



# Community Asset Transfer Policy



Revised version April 2022

## **1. Purpose of the Policy**

This policy outlines Wigan Council's approach to asset transfer. It sets out a transparent, positive and proactive framework to enable and manage asset transfer from the Council to the voluntary and community sector (VCS) to take place and be successful in the long-term.

1.2 The [Deal for the Future Plan Wigan Council 2030](#) sets out a vision for Wigan Borough to be a confident place with confident people.

## **2. Policy Statement on Community Asset Transfer**

2.1 As part of [The Deal](#), Wigan Council is committed to using its assets to form long-term partnerships with organisations that meet the Council's criteria where that will bring benefits to communities. It is not suitable for all properties or all organisations, and the Council will continue to work with local organisations to ensure that a range of tools, programmes and initiatives are in place to support the development of a strong and sustainable voluntary and community sector in the Wigan Borough.

The Council views community asset transfer positively for the following reasons:

2.2 The potential benefits of asset transfer for VCS organisations include:

- It can strengthen the organisation's confidence
- It can strengthen the organisation's community ties
- It can provide opportunities for income generation.
- It can strengthen the organisation's ability to raise money.
- Provides the opportunity for the organisation to develop the asset to meet the communities needs and aspirations

2.3 The potential benefits of asset transfer for the Council include:

- It creates the opportunity for investment in the asset that may not be possible within Council ownership and can provide a catalyst for inward investment through local purchasing and employment
- It can contribute to the Council's objective to rationalise its estate and facilitate more effective and efficient use of its asset base where the focus is on better services and community outcomes through a Neighbourhood approach.
- It can deliver social, economic and environmental benefits.
- It can be a stimulus for partnership working between VCS organisations, the Council and other partners, providing opportunities for long-term working between sectors, improving provision and accountability of

services within communities, which in turn helps the Council to achieve the priorities and outcomes set out in the Deal for the Future Plan.

2.3 The Council recognises that Asset Transfer can be a part of supporting and sustaining local communities and it wishes to ensure Council assets can be operated by the people who regularly use them.

2.4 The Council will consider transfer of an asset to any organisation that makes a credible application, supported by an appropriate Business Plan, and demonstrates it has the skills and capacity to manage the asset and the associated legal responsibilities, for example Health & Safety.

2.5 While fully supporting the principle of Asset Transfer this policy also recognises that some assets must remain under Council control in order to support delivery of essential services or Strategic Corporate Objectives

2.6 The Council will decide whether or not an asset is to be made available for Asset Transfer.

Assets will only be deemed surplus and possibly available for a Community Asset Transfer if the answer to the following 4 key questions is **NO**:

1. Has a capital receipt for this asset already been ring-fenced to support a corporate project?
2. Is the estimated capital receipt needed as a contribution to the overall Capital Programme?
3. Does the Council require the asset to support its own requirements/objectives or does it need a specific organisation to manage the asset to help deliver the Council's objectives and is there already an established working relationship between the parties.
4. Is there any other reason why the asset is not to be made available for community asset transfer e.g. because of its condition.

If the answer to any of the above questions is "YES" then the asset will be declared surplus for sale on the open market or used to achieve another corporate objective.

### **3. National Policy Context**

3.1 Prior to 2010 asset transfer was encompassed within the policies to create sustainable communities, empowerment and regeneration (e.g. the 2008 white paper Communities in Control: real people real power)

3.2 The most important policy document was the Quirk Review, "Making Assets Work" published in May 2007. The Review strongly advocated in favour of local ownership and management of public assets. This was supported by the then

Government and a number of new initiatives were created, including the establishment of the Asset Transfer Unit.

3.3 Since 2010 asset transfer has been incorporated in the "Big Society" policy agenda which has at its core greater empowerment to communities, opening up public services to the VCS, social enterprises and the private sector and enabling and encouraging people to play a more active part in society and promote more volunteering.

3.4 The Localism Act (2011) devolves decision making powers to neighbourhood level and advocates new rights and powers for communities and individuals such as the "Community Right to Challenge" and "Community Right to Bid" (assets of community value). Proposals required local authorities to maintain a list of assets of community value. Communities now have the opportunity to nominate, for possible inclusion, the assets that are most important to them. When listed assets come up for sale or change of ownership, VCS organisations will be given time to develop a business case and raise money so they can bid for the property when it comes on to the open market. **Community Asset Transfer is a separate process to Community Right to Bid.**

#### **4. Local Policy context and links to other strategies**

4.1 Community Asset Transfer is one of the key enabling programmes in the Reform Transformation Programme of the Deal for the Future Plan:-

##### **Accommodation and estates**

Our Ambition: We have a reduced accommodation base and services are delivered flexibly across a range of community venues

We will do this by:

- Delivering a corporate property management approach
- Exploring joint accommodation and estates options with partners
- Taking advantage of the opportunities that come from one public estate
- Continuing to roll out our asset transfer strategy

#### **5. Principles Underpinning the Community Asset Transfer Policy**

5.1 The Council supports a strong and sustainable VCS as a key partner in the delivery of services and in providing a link with local communities. It recognises that the VCS have a vital role to play in delivering the [Deal for the Future Plan](#).

