



TRANSFER OF COMMUNITY ASSETS POLICY

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1.0 Introduction and Overview

- 1.1 This policy sets out the framework whereby the Council will consider transferring ownership and management of assets owned by it to eligible not for profit community organisations and groups where this can improve the use of these assets to the benefit to residents in the local community, aligned to the aims and objectives of the Council. This process is called Community Asset Transfer (CAT). The intent of this policy is to support people and communities to be strong and resilient, strengthening the relationship between the Council, its community partners and voluntary organisations.
- 1.2 CAT presents eligible organisations with an opportunity, in appropriate circumstances, to use surplus Council assets (buildings and/or land) for community benefit. It is not without risks and needs to be pursued in a legally safe, planned and supported way to ensure a successful transfer of responsibilities and delivery of long-lasting benefits to the community. It offers the opportunity for asset transfers to be delivered in an open and transparent way.
- 1.3 This Policy is intended to apply to property and land transfer transactions only and does not have within scope consideration of the transfer of Council services under the Community Right to Challenge pursuant to the Localism Act 2011 or otherwise as this is a separate process.
- 1.4 Investment assets, for example shop units, will be treated in a commercial way. The council is open to discussions around these assets, but such matters are also outside the scope of this policy.
- 1.5 The Council holds assets for a variety of reasons, for example schools are not likely to be assets eligible for asset transfer as other legislative restrictions are in place regard these assets. Assets held for operational reasons are not likely to be transferred, although this would need to be considered on a case by case basis There are various other reasons why the Council may not be able to transfer an asset, for example where it has acquired the asset for a specific purpose, is working in partnership with a third party partner, or the asset has restrictions on its use or is held under a trust.

2.0 Policy Context

- 2.1 The adoption and maintenance of a policy allows the Council to apply its powers in a transparent, fair and consistent way, generates opportunity for the approach it is taking to be clear and allows the Council's approach to be reflective of current conditions.
- 2.2 CAT is not a legal requirement, but a voluntary process which is at the discretion of the Council. The Council has adopted a CAT policy because it sees the benefits of having a policy in this area and sees the benefits of having a policy to enable consistent decision making.

- 2.3 The Council's Asset Strategy specifically deals with Asset Management and how it manages and controls its land and property. Other policies and processes sit under this Strategy, including policy related to the disposal of land and property assets. CAT is commonly achieved by way of a lease of greater than seven years length. A successful CAT would also have a material effect on the Council's disposal programme and would also have implications for the revenue position of the Council.
- 2.4 This policy is also closely aligned to the Council's plan in delivery of the Council's priorities which are:
- To deliver high quality efficient universal services to all residents;
 - To prioritise those with the greatest needs;
 - To deliver council services within the means of the council budget;
 - To be prepared to innovate and face the future;
 - To play a part in addressing the climate emergency and protecting our environment;
 - To work across communities with community, voluntary and faith organisations and partners to improve all residents' life chances; and
 - To deliver an ambitious regeneration programme through increased investment, jobs and new businesses throughout the borough
- 2.5 The policy is directly linked to the Council's enabling theme of working together to create a more efficient, effective and accessible Council and its delivery themes which are:
- early help for children and families;
 - promoting independence and healthier lives;
 - people focused regeneration;
 - protect the environment; and
 - safe, resilient and engaged communities
- 2.6 A transfer would see the eligible organisation taking responsibility for the day to day operation of an asset which would deliver activity that is of benefit to the whole community from the asset.
- 2.7 The Council takes a wide approach as to the scope of assets which are eligible for community asset transfer. However, the obligation for assets to be used for wide community benefit, remains, as does the definition of eligible organisations. This may generate opportunities, for example where sports clubs may be able to access grant funding to improve sports pitches.
- 2.8 The Council, partner organisations and residents are currently dealing with and operating in a complex and challenging economic environment. The Council has seen a rapidly increasing and unprecedented demand for its services but lacks the finances to support this level of demand and support the community in the same way and at the levels it has done previously. CAT therefore creates significant opportunities for the community to take the lead in areas that the Council would have led in the past. The Council and its partner organisations

have proven over time that they have a demonstratable track record of achieving this. With increased financial pressures the Council also must increase the tempo of its decision making, which may mean more restrictive timelines to progress CAT. The Council is not able to hold vacant assets indefinitely in the current challenging economic environment and may need to release assets outside the CAT process in the interests of expediency.

