



# **Community Asset** **Policy**

**September 2020**

# **Community Asset Policy**

## **1. Introduction**

The Council defines a community asset as a building and/or land that has a community use and from which a community based activity or service is/could be delivered.

The Council's Property Portfolio includes land, buildings and other structures. Assets from the portfolio that are utilised by the community for social, health or leisure purposes include; community centres and halls, parks, play areas and recreation grounds, pavilions & changing rooms, tennis courts, bowls clubs, leisure centres, allotments and scout/uniformed group huts. (N.B. this list is not exhaustive and does not include miscellaneous land that may be considered for future community use. A full list of the types of community assets can be seen in Appendix 3 of the Asset Management Plan).

The Council's portfolio of assets are held to; support direct service delivery, support delivery by partners including the voluntary sector, stimulate economic activity and regeneration and support the Council's budgets. The Council has a duty to act as custodian of community assets whilst supporting and facilitating third sector development through community use agreements/leases.

For the purpose of this policy the term 'Asset Transfer' refers to the transfer of a long-term community asset lease to a community organisation.

## **2. Purpose of the policy**

The purpose of the Community Asset Usage Policy is to establish a transparent and positive framework that sets out the Council's desired objectives for long-term community asset usage. This policy will be used to robustly evaluate current and proposed community usage arrangements through the establishment of a cross service evaluation criteria and procedure. The procedure will:

- source information across services to respond to queries from community groups in a timely manner.
- ensure that Elected Members and officers understand how the evaluation of community asset usage can benefit both the Council and local communities.

Through implementation of the policy and procedure, the Council will ultimately gain a robust methodology to inform and influence long-term community asset usage decisions.

## **3. Objectives**

The objectives of this policy are:

- to ensure a transparent, equitable process for the assessment of community assets and their future use
- to maximise the benefit of Council owned assets for local communities
- to maximise the utilisation of community assets through shared usage arrangements
- to provide long-term sustainability for services and assets to ensure due consideration is given to assets that are already highlighted for potential investment by external sources

- to provide value for money for the Council and residents
- to provide a stimulus for partnership working
- to enhance the Council's reputation

#### 4. Local policy context

The Council will adopt an agreed method of assessing the benefits of current use vs proposed community use that is strategically linked to its corporate priorities.

**Housing** - To strive towards meeting the housing needs of our residents, providing working families and others in housing need within the Borough with suitable accommodation.

**Economic Development** - To stimulate more investment, jobs and visitors to Spelthorne to further the overall economic wellbeing and prosperity of the Borough and its residents.

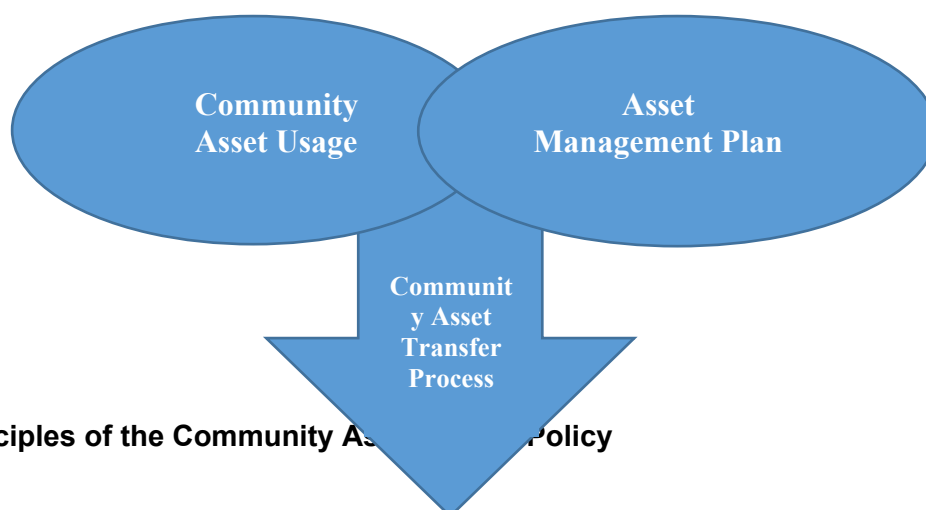
**Clean and Safe Environment** - To provide a place where people want to live, work and enjoy their leisure time and where they feel safe to do so

