

Community Asset Transfer Policy

March 2016

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Property Policies Pack 2016 update

Amendments history sheet

Issue Number	Changes Made	Issue Date
1	Created	March 2013
2	Amended	June 2013
3	Amended	July 2014
4	Amended	March 2016

Policy name: Asset Transfer Policy

Policy Reference in the Pack: G

Date created: March 2013

Sent for Review: 26/2/16

Deadline for update:

Name of Responsible Property Manager: Graham Glenn

Have any changes been made? Yes

If Yes:

Name of Officer reviewing	Paragraph name or Page number	Nature of changes made
Chris Reed	Various	Various updates & corrections

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1 Introduction

The Council wants to support the development of the transfer of assets to third sector as part of the Government's agenda to encourage devolution to local people and communities.

The transfer of occupation of Council owned premises to the voluntary and community sector is not new to ESCC. Currently several properties are used/occupied by a variety of organisations ranging from voluntary support groups to sporting and youth organisations.

The purpose of this policy is to build upon current experience and best practice and provide a clear policy framework for responding to requests or identifying opportunities for asset transfer to the community. This includes how the Council considers the risks and benefits of asset transfer as part of its overall corporate asset management planning process.

Due to the diverse nature of the Council's property holdings which includes land, buildings, structures, and monuments it is clear that one policy will not fit all circumstances. However a number of common themes will need to be considered: for example the nature and capacity of the applicant, adoption of robust option appraisals including financial implications to the authority, contribution to corporate objectives, assessment of risks and sustainable business cases before contemplating the transfer of any asset.

The Council will consider the community and voluntary sector using its assets for short term use or to cultivate organisations that can be self sustaining. Whilst these are not transfers as such, the principles of this policy will be observed in such arrangements as demonstrated in this policy

This policy has been shared with the Third Sector and developed with support from Localities and the Department of Communities & Local Government.

2 Background

Scope of the Policy

The policy applies to all land and buildings in the ownership of ESCC. Any potential transfers will be considered on a case-by-case basis against the criteria outlined in this policy. The Council will not consider applications for transfer in respect of:

- Buildings which accommodate fixed or core service - eg schools, social care establishments, integrated service centres
- Assets deemed not to hold a community value and so disposal on the open market is in the best interest of the tax payer.

The Council will consider asset transfer solutions through proactively working with the voluntary and community sector, or consider applications in respect of:

- Buildings currently delivering community-based services, where there is a demonstrable need for the building and associated services to continue. For these buildings there may be mutual benefit to explore a transfer. The Council would, however, place a condition that the organisation taking ownership of the building does so for community use and continue to provide access to the community and voluntary groups currently using the premises.
- Buildings which have been identified by the Council as potentially surplus or where there is no clear rationale for retention due to; a) the cost to maintain, b) the condition of the building, c) low levels of participation or utilisation, or d) the potential to use nearby facilities to provide services.

Whilst the Council does not rule out transfer of the freehold, this will be carefully considered as it increases the level of risk to both the Council and the third sector organisation. Freehold transfer could reduce the Council's control in the long term over the benefits achieved through its assets. Transfer of freehold would also require a more complex assessment and justification process. Any asset permanently transferred to a third sector organisation would also need to be removed from the Council's balance sheet thus reducing the Council's financial strength.

"Transfer" is primarily considered to relate to leasehold arrangements at less than best consideration or potentially freehold with relevant covenants. The terms of transfer will typically be as a long lease of between 25 and 99 years, and shall be assessed on a case by case basis.

The Council can grant an initial 3-5 year lease with a view to eventual transfer to allow the voluntary and community sector organisation to, for example, explore options for the management and refurbishment of the building. The same process will be followed but it will be a one stage process based on the principles above.

Groups may be local, regional or national organisations but their work programme must have clear benefits to the residents of East Sussex. Groups must be able

to demonstrate good governance with an appropriate legal structure. Transfer to social enterprises will be considered but will be subject to additional commercial analysis.

Purpose of the strategy

The transfer of assets can have a significant impact:

- It can contribute towards the regeneration of communities and can act as a catalyst for social, environmental and economic regeneration
- Changing ownership or management offers opportunities to extend the use of a building or the piece of land, increasing its value in relation to the number of people benefiting and the range of opportunities it offers
- It can stimulate the involvement of local people in shaping and regenerating their communities, and can be a catalyst for local volunteering and increasing community cohesion; can build confidence and capacity amongst the individuals involved, and can support the creation of community leaders, and inspire others to improve their community
- It has potential to create stronger, more sustainable voluntary and community sector organisations (VCOs), which can create a wide range of benefits for the communities they serve. An asset can provide VCOs with financial security, recognition, and management capacity
- It can result in the creation of new organisations, joint ventures or collaborations with the ability to lever in additional resources, which would be unavailable to the Council acting independently
- The activities that are stimulated or safeguarded by community asset transfer will contribute to council objectives. Working in partnership with VCOs can help the Council to achieve its outcomes set out in key place shaping strategies
- It can contribute towards efficiency savings (e.g. achieving revenue savings by releasing surplus property), and drive the diversification of public services in an era of austerity spending settlements for local government
- It can contribute to the Council's objective of rationalising its estate and facilitate more effective and efficient use of its asset base placing the focus on better services and community outcomes as a result of its strategic asset management
- It can act as a stimulus for partnership working between the voluntary and community sectors, the Council and other partners so improving the provision and accountability of services within communities.

To maximise the benefits the Council must have a clear and transparent approach to how it will address asset transfers to the community.

