Business case for the sale of Hay Lodge Depot, Peebles to Peebles and District Men's Shed for the sum of £1.00

Executive summary

This business case supports the granting of the sale of Hay Lodge Depot to Peebles and District Men's Shed (PADMS), a registered Scottish charity (SC048226).

PADMS has demonstrated sustained community benefit since its establishment in 2017, supporting approximately 230 registered members, both men and women, and maintaining a regular membership attendance of around 370 hours per week spread across approximately 50 individuals. Membership is free but we ask members to make a small donation towards running costs for each visit. The suggested donation is £2.00 per visit but if this level of contribution would create difficulties, we will happily discuss options. We have never had a member indicate that our current level of charge is too high. If we are successful in this acquisition, we will review this practice once our known costs have been established. Our ultimate aim would be for membership and attendance to be free to all. The Shed enjoys widespread support within Peebles and beyond for the work it does, particularly in the field of men's mental and physical health. This support has been voiced in a survey conducted through our social media channels recently which will be made available as part of this process. Previous surveys conducted during efforts to agree a lease over the building produced very similar public support for what we do.

The charity currently operates from premises leased from Peebles Community Trust within premises owned by the Trust on School Brae in Peebles. The presence of PADMS as tenants of the Trust under a licence to occupy arrangement helped PCT secure the funding necessary to purchase the building from the administrators of Peebles Ex Service Men's Club. The current terms are £500 per month inclusive of utilities and these terms have been in place since 2019 which means that PADMS have indirectly contributed around £40,000 to the Community of Peebles over that period. The Board of Peebles Community Trust (PCT) has long held the view that School Brae Hub, as it is commonly known, has no real future. Attempts to refurbish the building, including the accommodation currently occupied by PADMS have proved to be too costly and plans are now being made to demolish the building and rebuild when funds can be identified. This will be a long-term project and may result in the site lying cleared but dormant for many years. This position has taken on greater significance now that PCT have acquired new premises at 70 High Street, Peebles. Whilst continuing to assure PADMS of continued support and accommodation, the practical reality is that when the School Brae building is demolished, PADMS will be forced to close and wind up its affairs if it has not yet secured an alternative base. The new PCT base at 70 High Street would not accommodate PADMS.

Hay Lodge Depot represents a unique opportunity to secure the future of PADMS while enhancing a currently unused local asset through investment to be secured by PADMS, mainly through external grants. Talks have already been held on the provision of grant support to allow us to create a safe environment for our members. These talks were with a local Charitable Trust specialising in the health sector, and we were able to reach agreement in principle at our last meeting. The Peebles Common Good Committee Members are well aware of these talks and the likely beneficial outcome as some of them also serve as Trustees of that body.

The proposal to acquire this building offers significant social, health, wellbeing and community benefits.

Strategic need and current challenges

PADMS currently occupies space at School Brae Hub under an arrangement that has become increasingly unsustainable. Members have operated for several years in premises with:

- Limited facilities.
- No adequate heating.
- Difficult access
- Restricted workshop capability.
- Ongoing uncertainty regarding future availability.
- Rental costs of approximately £500 per month.

Despite significant investment by PADMS in the room currently serving as a workshop space to deal with dry rot, lay a new floor and install new power and lighting, the room continues to suffer from chronic damp ingression as large parts of the room are below ground level. Without any windows in the room the control of dust created when working with wood becomes very challenging as well. Both of these are potential health hazards for our members.

No other suitable and affordable premises have been identified within Peebles that are capable of accommodating both PADMS's workshop and social activities. Since its formation in 2017 PADMS have constantly kept accommodation needs under review, but this opportunity to acquire Hay Lodge Depot is the first time what could be an affordable solution to our needs has been identified.

Commercial property rents significantly exceed the group's existing financial capacity.

Without access to suitable accommodation, PADMS closure could become a realistic possibility if current premises were no longer available.

Organisational Capacity

PADMS is an established and financially responsible organisation with:

- Charity status since 2018.
- A history of successful grant fundraising.
- Audited accounts submitted annually to OSCR.
- Strong volunteer leadership.
- Significant assets including workshop quality wood and metal working machinery, CNC (computer number controlled) equipment and 3D printing technology.

PADMS currently delivers approximately 60 volunteer participation hours per week across four opening days and provides practical support to numerous community organisations across Tweeddale.

Examples are the provision of playground equipment to local primary schools, refurbishment of benches around the area, manufacture of wildlife nesting and feed boxes for a national charity and much more.

