

CABINET

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| Date of Meeting | Tuesday, 22 March 2016 |
| Report Subject | Community Asset Transfers |
| Cabinet Member | Deputy Leader of the Council and Cabinet Member for Environment |
| Report Author | Chief Officers (Organisational Change) |
| Type of Report | Strategic |

EXECUTIVE SUMMARY

In November 2014 the Council re-launched it's Community Asset Transfer (CAT) scheme. The revised scheme has been simplified into a three stage process with expression of interest, business plan and legal completion. Flintshire Local Voluntary Council (FLVC) are supporting delivery of the scheme and providing independent support to community organisations. It was always anticipated that community asset transfers would take 12-24months to complete so now 15 months into the updated scheme is a good time to review progress.

To date 103 expressions of interest have been received and approved for 208 community assets. In percentage terms this is 49% of the assets sent out on the community asset transfer list. Of these expressions of interest 12 business plans have been approved for 18 community assets (see Appendix A). In percentage terms 12% of the expressions of interest have developed into successful and approved final applications. Of these approved business plans the aim is to have between 7 and 12 completed legal agreements and full community asset transfers by the end of March 2016. These potentially include Gwernymynydd Village Centre, Trelogan Community Centre, Connahs Quay Allotments, Gwespyr Play Area, Bagillt War Memorial, Connahs Quay Swimming Pool, Argoed Community Centre (including Mynydd Isa Library), and Mancot Library. In summary these assets will be protected for the next 27 years subject to sustainability of the community organisation who has taken the asset on. The estimated savings to the Council of transferring these assets are over £0.330m per annum revenue savings, as well as an estimated saving of £0.600m related to not having to maintain these assets in the future.

In summary the scheme has been a success so far in sustaining a number of

community assets and providing significant savings to the Council. If the areas for improvement identified in the report are addressed then it is anticipated that the number of CATs that could be completed in the next twelve months could be doubled to between 14-26. These potentially might include Holywell Leisure Centre, Hope Library, Saltney Library which as well as protecting these assets could save the Council over £0.350m in revenue per annum.

RECOMMENDATIONS

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| 1 | To note progress of the revised Community Asset Transfer Scheme. |
| 2 | To agree the additional policy principles (detailed at 1.07) for Community Asset Transfers identified in this report which have come through learning in the first 15 months. |
| 3 | To agree the areas for improvement (detailed at 1.09), identified in this report, that need to be worked upon over the next 12 months. |

REPORT DETAILS

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| 1.00 | A REVIEW OF THE COMMUNITY ASSET TRANSFER SCHEME |
| 1.01 | The revised Community Asset Transfer scheme was launched in November 2014. |
| 1.02 | The revised scheme has a simple three stage process with an application pack, supporting information, and independent support and administration of elements of the scheme provided by Flintshire Local Voluntary Council. |
| 1.03 | A list of all their own community assets was provided to town and community councils to help them identify which they might want to take responsibility for, and to enable them to facilitate local conversations. |
| 1.04 | With 103 expressions of interest for 208 community assets across a range of geographical areas and asset types the scheme has received a positive response from local communities. |
| 1.05 | Larger assets with real risk of future closure such as libraries, leisure centres and community centres have been easier to progress to stage 2 business plans. This is in part because communities see the real need to take on these assets and run them for the benefit of their local communities. |
| 1.06 | Smaller assets such as open spaces and play areas have been less successful. This is in part due to lack of understanding by communities of the risk of these not being provided for in the future by the Council and also due to the work required to complete a CAT. |
| 1.07 | As the schemes have progressed we have developed a number of policy principles which need consolidating and agreeing, these are detailed below:- |

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| | <ul style="list-style-type: none"> • one off revenue support to be considered for set up costs where a service is being retained in addition to an asset; • capital grants to be linked to condition surveys but with flexibility for which elements of the condition survey are addressed by the community organisation; • capital grants to have a maximum amount dependent upon the type of building and the work required from the condition survey; • legal completions for any CAT to be authorised prior to signing and sealing by the Council through a delegated report from the two Chief Officers for Organisational Change, in consultation with both the Deputy Leader and the appropriate service portfolio holder; • where organisations want to retain a local asset and / or service but the Council advises this is not suitable, then consideration under the CAT scheme be given to supporting organisations to adapt an existing building for the uses of the original building, including potential capital grant and one off revenue start up grant if appropriate. |
| 1.08 | <p>Learning has been developing as the scheme has progressed and so far the current strengths are seen as:</p> <ul style="list-style-type: none"> • independent advice and support on offer via FLVC; • a simplified three stage application process; • the potential for capital and one off revenue support for start up costs; • model legal agreements; • the delivery of actual asset transfers with robust business models. |
| 1.09 | <p>Areas for improvement are seen as:</p> <ul style="list-style-type: none"> • the need for a lighter touch application for smaller community assets; • better communication and contact with applicants with all correspondence, phone calls and decisions being responded to in a timely fashion; • consistent advice on the most appropriate governance solution for a community organisation; • quicker completion of legal agreements with a maximum time from agreement of business plan to completion of legal agreements set as three months; |

