

The Vale of Glamorgan Council

Cabinet Meeting: 11 April, 2016

Report of the Leader

Community Asset Transfer Guidance 2016-2020

Purpose of the Report

1. To seek Cabinet approval for the updated Community Asset Transfer Guidance for the Council.

Recommendations

1. That Cabinet approve the updated Community Asset Transfer Guidance for use in future Community Asset Transfers.
2. That Cabinet delegates authority to the Head of Finance, in consultation with the Leader, to make any amendments to the guidance that do not affect the overall substance of the document.

Reasons for the Recommendations

1. To update the current procedure to reflect recently published national guidance and in order that requests for Community Asset Transfer to be dealt with consistently under a clear procedure.
2. To ensure that appropriate amendments can be made to the guidance.

Background

2. The Council's original Community Asset Transfer (CAT) Protocol was endorsed by Cabinet in December 2010 (minute C1149 refers). The protocol was produced in the background of a very different financial climate and it identified when the Council could consider transferring assets and how local communities could register an interest in taking over a Council owned property.
3. The Council's Reshaping Services Agenda has recognised the significant potential for the Council to work more closely with Town and Community Councils (TCCs) and third sector organisations, including community groups. One way of doing so is to consider how the Council's property assets can be used and managed effectively to provide services in the future.
4. The Council has received a number of enquiries relating to CATs in the recent past, from a mix of both community organisations and Town/Community Councils. It is

intended that the updated CAT Guidance ([Appendix A](#)) be used to manage all future requests to ensure consistency of approach in this area.

Relevant Issues and Options

5. A CAT is defined as a transfer of land or buildings from the Council's ownership into the stewardship and / or ownership of a Town/Community Council or third sector organisation. The "transfer" of the property asset could be by way of:
 - i. Management Agreement;
 - ii. License to occupy;
 - iii. Short lease;
 - iv. Long lease; or
 - v. Freehold transfer.
6. A working group of Council Officers has developed the revised CAT Guidance ([Appendix A](#)). This group of officers were drawn from the following relevant departments: Legal Services; Finance; Libraries; Planning; Democratic Services; Project Management Unit and Estates. Drafts of the guidance have been shared with Glamorgan Voluntary Services, the Town & Community Councils representative on the Reshaping Services programme and One Voice Wales (the organisation who provide support and advice to Town & Community Councils) and where appropriate, their comments are reflected in the guidance. The guidance has also been informed by "Community Asset Transfers in Wales - A Best Practice Guide (March 2016)" produced by the National Assets Working Group and published by Welsh Government.
7. The Council's new guidance is intended to provide a reference point for the wide variety of community bodies (such as voluntary organisations, co-operatives, mutuals, social enterprises and Town and Community Councils) who may be considering applying for a CAT, but does not affect any arrangements currently in place.
8. The Council's new CAT guidance is underpinned by the following key principles:
 - i. Community need;
 - ii. Supporting Council Aims and Objectives;
 - iii. Transparency in decision making; and
 - iv. Sustainability in the future operation of assets.
9. The revised guidance gives examples of the types of assets that could be considered for transfer, such as public toilets, community centres and bowling greens. However, the guidance also makes it clear that certain assets will not be considered for CAT. These will include assets that are required for the delivery of essential services or are generating an income stream for the Council. They also include those assets that have the potential to generate significant capital receipts to support the Councils Capital Programme.
10. The guidance indicates that CAT will be by way of lease or licence. A freehold transfer will only be considered in exceptional circumstances. The Tenure offered will be determined on a case-by-case basis, but the Council will endeavour to meet the applicants' funders' requirements wherever possible and appropriate (for example, in terms of lease length required by grant bodies).

11. The guidance sets out three formal stages of CAT: expression of interest, business plan and final decision. However, the guidance also provides for informal discussions to be held before commencing the formal process to support groups in early identification of key information that will be required for them to decide whether or not to pursue an application. The guidance also includes information for applicants in terms of the legal status they require and indicates sources of assistance/further information to support the development of schemes.
12. The guidance contains templates for the expression of interest and business plan and these have been informed by the WG Guidance and examples of best practice from elsewhere in Wales. It is proposed that a sub-group of the Council's Corporate Asset Management Working Group will receive and review applications at both expression of interest and business case stages. This sub-group (also to include a representative from Glamorgan Voluntary Services and One Voice Wales - the group representing town and community councils in Wales) will make a recommendation to the Corporate Asset Management Working Group and the Council's Cabinet. It is the Cabinet who will make the final decision on CATs in all cases.

Resource Implications (Financial and Employment)

13. There will be staff resource implications in respect of considering CAT applications and business plans. The full impact of these resource implications will not be known until the level of applications is apparent. It is therefore proposed that no additional staffing resources will be employed at this time and the process managed within existing resources. Should resource pressures arise, these will be reported to the Reshaping Services Programme Board for consideration.
14. CATs have the ability to deliver efficiency savings for the Council and these will be identified and assessed as part of the evaluation of expressions of interest and business plans.
15. The new guidance has been drafted on the presumption that leases will be granted on a full repairing and insuring basis (i.e. the Council will not be responsible for any repair costs) and, as such, the lessee (T&CC/third sector organisation) will be responsible for all running costs. However, applications will be dealt with on a case-by-case basis.

Sustainability and Climate Change Implications

16. The need to ensure that services are sustainable for future generations is a key element of the Reshaping Services Agenda.

Legal Implications (to Include Human Rights Implications)

17. Whether or not to charge an open market consideration for Council assets will be determined on a case-by-case basis. An asset transfer at less than best consideration will be dealt with in accordance with the Local Government Act 1972: General Disposal Consent (Wales) 2003 Disposal of Land in Wales at less than consideration.
18. The guidance indicates that a decision to transfer a particular asset under CAT will not be considered as a setting of precedent. Each CAT will be judged on its own merits and the details of the transfer arrangements will be subject to individual negotiation.

Crime and Disorder Implications

19. It is considered that the use of underutilised or vacant accommodation (through the CAT process) will develop a sense of community ownership and engagement which could assist in addressing any issues of crime and disorder that may exist.

Equal Opportunities Implications (to include Welsh Language issues)

20. The CAT project will be delivered in accordance with the Council's equal opportunities and Welsh Language policies, statutory requirements and ethos.
21. Equality Impact Assessments will be undertaken for specific schemes where it is appropriate to do so.

Corporate/Service Objectives

22. The CAT guidance supports the Council's Reshaping Services Programme.
23. CATs also contribute to the Corporate Plan action relating to Corporate Asset Management which aims to achieve the optimum use of property assets, including community benefits. Individual CAT projects also have the potential to contribute to other Well-being Outcomes contained in the Corporate Plan.

Policy Framework and Budget

24. This is a matter for Executive decision.

Consultation (including Ward Member Consultation)

25. As the new CAT guidance is a Council wide initiative, no specific ward consultation has taken place in relation to the updated guidance.
26. Should specific recommendations be made in the future in respect of any particular asset, ward members will be consulted at the relevant stage in the development of those proposals.

Relevant Scrutiny Committee

27. Corporate Resources.

Background Papers

None.

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Officers Consulted

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