- 2.9 The Council's offer is based on a full repairing and insuring lease, for a period of years, depending on the specific asset. As an open and transparent organisation, transfers will be delivered in an open and transparent way with all eligible organisations being able to bid for any particular asset that is put forward for transfer.
- 2.10 The transfer of the asset also aligns with the Council's Community Wealth Building Strategy.

3.0 Aims of Community Asset Transfer

- 3.1 The Council owns a diverse portfolio of assets held for a wide range of purposes and reasons and the Council recognises the benefits if some of these assets were in community management or ownership generating a wide range of benefits to the whole community that have been set out previously.
- 3.2 The policy seeks to protect both the Council and the recipient of the asset. The CAT process is focused on the benefit of the whole community and not just specific groups. As the Council is transferring the asset for community benefit, the policy is designed to protect the long term use of the transferred asset.
- 3.3 Although the offer in any asset can evolve over time, the Council also has to protect the purpose of the transfer to achieve the overall aim of this policy. Should the use of the asset for the purposes it was transferred cease, then the Council will look to re-use the asset. This could see the asset return to the Council, or other utilising other options for use of the asset or release of the asset to support the Council's capital programme. As a result, the Council will design protections into the legal documentation to reflect the proposal of the applicant and aligning the Council's aspiration for the asset to its Council Plan.
- 3.4 The policy enables consistent decision taking by the Council, which in turn will generate certainty for applicants and offer open and transparent decision making. A further aim of transferring assets to the community is to allow the Council to release assets so it can reduce the cost of its own operations, but at no cost to the Council. Therefore, assets are transferred a no cost to the Council basis.
- 3.5 Community Asset Transfer is not designed to provide organisations grants by way of provision of an asset or to principally to generate an income to support the operation of an organisation. Profit must not be generated from the operation of the asset to benefit any individual(s). Any profit must be re-invested into the asset or services provided from the asset.

4.0 Benefits and Risks

- 4.1 There are considerable benefits to the Community, recipient organisations and the community in progressing with CAT and this has been demonstrated by the Council and its partners over time as assets have been transferred to the community. However, experience does show that there are a range of risks associated with a transfer for all parties. In taking a decision about asset transfer both the benefits and risks of the transfer need to be considered to provide a robust decision-making process for the recipient and the Council. The approach of the Council, is to minimise the risks associated with this process, for the Council, residents and eligible organisations.
- 4.2 The benefits for eligible organisations can include the following:
- A transfer can energise and empower organisations to deliver services and activity in an agile way that benefits and is more focused on the community;
 - It can enhance ties with local communities and increase participation and engagement;
 - Where a sustainable model is created it can generate certainty and stability;
 - It can draw in investment, energise fund raising and create opportunities to access grant funding in a way that is not accessible to the Council;
 - It can create opportunities to co-produce with the community;
 - It can act as a catalyst to reach harder to reach elements of the community.
- 4.3 The benefits for the community can include the following:
- It devolves decision-making to a local level;
 - It acts as a catalyst for community regeneration;
 - It encourages community participation and volunteering;
 - It builds confidence and the capacity for people to further improve their community;
 - It provides new opportunities for capacity building through the use of new skills and knowledge within the community;
 - It enables greater co-location of activity and broader access to the asset; and
 - It provides a legacy for the community.
- 4.4 For the Council the benefits can include the following:
- It forges new partnerships and strengthens existing relationships;
 - It reduces the burden and cost of asset management, or provision of rental income;
 - It delivers on shared outcomes and objectives for residents, supporting the Council's aims and objectives;
 - It allows the Council to focus its limited resources on the services it must provide or is best placed to provide allowing resource to be targeted and be aligned to the Council's priorities;
 - It helps the drive towards a more efficient Council asset portfolio.

