

Report

Report to:	Finance and Corporate Resource Committee
Date of Meeting:	10 November 2021
Report by:	Executive Director (Finance and Corporate)

Subject:	Community Asset Transfer
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ update the Committee on the Community Asset Transfer process and seek approval for the creation of a fixed term Development Officer (Community Asset Transfer) post

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that 1 FTE post of Development Officer (Community Asset Transfer), as detailed in Section 7, be added to the establishment within the Community Engagement Team for a fixed period of 23 months, be approved;
- (2) that the criteria for community asset transfer support grant as set out in Section 7, be noted; and
- (3) that the criteria for property investment as detailed in Section 7, be noted.

3. Background

3.1. The 2021/2022 General Revenue budget included £250,000 for the purpose of supporting the delivery of sustainable Community Asset Transfer proposals.

3.2. Following a review of the existing Community Asset Transfer process and of how this fund would be put to best use to enhance it for applicants, the funding is anticipated to be spent across 3 financial years:-

- ◆ Year 1: £40,000
- ◆ Year 2: £100,000
- ◆ Year 3: £110,000

3.3. As the level of interest in Community Asset Transfer and the requests for support in developing proposals are in excess of currently available staff resources, then in order to more effectively support community asset transfer it is proposed that a temporary post be created within the Community Engagement Team. The postholder will develop guidance, assist organisations develop their capacity and access support to create business cases as well as act as a liaison between the community and Council departments. Duration of the post will be 23 months.

- 3.4. The following sections of the report set out how this support will be delivered to increase the likelihood and number of successful community asset transfers in future.

4. Development of Community Organisation Capacity

- 4.1. Many organisations have aspirations and enthusiasm for community asset transfer, however the journey from initial concept through to a property being handed over to community control can be lengthy. Organisations often require support and independent professional advice to develop their ideas into sustainable proposals. The nature and extent of the support need varies significantly depending upon the nature of the organisation and the complexity of the project.
- 4.2. As a result there will be 2 aspects to the development of organisational capacity:-
1. Self Help Resources and access to general advice, aimed at organisations starting out on the journey to community asset transfer
 2. A community asset transfer support grant to enable organisations to access independent professional advice for organisations preparing their formal applications
- 4.3. Self Help Resources
- 4.3.1. The Scottish Government has published comprehensive guidance on Community Asset Transfer for Public Bodies and Community Organisations. Over and above this there are numerous organisations such as the Community Ownership Support Service, Social Enterprise Scotland, Voluntary Actions South Lanarkshire (VASLAN), Office of the Scottish Charity Register (OSCR) and Business Gateway that provide specific advice to organisations considering asset transfer.

Community organisations often need guidance in identifying the support options that best fit their proposals and struggle to know “where to start”.

Resources will be developed for publication on the Council’s website that will assist organisations to get started and signpost the various supports available. Workshops and events will also be run to increase understanding of the process. This work will be undertaken by the new postholder.

- 4.3.2. Organisation Preparedness/Health Check
- The Council will offer organisations a “health check” of their proposed asset transfer requests in advance of a formal application so that proposals are as strong as possible when formally submitted thus increasing the likelihood of success.

- 4.3.3. Support Grant
- As each asset transfer is unique, the type of professional advice required by an organisation varies considerably from proposal to proposal. In many instances external funding support is available to cover the costs of professional advice from solicitors, surveyors, accountants etc but in some geographical areas and some contexts this external funding is not easily accessible. In particular, it is important that organisations obtain legal advice, however, few organisations seek this until quite late in the process.

Grants will therefore be made available to organisations to fund the development business plans/assess community benefits/obtain independent professional advice including surveying and legal advice.

