



Community Asset Transfer Policy

May 2019

1. Purpose of the Policy

- 1.1 Oldham Council wants to ensure residents get the best possible use out of the buildings, green spaces and land that it owns. That is why, as part of its' Co-operative Agenda and Thriving Communities Vision (please refer to the link below), the Council is fully committed to supporting a Co-operative Approach to the Use of Council Assets Policy, which includes Community Asset Transfer (CAT).

<http://www.oldhampartnership.org.uk/thriving-communities/>

- 1.2 This policy outlines Oldham Council's approach to asset transfer. It sets out a transparent, positive and proactive framework to enable and manage asset transfer from the Council to the applicant / Voluntary and Community Sector (VCS) organisation to take place and be successful in the long-term.

2. Policy Statement on Community Asset Transfer

- 2.1 Oldham Council is committed to using its assets to form long-term partnerships with organisations that meet the Council's criteria where they will bring benefits to communities and links into the Council's Social Value Framework (see link below).

Hyperlink to the Council's Social Value Framework

- 2.2 It is not suitable for all properties or all organisations, and the Council will continue to work with local organisations to ensure that a range of tools, programmes and initiatives are in place to support the development of a strong and sustainable voluntary and community sector within the Borough.
- 2.3 The Council views community asset transfer positively for the following reasons:
- (i) The potential benefits of asset transfer for VCS organisations include:
- It can strengthen the organisation's confidence.
 - It can strengthen the organisation's community ties.
 - It can provide opportunities for income generation.
 - It can strengthen the organisation's ability to raise money.
 - It can provide the opportunity for the organisation to develop the asset to meet the needs and aspirations of a community.

(ii) The potential benefits of asset transfer for the Council include:

- It creates the opportunity for investment in the asset that may not be possible within Council ownership and can provide a catalyst for inward investment through local purchasing and employment.
- It can contribute to the Council's objective to rationalise its estate and facilitate more effective and efficient use of its asset base where the focus is on better services and community outcomes through a neighbourhood approach.
- It can deliver social, economic and environmental benefits.
- It can be a stimulus for partnership working between VCS organisations, the Council and other partners, providing opportunities for long-term working between sectors, improving provision and accountability of services within communities, which in turn helps the Council to achieve its' corporate priorities and outcomes.

2.4 The Council recognises that asset transfer can be a part of supporting and sustaining local communities and it wishes to ensure Council assets can be operated by the people who regularly use them.

2.5 The Council will consider transfer of an asset to any organisation that makes a credible application, supported by an appropriate business plan, and demonstrates it has the skills and capacity to manage the asset and the associated legal responsibilities.

2.6 While fully supporting the principle of asset transfer this policy also recognises that some assets must remain under Council control in order to support delivery of essential services or strategic corporate objectives.

2.7 The Council will decide whether or not an asset is to be made available for asset transfer.

2.8 Assets will only be deemed surplus and possibly available for a Community Asset Transfer if the answer to the following 4 key questions is **NO**:

- (i) Has a capital receipt for this asset already been ring-fenced to support a corporate project?
- (ii) Is the estimated capital receipt needed as a contribution to the Council's Capital Programme?

- (iii) Does the Council require the asset to support its own requirements / objectives or does it need a specific organisation to manage the asset to help deliver the Council's objectives and is there already an established working relationship between the parties?
- (iv) Is there any other reason why the asset should not to be made available for community asset transfer, for example due to its' physical condition, backlog maintenance?

If the answer to any of the above questions is "YES" then the asset will be declared surplus and either advertised for sale on the open market or used to achieve another corporate objective.