- 4.5 There are also risks for the community, recipient organisations and the Council. The risks for eligible organisations can include:
- Potential for the asset to become a financial, repair, management or Health and Safety burden for the organisation;
 - Capacity or ability to operate the asset is not achieved or if achieved not maintained;
 - Operating an asset as opposed to provision of services to the community becomes the driving motivation of the organisation; and
 - As with any business, changing an existing business model can detrimentally impact the organisation.
- 4.6 The risks for the community can include:
- Exposure to inappropriate or inadequate Health and Safety measures or provision of an environment which is operated at a level which is unattractive or inappropriate;
 - Perception of a loss of, or exclusion from, the asset by certain sectors of the community;
 - Perception of preference for one organisation or group, over another; and
 - Delivery of services not aligned to the needs of the community.
- 4.7 The risks for the Council can include:
- Inability to demonstrate value for money, compliance with of subsidy control or procurement requirements (amongst or other legal constraints);
 - Loss of control of the asset;
 - Whilst the asset transfer process is underway, the potential for on going costs or, delay in dealing with an asset, if an asset transfer takes too long; and
 - Risking the public if an organisation has insufficient capacity to operate the asset and services they wish to provide in a safe way, balanced against the risk of not giving the organisation a chance to operate the asset.
- 4.8 These risks are managed in large part by the contents of this policy. Not adequately addressing these risks in any application will have an impact on any application.

5.0 Eligible Organisations

- 5.1 CAT is not intended for commercial and or private organisations that generate a commercial return from an enterprise, distributing its profits. For the purposes of this policy, other organisations, for example political parties, limited companies and individuals are not eligible. Central Government and organisations such as the NHS are excluded from community asset transfer, as there are established processes and protocols for dealing with these types of organisations. Organisations that simply wish to operate an asset without providing any community focussed activity are not likely to be eligible for asset transfer.
- 5.2 Eligible organisations must be able to demonstrate good governance with the appropriate legal structure and demonstrate that they have the capacity,

currency and competence to take responsibility for an asset. Eligible organisations can include:

- Registered Charities;
- Community Interest Companies and Organisations;
- Social Enterprises; and
- Unincorporate Associations.

5.3 The applying organisation must:

- Demonstrate that use will generate beneficial outcomes for the community, and not simply operate an asset;
- Be community-led, with strong links with the local community. Local people must be able to control the organisation's decision-making processes. They must be able to clearly demonstrate a strong link to the community which they propose to serve;
- Have a primary purpose to benefit the local community and be not for profit and must understand and be able to clearly articulate the activities they wish to deliver;
- Demonstrate good governance by operating through open and accountable processes, with clear management and financial systems;
- Be open to and demonstrate an inclusive approach to members of the wider community; and
- Be able to demonstrate broad community use, not just servicing a limited or restricted element of the Community.

5.4 Although unincorporated associations may apply for Community Asset Transfer, this legal structure generates risks for the applicants should they wish to operate using this structure. The Council would encourage applicants who are using this model to seek their own independent advice on the matter of the appropriate organisational structure. Should groups plan to remain as unincorporated associations post transfer of the asset the Council would have to consider this as part of the risk profile of the application. Organisations are always expected to manage their governance structure and management arrangements to ensure that the relevant officers of the group are in place and the physical asset, and the services operated from the asset can be robustly managed. Should an organisation fail to do this the Council reserves the right to step in and recover the asset.

5.5 It is expected that applicant organisations' maturity and ability to safely manage and operate an asset may vary. Although this would not prevent an application it is an issue that the Council would need to consider as part of the decision process. It is therefore critical that organisations develop a robust proposal and business plan, which must clearly demonstrate how they propose to operate the asset and services they wish to provide in a safe and compliant way.

5.6 Although it is not expected that an eligible organisation will have a comprehensive business plan at the inception of their interest in an asset, they

must be able to produce a robust, clear and well thought through business plan that stands scrutiny. Any group wishing to operate an asset should have a very clear vision about how that business will operate and be sustainable over time. Information about the potential elements that groups may wish to submit in their business plan can found later in this policy. The Council does not have a prescribed format for business plans, although it does offer an example in the tool kit, as this is a working document for any applicant. Council officers can and will offer informal advice, however business plans must ultimately be the product of the applicant.

- 5.7 Rent or other charges may be a requirement of a transfer, although this will be considered on a case by case basis and will be dependent on the proposed business plan and the type of asset that will be transferred. The starting point for any transaction would be market value or market rent.