National policy context

The development of this policy has regard to:

- Localism Act (Part 5 Community Empowerment) 2011
- Public Services (Social Value) Act 2012
- Local Government Deficit Reduction

Local policy context and links to other strategies

The operation of this policy will need to have regard to the desired outcomes in other Council strategies including:

- Sustainable Community Plan
- Corporate Plan
- Local Development Framework
- Empowerment and Engagement Framework
- Property Asset Management Plan
- The Compact
- Capital Strategy

The Council will also have regard to specific local issues.

There may be conflicting needs and the Council will in such cases have regard to priorities and core responsibilities.

Ultimately Cabinet will take the final decisions on any transfers to the community.

3 Our Principles

The Council's Property Asset Management Plan 2012/13 identified the following four key principles that will underpin the management of our property assets in the ownership of East Sussex County Council. By adopting these principles we will strive to rationalise the estate, reduce backlog maintenance and provide "fit for purpose" buildings which are efficiently used and support service delivery. Therefore the adoption of this policy will support these principles as follows;

Principle 1 – Improve or replace

Investment to ensure retained properties are fit for purpose, efficient and sustainable.

Out of scope

Principle 2 - Release

To identify poorly performing assets to rationalise the corporate Estate

Those properties that are assessed as no longer being fit for ESCC's service delivery purposes can be released by transferring into the ownership of a community association. The council will expect specific criteria to be met most notably that the association's purpose supports our core priorities.

Principle 3 – Reduce our Carbon Footprint

To identify and implement changes to reduce our carbon footprint

Out of scope

Principle 4 – Work in partnership

And empower our communities

The authority aims to provide services across the county, alongside and in collaboration with, other organisations, enabling local people to access a range of services from one place. This is an important issue in the provision of services for children and young people, and those using adult care services, where the ability to access a range of support facilities in one location is beneficial.

The Council is a member of the Strategic Property Asset Collaboration in East Sussex group (SPACES) which brings together public, private, voluntary and community sector organisations in the county. One of the core priorities of the Council is to also create sustainable communities.

For more information see

<http://www.eastsussex.gov.uk/community/helping/partnerships/default.htm>

Challenges

- To identify opportunities for greater efficiencies in service delivery and building use in key towns across East Sussex.
- To reconcile organisational timescales and strategies with partners, alongside agreeing partnership principles.
- To build greater resilience and self-sustaining capacity to support delivery of joint objectives with the voluntary and community sector.
- To balance the benefits of asset transfers and community empowerment with the need to generate resources to fund the Capital programme.

Pledges

- To build and strengthen existing partnerships between the public, voluntary and community sector throughout East Sussex
- To support the delivery of the SPACES priorities
- To work with partners to further develop area based asset plans
- To work strategically with our partners to ensure that we learn from our common experience and share best practice

Strengthening our Principles

Our principles will be further enforced by these pledges relating to the Community Asset Transfer policy:

- We will work with the voluntary and community sector to achieve an appropriate asset transfers that can enhance community engagement and empowerment and encourage development and sustainability in the sector
- We will take a strategic approach to community asset transfers and identify those assets that could be transferred through regular reviews of the Council's asset base and undertake option appraisals
- We will have in place a transparent process for responding to requests for individual asset transfers
- We will seek to implement the policy proactively to encourage appropriate groups to consider transfer
- We will seek the engagement and empowerment of the local communities as a key component for the asset transfer

- We will require clear and demonstrable benefits for the community as part of the asset transfer process showing how the community will benefit, how current services will be supported and enhanced and how a clear contribution to the priorities within the Sustainable Community Strategy and/or the Council Plan can be demonstrated
- We will recognise and develop the Council's dual but independent roles as a supporter of the third sector, but also as a steward of publicly owned assets
- We will assess the benefits of the transfer in association with our corporate priorities in comparison with a market disposal -
- We will seek to extend our approach to community asset transfer and positively promote it to other public bodies and service providers
- We will take a community wide perspective when involving other public partners through our SPACES programme
- We will have a clear process and timescale for dealing with asset transfers.
- We recognise the advantage of long and flexible terms of tenure (with appropriate and proportionate safeguards) to enable the voluntary and community sector to adapt and change over time, in response to community needs, and to achieve long term sustainability

Points to note:

- There must be a clear proposal, business case and rationale for transfer, which may be required to include opportunities for new and innovative ways of supporting the Council provide services to the community
- The decision to transfer an asset will not be considered as setting of a precedent. Each asset transfer will be considered on its own merits and the detail of the transfer arrangements will be arrived at through individual negotiation.
- All Council departments will endorse and help to deliver this agenda
- The Council will negotiate two sets of documentation in respect of any transfer, those being a **Lease** and a **Partnership Agreement**. The aim will be to empower the VCS organisation, in an appropriate timescale, to take on the full legal responsibilities of an asset transfer.
- **The lease** will therefore be "aspirational" and commercial in nature in that it will set out the eventual position on shared responsibilities.
- **The Partnership Agreement**, however, will clearly set out the support (financial or otherwise) being provided to the organisation to enable it to meet its responsibilities. These may change over time in recognition of growing capacity within the organisation to take on more responsibility for the asset. The Partnership Agreement will also detail any monitoring regime, together with remedies available to both parties if the terms of the partnership agreement are not met.

4 Our Approach to Community Asset Transfer

Council's Related Policy

The implications of this policy will be reflected in the other policies, specifically the Disposals and Leases & Licences policy. Any implications arising from this policy will inform decisions on future disposals which are deemed suitable for a community transfer. An option appraisal will consider the suitability of transferring an asset to the community on a variety of criteria. For example the amount of capital investment for continued operational use by another service, income from rental, disposal to support the capital investment programme, transfer of asset to the third sector, opportunity for collaborative working. Appraisals will also need to address economic, regeneration, and sustainability issues.

