

Background

Along with other councils, we are facing a range of economic, social, and financial challenges that impact on the way we provide services and support our communities. We own a large and varied property portfolio, but just as the way that we work and provide our services is changing, so too are our needs for property. We believe in striving to be more effective in the way that we hold and use our property, and we know that local people are often best placed to determine need and manage the provision of community facilities in their area. We have a good track record of working imaginatively with local communities and have already successfully transferred over 40 community centres into the direct control of community groups and have transferred five leisure centres into community ownership.

One of the directing principles in our Corporate Asset Management Plan is to ‘Support community involvement and partnerships’ by ensuring we consider opportunities for community involvement and partnership working where they can provide efficiencies, benefits to communities, assets can be effectively managed, and any proposals do not impact on our longer term strategic plans.

To do this, we committed to making this process transparent, responsive, and reflective of the benefits to be gained, and to developing a corporate approach to enable us to properly and consistently evaluate any proposal to transfer assets. This Community Asset Transfer guide sets out how we will do this in the context of our Community Asset Transfer Policy, by ensuring there is a strong business case behind any proposal and that the long-term future of the property can be assured for the benefit of the whole community.

What is Community Asset Transfer

Community Asset Transfer is the transfer of management and/or ownership of public land, buildings and/or services to a community organisation to achieve an economic, social or environmental benefit and to allow for the enhancement and/or continuation of services in the community. The Council’s aim in transferring assets to community organisations is to promote community engagement, empowerment, and sustainable use of assets.

If you are interested in acquiring and managing one of our buildings, land, services or facilities, you should first read this Guide and the Community Asset Transfer Policy (*link to be added once live*).

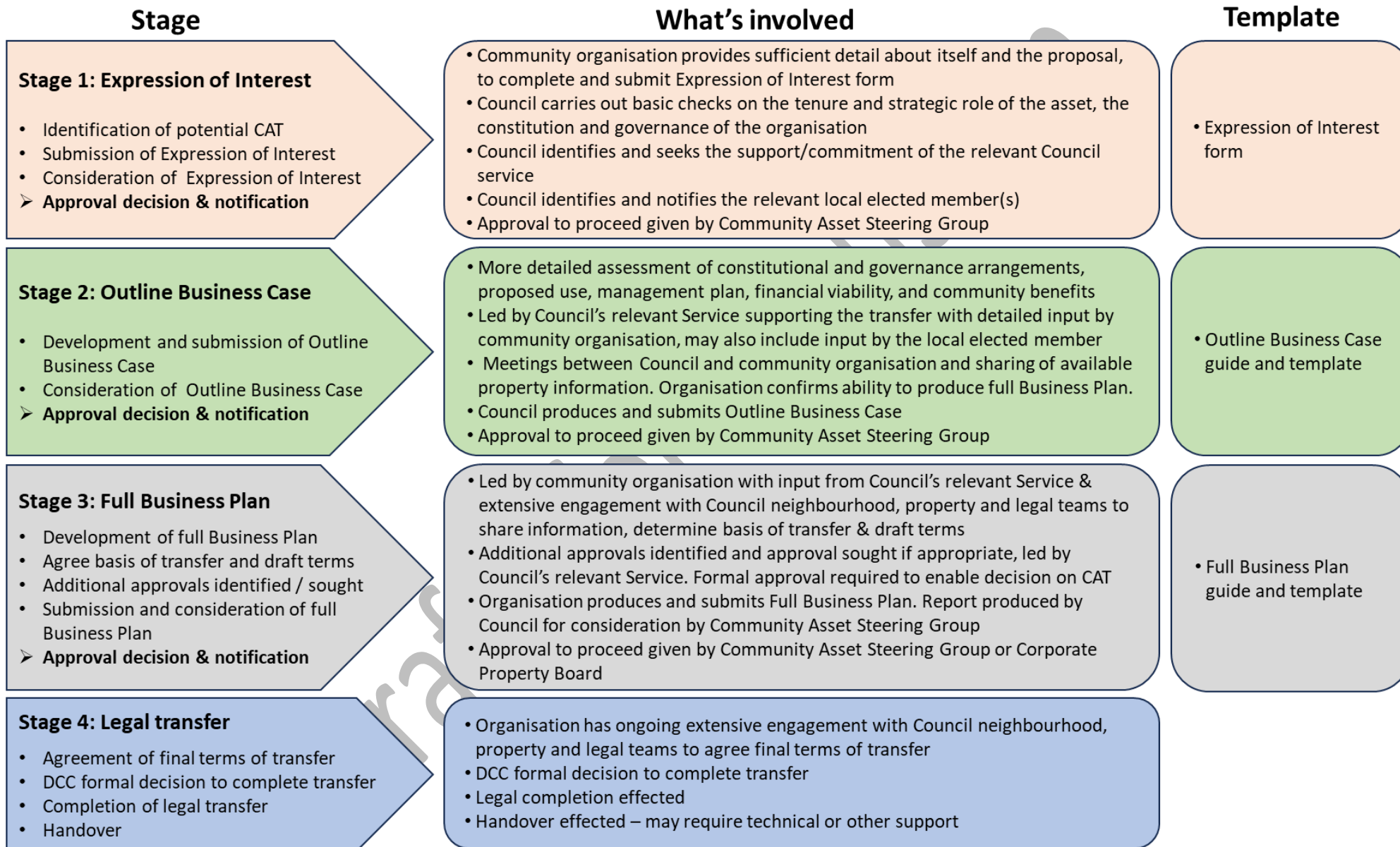
What happens next?

