



Community Asset Transfer (CAT) – Supporting Addendum

Selkirk Municipal Building

This addendum responds directly to feedback from **Scottish Borders Council** regarding Creative Coathanger’s Community Asset Transfer (CAT) Expression of Interest for the former Municipal Building, Selkirk. It should be read alongside the Creative Coathanger Business Plan (v3, February 2026).

1. Governance and legal structure

Creative Coathanger (CC) is a **Scottish Charitable Incorporated Organisation (SCIO)** (OSCR SC054603), incorporated in 2025 following several years of operation as a constituted voluntary group.

CC is governed by a **Board of Trustees**, all of whom are volunteers. Trustees bring a mix of skills and experience including creative practice, cultural programming, education, community development, place-based regeneration and partnership working. Board members have collectively delivered and supported a wide range of cultural and community programmes in and around Selkirk and the wider Scottish Borders since 2014.

Board



For more information, <https://www.creativecoathanger.org/who>

Strategic oversight and decision-making rests with the Board, which meets regularly and is responsible for:

- setting strategic direction and priorities
- financial oversight and risk management
- compliance with charity law and governance best practice

Operational delivery is delegated to part-time staff, freelancers and partners as appropriate, with clear reporting lines back to the Board.

CC is committed to operating in line with the **Scottish Governance Code for the Third Sector** and is currently developing and formalising its governance framework, including policies on conflicts of interest, finance, safeguarding, equality and risk, appropriate to the organisation's size and stage of development.

2. Financial planning and sustainability (indicative)

Creative Coathanger recognises the financial responsibilities associated with asset ownership or long-term management. Financial planning for the Selkirk Municipal Building is therefore being approached in a **phased and risk-managed way**, with major financial commitments dependent on the outcome of a feasibility study.

Current position

To date, CC's income has been **entirely project-based and restricted**, totalling approximately £30,500 between 2022 and 2025. This funding has supported delivery of festivals, training and creative technology activity, all managed with appropriate financial controls.

Feasibility stage (current)

CC has secured 50% of the required funding for a professional feasibility study through a grant from the Architectural Heritage Trust, with further match funding applications submitted and pending. The feasibility study will:

- assess the condition of the building and required remedial works
- provide indicative capital and refurbishment costs
- explore viable options for use, phasing and management
- inform a detailed, costed business and operating plan

Indicative future cost categories (subject to feasibility)

- **Capital / one-off**: building repairs, adaptations, professional fees
- **Operational / fixed**: utilities, insurance, maintenance, business rates (if applicable)

- **Operational / semi-fixed:** staffing for coordination and building management
- **Variable:** programming, events, workshops, commissions

Funding approach

CC's long-term sustainability model is based on a **mixed economy**, combining:

- grant and public funding (development, cultural, regeneration and heritage sources)
- earned income from studio tenancies, space hire, training and events
- partnership delivery and commissioned activity

CC does not propose to take on unsustainable fixed costs until viability is demonstrated and appropriate funding is secured.

3. Community engagement and support

The proposal for a Creative Impact Hub in Selkirk has emerged from **long-standing engagement**, not from a single funding opportunity.

Community and sector engagement to date includes:

- surveys and dialogue with creatives informing *A Need for Space* report (2023–24)
- delivery of Creative Business Works Festival and related forums
- facilitation of the Scottish Borders Cultural Forum during and post-pandemic
- collaboration with local organisations including Selkirk Development Trust, Transform Arts CIC and The General Store
- active contribution to the Selkirk Place Plan, which identifies the need for a creative/community hub and the reuse of vacant buildings

Feedback consistently highlighted:

- lack of affordable, permanent creative workspace
- fragmented support for creative businesses
- desire for a shared, accessible community and creative space in Selkirk

These findings directly shaped CC's proposal:

- focusing on Selkirk rather than a more diffuse regional model
- prioritising a phased, mixed-use hub
- embedding community access alongside creative enterprise

Ongoing engagement will continue through the feasibility process, ensuring local input informs design, use and governance.

4. Key risks and mitigation

CC has identified the following key risks and mitigation strategies:

Funding risk

Mitigation: phased approach; feasibility-led decision-making; mixed funding model; no premature capital commitment.

Building condition and cost risk

Mitigation: professional feasibility study prior to CAT completion; options appraisal; phased development.

Operational capacity risk

Mitigation: incremental staffing; partnership delivery; use of freelancers and shared services.

Governance and compliance risk

Mitigation: SCIO structure; board oversight; ongoing policy development and trustee training.

Demand risk

Mitigation: strong evidence base (*A Need for Space*); proven engagement through festivals and programmes; alignment with Place Plan priorities.

5. Asset use and management (indicative)

Subject to feasibility outcomes, the Selkirk Municipal Building is envisaged as a **Creative Impact Hub** operating on a day-to-day basis as a mixed-use, community-facing facility.

Indicative uses include:

- small, affordable studio spaces for creative micro-businesses
- shared co-working and meeting space
- workshop and training areas (including creative technology)
- flexible exhibition and social space for community use

The building would operate through a **mixed tenancy and programming model**, balancing:

- longer-term studio users
- short-term hires and community use
- programmed activity such as workshops, events and exhibitions

Day-to-day management is expected to be light-touch initially, scaling over time, and would include:

- part-time coordination and building management
- shared responsibility for care and maintenance where appropriate
- clear policies for access, health and safety, and safeguarding

Final decisions on layout, management and maintenance will be informed by the feasibility study and subsequent business planning.

Closing note

Creative Coathanger's approach to the Community Asset Transfer is **cautious, evidence-led and collaborative**. The organisation is seeking to work constructively with Scottish Borders Council and local partners to explore whether the Municipal Building can be brought back into sustainable community use, aligned with Selkirk's Place Plan priorities and regional regeneration goals.