6.0 Support for organisations

- 6.1 Organisations seeking to apply to acquire an asset through Community Asset Transfer should in all instances obtain their own independent advice, regarding the legal aspects of their application, and regarding land and property. Acquiring any asset has both opportunities and risks and applicants should undertake their own due diligence to understand the risks that they face. The Council is not able to fund this work.
- 6.2 The Council will provide advice on the Community Asset Transfer process and where appropriate offer advice and clarification around this policy where this is required. It will also provide informal feedback and advice to assist development of the relevant applications, and other documentation that organisations need to provide as part of the process on a without prejudice basis. A tool kit to help organisations is also available and this will cover the range of points that need to be considered by organisations wishing to take an asset.
- 6.3 The Council will also seek to provide an appropriate level of information about the asset. This will give an eligible organisation information that they can use to understand operating costs (in the way the Council operates the asset) in advance of a submission of an expression of interest to determine whether their proposal is the right course of action to follow. More detailed asset information will be provided during the business planning stage. However, applicants will need to make their own assessment of how they plan to operate the asset, as cost of operation can and will vary from how the Council operates its assets.
- 6.4 As well as any internal resource and support that the Council can provide, it will also signpost community groups to a suite of other external help and support that can be called upon to support with the completion of applications and the running of an asset once transferred. The type of external support provided will depend on the asset being transferred and the extent of the help required.
- 6.5 In return for the support the Council provides, it expects applications for transfer to contain, at each stage, sufficient information to enable appraisals to be

completed and decisions made as to the suitability of the applicant and its capacity to deliver the community centred services with the human and financial resources available to it.

7.0 Assets Available

- 7.1 Assets are usually considered suitable for CAT when identified as such through the Council's Strategic Asset Management Plan. Such assets must be in the ownership of the Council and not subject to any third party agreements. The Council is open to discussions about the transfer of any asset to eligible organisations, and this leaves open the possibility of transfer of on a case by case basis through this policy.
- 7.2 Assets which are available for transfer will be transferred in their current condition, at nil ongoing cost to the Council, and at the discretion of the Council. The transfer of the asset will remove the expenditure from the Council that it would ordinarily incur and remove the non-financial liabilities from the Council for services it does not have to provide.
- 7.3 The Council is open to transfer assets which it still delivers services out of. In instances like this the council may want to continue to operate out of the asset at the same cost it does before transfer. Council services will not provide a rent to recipient organisations as this would contravene one of the basic aims of the policy. Where the Council becomes an occupier of an asset it will apply its corporate landlord approach to asset management and will expect organisations to be able to provide Health and Safety compliance information relating to operation of the asset as required.
- 7.4 Some assets for very practical reasons are not suitable for transfer, for example:
- where there would be a direct commercial impact to the Council; or
 - if it would hinder the delivery of the Council's services;
 - if it would hinder a regeneration initiative,
 - the tenure of the asset may prevent transfer; or
 - where the asset has been selected for disposal to support the Council's Capital Programme, which funds the Council's agreed Capital priorities.
 - a decision about the asset has been previously taken, or its not aligned to a pre-existing or emerging strategy, policy or plan of the Council, for example the local plan.
- 7.5 Examples of assets that may not be suitable for transfer are:
- Those held for investment purposes;
 - Those Identified for a different purpose or disposal under the Council's Asset Strategy;
 - Operational Estate that is required for delivery of Council services; and

- Where the Council is exploring an operational use for Council / partner services.

7.6 A non exhaustive list of reasons why the Council may choose not to transfer an asset include:

- Where the Business Plan for operating the asset does not satisfy the principles of this policy;
- If the organisation applying to take on the asset wants to (or was) operating a function that does not accord with the objectives in the Council Plan;
- Where an organisation is intending to operate the asset to generate a commercial gain;
- If the organisation applying to take on the asset cannot demonstrate an additional community benefit;
- If there is an ongoing financial detriment to the Council arising from the purpose of use by the organisation applying to take on the asset; and
- When the expiry date for transfer highlighted in the process timeline in Appendix 1 has passed.

7.7 Asset transfer is not designed to provide a grant by other means to a recipient, and assets are not available should applicants want to do this. This includes selling the asset to fund works on another asset or operating the asset primarily for income to fund activities or operations. The transfer process has no provision for grant funding. Should as part of a business case, an applicant insists on funding for an asset to enable transfer the Council will not be able to do this. Should an applicant wish to understand grant funding available the team dealing with the transfer can offer direction and sign posting to the applicant to relevant bodies that may be able to offer that support, but this is outside the CAT process.

8.0 Principles, process

8.1 To start the process an organisation may wish to apply using the application form or contact the Council's Asset Management team. The Council will conduct a series of informal meetings with interested parties, so they can understand the process, discuss, and test their proposals informally. Following this the Council will follow the processes set out in Appendix 1. Should an asset not be eligible for transfer this will be discussed at this stage.

