

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **CABINET**

**DATE:**                 **16<sup>TH</sup> OCTOBER 2012**

**REPORT BY:**         **DIRECTOR OF ENVIRONMENT**

**SUBJECT:**           **COMMUNITY ASSET TRANSFER SCHEME**

**1.00   PURPOSE OF REPORT**

1.01   To provide clarification and information on the disposal of assets which have community value.

1.02   Seek support and approval of the approach and policy.

**2.00   BACKGROUND**

2.01   The Local Government White Paper, 'Strong and Prosperous Communities' (October 2006), sets out a new relationship between local government and its communities. The reforms contained in this paper give greater say over local services to the people who rely on them.

2.02   The term "Community Asset Transfer" (CAT) is defined by the Department of Communities & Local Government as "passing ownership or management of a building or piece of land from a public sector body to a third sector organisation

2.03   In the same spirit, 'Making Assets Work' The Quirk Review: of community management and ownership of public assets(May 2007) sets out the clear benefits to local groups which own or manage public assets – such as community centres, building preservation trusts and community business enterprises. This is entirely consistent with the Council's priorities, as set out in the improvement plan, 2012-2017, outlined earlier on the Agenda. Fundamentally, the review talks about giving local people a bigger stake in the future of their area through this model. The Department of Communities and Local Government, in its response to the recommendations in the review, supported the need to 'monitor effectiveness of mechanisms in persuading local authorities to consider transferring management or ownership of assets to communities'.

2.04   As part of one of the provisions within the Localism Bill, published December 2010 the current coalition within its Coalition Programme for Government committed to giving communities new powers to help

them save local facilities threatened with closure, the Community Right to Buy. A consultation document was issued out with provisions relating, in the main to England. Welsh Government will conduct a separate consultation.

The Community Right to Buy seeks to ensure that community organisations have a fair chance to bid to take over assets and facilities that are important to them.

### **3.00 CONSIDERATIONS**

3.01 The Council's physical assets include land and buildings some of which are or could be used for a variety of different social, community and public purposes.

In some cases it is recognised that community management and ownership could deliver benefits for the:

- Local community.
- Council and other public sector service providers.
- Organisation taking over the management and ownership.

Dependant on circumstances, changing ownership or management may:

- Promote opportunities to extend the use of a building or piece of land.
- Increase social value and utilisation of asset.
- Allow the building to be operated more cost efficiently under a commercial or social enterprise model.
- Offer additional opportunities to secure resources within a local area.
- Help to empower local citizens and communities.

In considering the transfer of assets the Council will use an agreed set of criteria to assess the best use of an asset that has been determined to be surplus to requirements.

These criteria will reflect strategic priorities set out in the Community Strategy as a 'county vision' for Flintshire 2009 to 2019, Medium Term Financial Strategy and its Improvement Plan

The 'County Vision' is based on five priority areas:

- Economic prosperity
- Health improvement through everything we do
- Learning and skills for life
- Living sustainably
- Safe and supportive communities

- 3.02 The County Council has a portfolio of assets with an overall value of nearly £3/4 billion which are widely dispersed throughout the County and the values of which clearly fluctuate based upon economic conditions. In many cases these assets are intensively used and range from educational establishments to corporate office accommodation. However, others are not so intensively used and in such cases it may be more appropriate to consider whether these could better contribute to a wider community benefit and be managed by such groups more effectively. There needs to be a balance of sales of assets to maximise investment, and to regenerate communities through alternative uses.
- 3.03 School disposals are covered by a legislative framework. Any disposal would first need approval under Section 77 of Schools Standards and Framework Act 1998. Therefore, school buildings and landholding will not be considered under this policy.
- 3.04 The council is currently undertaking a review of assets through an ongoing rationalisation programme as part of the Assets work stream within the Flintshire Futures programme. This is being considered in association with its proposal to deliver services in the heart of its communities through, where applicable, joint use facilities via Flintshire Connects.
- 3.05 In developing the overall approach set out in 3.06 and the attached documents it is important to understand the key role the Councils assets can deliver in stimulating social enterprise or community development through the creation of services that are community led and self dependant. The council's assets can create opportunities for local groups to deliver services at the heart of their communities and provide key services that really matter, are relevant and which bring value into the community. The creation of this interest can be both stimulating and rewarding providing new life skills and employment opportunities to those who may not be able to, or confident in accessing such services; as such these assets can become key community enablers.
- 3.06 The CAT process can be driven externally when a third sector organisation approaches the Council with a CAT proposal. However, and as part of this process, the council, through the Corporate Asset Management Group, will generally identify buildings and land holdings which are no longer required for the delivery of its own services. In this instance, a building or land holding will then become 'surplus' and be put forward for potential disposal. At this stage, an indication should be given on the likelihood that this could be considered for Community Asset Transfer. Once on the disposal list, community, voluntary and other agency sectors could apply to the council for transfer of assets for alternative community uses, clearly this would

need to be promoted to stimulate interest from that community or social enterprise. This would need to be considered alongside the need to generate capital receipts of any assets to deliver the council's prioritised Capital Programme. The proposed criteria for transfer of an asset below the market value would need to be measured against the likely other uses if sold on the open market. However, in circumstances where transfers are deemed to promote the economic, social or environmental wellbeing of the area the Council may agree that "best value" in these circumstances is a transfer at less than the market value. Less than Best cases are already dealt with through the Local Government Act 1972 General Disposal Consent (Wales) 2003 which deals with disposal at less than market value.

3.07 The strategy for addressing Community Asset Transfers is included at Appendix A.

#### **4.00 RECOMMENDATIONS**

4.01 That Members support and endorse the report and attached policy.

#### **5.00 FINANCIAL IMPLICATIONS**

5.01 Positive in that it will assist in the generation of capital receipts where disposal of the freehold interest is an option and reduce ongoing revenue costs for the Council. Where leasehold interests, intended to be of a long duration are taken, revenue liabilities will reduce as a result of transfer of a property/asset.

#### **6.00 ANTI POVERTY IMPACT**

6.01 Positive as this may create opportunities for employment. Through the development of social enterprise hubs and the regeneration of community facilities.

#### **7.00 ENVIRONMENTAL IMPACT**

7.01 Retains the use of developments on Brownfield sites.

#### **8.00 EQUALITIES IMPACT**

8.01 Creates community and social enterprise opportunities which can be used by the wider public.

#### **9.00 PERSONNEL IMPLICATIONS**

9.01 None as a direct result of this report.

#### **10.00 CONSULTATION REQUIRED**

10.01 Cabinet Members and Officers

10.02 Flintshire Local Voluntary Council

10.03 Corporate Management Team

**11.00 CONSULTATION UNDERTAKEN**

11.01 Corporate Management Team

**12.00 APPENDICES**

12.01 Appendix A - Policy for the transfer of assets for Community Use

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985**  
**BACKGROUND DOCUMENTS**

**Contact Officer:** Neal Cockerton,  
Head of Assets and Transportation  
**Telephone:** 01352 703169  
**Email:** [neal\\_cockerton@flintshire.gov.uk](mailto:neal_cockerton@flintshire.gov.uk)