



Report of the Convener of the Community Assets Scrutiny Inquiry Panel
20 May 2024

Desk Based Research – Examples of Community Asset Transfer across the UK

Purpose:	To discuss the desk-based research giving examples of different practice
Content:	Report giving examples of different practice in relation to Community Asset Transfer
Councillors are being asked to:	Consider the information as part of the scrutiny inquiry into Community Assets
Lead Councillor and Report Author:	Councillor Stuart Rice, Convener of the Community Assets Scrutiny Inquiry Panel Cllr.stuart.rice@swansea.gov.uk Michelle Roberts, Scrutiny Officer Michelle.roberts@swansea.gov.uk

1.0 Background

- 1.1 Scrutiny have asked that there be an investigation into how the Council manages the transfer of Council owned community assets in Swansea. The key question for the inquiry is: *How can the Council ensure that its community assets are working to provide the best outcomes for the people of Swansea?*

As part of this inquiry the Panel agreed to examine examples of practice outside of Swansea. They agreed the research will cover:

Examples of different practice elsewhere in relation to Community Asset Transfer. Looking for useful practice to aid the inquiry; recognising it is more about different practice than say good practice and that each local authority will have different support, resources and settings available. Also understanding that complete like for like comparisons will not be possible. It is noted that some examples given are from outside Wales and in that case not under the same guidance.

2.0 Examples of Practice Elsewhere

- 2.1 Find below and attached the results of that desk-based research.

1. Southampton City Council

Context and practice identified:

Policy, which is user friendly and accessible, that positively encourages community groups to consider community asset transfer, whilst clearly identifying challenges and risks.

Community Asset Transfer Policy attached and Web link for more information below

[Community Asset Transfer Policy \(southampton.gov.uk\)](https://www.southampton.gov.uk)

Summary of Community Assets

This strategy applies to council owned assets where community-based services and activities are offered, or have the potential to be, for the benefit of local residents. The council will not consider applications for transfer with respect to schools, social care establishments, sheltered accommodation and other properties from which council run services are delivered that are not deemed by the council as suitable for transfer, youth and play buildings are also currently excluded. The council will not transfer properties to be used solely for religious activities. The council also retains the right not to transfer assets that have been identified as potentially having significant capital receipt.

Policy approach and potential strengths

1. The council sees community asset transfer as a positive opportunity to encourage and strengthen long term partnerships with community, voluntary and faith-based organisations that will contribute towards enhancing communities and their involvement in Southampton.
2. The council has been developing its strategic approach to asset management which includes community used buildings in localities. Community asset transfer offers a way of reconciling the consolidation of assets belonging to the council with a genuine community empowerment approach that seeks to build the capacity of local groups.
3. The council believes that through such asset transfer, local groups will be able to gain access to and secure other sources of additional investment, develop innovative and creative partnerships and thus secure the future of assets into the longer term.

The policy provides a clear approach to Assessment Criteria and Risk Management:

Assessment Criteria

Any application received will be assessed. Applicants must demonstrate how they meet the following criteria:

- Clear benefits to the council, its aims and priorities, the community-based group and the wider community to justify the subsidised transfer.
- Demonstrate that the asset will continue to be used to support local community-based services and activities.
- Strong and robust governance arrangements (including how local people will be involved in decision making in relation to the building/land and its use).

- Evidence of a track record in delivering services and/or managing property (if a new group evidence of this track record linked to management committee members and/or staff and volunteers).
- Have in place a robust and sustainable business plan or show the willingness to create an acceptable plan within a specified time frame before the building is transferred. This business plan will need to:
 - Demonstrate a realistic approach to managing and running the facility.
 - Identify sources of finance that asset transfer will release or attract, future investment in and maintenance of the asset.
 - Include a needs assessment.
 - Describe the planned outcomes and social, economic and environmental benefits to result from the asset transfer.
 - Identify liabilities and how these will be addressed.
 - Provide evidence of the capability and skills within the community-based group to manage, repair and maintain, insure and sustain the asset transfer including a capacity building plan and how this will be delivered.
 - Outline how much space is required and its potential usage, how services and activities will be 'joined up' with those of other organisations to maximise the efficient use of the asset by providing new and innovative services, which may be linked to current council provision.
 - Provide evidence of compliance with legislation and regulatory controls such as equality legislation, child and vulnerable adult protection, health and safety, employment and plans for regular monitoring and evaluation.

