

# MERTHYR TYDFIL COUNTY BOROUGH COUNCIL



## COMMUNITY ASSET TRANSFER STRATEGY



# Community Asset Transfer Strategy

## Approved at Council 3rd March 2010

### 1. Strategy

- 1.1 This strategy outlines Merthyr Tydfil County Borough Councils approach to Community Asset Transfer. It aims to be a clear, transparent and positive framework to assist in the consideration of appropriate transfer of assets to the third sector.
- 1.2 A fundamental aim of the Council is to support community development and empowerment of communities to help them deliver their own solutions to local needs and demands. People are the strongest and most valuable asset that a community has and the transfer of fixed assets to well organised and supported groups will encourage greater community activity and responsiveness in local areas.

### 2. National Policy Context

- 2.1 The Local Government Act 2000 introduced the power for Local Authorities to promote economic, social and environmental well-being and this is already reflected in the Councils current disposal procedures.
- 2.2 The Local Government White Paper "Strong and Prosperous Communities" October 2006, signaled opportunities for communities to manage and own public buildings and highlighted the role asset management or ownership can play in empowering communities and providing a means of securing external investment.
- 2.3 Subsequently, the Quirk Review "Making Assets Work" May 2007 concluded that transferring public assets to communities leads to more responsive services that meets the local communities needs.
- 2.4 The Welsh Assembly Government has launched a Community Asset Transfer Programme (CAT), administered by the Big Lottery Fund. This programme provides both capital and revenue funding to support the transfer of assets, such as land and buildings, from public sector organisations to community ownership.

### 3. Local Policy Context

- 3.1 The Councils vision, as set out in the Corporate Plan 2008 – 2011 states:
  - By 2010 Merthyr Tydfil will be a safe, healthy and exciting place to live.
  - Our ambition is to become a sustainable, confident County Borough that recognises and promotes equality of opportunity and where people want to achieve in all aspects of their life, through work, leisure and learning.

- Our vision is to be recognised as a vibrant, thriving regional centre for the valleys.
- 3.2 The Corporate Plan uses themes contained in the Community Strategy “2020 Vision” as a guide. The theme “People Power and Community Empowerment” prioritises customer focus and customer engagement and the consideration of Community Asset Transfer is a major step in achieving this.

#### **4. Principles**

- 4.1 Public assets owned by the Council and/or the community are a major strength and an important means of helping to meet the Councils overall objectives.
- 4.2. The Council recognises the opportunities offered by community management of assets. It also recognises that there are risks to be considered as part of the process, not least the possible loss or reduction in the capital receipt, which could be realised, should properties be sold on the open market.
- 4.3 All public assets managed by the community should be open and accessible to all. They should meet the Councils standards in respect of equality and diversity and have direct community involvement.
- 4.4 It is accepted that different methods of transfer is appropriate depending on individual circumstances. This can range between short-term leases, long-term leases and freehold transfer. Generally, a long-term lease will be considered most appropriate to allow the Council to retain some control, but where the transfer of a freehold is considered appropriate, covenants protecting the Councils interests will be secured in the transfer.
- 4.5 Service level agreements will be necessary in some instances where the Council wish ensure and safeguard the future provision of community facilities. This will be particularly important in circumstances where, for instance, community centres are considered for transfer to community organisations. Assets can be transferred to allow direct community provision and access to alternative sources of funding, but based on an agreement to provide a certain level of community provision.
- 4.6 Community Asset Transfers will only be considered where there is direct sponsorship from a Council Department, to ensure on-going monitoring of the agreed service delivery and benefits derived from the transfer.

#### **5. Process**

- 5.1 Properties may be identified as potential candidates for Community Asset Transfer in a variety of ways. They are likely to be identified either by community groups themselves, by the existing service departments or following a decision to be declared surplus to requirements as part of a wider area based review.

- 5.2 All properties and their potential for Community Asset Transfer will be assessed in the first instance by the Head of Estates and will be considered in relation to the Corporate Plan and Corporate Asset Management Plan. The status of the property, including its tenure, value and priority of the capital receipt will form part of the assessment, as will the potential community benefits of transfer.
- 5.3 Should a property be confirmed as suitable for Community Asset Transfer then the next stage will be to identify potential projects/proposals appropriate to the property. Consultation with all internal departments of the Council will be undertaken, together with consultation with the Local Members. It is expected that these consultations will identify all potential community organisations, which have the capacity and an interest in taking appropriate projects forward.
- 5.4 Following feedback from Departments and Local Members, all relevant organisations will be contacted with details of the property and request submission of detailed business plans. The business plans must include detailed proposals including projected capital and revenue costs, proposed funding and other sources of income, details of community support and benefits, sustainability and projected timescales.
- 5.5 All submissions will be fully assessed by the Head of Estates in conjunction with internal departments, Local Members and where necessary relevant external organisations. Financial information will need to be verified and funding sources confirmed as part of this process. An options appraisal process will be necessary to compare competing organisations and/or proposals and the alternative of a potential capital receipt and a framework for this assessment is currently being drafted.
- 5.6 Reports will be brought before Cabinet to approve as appropriate all recommended Community Asset Transfers.

## **Community Asset Transfer Strategy**