

Briefing - Community Asset Transfer: What's In It for Councils?

Government Policy

The push from Government for the transfer of public sector property assets from local authorities to third sector organisations originated with the publication in May 2007 of "Making Assets Work" the report of the Quirk Review of community management and ownership of public assets. Government agreed with the review team's three main conclusions, particularly that the benefits of community management and ownership of public assets can outweigh the risks and opportunity costs in appropriate circumstances.

Following the Local Government & Public Involvement in Health Act 2007 and the Localism Act which was approved by Parliament in November 2011, Local Authorities now have more power and responsibility to engage with communities and to identify where local communities can benefit from the involvement of local people, voluntary and community organisations and local Councils in running Council facilities and in delivering Council services.

The Localism Act seeks to encourage community involvement by introducing a Community Right to Challenge and a Community Right to Bid (Assets of Community Value) which was formerly known as the Right To Buy.

Opportunities & Threats

There are potential opportunities and threats offered by the Localism Act, particularly at a time when Councils are considering the closure of some buildings and the cessation of some services. On one hand, transfer to the community may be seen as an opportunity to deliver services through alternative service means whilst, on the other, there may be strong community support for the retention of an asset that, for financial reasons, Councils would wish to see disposed of.

Communities will benefit by having more local say in how facilities are run and what services are provided from the facility – run by the community, for the community. This has the added benefit for the Council that local people will have more empathy for the building and look after it, as well as using the facility to look after members of the community themselves – this should reduce the call on other Council services.

Our Experience

Many Councils have started developing Community Asset Transfer strategies and a number have published their approved strategies. Most authorities are making a list of community buildings available and taking a reactive approach if external organisations come forward with an interest in a building. Others are developing relationships with individual groups and organisations to take over specific facilities – usually a single building but a number are now looking at multiple assets being taken over. Some are proactively putting community facilities out to public offer and seeking applications from voluntary and charitable organisations and those with a community interest such as the local social housing providers – these programmes are proving very successful if properly set up.

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Innovative offers are being made to make the transition from council management to community management as sustainable as possible, from initial pump-prime funding to generous financial support over several years.

The key ingredients for success in transferring assets and services into the community include:

- Programme led by Community Engagement team within the Council
- Experienced Programme Manager from the start
- Early engagement and support from community advisory bodies
- Early consultation with voluntary and charitable sector groups
- Transparent community briefing sessions
- Dissemination of income, expenditure and property information
- Encouragement of community organisations to work together
- Financial support package for several years
- Business coaching and advisory support
- Long term occupation agreement at nominal cost enabling access to grant funding

Summary

Community Asset Transfer affords a once-in-a-generation opportunity for community groups, parish councils and social housing providers to take a leading role in delivering community development services. It is a tangible example of how power and responsibility can be shifted so that individuals and communities have more aspiration, power and capacity to take decisions and solve problems themselves.

However, the financial arrangements necessary to deliver CAT are critical and remain the biggest challenge facing community groups and the Councils that support them.

If you would like to discuss CATs in more detail please contact Keith Mitchell at keith.mitchell@changepointsolutions.com or on 07500 883171.

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