Assets will also be assessed to establish whether they have a potential significant capital receipt, or where a significant amount of revenue income would be lost, as well as whether the social, environmental and/or economic benefits match/outweigh any potential financial loss. This will inform a Cabinet decision about whether the Asset should be excluded as at section 14 of this policy.

In the event that all application(s) are unsuccessful, the asset's suitability for transfer will be reassessed.

Risk Management

It is accepted that there are a number of risks which may arise from asset transfer. The proposals must show that the group has considered the key risks and how they will be managed, including:

- Potential for a negative impact on community cohesion.
- Potential loss of existing community services or facilities.
- Capacity of recipient to deliver promised services/outcomes.
- Control of asset by unrepresentative minority.
- Conflict with other legal, regulatory constraints.
- Potential for ongoing council liability.
- Financial sustainability.
- Lack of value for money.
- Conflict with other funders.
- Potential unfair advantage for one group over another.

In line with the Southampton Compact, risks will be discussed and allocated to the organisation(s) best equipped to manage them. Delivery terms and risks will be proportionate to the nature and value of the transfer.

2. Bristol City Council

Context and practice identified:

Example of easily accessible webpage/s that give details of the assets that are or have been transferred. The assets are detailed on webpages with their background information, as well as what is needed and how to apply for an asset transfer detailed clearly.

Web link for more information: [Community asset transfer \(bristol.gov.uk\)](https://www.bristol.gov.uk/community-asset-transfer)

Summary of Community Asset/s

Website detailing assets transferred, those available and what is needed and process for applying for an asset transfer.

Example of an asset transferred and information available on their webpages

St Peter's Community Centre: Community Asset Transfer

- Details of the community asset transfer for St Peter's Community Centre and how to submit an interest.
- Expressions of interest closed. The closing date for expressions of interest was 4 October 2023.
- The selection and decision-making process is in progress. A decision is due to be made during March 2024 and the building will then be transferred to community management by April or May 2024.
- The new community centre is still under construction and is expected to open by May to June 2024. It will have a hall and rooms for hire and will offer a mix of activities to help meet the needs of the local community.
- Application requirements
*We welcome expressions of interest from organisations that have imaginative proposals to take on the management of this new community facility.
You will need to provide the necessary funding to furnish the building and also the enthusiasm that is needed to make this into a successful new community venture. To serve the needs of the local community, you will need to understand and be able to work closely with local residents. You'll also need to have the necessary expertise to manage this facility.*
- Supporting information: *Our prospectus contains details of: the property, the expected uses, the outputs that we expect of a future tenant, the application process.* You can download the prospectus and other background information:
 - [pdfProspectus for Community Asset Transfer of St Peter's community centre \(pdf, 967 KB\)](#)
 - [pdfAppendix A: Bristol City Council Community Asset Transfer Policy \(pdf, 654 KB\)](#)
 - [pdfAppendix B: Sample of draft Service Agreement \(pdf, 198 KB\)](#)
 - [pdfAppendix C: Site plan \(pdf, 1.44 MB\)](#)
 - [pdfAppendix G: Suggested topics for Expression of Interest \(pdf, 106 KB\)](#)

3. Gateshead Council

Context and practice identified: What they have learned from practical examples of Asset Transfers in Gateshead.

Web link for more information: [How We Did It: Transferring assets to communities - New Local](#)

Summary of Community Asset/s

They have passed around 45 buildings and spaces to communities (as of 18 May 2022).

What Gateshead has learned?

Some things we still do the same. **We've learned about political buy-in** – we work closely with the councillors all the way through the entire process.

One thing we've learnt is that **not all community asset transfers should be for nil rental**. There are some which I think we should have had rent review provision. Even if we hadn't charged initially, we should have had at least a rent review provision in there so we could have gone back and revisited that.

And the big thing we've learnt from Whickham is increasing the **level of support we offer**. Not just from my team – for example, the energy team get involved when we're handing over buildings to talk about options when we're handing over utilities. Insurance and compliance teams are also involved.

We **hand over buildings very carefully** with them to make sure they truly understand what they're doing. And we're doing that more and more. We learned a lot when we gave a community centre to a mental health user group. We made a number of visits and we said, you watch us do it first. And then we'll watch you do certain things. Gradually they took over in three or four visits. And again, they're flourishing.

We generally take the view as support that **we're not going anywhere**. We're not abandoning them. So, if they have a question, all they have to do is ring us and ask us. But we're also looking at how we can support them, once they're in place.

