



# Dumfries & Galloway Small Communities Housing Trust

## CASE STUDY – MIDSTEEPLE QUARTER

**MIDSTEEPLE QUARTER, DUMFRIES – <http://www.midsteeplequarter.org>**

The Midsteeple Quarter project aims to enact a process of community ownership as the vehicle to plan and deliver the strategic regeneration of Dumfries Town Centre. It is both a reaction to town centre decline, but also the needs of the community. The project aims to bring about a renewed vibrancy and vitality to the urban core by providing spaces for business enterprise, creative professionals, links to further education, lifestyle, business and housing. From the outset, the project has recognised the need for housing as a key contributor to the vibrancy of the area; in short, almost nobody lives in Dumfries Town Centre and there are very few housing opportunities. Mainstream market retail and related commercial property market dynamics have led to empty units on the ground floors and empty spaces on the upper floors. The intention, relative to housing, is to provide affordable housing opportunities at an urban scale in the ownership of the community organisation.

Midsteeple Quarter was borne out of community consultation on the future of Dumfries Town Centre. This was instigated and led by The Stove Network (the UK's only artist-led Community Development Trust – <http://www.thestove.org>) who had occupied an empty property within the town centre, providing a café and spaces for artists and other creative professionals. As this project developed, it engaged significantly with the community, and incrementally found itself at the centre of conversations around the decline of the town centre environment, empty properties, and the manner in which community could take control and ownership of this future. Consultations identified a desire towards bringing empty property back into use for housing and enterprise. In particular, discussions became focussed upon one stretch of Dumfries High Street, adjacent to the historic Midsteeple building, in which almost all the properties had been empty or disused for a significant period of time. Encompassing nine urban-block scale properties in total, some of them falling into a state of significant decay as a result of neglect by absentee owners, this area became the focus of the project and known as Midsteeple Quarter.

Midsteeple Quarter is the trading name of Dumfries High Street Limited, an urban community benefit society based in Dumfries, with open membership aligned to the DG1 and DG2 postcode areas covering the whole of the town of Dumfries. It was established in 2018.

This intended overall approach to regeneration by way of community ownership seeks to capitalise upon a range of legislative powers afforded to communities by the Scottish Parliament, in particular relative to Land Reform and Community Empowerment. Whilst Scotland has developed a recognised culture of community ownership of land and buildings, this movement has been primarily rural in nature and only since 2016 have these powers (and benefits such as the Scottish Land Fund) been extended to urban communities. Such is the nature of the project – an endeavour by a community to reverse market decline/failure across a range of sectors – it has received a significant level of attention at a local and national level.

DGSCHT (<http://facebook.com/dgscht>) have been contracted since August 2018 to provide professional support to the Midsteeple Quarter project relative to all aspects of community-led housing – planning and delivery – and the wider perspective of community ownership of buildings.

Dumfries is the largest town and the administrative centre of the Dumfries and Galloway region, which sits in the south west of Scotland and includes Scotland's most southernly point. Dumfries and Galloway neighbours the Scottish Borders region, and borders both Northern Ireland and England. The town of Dumfries sits towards the east of the region and is 60 miles from the city of Glasgow and 63 miles to the capital in Edinburgh.

Historically, Dumfries was a market town which traded internationally thanks to its accessibility to the Solway via the iconic River Nith. The town is well known for its history, with it being the site of King Robert the Bruce's initial action in 1306, sparking the Wars of Independence, as well as being the home and resting place of Scotland's national poet, Robert Burns.

There is a high level of empty homes (around 2000 in 2017/18, equivalent to 4% which is above the Scottish national average) and second home/holiday home ownership is double the Scottish national average at 2% across the region.<sup>1</sup> The region also sees an above average increase (28%) in residents over the age of 75 by 2026, and the 5<sup>th</sup> highest level decrease in population in the country over the same period.<sup>2</sup>

The majority of accommodation is in private ownership (65%), and accommodation at affordable social rent level (19%) is provided by two main Registered Social Landlords, as Council housing stock was transferred in 2003<sup>3</sup>.

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<sup>1</sup> <https://statistics.gov.scot/atlas/resource?uri=http%3A%2F%2Fstatistics.gov.scot%2Fid%2Fstatistical-geography%2FS12000006>

<sup>2</sup> <https://www.nrscotland.gov.uk/files//statistics/population-projections/sub-national-pp-16/pop-proj-principal-2016-tab-publication.pdf>

<sup>3</sup> <https://statistics.gov.scot/slice?dataset=http%3A%2F%2Fstatistics.gov.scot%2Fdata%2Fhousehold-tenure-sscq&http%3A%2F%2Fpurl.org%2Flinked-data%2Fcube%23measureType=http%3A%2F%2Fstatistics.gov.scot%2Fdef%2Fmeasure-properties%2Fpercent&http%3A%2F%2Fpurl.org%2Flinked-data%2Fsdmx%2F2009%2Fdimension%23refPeriod=http%3A%2F%2Freference.data.gov.uk%2Fid%2Fyear%2F2016>

Dumfries and Galloway Council is run by 43 Councillors who are elected every five years by the residents they represent. The council area is made up of 12 wards with either three or four Councillors in each ward. The region is also represented by 2 constituency MSPs at Holyrood and 2 MPs at Westminster.