You can either contact us to discuss your proposal further (*add email / contact*) or you can complete and return the Expression of Interest form. Although not subject to a detailed analysis at this stage, to be successful all proposals will need to be sustainable, provide a financial case and clearly demonstrate how the proposal will meet local need. An Expression of Interest is not binding on you but helps us to establish if the transfer can be considered further, and how we can help you plan for the future.

The Expression of Interest form, information on the different Stages of community asset transfer and other templates and forms can be found (*add links to ‘Related Documents’ when live*)

DCC Community Asset Transfer Stages and Process Guide

Stages and template documents



DCC Community Asset Transfer

Stages and Process Guide

Process and approval decision points

The Council's Community Assets Steering Group is responsible for considering requests for Community Asset Transfer and will agree final recommendations for each asset, subject to formal Council approval to complete the transfer. Throughout the CAT process, there are defined approval decision points at the end of each stage, and approval will be required before the CAT can proceed to the next stage. This ensures that no unnecessary work is undertaken by either the community organisation or the Council. If appropriate due to the nature or complexity of the proposal, the Community Assets Steering Group may refer the application to the Corporate Property Board at any stage.

The outline process and approval decision points are set out in the flow chart below. The four stages will involve the following activities:

Stage 1: Expressions of Interest

- Interested community organisations will identify land, building and/or service, produce and submit an Expression of Interest (EOI) to the Council's Corporate Affairs Service. The Council has an EOI form that must be used (*link to EOI form when live*).
- Upon receipt of the EOI, the Council will carry out basic checks, for example where a building is being considered checks on legal title, its use and strategic role in the council's asset management planning including any other service requirements involving the building that the County Council may have already identified.
- If known and where possible, the community organisation should contact and seek the support of the relevant Council Service prior to submitting the EOI. If not, upon receipt of the EOI the Council will determine and inform the appropriate Council Service lead for the project.
- Upon receipt of the EOI, the Council will make the local elected member(s) aware of the application.
- The EIO will be considered by the Community Assets Steering Group (or Corporate Property Board if appropriate) for approval to proceed.
- The applicant will be formally advised of the approval decision of the Community Assets Steering Group (as will the relevant Council Service and local elected member(s)).

Stage 2: Outline Business Case

- If the proposal (and EOI) is approved by the Community Assets Steering Group, an Outline Business Case (OBC) will need to be developed. The Council's relevant Service supporting the transfer (supported by Corporate Affairs) is responsible for producing the OBC, but it will need significant input from the community organisation.
- The Council will meet and further engage with the community organisation to better understand the proposal, to determine its constitutional and governance arrangements and to develop the OBC. This will be led by the Council's relevant Service supporting the transfer. It may also include input by the local elected member(s).
- The Council will ascertain what property information is available and share with the community organisation. If information is not readily available, consideration will be given to ways to better understand areas of particular concern. In some cases, it may be necessary to check current condition of a building before site visits can take place.