8.2 If it is understood that there is an interest in CAT, the normal approach under this policy will be to market the asset for community asset transfer, if the asset is deemed to be eligible. Exceptions to this may be if there is already an established property link to the asset or if the council is very clear that there are no other prospective parties that may benefit from a community asset transfer. This would allow any interested eligible group to put forward their case for the asset, allowing the Council to be open and transparent in its activities.

8.3 The Council also must consider the risk that a community asset transfer may not progress, thereby incurring further holding costs, or impact the sale price of the asset if sold, which is against the principles of this policy. As a result, the

Council reserves the right to 'twin track' asset transfer alongside placing the asset on the open market or preparing for the same setting strict deadlines for the matter to progress.

- 8.4 During periods of restructuring and reorganisation the Council may wish to consider applications from the community for CAT for a narrow category of asset, which have very close ties to the community. Reasons to retain or dispose of the asset will be considered prior to this, for example if the Council needs to retain the asset to deliver services, it is logical that an asset would not be progressed for CAT. If an asset is not available this will be clearly communicated to interested parties. Should the Council cease delivery of a service from a particular building, CAT may be an opportunity to mitigate the impact of loss of a particular service in an area, however any applications need to be sufficiently robust to generate the confidence needed that there is a reasonable prospect of a successful CAT.
- 8.5 The Council will, for more straightforward assets, consider an accelerated approach which would be aligned to the process used for sale by informal tender, but restricted to community asset transfer. In instances where this is used the principles set out in this policy, in particular in paragraph 5.3 would be strictly adhered to and encumbrances to protect the Council's interests would be also strictly applied. It is anticipated that assets valued at less than £500,000 could be included in this process.
- 8.6 A decision of the Policy and Resources Committee will be sought, whether to utilise the full procedure or the streamlined approach, on a case by case basis when it is considering a recommendation to declare an asset surplus to the Council's requirements.

9.0 Assets transferred back to the Council

- 9.1 In certain circumstances the Council may have to seek to end the lease arrangement and effect the transfer of transfer the asset back to the Council in accordance with the terms of the lease. It is important to inform the Council at the very earliest stages if the circumstances of the recipient organisation have changed, as very often the Council can and will work with the recipient to address or mitigate the issue, however delay in identifying issues to the Council may increase the risk that the Council has to act in this way, which is an action of last resort.
- 9.2 The Council may seek to recover the asset if there are changes to the organisation for example if the organisation to which the asset is transferred:
- is wound up or liquidated; or
 - ceases to have effective control or governance over the asset and its operations.
- 9.3 The Council may seek to recover the asset if there changes to the use of the asset if it is found that:
- any illegal activity is being undertaken from the asset;

- the organisation that the asset has been transferred to are generating a commercial gain for personal use;
- any element of the asset has been sub-let to a third party without prior written permission of the Council;
- the purposes for the use of the asset, as agreed within the original business plan are not being adhered to; or
- the use of the asset has been changed without the prior written permission of the Council.

9.4 The Council may seek to recover the asset if there are changes to the management of the asset if:

- there is insufficient Insurance or Indemnity cover;
- the asset is not being maintained, as agreed, with consideration to the Asset Management Plan; or
- the criteria for the benefit of the community are not complied with.

9.5 At the end of the lease the asset will transfer back to the Council and there will be no automatic right for the lease to be extended.