**Financial Sustainability** - To ensure that the Council can become financially self-sufficient in the near future

The proposed Asset Management Plan for Spelthorne Borough Council will set out the Council's commitment to undertaking a comprehensive review of its entire municipal property estate over the next 3 years, starting with the Council's building assets. The key issues to be identified are:

- the suitability of the building/ location for the delivery of the service
- whether the service is needed for the long-term
- whether the property occupied represents or could represent value for money.

The findings from this review will contribute to the scoring of the Community Asset Evaluation, particularly the financial and community use criteria. The Community Asset Usage Policy will dovetail with the Asset Management Plan to assist in the identification and recommendation of community assets that are suitable for Community Asset Transfer. Any Community Asset Transfer recommendation will consider equal opportunities and the need to provide an open application process against an agreed criteria.



#### 5. Principles of the Community Asset Usage Policy

The policy on Community Asset Usage is underpinned by the following principles:

- any proposed community asset usage must support the aims and priorities of the Council as set out in an adopted policy e.g. Corporate Plan, Asset Management Plan, Health and Wellbeing Strategy
- any community asset usage criteria and procedure must support the overall policy objectives
- recognise the Council's dual roles as a supporter of the third sector but also as a steward of publicly owned assets
- all Council service areas and Elected Members will endorse and help deliver this agenda
- the policy will be maintained and delivered by a Corporate Working Group consisting of representatives from Asset Management, Leisure Services, Community and Neighbourhood Services.

This policy will be supported by a robust evaluation criteria and procedure as set out in the accompanying document.

For clarity:

- This policy applies to leases (the grant of legal interest in land which gives exclusive possession for a fixed period of time) but will exclude licences as this is a Council permission granting a licence occupy or do something on our land
- This policy will also apply to situations when the Council has properties which are coming up for lease renewal, or where we have a vacant property which is surplus to Council requirements. As an authority we do need to ensure that every opportunity is offered out to other community organisations regardless of whether or not there is a current tenant whose lease is coming up for renewal in case to ascertain which community use might be best for the premise. The only situation where this would not apply would be when there is a lease in place 'inside the Act' or there are other legal or technical reasons why this cannot be done.
- Prior to applying this policy to a particular asset the Council will establish if the building is fit for purpose and what works might need to be done in order to bring it up to spec. This will be factored in (as required) as part of any lease.
- As part of this pre-assessment process each individual asset will be looked in its own right when the specification is pulled together on what the Council are looking for (e.g. a small toilet might be suitable for a business or a community use and this will be determined prior to advertising)

## **6. Policy Ownership and Review**

Asset Management will have overall ownership of the community asset policy and procedure. All enquiries regarding community asset usage received by officers or Elected Members will be referred to the Asset Management Team. This is to ensure the enquiry can be processed in line with this policy and procedure and will include cross service evaluation. Officers from Community Wellbeing, Neighbourhood Services and any other relevant department will contribute to Stage 1 Assessment Scoring Forms as required. The Officer Panel that has responsibility for making recommendations will consist of the Group Heads for Community and Wellbeing and Regeneration and Growth and the Property and Development Manager.

There will be a process of lease reviews for all Community Assets. The timings of these reviews will depend on the individual asset and the outcome of the evaluation.

This policy will initially be reviewed 6 months after implementation and then on an annual basis.

## **Community Asset Usage Procedure**

This procedure sets out a framework for considering Community Asset Usage requests. It outlines the stages of the decision making process plus the assessment criteria and processes at each stage.

For the purpose of this procedure the term 'Asset Transfer' refers to the transfer of a long-term community asset lease to a community organisation.