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| | <ul style="list-style-type: none"> • with certain types of community assets, being clear about what the Council will retain in future e.g. play areas; • additional independent support from agencies who can enable community organisations to develop external funding bids e.g. Cadwyn Clwyd are considering allocating over £0.050m to support organisations in rural areas who are progressing community asset transfers with this support |
| 1.10 | In summary it is proposed to continue with the CAT scheme building on the success and learning from the first 15 months. This initial review is from a Council perspective but takes on board comments received so far from a range of organisations. It is also proposed that this review is built upon through the Organisational Change Scrutiny Committee listening to case studies from successful projects, and through sharing the results of this review with town and community councils at County Forum. |

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| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | <p>Financial Implications</p> <p>CATs anticipated to be completed by the end of March 2016 will save the Council over £0.330m of revenue costs per annum as well as over £0.600m estimated as the future costs of maintenance and refurbishment of these buildings.</p> <p>Through future leisure centre and library transfers it is estimated that in 2016/17 CATs will be completed that save the Council over an additional £0.350m of revenue costs per annum as well as future costs of maintenance and refurbishment of these buildings.</p> <p>One off revenue has been provided to support the scheme of £0.050m to enable Flintshire Local Voluntary Council to administrate the application process and provide independent support to applicants.</p> <p>One off revenue committed to in 2015/16 to enable organisations to start up their activities is estimated to total £0.069m.</p> <p>Capital grant allocations for projects committed to in 2015/16 are estimated to amount to £0.340m.</p> |
| 2.02 | <p>Human Resource Implications</p> <p>For smaller CATs such as play areas and open space there are no human resource implications.</p> <p>For medium size CATs such as community libraries and community centres there are often implications related to librarians, caretaking and cleaning staff. As the operations proposed by communities are very different to current operations the Transfer of Undertakings Protection of Employment Regulations (TUPE) is considered, in most instances, not to apply and the Council manages through it's normal processes including re-</p> |

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| | <p>deployment and redundancy.</p> <p>For more complex CATs such as leisure centres TUPE does apply and the Council works these through with CAT applicants, trade unions and staff.</p> |
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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 3.01 | Engagement and support is provided to town and community councils and community groups where requested. |
| 3.02 | Where current user groups or staff are involved in an asset formal engagement and consultation takes place. |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | <p>Key Risks and Mitigation specific to consideration of the plans:</p> <ul style="list-style-type: none"> (1) That the social sector is not strong enough to take on the assets – independent support provided to the sector; (2) That organisations business plans are not robust enough to ensure the CAT is sustainable – independent review by the CAT panel including FLVC is built into the process; (3) The Council is not clear of the risks of a CAT at the point of transfer – all CATs will be signed off in consultation with portfolio holders and these reports will have a full risk assessment included; (4) That the organisation taking on the CAT ‘fails’ – no matter what safeguards are in place organisations may still fail and cease trading, what is in place are safeguards in the CAT legal agreements to ensure the asset returns to the Council and then it will need to be considered alongside all other community assets that are at risk again. |

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| 5.00 | APPENDICES |
| 5.01 | Appendix A – List of 12 Community Asset Transfer Working on Completion |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | <p>Community Asset Transfer Application pack Community Asset Transfer (CAT) Information Pack</p> <p>Contact Officers: Ian Bancroft / Neal Cockerton Telephone: 01352 704511 E-mail: ian.bancroft@flintshire.gov.uk / neal.cockerton@flintshire.gov.uk</p> |

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| 7.00 | GLOSSARY OF TERMS |
| 7.01 | <p data-bbox="304 262 1377 367">Alternative Delivery Model (ADM) – A different way of providing the service ranging from shared service through to a social organisation through to external procurement</p> <p data-bbox="304 409 1377 551">Transfer of Undertakings Protection of Employment Regulations (TUPE) – Employees transfer automatically to Cambrian Aquatics with their terms and conditions of employment and continuity of service preserved.</p> <p data-bbox="304 593 1377 698">Community Asset Transfer (CAT) – the transfer of a community asset to a community or social organisation on the basis of a 27 year lease and peppercorn rent.</p> |