APPENDIX 1 – General Process and Streamlined Process

General Process



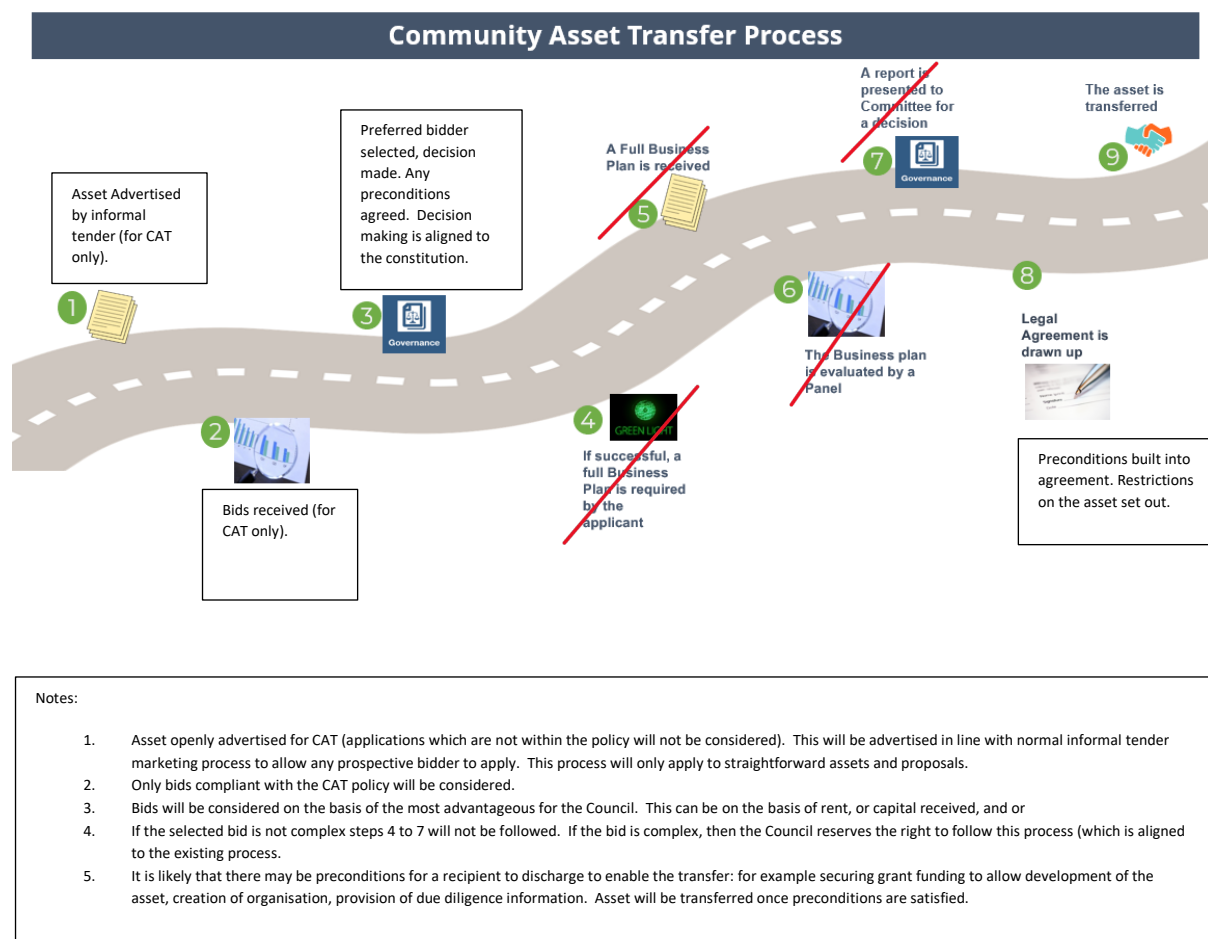
This process sets out the nine steps of the general process for community asset transfer. This will be monitored and where insufficient progress is made the Council may withdraw from the transfer process and dispose of the asset in accordance with its Disposal Policy. The Council will be prepared to consider reasonable requests for extensions of time to facilitate proposals.

The indicative time line set out by the previous policy was 36 weeks. It was found that this time line is dependant on a number of factors and typically a CAT transfer using this process can take up to 18 months. A revised indicative time line has been set out below for the general process.

- Step 1 Six Weeks for submission of EOI (Applicant)
- Step 2 and 3 Six Weeks for review and decision (Council)
- Step 4 Nine Weeks for development of Business Plan (Applicant)
- Step 5 and 6 Six Weeks review of Business Plan (Council)
- Step 7 Four Weeks submission of report to the relevant Council decision maker (Council)
- Step 8 and 9 Twelve Weeks legal agreement drawn up and agreed.

The general approach will be followed unless due to unforeseen circumstances it must be varied e.g. A forthcoming Election or the advertisement of the proposed disposition of the transfer of open space (as required by statute) and objections considered. The variation in the timeline may also include the receipt of more than one application for CAT for which an existing application is in place, in which case the existing application will be delayed until the timelines can be aligned so that both or all the applications can be considered at the same Committee.