### **STAGE 1 - Advertising available asset and initial application and assessment**

The authority will only consider advertising an asset where:

It is in the freehold/leasehold interest of the Council

It has already undergone assessment for current benefit to community users and value for money using the adopted policy criteria

It is not already identified in Councils strategies or service delivery plans for future external investment to enhance its current usage. The exception to this would be a proposal that includes the same activity as the current usage e.g. an application could be considered from a football club that wants to make use of a pavilion that has been highlighted for investment in the Councils Playing Pitch Strategy.

Assets identified for potential asset transfer or community having undergone the process set out above will be advertised on the Council's website for a period of 1 month. Each opportunity will be advertised for a month to gauge interest. At the same time as the advert is placed on the website we will advise ward councillors by email as well as residents associations and any other community groups that the Council may be aware of (via the Community Development Manager). These organisations can then pass the message out to the local community to ensure the opportunity for local community groups to bid for space is maximised.

Community groups and organisations will be invited to express their interest in using or leasing the asset by completing a Stage 1 Further Information Form (**Appendix 1**).

All enquiries relating to community asset usage from residents, sports clubs, community groups or organisations and Elected Members will be directed to the website to view potential opportunities. The Stage 1 Further Information Form will be available on the website along with the Scoring Matrix Form which they will be scored against (**Appendix 2**). This will ensure there is full transparency around the process which will be undertaken.

There will be 3 key factors to be considered within stage 1 but the individual criteria which expressions of interest will be scored against may vary depending on the asset being advertised. This will be made clear upfront when the assets is initially advertised.

The Applicant must be a Voluntary and Community Sector organisation - i.e. it must be a legal entity which is:-

- Appropriately constituted, for example, a registered charity, a community interest company or a charitable incorporated organisation, a not-for-profit company; a co-operative, sports

club or CASC (Community Amateur Sports Club). A requirement to have charitable status will be dependent on the size of the asset and will be specified at advert stage. (For example where there is a substantial asset and the community group is looking to access government or other grant funding in order to operate then charitable status will almost always be required in any event for them to access that funding)

- Community-led, i.e. its governance arrangements must ensure that members of the community are able to influence its operation and decision making processes.

### **Stage 1 Criteria:**

The three key factors to be considered within the Stage 1a Community Asset Usage Policy/procedure criteria are:

- a. The current benefits to the local community provided by the organisation and/or asset versus those to be gained from new or increased access to the community asset.
- b. The alignment of any new usage proposal with the Council's strategic values and objectives.
- c. The impact of the current and/or proposed usage on the sustainability of the asset and service.

Stage 1 assessment of proposals via the Scoring Matrix Form will take into account these factors, considering both the likelihood and impact of failure.

### **Stage 1 Procedure:**

#### **Stage 1a**

Assets identified for potential asset transfer or community use following the review of the Council's property estate will be advertised on the Council's website for a period of 1 month. Community groups and organisations will be invited to express their interest in using or leasing the asset by completing a Stage 1 Further Information Form (**Appendix 1**).

The Property and Development Manager will initially assess all Stage 1 enquiries using the 'Further information Form' and 'Stage 1 Scoring Matrix Form' (**Appendix 2**). See attached Flow Chart for further details (**Appendix 3**). Where necessary, Community Wellbeing and Neighbourhood Services will be asked to contribute to provide missing information.

Stage 1 Scoring Matrix Forms that score 75% or below will not meet the Council's key criteria for long-term community asset usage. Asset Management will inform the enquirer accordingly once all assessments have been completed that they have been unsuccessful in their submission.

This stage will be completed within 2 weeks of the closing date of the advert.

#### **Stage 1b**

Stage 1 Scoring Matrix Forms that score 75% and above will be assessed by the Officer Panel (Group Heads of Community and Wellbeing, Regeneration and Growth and the Property and Development Manager). That group will undertake a basic options appraisal to compare current and proposed usage facts and decide which applications should move to stage 2. Once this process has been completed Asset Management will advise those applicant(s) that have been successful in moving to Stage 2.