5.2 The Council recognises that the way its physical assets are managed can have a positive impact on the long-term strength of the VCS and local communities more generally. By holding an interest in their asset, VCS organisations can grow and become more secure, gaining access to sources of additional investment that the Council itself may not be able to access. The

Council's aim is to ensure that the way assets are managed strongly underpins The Deal corporate aims and where appropriate, will use asset transfer as a means of enabling VCS organisations to become sustainable on a long-term basis.

## **6. Community Asset Transfer Process**

6.1 Although a number of processes involved in Community Asset Transfer, there are two key stages:

- Expression of Interest Stage
- Full Application Stage

The process is started by the Council. If an asset is available for Community Asset Transfer the Council will advertise the fact via a number of sources, these currently include:

- Local press
- Council website
- Wigan Council approved Social Media sources
- Deal for Communities email distribution list
- Borough-wide Community Networks e-newsletter

Where applicable, criteria specific to the specific asset, will be outlined in the advert.

### 6.2 Transparent and Equal Process

6.3 Wigan Council recognise that Community Asset Transfer can be quite daunting for many organisations and to ensure the process is open , equal and transparent they are as part of the Deal working in partnership with [Douglas Valley Community](#) a local 3rd Sector organisation. Douglas Valley Community is registered with the Charity Commission as a Company Limited by Guarantee and has been established in Wigan since 1994. From its foundation Douglas Valley has been supporting the work and development of its Community Resource Centres within Wigan Borough. The organisation will work independently with all organisations throughout the asset transfer process. To assist this work, Douglas Valley Community have developed a Community Asset Transfer Toolkit which provides information, guidance and tips to help you build up a picture of the process of applying to take over an asset. The toolkit guides you through the two key stages of asset transfer as well as providing a range of information and links to useful website.

## 6.4 Expression of Interest Stage

Interested organisations are asked to complete and return an [Expression of Interest Form](#) by a specific date outlined in the advertisement. The Expression of Interest Form should outline a summary of how the asset will be used.

## 6.5 Full Application Stage

The [Application Form](#) requires detailed information and supporting documents about the organisation wishing to acquire the asset and how they will use it and meet all the running, costs such as:

- Details of outcomes to be delivered – how the use of the asset will support the Councils [Deal](#) objectives and benefit the community
- Cash flow and budgeting details
- Capacity of the organisation to manage the asset
- Experience and skills of the Board/Managing Group
- •Confirmation of the legal structure of the Group and of how the Group will hold the asset
- Succession Planning – ensuring the organisation maintains the right skills and knowledge to manage the asset.

The Council and its partners will assess all Application Forms received using the following areas of assessment:

- The Applicant Organisation
- The proposal – impact on Councils objectives
- Community and Partnership Impact – impact on the community and added value
- The Asset
- Financial
- Capacity to Manage the Asset



6.6 The [Application Assessment Matrix File](#) will be used to record the assessment decision.

During this assessment period the Council and its partners may enter into a dialogue with the organisations who have submitted the application forms to seek clarification and additional information/evidence in support of the organisation's aspiration to acquire the asset. In certain circumstances the Council and its partners may ask a number of organisations to explore a collaborative bid for the asset.

6.7 The result of the assessment process will be submitted to Wigan Council Corporate Property Management Board. The Board will then make the decision on which applicant will acquire the asset. The Board's membership includes, Service Managers, Assistant Directors and Directors

6.7 The successful organisation(s) will be required to sign legally binding documents in relation to them acquiring the asset. These could include:

- Lease
- Transfer
- Commercial/Asset Transfer Agreement.

In either the grant of a lease or, in the exceptional circumstance that an asset transfer of outright ownership is agreed, the Council will attach legally binding restrictions (Covenants) to ensure the asset remains in community use and/or cannot be disposed of for financial gain.

6.8 Legal issues which may arise in the context of Community Asset Transfer e.g. public procurement /state aid, transfer of undertakings (protection of employment - 'TUPE') etc. will be considered on a case by case basis. The Council cannot advise applicants on their legal responsibilities associated with an asset transfer and they should obtain their own independent professional advice.