Dumfries and Galloway has an extremely high level of citizen participation, with many varied and well attended community events taking place across the region and in the main town throughout the year

## **Asset Ownership**

The Midsteeples Quarter project is currently taking ownership of their first building, this having been approved by Local Authority Committee in August 2018. This property – “The Oven” (a former bakery) is at the northern-most end of the urban block that constitutes the project area. The property, empty for a number of years, was in the ownership of Dumfries and Galloway Council. As the only publicly owned property within the physical boundary of Midsteeples Quarter, it was identified as the first to be targeted for ownership and delivery.

In order to secure ownership, the community organisation have applied powers extended via the Community Empowerment (Scotland) Act 2015 which supports the asset transfer of public assets, should communities be able to present a strong, workable and viable businesses case for future use and wider community benefits. This process led to the transfer of ownership to Midsteeples Quarter being approved for £1.

At this stage, we have commissioned an architect-led team (<http://www.arpl.co.uk>) to take design and cost work through to Planning and Building Warrant stage. Much of this work has been funded by a Dumfries and Galloway Council fund which ringfences Council-Tax on second homes for town centre and empty homes development. As the first stage of the Midsteeples Quarter project, it is considered important that the development be seen as a flagship, both in terms of design and sustainability, but also relative to its relationship with the town of Dumfries and the wider community.

The planned development will be mixed-use in nature and will incorporate a mix of retention of the existing frame and new-build. It will include six apartments (2 of which will be larger duplexes) which are intended to be retained for affordable rent in the ownership of Dumfries High Street Limited, with allocation prioritised for local people. DGSCHT have undertaken a Housing Survey for Dumfries Town Centre which will inform the scale and tenure of the apartments. The lower floors of the building will include enterprise space, with a particular focus on the creative industries that will build upon the

experience and offer of The Stove. Funding to assess the commercial viability and demand for these spaces has been provided by Creative Scotland.



*The Oven*

In terms of the wider strategic approach to asset ownership across the whole Quarter, the remaining eight buildings are all in private ownership – a mix of pension funds, family trusts and speculative investors. None of the properties are in a good state of repair, none have any uses above ground floor. In order to facilitate a longer-term strategic regeneration plan, Midsteeples Quarter intend to use the powers afforded to them within the Land Reform (Scotland) Acts of 2003 and 2016. This includes the Scottish Land Fund, a pot of feasibility and acquisition funds of £10million per annum available to communities to buy land or assets. This fund only became open to urban communities as part of the 2016 act. The second key element of the legislation is Community Right to Buy, a pre-emptive right that ensures community groups can register an interest with the Scottish Government and be given first right of refusal on future sales. In addition, these powers have extended to empower communities to force the sale of private assets in such case as they can demonstrate land or assets are abandoned, neglected or detrimental (2018) and in 2019 will further extend whereby a community can make a case for more sustainable use in their ownership.

In 2018, Midsteeples Quarter identified the next empty properties they would like to assess and were awarded Feasibility Funding by the Scottish Land Fund, appointing a consultant team. Since that point, the properties have already been sold at auction, then placed to auction again, but no further use of the buildings has resulted. At this stage, Midsteeples Quarter are actively pursuing a registration of interest in the properties and are commissioning a Masterplan to frame the context of their community-led regeneration efforts. Whilst it is intended that each redeveloped property will contribute, as mixed use, to a renewed vibrancy, housing on the upper floors will remain a consistent and it is likely that a wider range of tenures will be explored in future phases.





## **Legal and Governance Framework**

Dumfries High Street Limited, trading as Midsteeple Quarter, is a Community Benefit Society with open membership within all Dumfries post-code areas and Associate Membership for those from further afield. Further to this, the organisation has a subsidiary Company Limited by Guarantee – Dumfries High Street (Property) Limited – that will take ownership of assets, starting with The Oven in 2019.

At this stage, a second subsidiary is being formed. This will also be a Company Limited by Guarantee, with charitable status, that will align to the constitutional requirements of Community Right to Buy legislation – including a “more manageable” representation of the local community through membership which will be required to secure a positive outcome at ballot.

Midsteeple Quarter is governed by a Board of Directors who are made up of a mix of representatives of The Stove, local business people and professionals and community members (including representation from the local Community Councils). They are currently seven in number. In terms of staffing, Midsteeple Quarter has a Project Director, a Project Administrator, a Creative Director for The Oven project and a PR/Media manager – all of whom are Part Time. DGSCHT are retained on a long-term contract to provide support around all aspects of community-led housing.

## **Housing Affordability**

To a significant extent, this information is still being assessed relative to (i) the wider strategy for the Midsteeple Quarter project and (ii) specific intentions for Stage One delivery within The Oven. This work will be undertaken by DGSCHT on behalf of Midsteeple Quarter.

A Dumfries Town Centre Housing Survey ran from September 2018 to February 2019 and the results of this are currently being analysed. Supplemented by wider data at a local and national level, along with information around demand supplied by Housing Associations, a range of conclusions will be reached around demand profile. However, as mentioned above, there is currently almost nobody resident within the town centre area and therefore, to a significant extent, we are creating a new affordable housing offer. Early conclusions around demand relative to the design brief for The Oven have demonstrated (a surprising) level of demand from families with an interest in an urban-style offer currently missing from Dumfries. In addition, there was an indication of demand for affordable homes in this location for younger professional or working people. The wider profile underpins a demand for high-quality affordable rents and, relative to the first stage of development, this fits to the Midsteeple Quarter’s strategy of retaining ownership of assets and benefitting from rental income.

At this stage, we are working with the Scottish Government to build a case for the community-led housing with the project and it is hoped that this will secure grant. Should this be the case, affordability in terms of rental levels will be related to definitions provided by Scottish Government and affordability will be held in perpetuity.

