

Corporate Scrutiny Panel Community Asset Transfer Policy

1. Introduction

Kirklees Council has an Asset Transfer Policy that was approved by Cabinet in March 2017, following consultation with Asset Liaison Group (All party working group), portfolio holders ward members, and senior offices.

The March 2017 Policy superseded the Asset Advancement Policy 2013.

2. Background

Asset Transfer is not a statutory requirement of the council however in processing Asset Transfer requests the Council must comply with the European Commission's State Aid Rules.

A Community Asset Transfer is defined in the policy as the transference of ownership or management of a council owned building or land to a Community Organisation by means of either a long term lease (above 25 years) or freehold transfer, at less than best consideration, to further local social, economic and environmental objectives.

Transferring assets to community organisations can unlock community enterprise, encourage volunteer commitment, help utilise local intelligence and allow organisations to attract capital investment not available to the public sector.

Asset Transfer also has the potential to benefit the people and communities of Kirklees by creating the opportunity for strong vibrant communities and enhancing Social Value.

Asset Transfer also has benefits for the council including empowering communities, and the potential to reduce the demand for council run services as well the reduction in real estate costs.

3. Current Position

Community organisations are defined in the policy as voluntary and community organisations who are representative of the community, have aims and objectives of the voluntary and community sector, have the capacity to manage a community space and provide social value and contribute to the council priorities. Town and Parish Councils and schools can also apply, the sustainability of the Community Organisation will be assessed as part of the application and business case process.

Single interest groups with restricted membership will not be considered, but the council will offer support to all groups. Expressions of Interests from Social Enterprises with share capital, commercial or privately owned organisations will not be accepted.

Assets that may be considered for transfer include Community Buildings, Public Halls, Park Land, Woodland and public access buildings.

The type of assets the council may not consider for transfer include but are not limited to, strategic development sites in the Local Plan, strategic and commercial assets.

4. Transfers to date

Fourteen transfers have been completed to date a further seven have been approved by Cabinet and are progressing to legal completion, with six at detailed business case stage and further twelve initial expressions of interest submitted.

Each transfer is unique to some extent and the complexity of the transfer and capacity of the groups drive the speed of completion. On average a transfer can take between 10 and 12 months, support is available from offices in the Estates team, community support and Locality who are independent provider of professional advice to community organisations.

There are two scenarios for asset transfer either initiated by the group or advertised by the council for open expressions of interest, both require an outline business case.

5. Funding

The 2017 Policy introduced financial support for groups at various stages of the transfer:

- Following a successful expression of interest community organisations can apply for a one off grant of £5,000 to pay for feasibility works, develop the detailed business case and legal or professional fees.
- On submission of the final business case groups can apply for up to 15% of the average two years running costs, this is only be approved on final agreement.
- If the community organisation plan to apply for external capital funding they can apply for a match funding loan of up to £100,000 from the council to support for example a heritage lottery grant.

6. Decision Making Process

Following the receipt of an expression of interest officers will assess the application in line with the policy and provide the necessary support or feedback.

If the application is recommended to progresses to a detailed business case stage then a briefing note for Place Senior Leadership Team for feedback and approval will be provided, prior to portfolio holder briefings.

If approved the group will progress to full business case and support will be provided by the council.

If a detailed business cases is recommended by officers it will follow the same process with the ultimate decision making power for each transfer being with Cabinet.

Regular updates are provided to portfolio holders and Asset Liaison Group who meet bi monthly and review the progress on the asset transfer tracker.

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