Once the Community Asset Transfer is completed, the organisation(s) acquiring the asset become responsible for:

- Operation of the asset in accordance with the terms of the lease and with all other legal obligations. This will include insurance of the contents, repairing and maintaining the asset, ensuring statutory maintenance is carried out, relevant policies and procedures are in place, cleaning, all outgoings and relevant health and safety requirements.
- Maintaining a monitored Fire Alarm system
- Where necessary maintain a monitored alarm system; this can be arranged by the Council and recharged to the organisation or the organisation can make their own arrangements with the consent of the Council – this is a condition of the Councils Building Insurance Policy, which will continue to provide Building Insurance cover for the asset post transfer.
- Compliance with any Transfer Agreement and any other agreements.
- Delivery of agreed outcomes.

This will be from the date of asset transfer completion.

## **6.9 Transfer of Asset**

The successful organisation(s) will be required to submit an Annual Report to the Council's agreed representative which must cover the agreed outcomes as per the lease. They will also have to comply with a periodic assessment conducted by the Council of them complying with their statutory obligations and any other conditions of acquiring the asset. Failure to comply with any of part of the agreement could result in the Council determining (ending) the lease and the organisation having to hand the asset back to the Council – details of the other

possible sanctions available will be contained in the signed legal documents, along with the details of the Councils agreed representative(s).

## 7. The Deal

To help achieve The Deal for the Future vision, Wigan Council needs to work together with communities. That is why we have developed [The Deal](#), an informal contract between the council and our residents. This Deal is about all services in the council and all residents of the borough. It is a way of working that underpins everything that we do. Fundamentally it signals an asset based approach (a new conversation focussing on a person, their skills, abilities and what's important to them) it encourages self-reliance and independence through an equal partnership. In order to deliver this vision, Wigan Council recognises the importance of working together with communities and the crucial role a strong, dynamic and diverse voluntary and community sector plays in achieving this.

### 7.1 Deal Behaviours

As a community group or organisation that has successfully taken over one of Wigan Council's assets, we want you to understand these priorities and follow our Deal Behaviours. In return, we as a workforce will ensure that our behaviours match this to work as best we can to improve the borough together.

<b>DEAL BEHAVIOURS (OUR PART)</b>
<b>What you can expect of Wigan Council when we provide you with investment funding.</b>
<b>Be positive: Take pride in all that you do</b>
We will provide opportunities for you to have your say and get involved
We will support the empowerment of residents and communities to take control and responsibility for improving the borough.
We believe in our borough
We will promote and market your organisation and what you are doing
We will promote volunteering opportunities to our staff as a priority
We will work with you to bring new ideas locally
<b>Be courageous: Be open to doing things differently</b>
We will be open minded to new approaches and suggestions of new and innovative ways of working
We will provide opportunities for residents to get online
We will support behaviour change both internally and externally, independence and self-reliance are the ultimate goals
We will listen to what works and what could be improved
We will work with you to bring new ideas locally
<b>Be accountable: Be responsible for making things better</b>
We will enable our workforce to have a different conversation with communities and organisations that enable true co-design and co-delivery. 'Do with' rather than 'do to'



We will empower residents and communities to take control and responsibility for improving the borough

We will develop an open, honest and transparent way of working with your organisation

We will provide advice on writing policies and procedures to ensure that you have effective policies in place eg an effective child protection arrangement that can be understood and adhered to by both staff and volunteers

We will be accountable

We will provide information on things to consider in order to be self-sustaining

We will provide links to sign post you to important on line statistical information

### **DEAL BEHAVIOURS (YOUR PART)**

**what we expect of groups and organisations that are successful in achieving an community asset from Wigan Council.**

**Be positive: Take pride in all that you do**

Trust that Wigan Council are ready to listen and change

Care about your community

Believe in the borough

Be positive about promoting Wigan Council and the support you have received

Recognise the value of the contribution to your organisation

Be positive and suggest new ideas

**Be courageous: Be open to doing things differently**

Be open minded to our new approach

Tell us how technology can help

Tell us what works, what could be improved

Be willing to work with us

Work with us to bring new ideas locally

**Be accountable: Be responsible for making things better**

Tell us how to we can change the way we work with you to build relationships and trust

Understand we can't always stay involved personally and community often best lead

Tell us when the way we approach work gets in the way of you being able to deliver results

Make sure you tell someone if you think people aren't safe

Be accountable

Seek out new ways of becoming self- reliant

Share your experience, tell us your good news stories