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- The OBC should provide details of the proposed use and community benefits, the make-up of the organisation, the asset, the financial viability and sustainability of the proposal.
- The Council has an Outline Business Case template to help the community organisation understand the requirements and sets out what it will need to provide (*link to Outline Business Case template when live*).
- The OBC must also make clear that the community organisation has the capacity and competency to develop a full Business Plan.
- The Partnership & Community Engagement team can provide additional support in the application process and can provide details of other partner organisations who are experienced in CAT and can provide specialist advice.
- The Outline Business Case will be considered by the Community Asset Steering Group (or Corporate Property Board if appropriate) for approval to proceed.
- The applicant will be formally advised of the approval decision of the Community Assets Steering Group (as will the relevant Council Service and local elected member(s)).

Stage 3: Full Business Plan

- If the proposal (and OBC) is approved by the Community Assets Steering Group, a full Business Plan will need to be developed. The community organisation is responsible for producing the full Business Plan.
- The Council has guidance and a full Business Plan template to help (*link to guidance and full Business Plan template when live*).
- Development of the full Business Plan will require significant input and direction from the Council's relevant Service supporting the transfer. It will also involve detailed discussions with the officers from across the Council, for example, property, legal and HR together with representatives from the Partnership & Community Engagement team.
- These detailed discussions will determine the most appropriate basis of transfer to support the proposal. Consideration will be given to draft terms of transfer to be reflected in the development of the full Business Plan.
- Information available in respect of the asset will be assessed to determine its physical condition, and any associated costs, liabilities or responsibilities. This information will be shared with the community organisation for inclusion in the full Business Plan. If information is not readily available, consideration will be given to ways to better understand areas of particular concern.
- Any additional Council approvals required (such as for a transfer at an undervalue) will be identified and the process to seek additional approvals will be commenced. The Council's Undervalue Policy places stringent requirements on an organisation and a supporting Council Service officer to provide detailed evidence of the economic, social and environmental well-being benefits intended to be delivered from the CAT. The time taken for approval to meet the requirements of the Council's Undervalue Policy (or any other approval) will be reflected in the transfer programme and the organisation will be advised accordingly. No final CAT can be approved until an undervalue or any additional approval is given.

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- Any additional approvals required that are outside the Council's control will be identified (such as where the Council holds the asset by way of a lease or in its capacity as Trustee). The process to seek such approvals will be commenced, but the organisation will be advised that the time taken to obtain approval can be considerable and is not in the Council's control. No final CAT can be approved until any additional approval is given.
- The Council will produce a standard report to help the Community Asset Steering Group, or the Corporate Property Board evaluate the proposal. This, along with the full Business Plan will be considered by the Community Asset Steering Group or the Corporate Property Board to enable approval to proceed with the CAT.
- The applicant will be formally advised of the approval decision of the Community Assets Steering Group or the Corporate Property Board (as will the relevant Council Service and local elected member(s)).

Stage 4: Legal transfer

- If the proposal (and full Business Plan) is approved by the Community Asset Steering Group or the Corporate Property Board, and any additional approvals have been granted, detailed terms of transfer, for example freehold terms will be drawn up by the Council's property and legal representatives and agreed with the organisation's professional advisors.
- The Council will need to give a formal decision to enable completion of the transfer on the agreed terms. Approval will be sought in accordance with the appropriate corporate governance arrangements. The legal transfer cannot take place until the formal corporate approvals are in place.
- If the transfer is formally agreed by the Council, the transfer will be legally completed, and the land, building and/or service will be handed over to the community organisation.
- The Council will provide technical handover manuals for buildings where a leasehold agreement is in place, or other guidance as appropriate to support the community organisation in fulfilling all its legal and statutory obligations, for which it will thereafter be responsible.

Post transfer

If, following the transfer, the community organisation has concerns about its ability to continue to fulfil the requirements of the CAT, it should always contact the Council's Corporate Property and Land service as early as possible to discuss the situation:

CPALPropertyManagement@durham.gov.uk.

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