The priority will always be to obtain the best outcome to help deliver Council objectives and this will require balancing the best price reasonably obtainable to support the Capital Programme against the benefits being offered through alternative use including asset transfer. All Council property disposals will be in accordance with the Localism Act 2011 and will consider if the surplus property has been registered as an "asset of community value" and if it has the Council will ensure that there is opportunity for a Community to Right to Bid.

The Council does have the opportunity, under the General Disposals Consent 2003, to dispose of land or buildings at less than market value provided the disposal is likely to contribute to the economic, social or environmental well-being of the area, and the difference between the market value and the actual price paid is less than £2million. Any disposal for less than market value would need to be transparent, justifiable and have the appropriate Cabinet/Lead Member approval. In some cases the consent of the Secretary of State is required.

Aims of Community Asset Transfer

The Council's Property Portfolio includes land, buildings and other structures held to support direct service delivery, support delivery by partners including the voluntary and community sector, stimulate economic activity and regeneration. Through the ownership of assets it achieves a variety of different economic, regeneration, social, community and public functions. For some of these assets community management and ownership could deliver a variety of further benefits.

For the Council and other public sector service providers, the potential benefits from asset transfers include:

- Promotion of community empowerment
- Area wide benefits for the citizens of East Sussex
- A sustainable third sector
- Improvements to local services including more accessible and responsive services
- Delivery of corporate objectives
- Providing a catalyst for inward investment and local multipliers through local purchasing and employment
- Transfer can help to solve building management problems and can lower ongoing costs
- Helping to progress neighbourhood planning priorities
- Providing opportunities for long-term working between sectors
- Creating the opportunity for investment in the asset that may not be possible within Council ownership.

The potential benefits of asset transfer for **VCS organisations** include:

- physical assets can provide sustainable wealth
- strengthening the organisation's confidence
- strengthening the organisation's community ties
- strengthening the organisation's ability to raise money. There may be access to funding to refurbish the building or to support staff training and development
- greater financial sustainability to help the organisation to escape short term grant-dependency
- an ability to develop the asset to meet the organisation's needs and aspirations

Public assets are rarely used by everyone: their 'value' being locked in to a particular use or a particular group of people. Changing ownership or management offers opportunities to expand the use of a building or piece of land, increasing its value in relation to the numbers of people that benefit and the range of opportunities it offers. Community-led ownership offers additional opportunities to secure resources within a local area and to empower local citizens and communities.

How asset transfers can take place

The process of asset transfer may be initiated in two ways:

- By the Council identifying an asset as appropriate to consider for transfer either to sustain the current building and service delivery where a building has been deemed surplus; or
- A request from the voluntary and community sector

In the case of the former, following a review of the Council's assets and relevant engagement and approval on which community assets are suitable for transfer, these will be advertised and the local voluntary and community sector will be made aware.

In the case of the latter, the Council will assess the initial request to determine whether the asset is suitable for transfer. Speculative transfer requests will be subject to an initial assessment of the suitability of the asset for transfer. Should the asset be deemed suitable it will be advertised as being so to ensure an open and transparent process. Interested parties will be directed towards completing an initial Expression of Interest providing details about the organisation, identifying the building proposed to be transferred, identifying the organisation's plans for the building and identifying any local support for the proposal (amongst local members and the local community).

When there are a number of interested parties in an asset that has been made available for transfer, the Council will aim to encourage collaboration. However, when this is not possible a competitive process will be used to decide the outcome and the successful organisation will become the Council's preferred partner in the transfer process.

Where there are current lease arrangements in place, the transfer process will need to consider the terms of this lease and this may limit the opportunity to advertise on particular buildings.

Members' involvement

We will consult and keep our Members informed of any matters that may impact on community interests in their local area. It is recognised that Members, because of the local knowledge of the district that they represent, will be able to contribute to those discussions to ensure that our community strategy reflects the needs of the communities to whom we provide services. Therefore engagement will be sought and encouraged at an early stage of the process.

Potential funding sources for community groups

Grants are available towards the purchase/refurbishment of community assets depending on the location, status of the organisation applying and the use of the asset, some of which are listed in Appendix G20. For more information, please contact our external funding team: external.funding@eastsussex.gov.uk or phone 01273 482859.

Conclusion

This Policy sets out how the Council approaches asset transfer. It will be reviewed regularly and at least once a year