Streamlined Process



For certain less complicated assets a marketing exercise can be employed to align the CAT process timeline to the same time line used for informal tenders. This is set out in the streamlined process. Elements such as seeking funding or seeking to change terms will slow the progress of any CAT.

APPENDIX 2 – GLOSSARY AND LEGAL DEFINITIONS

The general power of disposal

Section 123 of the Local Government Act 1972 gives a local authority the power to dispose of land held by it in any manner it wishes provided that the local authority achieves the best consideration that can reasonably be obtained except where the disposal is for a short tenancy not exceeding 7 years or the local authority has the consent of the Secretary of State. The Secretary of State has issued a general consent for disposals of land under section 123 for less than best consideration. This allows a local authority to dispose of land for less than best consideration if it considers that the disposal will contribute to the promotion or improvement of the economic, social or environmental well-being of its area and the extent of the undervalue is no more than £2 million.

Generally local authorities apply s123 of the Local Government Act in a consistent way to allow consistency in their land and property dealings: for leases less than seven years it is normal to seek best price and it is also normal not to seek to transact at a price that is not less than best consideration.

The Landlord and Tenant Act 1954

The Landlord and Tenant Act 1954 governs business tenancies. It gives business tenants a degree of security of tenure. A business tenant protected by the act may not be evicted simply by the giving of notice to quit or by the ending of a fixed term of the tenancy. The landlord must serve a notice on the tenant, stating which of the seven grounds of opposition they wish to rely upon to oppose a new tenancy.

It is common to exclude from the Act leases created under Community Asset Transfer as to make provision under the Act may hinder a Council's ability to exert control that is needed to manage an asset that is transferred.

What is classed as an asset

An asset shall include, in the case of the transfer of open space, any play areas, structures, trees, bedding, footpaths, lighting, drains, gullies, culverts, fencing, driveways, flag poles etc situated upon or forming part of the transferred open space. Assets when transferred will typically become the responsibility of the recipient organisation. They will be responsible for any ongoing maintenance, repairs and management. The form of lease used in asset transfers normally called Fully Repairing and Insuring leases. This means that the recipient organisation is responsible for all repairs and insuring the building.

Business Plan

Written up version of the case outlining justification for a proposed transfer. It should show how the organisation and its business plan is financially viable. It sets out how the costs of running and maintaining the asset can be secured with enough in reserve for any unforeseen events.

Subsidy Control

Subsidy control regime which regulates the level of support that can be provided to third party bodies by emanations of the state including Councils.

APPENDIX 3 – LEASE TERMS AND RESTRICTIONS

- a) The asset will be transferred with a lease term between 3 and 25 years. The term of the lease will be determined by the type of asset being transferred and the robustness and sustainability of the business plan e.g., an organisation may be eligible for an external grant on the premise that the lease will be for a minimum of 20 or 25 years. In exceptional circumstances, the Council would consider a longer lease arrangement on the merits of the proposed business plan.
- b) The lease will be a full repairing lease, meaning that the organisation taking on the asset will be responsible for all the repairs and maintenance of the asset from the date of transfer. The Council will not be able to assist the recipient with the costs associated with these works.
- c) Leases will be contracted out of the security of tenure provisions of the Landlord and Tenant Act 1954 to give the Council the flexibility to determine the future use of the property which could include disposal of the property. Recipients may apply to the Council to renew the lease, but this will be at the absolute discretion of the Council.
- d) The asset will be transferred for a rental value which could vary depending on the asset. The rental value will be communicated to applying organisations in advance of the submission of the expression of interest.
- e) The asset must be maintained to at least the same standard as is currently provided by the Council for other similar property, and in a way that is compliant with all Health and Safety, planning, licensing, and other relevant regulatory regimes.
- f) The asset must be available and operated for the purpose stated in the business plan and agreed to be transferred for that purpose. The lease will contain a provision to enable the Council to terminate it should the property not be used for the purpose for which it is transferred, unless such changes have been formally agreed in writing with the Council. Early engagement with the Council is a sensible step for recipients should it wish to change use.
- g) The organisation taking on the asset will be expected to bear all costs of managing and maintaining the property and the transfer of a property interest does not imply any ongoing financial assistance from the Council.
- h) Adequate insurance must be maintained for the duration of the transfer and, in cases where there is existing Insurance provision in place, the Council may continue to insure any buildings transferred and, in such cases, will recover the cost of this from the party to whom the building is transferred until the period of Insurance ends. The organisation taking on the asset must evidence that appropriate insurance arrangements are in place for fire, wet peril, inclement weather, theft, public liability etc.
- i) Any proposed investment or redevelopment works will require the Council's prior approval in writing from the Council. . The purpose being to ensure that the property remains suitable for the use for which it was released or any subsequently agreed variation.
- j) At the end of any lease the Council will expect the property to be returned in the condition that it was made available

APPENDIX 4 WHAT DO I NEED TO CONSIDER BEFORE SUBMITTING AN EXPRESSION OF INTEREST?