Analysis of attendance records show that in the year 2023, members attended for a total of 13,040 hours. In 2025 that attendance figure in hours rose to 19,288, an increase of 48%. This demonstrates that our organisation is not resting on its laurels but continues to appeal to more and more people in the Community as they realise the benefits Membership will bring.

Owning our own premises and having more comfortable and practical surroundings can only serve to keep this upward trend moving. With more volunteers, we could be open seven days a week and that remains an aspiration.

Benefits of Leasing Hay Lodge Depot

1. Health and Wellbeing Outcomes

PADMS provides a proven environment that combats:

- Social isolation.
- Loneliness.
- Poor or declining mental health.
- Reduced physical activity among older adults.

The Tweeddale Locality Plan identified:

- 34% of residents sometimes or often experience loneliness.
- 22.5% of residents are aged 65 or over, compared with a national average of 18.7%.

The Men's Shed model directly addresses these challenges through social interaction, skills sharing, volunteering and purposeful activity. NHS Borders has recognised the value of Men's Sheds in supporting health outcomes and reducing long-term health pressures. Successful Men's Sheds also currently operate in Galashiels, Hawick, Selkirk, Kelso, Coldstream, Lauder and Eyemouth and we maintain good links with them and our neighbours in Midlothian, Dumfries and Galloway and South Lanarkshire.

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2. Community Benefit

PADMS has already provided practical support to numerous local organisations including:

- Peeblesshire Food Bank.
- Tweed Togs.
- Bonnie Peebles.
- Floral Peebles
- Peebles Biodiversity Group.
- Friends of the Eastgate Theatre.
- Peebles Community Trust.
- Greener Peebles
- Vincent Wildlife Trust and the Martens on the Move project
- The Secret Garden
- The Royal Burgh of Peebles Callants Club
- The Guildry Corporation of Peebles
- The production crew for "Men Don't Talk", a play written locally and based on our Shed which has now toured nationally with a professional cast and crew.
- St Ronan's nursery Innerleithen
- Walkerburn nursery and primary school
- Priorsford primary school
- Peeblesshire Young Farmers
- Peebles Curling Club
- Peebles Golf Club
- Peebles in Bloom

Securing Hay Lodge Depot would increase the group's capacity to:

- Expand membership.
- Extend opening hours.
- Host additional community projects.
- Provide meeting space for smaller voluntary groups.
- Explore shared use arrangements with other vital local organisations.

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3. Improvement of a local asset

Purchase of Hay Lodge Depot would lead to significant investment in the building by PADMS to increase its sustainability and secure its long-term use for the community.
Potential improvements include:

- Accessibility upgrades.
- Improved toilet facilities.
- Installation of kitchen facilities.
- Workshop modernisation.
- Dust extraction systems.
- Renewable energy measures.
- Insulation and energy efficiency improvements.
- Solar panels and battery storage (subject to approvals).
- Regular maintenance of an important Community asset

These improvements would increase the long-term value and usability of the asset removing the liability from the Common Good Fund.

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4. Alignment with Public Policy

The proposal supports:

- Community wellbeing objectives, at the heart of which is good health and wellbeing.
- Prevention and early intervention approaches.
- Social prescribing initiatives.
- Healthy ageing strategies.
- Volunteer development.
- Community wealth building principles through use of local contractors

The Scottish Government has publicly recognised the importance of Men's Sheds and the challenges they face in obtaining suitable accommodation. Indeed, through the good offices and enthusiasm of our previous Member of the Scottish Parliament, Christine Grahame PADMS has twice featured in Member's Business debates in the Parliament. The motion debated in 2019 was:

"That the Parliament recognises the important contribution that the Men's Sheds movement makes to people's wellbeing; notes that there are now sheds running or in development across the length and breadth of the country, including in Lauder, Galashiels, Peebles, Mayfield and Roslin; understands that the activities and groups vary from community to community but that, by and large, the sheds provide a meeting place for men to undertake activities in a friendly, supportive and social environment; believes that such groups can have a positive impact on men's mental health and wellbeing by providing supportive groups that offer an opportunity for them to feel more able to open up about anything bothering them

as well as helping them build positive ties in their community, and hopes that more sheds can continue to be established”

The full text and video of these debates can be seen on the Parliament website but to summarise, cross party support was demonstrated for Men’s Sheds generally. At the conclusion of the debate Aileen Campbell, then Cabinet Secretary for Communities and Local Government said:

“To conclude, I think that we all agree that men’s sheds are brilliant things. They are safe places in the hearts of our communities throughout Scotland, from Shetland to the Borders, that bring people together and enable people to support each other through friendship and trust. They are simple but impactful, and they tackle serious issues that vex Government and society, including wellbeing, mental health and loneliness, to name but a few.