Appendix G17

The Process for Asset Transfer

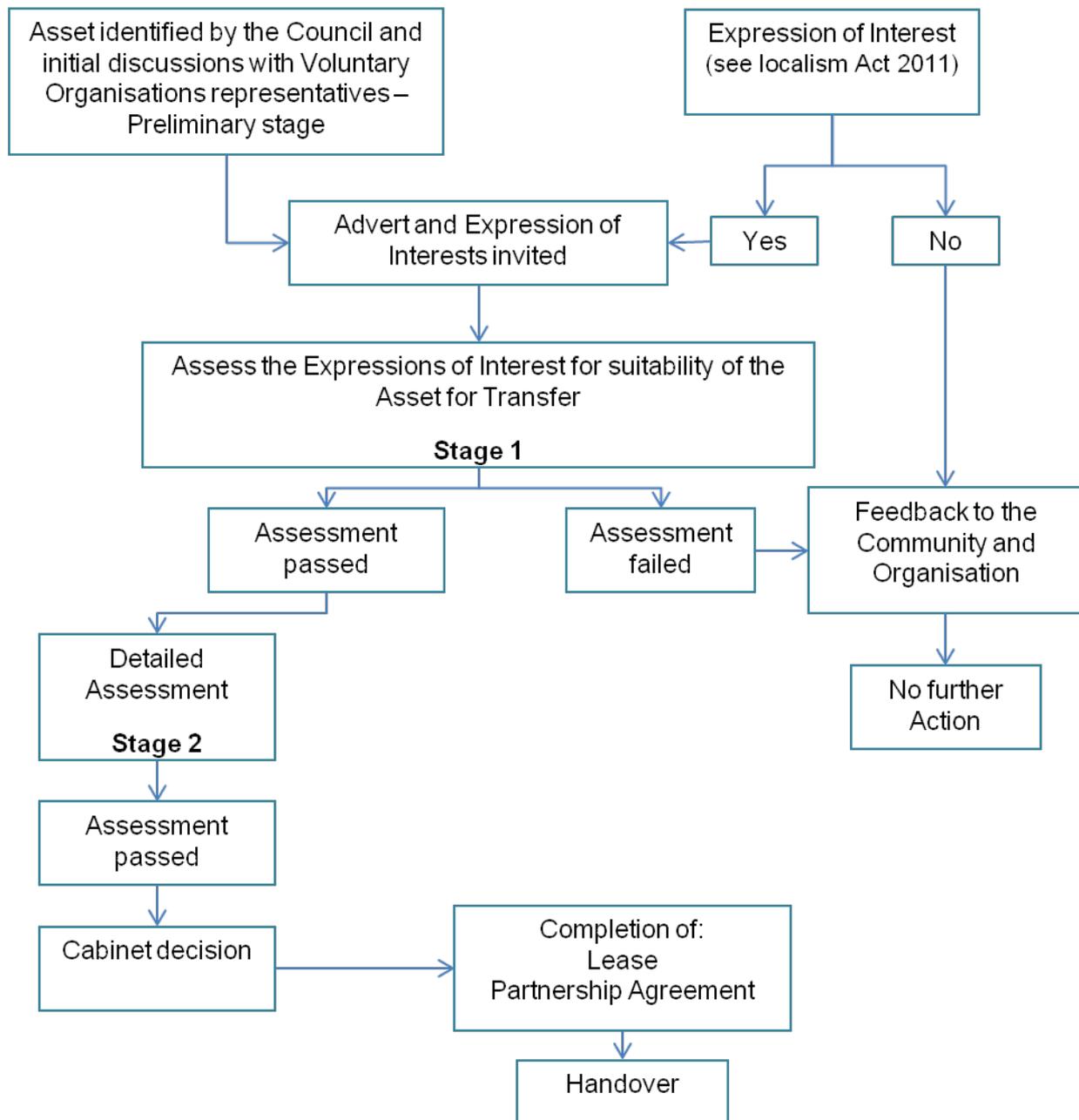
The asset transfer decision is essentially a choice between:

- do nothing;
- realise a capital receipt as a result of a 'commercial' disposal;
- realise benefits that could be generated by the transfer of the asset to a VCS organisation and local communities more widely.

In identifying assets proactively and in assessing proposals for asset transfer, the Council will attempt to measure the relative benefits and risks of these three options in order to justify its decision and the level of discount proposed. It will also relate these benefits to Council priorities such as objectives of Vision 2030 and the Corporate Plan.

The Council will operate a two-stage process for asset transfer. Where a decision is made not to transfer – either at stage 1 or stage 2 – the Council will provide feedback to the third sector organisation. As part of the feedback, the Council may put forward alternative proposals for working with the organisation to help build capacity or to find an alternative property solution.

The process can broadly be described as:



NB Short Term Lease of 3 to 5 years will follow single stage process based on stage 2.

Criteria to be adopted for considering requests for Community Asset Transfer

Preliminary Stage

Where the preliminary approach is being undertaken by the Council, this will be based on:

- Any known needs in the area with input and engagement from appropriate representatives of the voluntary and community sector
- Current status of the asset e.g. surplus
- Value of a commercial decision
- Asset is not currently needed or identified for future investment value or use for direct service delivery which could be best provided directly by the authority rather than through the community
- Transfer will deliver the strategic priorities of the Council
- The asset is fit for purpose and would not impose an unreasonable liability to a third sector organisation or the Council
- Transfer or management of an asset would not be contrary to any obligation placed on the Council
- The asset is in the freehold/leasehold ownership of the Council

Requesting Expression of Interest

This will be issued by advertisement. Where an organisation approaches the Council with an Expression of Interest, the Council will consider whether this should be advertised more widely or whether the Expression of Interest will proceed to stage 1 and can hence be evaluated.

Stage 1 - Suitability Assessment: key criteria

The outline assessment will take place for:

- a) those opportunities proactively identified by the Council and advertised
- b) those expressions of interest made by

The suitability decision will be made on the suitability of the asset for transfer and the standing of the third sector organisation based on their expression of interest.

The suitability of the asset for transfer would consider:

- Current status of the asset
- Any future intentions
- Value of a commercial decision, financially and non-financially, eg creation of housing
- Risks of status quo or commercial decision

In assessing the organisation, the Council will consider its constitution, how long it has been operating, its aims and objectives and its management and staffing:

- What does the organisation want the asset for?
- Does the organisation have a business case supporting their bid? How well developed are the proposals?
- Does the organisation have the capacity to take on the asset?
- What benefits might arise from the proposed transfer?
- What are the risks of the proposed asset transfer?
- How does the proposal contribute to corporate priorities?

Responsibility - this will be undertaken by the Community Asset Group along with other representation from relevant and appropriate service departments.

