets would require permission from the Court of Session.
- 2.13 As the current custodians of the Knox Institute, addressing the long-term sustainability of the asset is a positive undertaking for the Council. This will facilitate getting the community back into the town centre and utilising a historical building to support placemaking and regeneration.
- 2.14 Passing on the control of the asset will empower the local community to realise the full potential of the significant landmark building in the town, ensure it is well cared for by future generations and is developed into a key asset and resource for the local community. Seeing the building back in use will increase civic pride and support a sense of belonging and pride in the local area.

### **3. Proposals**

#### **3.1 That Council:**

- a) Agrees in principle to dissolve the Knox Trust and authorises officers to initiate the legal process required;
- b) Agrees that the costs for the legal process be met from the existing Community Asset Transfer Start Up Funding;
- c) Authorises officers to lease 21 – 23 Main Street at the current commercial rent, to the Radio City Association in order that the building can be utilised while the legal process is ongoing; and
- d) Agrees to accept a further report to share the findings of the legal process regarding the future of the Knox Institute.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 The specialisms required to deliver the legal process associated with this piece of work will mean that external legal representatives will be needed to support the staff in the internal Legal Team. The costs of their appointment, time commitments, Court Fees etc is challenging to predict at this time. It is estimated to be in the region of between £20,000 and £30,000.

The Community Asset Transfer Fund was established to support wider community ownership and remove barriers to completion; hence it is recommended that it be utilised in this instance. The financial investment will alleviate the Council of the current and future costs in relation to the stewardship and operation of the Knox Institute.

#### **Human Resources**

- 4.2 None.

#### **Legal**

- 4.3 The Legal Team of North Ayrshire Council have dealt with matters relating to the Trust and the Knox Institute for many years and recommend that the opportunity that has been presented be pursued, bringing a long and complex situation to a positive outcome for the local community. It is a rare opportunity to conclude a historical matter that has placed an ongoing financial and legal commitment on the Council.

As explained above, North Ayrshire Council's Legal Team will lead on this piece of work but will require the assistance of specialist, external legal representation in order to conclude the process.

#### **Equality/Socio-economic**

- 4.4 There will be considerable socio-economic benefits to be achieved should the asset be leased and in time, successfully transferred into community ownership. These include a variety of positive impacts for the community of Kilbirnie, as per the aims and purpose of the Trust.

## **Climate Change and Carbon**

- 4.5 There will be considerable environmental and sustainability benefits to be achieved should the asset be leased and in time, successfully transferred into community ownership. The applicant is engaged in a broad range of events and activities that support this specific strand of work.

## **Key Priorities**

- 4.6 Several Key Priorities will be delivered should the asset be leased and in time, successfully transferred into community ownership. These include:

### **Aspiring Communities**

- Active and strong communities;
- Inclusive, growing and enterprising economy;
- People enjoy good lifelong health and wellbeing; and
- People and communities are safe

### **Inspiring Place**

- Effective infrastructure and digital connectivity;
- Vibrant, welcoming and attractive places; and
- A sustainable environment

## **Community Wealth Building**

- 4.7 Should the asset be leased and in time, successfully transferred into community ownership, the proposal would support the following pillars of community wealth building:

- Advancing community enterprises;
- Advancing local ownership of underused land and buildings; and
- Supporting local business activities and increasing the variety of ownership models.

## **5. Consultation**

- 5.1 In preparation for this report consultation has taken place internally with Legal, Property Management and Investment, Finance, the Business Team and the Regeneration Team. External advice has been secured from Counsel. Radio City Association have also been a key part of the ongoing process.

Audrey Sutton  
Executive Director (Communities & Education)

For further information please contact **Rhona Arthur, Head of Service (Connected Communities)**, on **(01294) 324415**.

## **Background Papers**

Appendix 1: Location Map – Know Institute, Kilbirnie



Appendix 1 – Location Map – Knox Institute, Kilbirnie