This will be completed within 2 weeks of the completion of the stage 1a assessment.

## **STAGE 2 - Consideration for Asset Transfer**

Stage 2 requires applicants to produce a full business case, including financial considerations and evidence of ability to sustain the asset and service they provide. The level of detail in the business case will be to a large extent determined by the size of the asset and the community offering being put forward (for example a community café in a disused toilet will require less than an organisation looking to take a whole community hall).

These documents will undergo a robust objective review by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services (the latter two as required) and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form.

This process will be completed in 2 weeks. If as a result of additional requests for information or a large number of business case submissions this 2 week turnaround cannot be achieved the Council will write and advise all applicants in writing of the date of the extended deadline by which that assessment will be complete.

### **Stage 2 Criteria:**

A successful Stage 2 full business case will need to evidence the following criteria:

#### Community Use

The proposed use of the asset is genuinely for the benefit of the local community and offers real potential for the development of a sustainable, successful and independent community organisation.

The asset will benefit local residents, including less advantaged groups and provide affordable membership costs.

#### Strategic Direction

The proposed use of an asset reflects the outcomes and objectives of the Council's Corporate Plan and Asset Management Plan.

#### Local Provision

The application demonstrates that there is supply and demand for the service and no surplus duplication within the local area.

#### Finance

The applicant provides a business plan that demonstrates:

- Value for money for the Council
- Security /sustainability of service to ensure continued utilisation and prevention of anti-social behaviour

## **Stage 2 Procedure:**

### **Stage 2a:**

Successful applicants from stage 1 are invited to submit a detailed business plan. These should be submitted by the applicants within 2 weeks of being advised they have advanced to stage 2 of the process. Where this deadline cannot be achieved the applicant should advise the Council why and how long this will take.

### **Stage 2b:**

Business cases are reviewed by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services (the latter two as required) and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form.

A full financial review will be undertaken by the Finance team.

This process will be completed in 2 weeks. If as a result of additional requests for information or a large number of business case submissions this 2 week turnaround cannot be achieved the Council will write and advise all applicants in writing of the date of the extended deadline by which that assessment will be complete

## **STAGE 3 – Asset Transfer Recommendation**

These assessments will be used to determine if there is a suitable applicant which the Officer Panel can recommend to the relevant Councillors. If there is a suitable applicant, a full report including the Stage 1 Scoring Matrix Form, the relevant business case and officer recommendation will be sent to the Leader, the Portfolio Holder for Investment Portfolio Management, and Regeneration and the Portfolio Holder most relevant to the application with the recommendation to proceed with the lease or community asset transfer as appropriate.

A final decision on whether to accept the recommendation of the Officer Panel will be made on the asset by these Councillors. This decision will be made within one week of receipt of the officer recommendation.

The successful applicant will be notified in writing on the decision of the Council and liaison will then take place with the Assets and Legal teams on drawing up the necessary legal documentation.

## **COUNCILLOR INVOLVEMENT**

Requests or approaches received by a Councillor relating to any municipal property will need to be referred directly to the assets team as they need to have full sight of every potential opportunity that has come to the Council no matter by what route. It will then be for the assets team to manage the process in accordance with the policy.

Where a Councillor has had any involvement, this will be recorded in the assessment report considered by the Councillor panel at the end of Stage 2. Councillors with such involvement will not be party to the final decision making process.

## **REVIEW PROCESS**



All those unsuccessful applicants who reached stage 2 will then be notified that they have not been successful indicating the reasons why. Any applicants not satisfied with the final decision will need to contact the Council and go through the Councils Corporate Complaints Procedure <https://www.spelthorne.gov.uk/article/16560/Comments-compliments-and-complaints>

## **APPENDICES**

Stage 1 Further Information Form

Stage 1 Scoring Matrix Form

Flow Chart