Stage 2 - Detailed Assessment: key criteria

The second stage decision will be made based on a detailed business case submitted by the third sector organisation and a detailed assessment of the potential benefits and risks made by the Council.

The stage 2 assessment covers 5 main areas, the details of which are set out in Appendix G18.

Consideration by the Council

In view of the diverse nature of assets within the Council's ownership, there is no sole disposal methodology that suits all circumstances. However the Council's asset transfer policy is that asset transfers will be by means of leases or licenses. The nature of the tenure offered will be determined on a case by case basis having regard to the particular circumstances of the project, strength of the applicant and sustainability of the business case etc.

As the management of assets and the support to communities falls across a range of Council departments and services it is considered that the asset transfer process be initially managed by the Community Asset Group cross service internal officer group.

The decision whether to charge an open market consideration for the benefit of an interest in an asset will be determined on a case by case basis. Factors influencing such a decision will include proposed uses, extent of revenue producing opportunities, benefits to the community. In all cases involving transfer of ownership /occupation appropriate legal mechanisms will be put in place to protect the Councils financial position. Any proposed asset transfer at less than best consideration will be subject to formal valuation in accordance with the Royal Institution of Chartered Surveyors Valuation Standards.

The Council's intention will be to transfer responsibility of all repairs and maintenance unless there is a compelling case that responsibilities remain with The Council. The provision of a dowry may be considered.

Legal Issues

Asset transfers will generally be by means of a long term lease: the terms of which will be agreed at the time of each individual transfer. Freehold transfer will only be considered in exceptional circumstances.

The organisation taking ownership will be responsible for

- Upkeep, repair and maintenance of the building
- All running costs
- Health and safety requirements, including compliance with any statutory obligations

In all cases involving transfer of ownership/occupation an appropriate legal mechanism will be put in place to protect the financial position of the Council; such as restrictions on use, break clauses, etc. For example, in the case of a long term lease we will write into such leases an appropriate clause (forfeiture or break clause) under which the asset would revert back to the Council, such as:

- In the case of bankruptcy/insolvency
- In the case of corruption
- In the case of none payment of rent (if applicable)
- In the case of none performance of other terms such as serious repairs and maintenance (if applicable)
- The Council requires vacant possession of the asset as it forms part of a regeneration scheme
- If the transfer agreement is breached
- If the organisation wishes to develop and move into bigger premises.

In the case of all asset transfers, the property may not be sold or transferred to another organisation without written permission from the Council. The decision of the Council would be primarily based on ensuring that the benefits of the transfer as set out in the Partnership Agreement (see below) would be maintained or improved by the proposed sale or transfer.

Other issues may arise with regard to:

- Domestic law applicable to disposals at an undervalue
- EU law applicable to procurement issues, treaty obligations and state aid
- Domestic law relating to judicial review
- Domestic law applicable to employment contracts

All the above will need to be considered on a case by case basis and a guidance note is to be prepared by legal services.

Timescales

The Council will endeavour to process applications promptly and will set a timeframe and milestones for each transfer.

Risk Assessment

It is important that both the Council and the receiving organisation are sufficiently equipped to understand, assess and manage the risks that are inherent in the process of asset transfer and its policy. In managing this policy the Council will manage the associated risks as set out in Appendix G19.

Statutory powers of acquisition

The Council has the ability to utilise Compulsory Purchase Orders (CPO) to acquire land within the County for specified purposes.

Crichel Down Rules

In particular the General Rule of these guidelines states that “where a department wishes to dispose of land to which the Rules apply, former owners will, as a general rule, be given the first opportunity to repurchase the land previously in their ownership, provided that its character has not materially changed since acquisition.”

Local Authorities are not under a statutory obligation to comply with the Crichel Down rules. Therefore any compliance with these rules will be at the discretion of the Chief Property Officer in consultation with the Lead Member for Resources.

Appendix G18

Key considerations when assessing assets for transfer

The following key items should be considered when assessing the suitability of transferring an asset to the community:

- There is a legal interest owned by the Council from which the transferee can demonstrate community benefit.
- The asset is in the freehold/leasehold ownership of the Council.
- An options appraisal has been carried out to identify that the asset is suitable for community transfer as the sole or one of the viable options. This process will be adopted in response to requests or properties identified through internal reviews. This will cover:
 - The asset is not currently needed or identified for future investment value or use for direct service delivery, which could best be provided directly by the authority rather than through the community.
 - The transfer will deliver the strategic priorities of the Council.
 - The asset is fit for purpose and would not impose an unreasonable liability to the Third Sector organisation or the Council
 - Transfer or management of an asset would not be contrary to any obligation

placed on the Council

- Details of current use, occupation and circumstances
- Details of the condition of the asset
- Suitability of the asset for existing use
- Whether any other organisations will be affected by the ownership of the asset?

Organisation Assessment

- Community-led, ie its governance arrangements must ensure that it has strong links with the local community and that members of the community are able to influence its operation and decision-making processes;
- Have stated community benefit objectives
- Be a voluntary and community sector organisation which is a legal entity
- Be appropriately constituted and not for profit (eg a registered charity, community interest company or charitable incorporated organisation, a not for profit company)
- Have a strong financial background and/or a demonstrable financial plan moving forward. The Council will wish to review copies of audited accounts and forward projections where appropriate.
- Exist for community/social/environmental/economic benefit - the Council will want to review annual reports.
- Be non-profit distributing and reinvest any surpluses to further its social aims/community benefits
- Demonstrate strong governance by operating through open and accountable co-operative processes, with strong monitoring evaluation, performance and financial management systems
- Demonstrate it has the skills and capacity within, or available to, its managing body to effectively deliver services and manage the asset;
- Have a management proposal which includes a specific plan on health and safety issues and compliance with legislation and any statutory requirements arising from ownership or management of the building or running a service;
- Have a clear purpose and understanding of the activities it wishes to deliver and demonstrate how the asset transfer will enable and support these activities.
- Embrace diversity and work to improve community cohesion and reduce inequalities
- Abide by the principles and undertakings in the Third Sector Compact
- Demonstrate it is well established and/or track record of delivering services or property management.