3. National Policy Context

- 3.1 Prior to 2010 asset transfer was encompassed within the policies to create sustainable communities, empowerment and regeneration (for example the 2008 white paper "Communities in Control: Real People Real Power").
- 3.2 The most important policy document was the Quirk Review, "Making Assets Work" published in May 2007. The Review strongly advocated in favour of local ownership and management of public assets. This was supported by the then Government and a number of new initiatives were created, including the establishment of the Asset Transfer Unit.
- 3.3 Since 2010 asset transfer has been incorporated in the "Big Society" policy agenda which has at its core greater empowerment to communities, opening up public services to the VCS, social enterprises and the private sector and enabling and encouraging people to play a more active part in society and promote more volunteering.
- 3.4 The Localism Act (2011) devolves decision making powers to neighbourhood level and advocates new rights and powers for communities and individuals such as the "Community Right to Challenge" and "Community Right to Bid" (assets of community value). Proposals required local authorities to maintain a list of assets of community value (whether in public or private ownership). Communities now have the opportunity to nominate, for possible inclusion, the assets that are most important to them. When listed assets come up for sale or change of ownership, VCS organisations will be given time to develop a business case and raise money so they may bid for the property when it is put on the open market.

The link below provides more information should you be interested in nominating an Asset of Community Value.

https://www.oldham.gov.uk/info/200572/co-operative_oldham/1754/assets_of_community_value

Please note Community Asset Transfer is a separate process to Community Right to Bid / Assets of Community Value.

4. Local Policy context and links to other strategies

4.1 As referred to above Community Asset Transfer is one of the cornerstones of the Council's Co-operative Agenda and Thriving Communities Vision. It also features within its' Medium Term Property Strategy (MTPS) – a strategic asset management policy aimed at transforming the Council's property portfolio to make it more streamlined, efficient and fit for purpose.

4.2 Accommodation and Estates

As part of the MTPS, our ambition is to reduce the Council's accommodation base in order to contribute to the achievement of a challenging revenue savings target within the next four years and to also increase Community Asset Transfer opportunities for suitably experienced and qualified VCS organisations who are able to offer community based services in a flexible manner throughout the borough.

We will do this by:

- Continuing to roll out our community asset transfer strategy.
- Exploring joint accommodation and estates options with partners.
- Taking advantage of the opportunities that may arise from one public estate.

5. Principles Underpinning the Community Asset Transfer Policy

5.1 The Council supports a strong and sustainable VCS organisation as a key partner in the delivery of services and in providing a link with local communities. It recognises that VCS organisations have a vital role to play.

5.2 The Council recognises that the way its physical assets are managed can have a positive impact on the long-term strength of VCS organisations and local communities. By holding an interest in their asset, VCS organisations can grow and become more secure, gain access to sources of additional investment that the Council itself may not be able to. The Council's aim is to ensure that the way assets are managed via community asset transfer adhere to the Council's

corporate objectives and also enable VCS organisations to grow and become sustainable on a long-term basis.

6. Community Asset Transfer Process

6.1 Although a number of processes are involved in Community Asset Transfer, there are two key stages:

- Initial Enquiry Stage
- Full Application Stage

The process may be started by:-

a) The Council if an asset becomes available with potential for Community Asset Transfer in which case the Council will advertise as such via a number of sources including:

- Local Press
- Unity Partnership website
- Community Networks / Partners
- Potentially other websites

Where applicable criteria specific to the specific asset will be outlined in the advertisement.

b) A speculative enquiry from a group or body interested in taking on a particular asset for Community Asset Transfer.

Such enquiries should in the first instance be directed to Unity Partnership by sending an email to estates@unitypartnership.com.

If the asset is surplus to the Council's operational requirements then further information related to the asset and its operating costs will be forwarded to the applicant / enquirer for them to determine whether to proceed to completion of an Application Form.

Hyperlink to Application Form

The group or body will be required to complete the Application Form and this will then be scored / measured against criteria within the Assessment Matrix (see link below) before putting a recommendation to the Community Horizons and Asset Transfer Steering Group for an initial view prior to a formal decision being made in accordance with the Council's Land and Property Protocols whether or not to proceed.

Hyperlink to Application Matrix

6.2 A Transparent and Equal Process

Oldham Council recognises that Community Asset Transfer can be quite a daunting challenge for many organisations and to ensure the process is

open, equal and transparent, it is working alongside Action Together (<https://www.actiontogether.org.uk/>) who are able to offer advice and assistance to groups thinking of submitting an application to the Council for a community asset transfer.

