

BRIDGEND COUNTY BOROUGH COUNCIL
REPORT TO TOWN AND COMMUNITY COUNCIL FORUM

21 SEPTEMBER 2015

**JOINT REPORT OF THE CORPORATE DIRECTOR RESOURCES AND
CORPORATE DIRECTOR COMMUNITIES**

COMMUNITY ASSET TRANSFER

1. Purpose of Report

- 1.1 To present for information proposals approved by the Council's Cabinet in July 2015 to both improve the pace and extend the number of Community Asset Transfers (CAT).

2. Connection to Corporate Improvement Objectives

- 2.1 The recommendations seek to achieve the best management arrangements for public sector property assets supporting the corporate priority 'to make the best use of resources' and the principles of the Asset Management Plan (AMP) 2021 and the Medium Term Financial Strategy (MTFS) 2015-2019.

3. Background

- 3.1 CAT has traditionally been undertaken in BCBC in line with the AMP 2021: Community Asset Transfer Guidance Document was originally published in 2010 in response to requests from a number of community groups and Town and Community Councils. There have been a number of successful CATs in that time, including the former Bridgend Library. However, experience has shown that the process can be complicated and doesn't always succeed. There is recognition that the process could be improved.
- 3.2 In some cases a transfer of the asset to a community group or a Town and Community Council offers an opportunity to maintain and preserve valuable community services which may otherwise be under threat; or alternatively to improve the provision that is already available.
- 3.3 Recognising that councils across Wales are proactively considering CAT the Welsh Government has recently produced a Best Practice Guide – Community Asset Transfer in Wales (2015). The intention of this guidance is to help manage the process and minimise the risk of transfers. The guidance identifies that, "although the principle of a community group taking over a service or building may appear attractive, the Authority has a duty to ensure that the proposal accords with the Authority's strategy and that any Community Council, community group or third sector organisation expressing an interest is fully aware of the liabilities and responsibilities it will face."

3.4 Against that background, in March 2015 the Strong Communities Connecting Services (SCCS) Board, Chaired by the Corporate Director Resources, established a task and finish group to review the Council's approach to CAT with the aim of increasing the pace and the number of CAT.

4. Current Situation/Proposal

4.1 The recommendations of the SCCS Task and Finish group were that:

a) The Council should draw up a list of assets which it is prepared to transfer to the community taking account of our emerging corporate priorities and MTFs budget reduction requirements and giving an indicative timetable;

b) A fixed term dedicated CAT officer post should be created to work with community groups/organisations to progress CAT applications, providing a single point of contact within the Council;

c) The current CAT guidance should be amended in line with the new Welsh Government Best Practice Guide and best practice examples in other authorities, establishing clear roles and responsibilities including and setting out a framework for considering requests for CAT including a 4 stage process made up of, expression of Interest, development of a business plan, formal assessment of the business plan and completion of the transaction;

d) To facilitate CAT, a limited capital funding pot should be created to enable assets to be transferred in a reasonable state of repair and transition revenue funding should be considered, on a case by case basis, subject to a satisfactory business case being made.

4.2 The CAT priorities will be based on the agreed current MTFs proposals and also on what is deemed to be likely to fall out of future MTFs proposals for 2017/18 onwards as outlined in the table below.

Priority 1	Public toilets Parks pavilions Bus shelters Community centres
Priority 2	Playgrounds Playing fields (excluding school playing fields) and bowling green
Priority 3	Miscellaneous assets

4.3 At this stage due diligence is required in respect of all potential assets to identify any legal or other issues that may impact on the ability for CAT. The intention is that a priority list describing specific assets will be published for consultation in September 2015 and expressions of interest will be invited at this stage. The initial list is likely to give priority to assets that are directly linked to proposals in the approved MTFs. The list is intended to be dynamic

with amendments and ongoing development to be approved by the Corporate Director Resources and Corporate Director Communities.

- 4.4 It is anticipated that different legal arrangements will need to be developed for different assets in order to protect the Council's interests and to maximise the benefits of the CAT and the benefits for the community. There will also be a need to consider employment implications of any potential transfer, which may inhibit CAT in some instances.
- 4.5 To support this, the current Guidance referred to above has been updated as shown in **Appendix 1**. The updated document will advise community groups of our guidelines. It takes into account the Welsh Government Best Practice Guide - Community Asset Transfer in Wales (2015) and good practice from other authorities. The Guidance identifies the process for CAT including the role of a proposed CAT Officer and the decision-making process. The Council's Cabinet approved the proposed Community Asset Transfer guidance at its committee in July 2015 and subsequently the guidance has been circulated to Town and Community Council's and other relevant stakeholders for consultation purposes. The consultation period is due to end this month so Town and Community Councils are welcome to provide further comments as necessary at the forum meeting.
- 4.6 The success of the proposals is dependent on the proactive participation of willing Town and Community Councils and community organisations, together with their ability and capacity to manage the asset. There may be different levels of interest depending on the asset under consideration.

5. Effect upon Policy Framework and Procedure Rules

- 5.1 Amendment of Community Asset Transfer Guidance Document.

6. Equality Impact Assessment

- 6.1 An Equality Impact Assessment for asset transfers will be prepared as appropriate.

7. Financial Implications

- 7.1 Up to £200,000 will be set aside in the Change Management Ear Marked Reserve to fund a fixed term (three years) dedicated CAT Officer post (subject to job evaluation) and to meet additional legal and property requirements. Grant opportunities will also be explored for example through the Rural Development Programme where supporting the transfer of assets and exploring new ways of providing non-statutory services have been identified as a priority within the Local Development Strategy.
- 7.2 In respect of recommendation 4.1d above it is proposed that any requests for transition revenue funding should be considered by the Council's Programme Management Board (PMB). If successful, time-limited funding should be provided from the Change Management Ear Marked Reserve, subject to a satisfactory business case and affordability. With regard to capital investment,

the Council currently allocates £50,000 per annum from within its capital programme to support Town and Community Councils to undertake capital projects. It is proposed that this fund be re-focused to support CAT between 2016-17 and 2018-19 and supplemented by an additional £50,000 in each of these years from the Change Fund Earmarked Reserve and included in the Capital Programme accordingly.

- 7.3 Until the core list of assets for potential transfer has been determined and external parties have expressed an interest in running them the potential level of revenue savings arising from CAT cannot be accurately determined or profiled. That said the MTFS 2016-2020 is expected to include draft budget reduction proposals associated with the Council's inevitable withdrawal of support for certain groups of assets in the medium term.

8. Recommendation

- 8.1 That the Town and Community Council Forum notes:

1. The recommendations at paragraph 4.1;
2. The prioritisation of assets for possible transfer based on MTFS proposals;
3. The revised CAT Guidance at **Appendix 1** for consultation;
4. The funding proposals outlined in paragraph 7.2 to facilitate future CAT and that a report be presented to Council to approve the necessary addition to the Capital Programme.
5. The Council's intention to invite expressions of interest for Community Asset Transfers from interested community groups and Town and Community Councils and third sector organisations at the beginning of October at the conclusion of the consultation period on the draft guidance.

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September 2015

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Background Documents:

AMP 2021: Community Asset Transfer Guidance Document published in 2010
Welsh Government Best Practice Guide – Community Asset Transfer in Wales (2015)
Cabinet Report 14th July 2015