Assessment of the Proposal, including finance and business plan

For any transfer, the Council would require a proposal outlining the business case, covering financial viability, proposed utilisation, benefits to the organisation and community and evidence of wider community consultation and support. The decision on transfer will be made by the Council's Cabinet in all cases.

As a minimum the business case will need to clearly identify:

- At least three/five years revenue or capital funding plans and projections of managing and operating the asset
- How it will invest in and maintain the asset including a specific plan as to how all health and safety responsibilities will be met
- The planned outcomes and benefits to result from the asset transfer
- Demonstrate a community governance structure with capability to sustain asset transfer and has the identified necessary capacity building requirements within their organisation
- Any sources of finance asset transfer will release or attract
- Track record of delivering services and or managing property
- Financial sustainability and forward planning
- Risk assessment and mitigation plan
- Evidence of consultation on the proposals
- Details of how the proposed use and benefits of the asset will be monitored and details of 'fall back' arrangements should the transfer prove to be not sustainable
- Whether they would wish to start on the phased transfer of the asset and agreed milestones to justify progression to the next phase.
- Justification for transfer at less than market value either freehold or leasehold the applicant has justified and quantified the benefits to the community and Council to justify the subsidy. The Council will separately need to satisfy that any transfer is within its legal and financial powers
- How proposed use will demonstrably help in the delivery of the Council's community strategy, corporate needs and facilities for the use by the people of ESCC
- How the proposed use will ensure extensive and inclusive reach into the community and will be open to all
- How the proposed use will be maximised
- The applicant has established how much space it requires to deliver its proposals, and how they will make good use of such facilities
- Clear management structure demonstrating how premises will be managed on a day to day basis, and legislation affecting occupation of premises
- Demonstrate that the buildings will continue to support community and voluntary activities within the area and protect the use of the facility by other voluntary organisations
- Outline the future opportunities for enhancing the use of the building as a community facility that transfer would bring

Assessment of potential benefits

- Increasing/maintaining community empowerment
- Demonstrating clear area and neighbourhood agendas
- Promoting a sustainable third sector
- Promoting economic development and social enterprise
- Providing improvements to local services
- Providing value for money
- Create efficiency savings
- Implementing corporate and partnerships priorities

Assessment of risks

- Potential to disadvantage particular individuals or impact negatively on the local community or communities of interest
- Potential for a negative impact on community cohesion
- Potential loss of existing community services
- Capacity of recipient to manage asset
- Potential for the asset to become a financial liability for recipient
- Capacity of recipient to deliver promised services/outcomes
- Capture of asset by unrepresentative/extremist minority
- Transfer contravenes State Aid rules
- Conflict with other legal, regulatory constraints
- Potential for ongoing Council liability
- Lack of value for money
- Conflict with other funders

Appendix G19

Risk Assessment

Risk	Potential Solution
Organisation does not have the capacity /skills to take over and manage the asset	Agree expectations document at the outset incorporating skills audit and management plan, organisational development plan, detailed business plan, ongoing management plan, marketing plan, level of support offered and agreed at the outset
Community organisation cannot raise the cash needed to purchase or refurbish the asset offered	Identify extent of repair cost by detailed survey, prepare detailed business plan, identify and secure funding sources, phased transfer in line with finances available
The ability of the Council to support a particular project is limited by state aid rules or other restrictions or legal constraints which will impact on organisation's operation of the asset impact	Identify up front any issues that need to be addressed and allow time in programme for resolution
Inability of the community organisation to manage the asset effectively	Robust business plan identifying secured revenue streams, agreed organisational development plan, skills audit and training development plan
Asset not used in public interest, taken over by an unrepresentative or unaccountable minority, access to the asset is not inclusive	Adoption of ongoing expectation document, legally binding service level agreement or other legal agreement, council board members. Local Authority to ensure management group reflects diversity of local community interest
Community organisation is not able to invest in the asset to meet its longer term liabilities for upgrading and cyclical maintenance	Robust long term business plan. Agreed organisational development plan. Organisation has demonstrated appropriate financial skills or access thereto. Minimise liabilities through appropriate legal structures.
Reliance of smaller receiving organisations on volunteers through lack of resources or professional/ support staff	Adequate support/advice on organisational structure /management. Use of role descriptors for trustees.
Fragmented ownership of assets across an area could impair strategic objectives of local authority and/or its LSP partners	Council adopting strategic approach to use of its asset base. Use of LSP to engage /encourage joint working

<p>Confusion and lack of awareness over roles, responsibilities and liabilities between landlord and community organisations</p>	<p>Use of expectations document at the outset setting out roles and responsibilities of each party.</p>
<p>Community empowerment objectives of the receiving organisation are vague, weak, or not aligned to those of the Council</p>	<p>Organisation needs to undertake community needs survey to assess the needs /interests of the community; working in partnership with other groups</p>
<p>The Council does not have sufficient capacity either financially or through personnel to support the initiative</p>	<p>Support for the third sector should be part of a broader partnership with the third sector. Role of local authority to be set out in expectations document</p>

Appendix G20

Community Assets – Grants available

A number of grants are available towards the purchase/refurbishment of community assets depending on the location, status of the organisation applying and the use of the asset. Please bear in mind that where a capital element is requested there will be an expectation that the organisation applying for the grant owns the building/land or the freehold for a certain period of time.