Action Together was formed in April 2016 following the merger of two charities; Voluntary Action Oldham (VAO) and Community and Voluntary and Action Tameside (CVAT). It is a charitable incorporated organisation (CIO) created in accordance with the Charities Act 2011 and registered under charity number 1165512.

Action Together's ambition is to bring about a significant increase in citizen-led action that improves local lives and to promote recognition of how important this is to local communities.

Action Together's strategic aims to guide this work are to:-

- Be a modern catalyst and broker of community action, providing strength-based support that shows the power of what people can do.
- Radically amplify the voices of local people and voluntary organisations to have greater influence.
- Co-produce better solutions to current and unmet needs through collaborations within and between sectors.

The organisation will work independently with all organisations throughout the asset transfer process. To assist this work, Action Together has developed a Community Asset Transfer Toolkit which provides information, guidance and tips to help you build up a picture of the process of applying to take over an asset. The toolkit guides you through the two key stages of asset transfer as well as providing a range of information and links to useful websites.

6.3 Initial Enquiry Stage

As referred to above in paragraph 6.1, organisations may respond to an advertisement initiated by the Council / Unity Partnership by the closing date specified if an asset is advertised as available for Community Asset Transfer or via a speculative enquiry to Unity Partnership who will progress as appropriate.

6.4 Full Application Stage

Where a speculative enquiry is received favourably by the Council, the enquirer will be invited to submit a full application (see link at paragraph 6.1 above). This will require detailed information and supporting documentation such as a business plan providing information about the organisation wishing to acquire the asset and how they will use it and

meet all the running costs.

(i) The Application will include:

- A summary of the proposal outlining how the asset will be used.
- Details of the outcomes to be delivered / how use of the asset will support the Council's corporate objectives and benefit the community.
- Cash flow and budgeting details.
- The capacity of the organisation to manage the asset.
- The experience and skills of the Board / Managing Group.
- Confirmation of the legal structure of the Group and how it will hold the asset.
- Succession Planning to ensure the organisation maintains the right skills and knowledge to manage the asset in the longer term.

(ii) The Council and its partners will assess all Application Forms received using the following areas of assessment:

- The Applicant Organisation.
- The proposal and its' impact on the Council's objectives.
- Community and Partnership Impact ie the impact on the community and added value.
- The Asset.
- Financial sustainability.
- Capacity to Manage the Asset.
- Where applicable criteria specific to the asset in question. These will be advised in any advertising material.

6.5 The Assessment Matrix (see link at paragraph 6.1 above) will be used to record the recommendation or recommendations.

As part of the assessment the Council and its partners may enter into a dialogue with the organisation(s) who have submitted the application form(s) to seek clarification and additional information / evidence in support of the organisation's aspiration to acquire the asset.

In certain circumstances the Council and its partners may ask a number of organisations to explore a collaborative bid for the asset.

- 6.6 The outcome of the assessment process will be reported to the Council's Community Horizons and Asset Transfer Steering Group with a recommendation or recommendations.

If the recommendation is not to proceed with a CAT then the applicant will be advised immediately following consultation with the appropriate decision maker in accordance with the Council's Land & Property Protocols.

Where an application is accepted and the recommendation is that the Council should proceed with a CAT then it will be referred to the appropriate decision maker in accordance with the Council's Land & Property Protocols for approval. Similarly this will also apply in circumstances where there are multiple expressions of interest for example where an asset is advertised or there is more than one interested party via speculative enquiries.

Ward Members will be informed of all decisions.

6.7 **Transparency**

All applicants will be informed of the Council's decision in writing as soon as is practicable.

The successful VCS organisation or organisations (if a collaborative approach is forthcoming) will be required to sign legally binding documents in relation to the asset. These may include one or more of the following:

- A Management Agreement / Licence for a maximum period of 12 months.

This will allow fledgling groups a period of time in which to establish themselves. If however during or following the initial 12 month period sufficient progress is not made towards a longer term arrangement then the Council will have the right to terminate the Management Agreement / Licence.

During this period the Council will expect the applicant / VCS organisation to contribute to the annual running costs and any support from the Council will taper off so that the applicant / VCS organisation assumes full responsibility after the first 12 months.