Getting behind the men’s sheds movement is therefore in all our interests. That does not mean the Government alone; a partnership approach will be required. I am grateful for the support that the Government receives from Age Scotland, the Scottish Men’s Sheds Association and Glasgow Caledonian University, to name but a few organisations.

We can go further. I urge all our partners—local authorities, the third sector, the NHS and community workers—to get behind sheds so that we can all together play a role in developing and supporting that important initiative. Social prescribing is particularly important: with an ageing population, it is absolutely in all our interests. These simple projects help us to create the connected and resilient communities that contribute to the betterment and wellbeing of our country”.

In another landmark event The Scottish Parliament congratulated local playwright and theatre director Clare Prenton for her work in promoting Men’s Sheds through her play Men Don’t Talk resulting in a third debate in the Chamber which attracted cross party support. A special performance of the play during its national tour took place within the Parliament for MSP’s and other supporting organisations.

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5. Financial Considerations

The proposed sale price is £1.00 but PADMS would take full responsibility for the refurbishment of the building and the creation of a new Community space. The current owners, Peebles Common Good Fund have indicated through their lack of action to keep the building in good repair that they simply do not have the funds to be able to achieve the same outcomes.

Financial Sustainability
PADMS estimates ongoing operational costs of approximately £200–£300 per month for:

- Utilities.
- Insurance.
- Compliance requirements.
- Waste management.

The organisation believes these costs are manageable through existing income streams and future grant support. We have arrived at these estimates based on:

1. Anticipated relief from business and water rates as a Registered charity.
2. Existing insurance costs and estimates for buildings insurance provided by Scottish Borders Council during the previous unsuccessful lease negotiations.

3. Published commercial waste management costs.

Value for Money

Evidence presented by the Scottish Men's Shed Association demonstrated that Westhill Men's Shed generated approximately £49,000 of social value from annual expenditure of £5,000—a return of almost 10:1. Westhill is a community to the west of Aberdeen not unlike Peebles. It has as similar sized membership and has achieved widespread recognition and support for the efforts it makes to improve lives in their community, including The Queen's Award for Voluntary Service. The likely social return generated by PADMS would therefore significantly exceed any potential rental income from the property should a commercial tenant be the preferred option of Peebles Common Good.

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6. Options Appraisal

Option	Assessment
Do Nothing	High risk of PADMS remaining in unsuitable accommodation and possible future closure.
Commercial lease	Unaffordable for PADMS and likely to render the project unviable.
Community lease	A lease on our current terms of £500 per month would not give us any free funds to undertake any work on the property or meet likely standing costs.
Sale at market value	PADMS has explored the option of grant assistance from the Scottish Land Fund for purchase at market value. However, we have been told that this, even if approved, would be over an extended period and we simply don't have the luxury of time. Interestingly, Peebles Common Good have been actively writing down the book value of Hay Lodge Depot in recent years and that value was projected to be zero by 31.3.2025. We note that no records of property values seem to be published with meeting reports packs now, so we are left to conclude that the value of the building is indeed zero.
Sale for peppercorn value	Provides security, enables investment, protects community benefit and improves the asset.

Preferred Option: Our preferred option is clearly sale for a peppercorn value.

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7. Risks and Mitigation

Risk	Mitigation
PADMS unable to meet running costs	Our existing financial management strategy has allowed us to pay our current rental costs of £500 per month plus insurance for a number of years now. We do not anticipate being unable to meet running costs which will be met from a combination of financial reserves, grant income, members and supporter's contributions and the sale of goods manufactured by members.
Building improvement costs exceed expectations	Phased development approach and external funding opportunities.
Future organisational failure	Conditions of sale include reversion to Peebles Common Good if approved by the Office of Scottish Charity Commissioners.
Perceived inequity by other groups	Demonstrate unique accommodation requirements and significant public benefit delivered.
Loss of asset and income to Peebles Common Good	What PGC will lose in income is not our primary concern but will be made up for in the overall benefits delivered to society. We have previously referenced the report in Westhill Men's Shed in Aberdeenshire where it was established by academic study that every £1.00 invested in a Men's Shed would result in benefits worth £10.00 to the local community.

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8. Conclusion

Granting sale of Hay Lodge Depot to Peebles and District Men's Shed at a peppercorn value would secure the future of an established community organisation that delivers substantial social, health and wellbeing benefits across Tweeddale. The proposal would bring a currently underutilised asset into productive community use, attract external investment, improve accessibility and sustainability, and provide long-term value to the wider community. The social return and community impact far outweigh the limited rental income foregone.

This will become a building that the Community can be proud of owning.