Below is a summary of key funders for generic buildings and lands projects. Please note that whilst lottery funding is likely to remain unchanged, other funders will update their criteria every so often.

If funding is required for a particular scheme (i.e. listed building, energy saving features, etc), a search would be carried out and additional funders would be identified. Please contact external.funding@eastsussex.gov.uk or phone 01273 482859.

The funders listed below are for capital grants, which also include some revenue costs and they are also the larger funders. There are however smaller grants available that would support small capital projects, for example:

[Awards for All](#) which supports projects that meet one or more of the following outcomes:

- People have better chances in life – with better access to training and development to improve life skills
- Stronger communities – with more active citizens working together to tackle issues within the community
- Improved rural and urban environments – which communities are able to better access and enjoy
- Healthier and more active people and communities

www.biglotteryfund.org.uk/global-content/programmes/england/awards-for-all-england

Rye Harbour Village Hall £10,000

This organisation used the funding to improve the facilities at their village hall for the wider community. This enabled more people to be able to use the hall for social activities.

[Sussex Community Foundation](#) which awards grants to community and voluntary groups. They are particularly interested in supporting smaller community based groups where a small grant can make a significant difference.

The majority of grants are in the region of £1,000 to £5,000.

www.sussexgiving.org.uk/apply-for-grants/

Community Wise

£3,500

This Eastbourne based organisation received a grant to refurbish their kitchen and toilets.

[Gatwick Airport Community Trust](#)

www.gact.org.uk

The priorities of the trust include improvements to community facilities and they have funded village hall improvements in Newick and Forest Row. Eligibility to apply depends on project location and a list of eligible areas is available on their website (in broad terms the area is bounded by the A272 to the south; the A283/A281 to the west, the A25 to the north and the A21 to the east.)

The normal level of grants is from £1,000 to £5,000. Occasional larger may be considered if the impact is targeted to benefit a significant number of people and is considered to make a valuable and noticeable difference longer term.

As well as grant opportunities, other sources of income might be available through:

- applying for a loan, for example through the [Charity Bank](http://www.charitybank.org), www.charitybank.org, if your project will generate an income that will help repay it
- raising a precept tax through local taxation in a Parish or Town, as long as the local Council can demonstrate that the area in question would benefit from the updates to the community facility - funds can cover buildings or revenue projects
- renting out space in the building, charging a fee, etc

It is worth noting that there are various organisations offering support with community assets, including:

- [My Community Rights](http://www.mycommunityrights.org.uk) website which has details on Community Assets Transfer www.mycommunityrights.org.uk/community-right-to-bid
- [Locality](http://www.locality.org.uk) which offers advice on asset-based development to achieve long term social, economic, and environmental improvements to local areas www.locality.org.uk/our-work/assets/
- the Joseph Rowntree Foundation which published the "[Community Organisations controlling assets: a better understanding](http://www.jrf.org.uk/publications/community-organisations-controlling-assets)" report <http://www.jrf.org.uk/publications/community-organisations-controlling-assets>

Lottery

[Reaching Communities](http://www.biglotteryfund.org.uk/prog_reaching_communities)

www.biglotteryfund.org.uk/prog_reaching_communities

Reaching Communities funds projects for up to 5 years and up to £500,000 that help people and communities most in need. Projects can be new or existing, or be the core work of an organisation. All projects have to meet at least one of the four outcomes of the programme – same as Awards for All (see above).

The Reaching Communities programme has two strands:

1. Reaching Communities revenue and small capital – funding from £10,000 to £500,000 for revenue projects and/or smaller capital projects up to £100,000 for which all organisations can apply to

Wave Leisure Trust Limited

£180,986

This project aims to save an essential youth facility Shakespeare Hall in Newhaven Sussex. It will form a community hub incorporating a skate park BMX course, outdoor green gym, cricket and bowls clubs, employability training, walking groups healthy living classes and Friday night discos. A number of volunteers will provide sports training in football, BMX, swimming and basketball and participants will have the opportunity to gain national qualifications in sporting activities nutrition and IT.

Not for profit organisations, town or parish councils, statutory bodies, including schools can apply and there is no deadline.

2. Reaching Communities Buildings – funding of between £100,000 and £500,000 for large capital projects where only selected geographical can apply to. Geographical eligibility is at super output level and postcodes need to be entered to check eligibility as one area in a town might be eligible whilst another might not.

Peasmarsh Parish Council**£270,000**

The Peasmarsh Revived project aims to create a community hub to host services and activities to enhance and improve the opportunities and social wellbeing of residents. The memorial hall will be refurbished and extended to meet modern requirements. It will provide a meeting place for people to engage in a variety of activities including Guides, an over 60s choir, a luncheon club, a youth club mother and toddler group and Zumba. Other plans include adult education classes.

Not for profit organisations and town or parish councils can apply and there is no deadline.

[Heritage Lottery Fund](#)**www.hlf.org.uk**

The Heritage Lottery Fund gives grants to heritage projects (including parks and buildings) of all sizes, with grants from £3,000 to over £5million. All of the funding programmes expect projects to achieve one or more of the following outcomes

Outcomes for heritage - so that heritage will be better managed, in better condition, better interpreted and explained and identified/recorded

Outcomes for people - so that people will have developed skills, learnt about heritage, changed their attitudes and/or behaviour, had an enjoyable experience and volunteered time

Outcomes for communities – where environmental impacts will be reduced, more people and a wider range of people will have engaged with heritage, the local area/community will be a better place to live, work or visit, the local economy will be boosted and organisations will be more resilient.