5. Property Investment

- 5.1. In addition to the support for capacity building within groups, further use of the fund will be made available for investment within properties which are involved in an asset transfer process. Many of these do not require a major transformation of the existing property, however identifying funding specifically for property repairs and improvements is often a barrier to asset transfer. This is particularly true if the transfer is a short-term lease to enable an organisation to test out an idea or for a smaller organisation such as a Men's Shed.
- 5.2. Repairs and minor redesign can facilitate an organisation to take early entry to a property and demonstrate that their proposed project is viable, which in turn can lead to either longer leases or asset transfer by sale.
- 5.3. Alternatively, organisations can use the agreement by the Council to carry out repairs as "in kind" match funding when applying to other external funders for support, increasing the investment in the property and the project.
- 5.4. Repairs and maintenance work would require to be carried out by the Council and its approved contractors; however, the extent and the timing of works will vary from property to property depending upon the organisations proposals and external funding options. Any works will be focused upon removing barriers to asset transfer and supporting organisations to take entry to assets and are likely to focus upon wind and watertight and legislative repairs.
- 5.5. The allocation of the funding will be directly related to the advancement of a community asset transfer application. Works will only be organised where a valid asset transfer application, either for lease or sale, is at an advanced stage and is being recommended to Committee for approval.

6. Current Community Asset Transfer Work

- 6.1. The Council annually reports its performance in relation to requests for Community Asset Transfer to the Scottish Government in June each year. For 2020/2021 the return was:-
 - ◆ Total number of applications received - 3
 - ◆ Number of successful applications - 1
 - ◆ Number yet to be determined - 1
 - ◆ Withdrawn prior to Decision Notice - 1
- 6.2. There are currently 4 formal applications going through the assessment process. There are currently discussions ongoing with 16 organisations at various stages of the process.

7. Employee Implications

- 7.1. To support this activity a 23 month fixed term post will be created within the Community Engagement and Participation Team. This post has been evaluated in accordance with the Council's Competence Initiative and Grading scheme. The following post should be added to the establishment on a fixed term basis for 23 months.

Post title	Number of posts	Grade / SCP	Hourly Rate	Annual salary (excluding on-costs)	Gross salary (including on-costs 30.3%)
Development Officer (Community Asset Transfer)	1FTE	Grade 3 level 2-4	£18.08 £21.25	£32,994 £38,779	£49,007 £50,529

8. Financial Implications

8.1. £90,000 of the budget has provisionally been set aside for the costs associated with the new post.

8.2. Discussions have taken place with the external funding team to identify the simplest way to administer applications for grant and the criteria that would be used to assess applications. Applications will be made through the existing online system "Grantviser" and be managed by the external funding team. This will enable the funding team to also identify any other funding opportunities.

8.3. With regards to the support grant this will be fully managed by the external funding team and follow the similar criteria as that used for Renewable Energy Fund (REF), namely:-

- ◆ will be capped at £10,000 per organisation
- ◆ would require 2 or 3 quotes
- ◆ 4 weeks for a decision

With the additional criteria that the application was related to the development of a community asset transfer request.

If there is high level of demand, priority will be given to those organisations that cannot easily obtain funding for professional advice from other sources.

8.4. With regards to requests for property investment, requests for the allocation of funds will be referred to the Prioritised Investment Group as this group already has in place arrangements for considering the implications of property repair and investment and has cross Resource representation.

To make best use of the fund applications will be capped at £20,000 per property and the criteria for funding will include:-

- ◆ A valid asset transfer request has already been received
- ◆ The request relates to items of repairs and maintenance essential to keep the building functioning and that would not generally be funded from other sources
- ◆ The work facilitates continuation of community use and prevents delay in asset transfer/property handover

This ties in with the criteria that were established for the Community Projects Fund.

9. Climate Change, Sustainability and Environmental Implications

- 9.1. There are no specific issues in relation to climate change, sustainability and environment contained within this report, and any implications will be considered as part of the assessment of individual asset transfer projects.

10. Other Implications

- 10.1. There are no implications for sustainability or risk in terms of the information contained within this report.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. Discussions have taken place with the Community Engagement Team and the External Funding Team.
- 11.2. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

Paul Manning

Executive Director (Finance and Corporate Resources)

20 October 2021

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, effective, efficient and transparent
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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