- A Lease.

- A Conveyance / Transfer Document.

Within any documentation the Council grants that effectively transfers responsibility of an asset to a community group, the Council will include such covenants to ensure the asset remains in community use and / or cannot be disposed of for financial gain.

6.8 Legal issues may arise in the context of Community Asset Transfer such as public procurement /state aid, transfer of undertakings (protection of employment - 'TUPE') etc. Each asset will be considered on a case by case basis. Whilst the Council can advise applicants on their legal responsibilities associated with an asset transfer, they should obtain their own independent professional advice. Action Together can advise further in this regard.

Once the Community Asset Transfer is completed, the organisation(s) acquiring the asset will become responsible for:

- Operation of the asset in accordance with the terms of the lease and all other legal obligations. This will include all insurances (with the exception of buildings cover – see below), rates liabilities, repairs and maintenance, security, cleaning, statutory compliance, health and safety requirements as well as all other outgoings that may be applicable.
- Maintaining a monitored alarm system; this can be arranged by the Council and recharged to the organisation or the organisation can make their own arrangements with the consent of the Council. This is a condition of the Council's Building Insurance Policy, which will continue to provide Building Insurance cover for the asset post transfer, but the cost will be recharged to the VCS organisation.
- Compliance with any Transfer Agreement and any other agreements.
- Delivery of agreed outcomes.

The above will be effective from the date of legal completion of the asset transfer.

6.9 **Transfer of Asset**

The successful organisation(s) will have to submit an Annual Report to the Council's agreed representative, which will cover the agreed outcomes as per the lease.

In the event that the VCS organisation does "buy-in" a Service Level Agreement from Unity Partnership in respect of matters pertaining for example to statutory compliance, then it will have to comply with a

periodic assessment conducted by the Council's / Unity Partnership's appropriate officer / representative to ensure compliance with statutory obligations and also any other conditions / covenants associated with the transfer documentation.

Please note that failure to comply with the terms and conditions as set out in the documentation could result in the Council terminating the agreement and the VCS organisation having to hand the asset back to the Council.

7. Oldham Council's Commitment

As part of its' Co-operative Agenda, Oldham Council remains fully committed to working together with communities and residents.

The Council has recognised however that its' current Co-operative Approach to the Use of Council Assets Policy needed to be streamlined and become more focused.

It is therefore looking to approach co-operative / partnership working in a more structured way so that each party is aware of what they have to do, what their respective responsibilities are and how the process of Community Asset Transfer will be navigated in the future.

In order to deliver a more co-operative vision, Oldham Council recognises the importance of working together with communities and the crucial role a strong, dynamic and diverse voluntary and community sector plays in achieving this.

As a community group or organisation that has successfully taken on one of Oldham Council's assets, we want you to understand the importance of adhering to our core values and behaviours, namely:-

- **Fairness** - We will champion fairness and equality of opportunity, and ensure working together brings mutual benefits and the greatest possible added value. We will enable everyone to be involved.
- **Openness** - We will be open and honest in our actions and communications. We will take decisions in a transparent way and at the most local level possible.
- **Responsibility** - We take responsibility for, and answer to our actions. We will encourage people to take responsibility for themselves and their actions. Mutual benefits go hand-in-hand with mutual obligations.
- **Working together** - We will work together and support each other in achieving common goals, making sure the environment is in place

for self-help.

- **Accountability** - We recognise and act upon the impact of our actions on others, and hold ourselves accountable to our stakeholders.
- **Respect** - We recognise and welcome different views and treat each other with dignity and respect.
- **Democracy** - We believe and act within the principles of democracy, and promote these across the borough.

All applicants for Community Asset Transfer are expected to follow the above principles and in return, we as a workforce will ensure that our behaviours match this to work as best we can to improve the borough together.

In addition, we would ask that you:

- Trust that Oldham Council is ready to listen and change.
- Care about your community and believe in the borough.
- Be positive about promoting Oldham Council and the support you have received.
- Be open-minded to our new approach.
- Tell us what works and what could be improved.