Kings Road, St Leonards**£1.8m**

Hastings Borough Council's conservation team stumbled across artwork believed to have been by the campaigner and author of *The Ragged Trousered Philanthropists*, Robert Tressell, also known as Robert Noonan.

Through two Townscape Heritage Initiative schemes and Heritage Lottery Fund grants the Council have been able to restore shop fronts, install public art and bring back to life several decaying properties.

<http://www.bbc.co.uk/news/uk-england-sussex-18592103>

[Sport England](#)**www.sportengland.org.uk**

Sport England invests in organisations and projects that will grow and sustain participation in grassroots sport and create opportunities for people to excel at their chosen sport. They do this through a number of programmes, in terms of capital funding [Playing Protecting Fields \(PPF\)](#) is one of the programmes they run which could be of interest.

www.sportengland.org.uk/funding/protecting_playing_fields.aspx

Chailey Sports Club**£50,000**

The grant will be used towards the building of a new pavilion.

The programme will fund capital projects (between £20,000 and £50,000) that create, develop and improve playing fields for sporting and community use and offer long term protection of the site for sport. Local authorities, schools, voluntary or community organisations, sports clubs and playing field associations can apply.

They will pay for purchase of land, Improvements to existing pitches through levelling, drainage, reseeding and realignment.

The fund has an annual deadline, please check the website for details of next round.

[Inspired Facilities](#) is another programme which focuses on making it easier for local community and volunteer groups to improve and refurbish sports clubs or transform non-sporting venues into modern grassroots sport facilities.

www.inspiredfacilities.sportengland.org

- Community and voluntary organisations, including parish and town councils can apply for grants worth between £20,000 and £50,000. At least 70% of the available funding available is set aside for these groups
- Local authorities, statutory bodies and education establishments such as schools, can apply for grants between £20,000 and £150,000

However, £150,000 grants will be exceptional and only given to projects that can demonstrate a strategic rationale to their application - for example, a review of a local authority's sports facility stock that identifies this project as a top priority. No more than 30% of the total amount available will be invested through these organisations.

There are two deadlines per year, the next one is 3rd November 2014.

Robertsbridge Community College

£150,000

The award will contribute towards a new dual use sports hall with changing areas and a reception office area, all with disability access. This public sports facility will be the only facility of its kind in the local community.

Landfill Communities Fund

Funding programmes are available through the [Landfill Communities Fund](#), an initiative which allows landfill operators to release tax credits to environmental and community groups.

<http://www.entrust.org.uk/landfill-community-fund/finding-funding/>

A number of schemes exist to benefit local communities in the vicinity of a landfill site.

Grants are normally available for physical improvements to community and sports facilities, and to historic buildings/structures to a maximum of £500,000 for a "flagship" project.

A postcode checker is available to ensure that applicants are eligible. The following are the key schemes that are available to some East Sussex organisations.

[Veolia Environmental Trust](#)

www.veoliatrust.org

Birling Gap Café

£27,725

This project aims to make use of redundant space to create and expand the facilities, enabling the National Trust to meet the high demand for meeting spaces for groups, and creating new and diverse volunteering opportunities.

[Biffaward](#)

www.biffa-award.org

Beechwood Hall, Cooksbridge

The applicant is engaged in a major project which involves the building of a new village hall and the creation of multi activity rural park.

[SITA Trust](http://www.sitatrust.org.uk)
www.sitatrust.org.uk

Trinity Church, Willingdon

£30,000

The Church received the funding to refurbish their kitchen.

Trusts and Foundations

Below are examples of Trusts and Foundations that will fund community buildings:

[Henry Smith Charity](http://www.henrysmithcharity.org.uk)
www.henrysmithcharity.org.uk

Capital grants of £10,000 or more are available through the Main Grants Programme towards the purchase of equipment, or for the purchase or refurbishment of a building.

St Wilfrid's Hospice

£50,000

The grant was used towards the costs of building and furnishing a new hospice in Eastbourne.

[Garfield Weston Foundation](http://www.garfieldweston.org)
www.garfieldweston.org

The Foundation makes a large volume of grants every year to community projects covering the following categories: Arts, Education, Youth, Health, Community, Environment, Religion and Welfare.

They award capital grants, for example for restoration of village halls and community centres.

[Percy Bilton Charity](http://www.percybiltoncharity.org.uk)
www.percybiltoncharity.org.uk

Registered charities whose primary objectives are to assist one or more of the following groups:

- Disadvantaged/underprivileged young people (persons under 25)
- People with disabilities (physical or learning disabilities or mental health problems)
- Older people (aged over 60)

They offer one off payments for capital expenditure of approximately £2,000 and over for items such as furniture and equipment (excluding office items); building or refurbishment projects.

[Charles Hayward Foundation](http://www.charleshaywardfoundation.org.uk)
www.charleshaywardfoundation.org.uk

The Foundation only funds capital costs. Project funding may be offered for start-up or development activities where these are not part of the on-going revenue requirement of an organisation.

Grants are between £1,000 and £25,000, but from time to time, they may make larger grants to fund projects of an exceptional nature which show outstanding potential.

If you would like a copy of the document in a different format, such as large print, Braille or a different language, please contact us.

Tina Glen
Head of Property Operations

Tina.glen@eastsussex.gov.uk

Matthew Powell
Asset Strategy Manager

Matthew.powell@eastsussex.gov.uk