Governance

- What are the governance arrangements and are these sufficient to manage the asset that will be transferred?
- Is there sufficient depth and resilience in the management arrangements for the recipient organisation? What is the approach to capacity building?
- What skills and experience does the management team have in operating an asset? Do they understand the risks and acts needed to minimise risk, in particular compliance and H&S risks?
- How will decisions be taken on how the asset will be operated – will there be a committee or board?
- What information can be provided to show how the objectives are being met?
- Will there be any authorisations required for expenditure, hiring staff etc?

Staffing

- Are there enough people to be available and in control of the operation of the asset when it is open?
- What happens when someone becomes ill, are there other people who can be available?
- Are there enough people to enable appropriate breaks to be taken?
- What happens if there is a dispute between two or more parties?
- What reports or performance data will be required to be produced?
- Will any expenses be allowable and on what terms?

Skills

- Is someone available who can manage the operations of an asset for community use?
- Is there access to financial skills to enable accounts to be kept and if necessary, submitted, for VAT to be accounted for correctly and for any wages and pensions and associated tax implications to be made?
- Is there a qualified first aider available on the premises at all times?
- Is there an availability of or access to immediate skills for repairs and maintenance?
- Will there be any requirement for technical IT and Digital skills?
- If there is a membership scheme in place and if so how will it be operated and updated?

Security

- What are the planned arrangements to keep the asset secure?
- How will the asset be protected from items such as fire, flood etc is there adequate insurance?
- Who will the keyholders be including back up if someone is ill?

- Will someone be available to check on the asset out of hours if there is a problem and will it be safe for this person to come alone or are two people required?
- What arrangements will be made for an inventory to be kept?
- If there is IT equipment, what arrangements will be in place to protect against viruses, cyber security attacks etc?
- What arrangements will be in place to protect against fraud: Is there a safe place to keep cash securely, if required, and how will this be controlled?

Health and Safety

- Does the recipient understand the need for statutory compliance checks? Who, what, why, when and where?
- Will there be safe systems of work in place? Who owns the risks how is this articulated and how are the risks managed?
- Are there policies in place so that the users know to how use the asset and any equipment safely?
- What if someone becomes unwell when using the asset, is there a place where they can be looked after until help arrives?
- Will users belongings be secure when they are using the asset?
- Is any monitoring or recording equipment required to protect the asset?
- What arrangements will be in place for cleaning the asset?
- What arrangements will be made for the maintenance of an accident book?

Equipment

- What equipment will be required to run the asset, will there be any training required?
- Will there be a requirement to continue using council owned equipment on a chargeable basis?
- What arrangements will be made for repair or replacement of equipment?
- Can the asset still operate when the equipment is temporarily out of action?
- Is there a policy or instructions needed for using or booking out equipment?
- How will the equipment be kept secure?

Funding

- Is there a robust plan in place to understand how the day to day operation of the asset will be undertaken? How will the day to day running costs of the asset be met? How will other longer term issues for example roof repairs or boiler replacement be addressed?
- What arrangements will be made for increases in expenditure e.g. due to inflation?
- What plans are there in place to generate income?
- What happens when there is a drop in income or a large item of expenditure is required?
- What arrangements will be made for a contingency or working capital?

Storage

- Will any storage be required for equipment or stock and is there available space?

- Will any cold storage be required for perishable goods?
- Are there any specific disposal requirements needed?
- What storage access arrangements will be in place if someone becomes unwell or is unable to attend?

Inclusivity

- What assurance will be provided that the asset will be inclusive to all?
- What evidence will be provided to demonstrate this?
- Is training required on items such as Equality, Diversity and Inclusion, if so who will be responsible for and monitor this?
- How will contact be made with users of the asset and in what way?
- What procedures will be in place for complaints to be heard independently?
- If there is a membership scheme, what arrangements will be in place for concessions?