Another big thing that we've learned is **understanding the running costs**. When we first started doing the asset transfers, we just took the property accounts as read. That's how much it costs to run it. Not a problem. We just quoted what was ever against the property. But when you drill down into those accounts, you realise that there's a lot of costs which aren't there. Grounds maintenance in particular, caretaking.

And the other things we're learning are the little **everyday barriers that pop up**. For example, we're being asked to help with getting wi-fi in. But providers are finding it difficult to actually locate the buildings. So, they come back to us and go we need more information.

4. Cardiff Council

Context and practice identified: Toolkit

Web link for more information: [Stepping Up Toolkit.pdf \(cardiff.gov.uk\)](#)

Summary of Community Asset/s

A toolkit for organisations for developing and managing services and assets.

What is it?

'The Tool Kit is deliberately designed to be an easy-to-read guide to the process of applying to take over the management of a 'community service' or 'asset' formerly run by a public body in the Cardiff area. The Tool Kit contains information, resources and references to other organisations that might help. There is a lot of good advice already freely available on the internet and we are not in the business of re-inventing the wheel, so where appropriate we have endeavoured to point you in the right direction.'

For example: the section on 'Is your organisation ready to step up'...

The process of taking on a community project will engage you and your organisation in tackling a wide range of tasks, some of which will be very challenging. It is a process of getting all your ducks lined up! The following is a list of the five key questions that you will need to have been addressed.

1. Has your organisation established clear and agreed 'objectives' for your community project?
2. Does your organisation have the 'capacity' to see your community project through?
3. Has your organisation proved that the proposals for your community project are 'feasible'?
4. Does your organisation's 'business case' for your community project stack up?
5. Will your proposed community project deliver real benefits to your community?

In the sections that follow we have provided a series of checklists - 'things you can do' to help ensure that you have addressed all of the key issues. We have also indicated where you might find help if you get stuck...

5. Some Other Case Studies:

- **Llanelli Rural Council and Llanelli Town Council (Asset Transfer Case Study)**

In November 2016, Llanelli Town Council approached Llanelli Rural Council about the possibility of it providing grounds maintenance services to the Town Council in support of several parks to be transferred from Carmarthenshire County Council. The Rural Council agreed to help and here's their story.

[Asset Transfer - Llanelli Rural Council : Llanelli Rural Council \(llanelli-rural.gov.uk\)](#)

- **Cardigan Swimming Pool**

Cardigan Swimming Pool is more than just a pool and over the past four decades has become a hub of community life. Run by a Charitable Trust, the

pool is used by a wide range of local residents across a wide geographical area in West Wales.

[Cardigan Swimming Pool - DTA Wales](#)

- Also see **Appendix B** for more case studies

6. Some other useful documents/reading:

- Local Government Association: Empowering Communities, making most of local assets
[Empowering communities: making the most of local assets](#)
Extract from guide: There are many ways in which local authorities can help those taking on asset:
 - by providing support ‘in kind’ such as access to property management and accounting expertise within the council
 - by making small grants for initial pre-feasibility and feasibility work
 - by offering short licenses and leases in the early stages of a transfer, while its viability is being tested
 - by providing high quality information on the maintenance requirements and costs of the building in question
 - by recognising the longer timescales that community organisations need to work to, if they are to have the support and involvement of their communities
 - by offering sale or lease terms that are appropriate and proportionate to the social nature of the organisation, rather than what would suit a profit-making business
 - by recognising the value of investing initial capital, as this could be the reassurance needed for the project to attract further capital finance from social and private investors
- One Voice Wales – Assets and Services toolkit [Guides - One Voice Wales](#)
- Senedd Research 2023 - Community assets in Wales: challenges and opportunities [Community assets in Wales: challenges and opportunities \(senedd.wales\)](#)

7. Community asset policies and/or websites used elsewhere in Wales (a sample of):

- [Community Asset Transfer \(valeofglamorgan.gov.uk\)](#)
- [Community Asset Transfer Process | Rhondda Cynon Taf County Borough Council \(rctcbc.gov.uk\)](#)
- [Community Asset Transfer \(CAT\) \(flintshire.gov.uk\)](#)
- [community-asset-transfer-guide.aspx \(caerphilly.gov.uk\)](#)
- [Development of Bridgend's Corporate Property Database](#)
- [Part 1 Report Template \(newport.gov.uk\)](#)

4. Legal Implications

- 4.1 There are no specific legal implications raised by this report.

5. Financial Implications

5.1 There are no specific financial implications raised by this report.

Background Papers: None

Appendices:

Appendix A – Southampton City Council Community Asset Transfer Policy

Appendix B – Welsh Government Case Studies