

COMMUNITY MANAGEMENT AND ASSET TRANSFER POLICY

REPORT OF: HEAD OF CORPORATE RESOURCES
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Wards Affected: All
Key Decision: No
Report to: Cabinet
Date of meeting: 7 June 2021

Purpose of Report

1. This report outlines the proposed policy framework, principles and criteria for considering requests and/or inviting submissions for the transfer of Council owned assets to community management.

Recommendations

2. **Cabinet is asked to consider the Community Management and Asset Transfer Policy and the revisions suggested by the Scrutiny Committee for Leader, Finance and Performance to agree a final draft to be presented for adoption by Council.**
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Background

3. The proposed Community Management and Asset Transfer Policy would apply to new and existing community facilities and sets out an open and fair process for considering requests from community organisations. The policy aims to empower and benefit communities by supporting not-for-profit organisations to develop, manage and deliver neighbourhood facilities.
4. The policy is needed to help address the future management of new community buildings required as a result of housing development in Burgess Hill (Keymer Brick & Tile, East of Kingsway, Northern Arc x 2), Slaugham (East of Brighton Road) and Hassocks (Clayton Mills). We have also received requests from a number of community organisations to allow them to develop existing Council land and buildings in order to offer improved local services and facilities.
5. Under the Right to Regenerate proposals announced by the Housing Secretary in January 2021, the public will be given more opportunity to acquire underused Council assets and this policy will enable the Council to consider requests for community developments in a more consistent and equitable way.
6. The forthcoming District Plan review could also consider 'meanwhile uses' to allow pop-up community use of empty premises and permitted development rights that would enable more flexible use of community buildings.

Community Management and Asset Transfer Policy

7. The policy sets out the general principles and criteria for considering requests in relation to the applicant, the premises and the proposed use. It is designed to ensure community managers are competent, use of the facility is suitable and the decision-making process is clear and transparent.

8. The policy details the information required in order to consider a request and outlines the standard lease terms and responsibilities of the community operator through the use of a management agreement. This will help to ensure the facility remains well managed, in good repair and in community use as intended for the full term of the lease.
9. The Council will advertise new opportunities and encourage community groups to work collaboratively and develop proposals for community facilities providing services and activities that meet local needs. The local management of community buildings is preferable to a central management function provided by the Council as it allows better stewardship of local assets by the community owns and uses them.
10. Applicants must be appropriately constituted, operate for community, social or environmental benefit and be non-profit distributing. They must demonstrate that they have a strong and sustainable business-case and the ability to manage the asset effectively. Proposals must be cost neutral or generate an income for the Council.
11. Community asset transfers will generally be by means of a full repairing Lease for a maximum of 35 years or a License to Occupy for short term arrangements. Licenses, Lease Agreements or Agreements for Lease will be approved by the Cabinet Member responsible for Corporate Estates and Facilities.

Scrutiny Committee Comments

12. The draft policy was considered by the Scrutiny Committee for Leader, Finance and Performance on 19 May 2021. Members of the committee requested that Cabinet consider the following points:
 - a) Amending the diversity criteria (para 6, bullet point 6) to add ‘...comply with all relevant employment and equality legislation’. This is a minor adjustment that fits with the general ethos and could be readily amended.
 - b) Discussion was held on the clause prohibiting asset transfers to groups promoting political or religious beliefs (para 6, bullet point 7). Religious organisations offer a range of services such as debt advice, foodbanks and cafes which provide valuable social support to the community. They also uphold religious values that are not always shared across the community and this may alienate and exclude residents who have different beliefs and faiths. Religious organisations that want to operate from Council owned community buildings can hire space to run services and activities or choose to set up a charitable trust or incorporated organisation to manage facilities.
 - c) Members were also concerned about the reference to proposals for developments on recreation land (para 15) and requested that the policy should state that there will be ‘...no reduction of recreation space available to residents unless in exceptional circumstances’. In some instances, it may be appropriate to allow recreational facilities to be constructed on recreation land i.e. sports pavilion extensions to enable community use, the addition of public toilets but the loss of open space would be delivered in accordance with the Local Plan (DP24: Leisure and Cultural Facilities and Activities) and the requirements of the the Local Government Act 1972: General Disposal Consent 2003.
 - d) It was requested that Cabinet consider the Council's contingency capacity, in the event that it is necessary to take a building back from a failed lease agreement.

Policy Context

13. This policy supports the Council's Corporate priorities:
 - *Financial Independence* – community managers will be required to present detailed plans and financial forecasts to demonstrate that they have a sustainable business model
 - *Effective and Responsive Services* – community management of facilities will facilitate resident involvement and help providers to develop more effective local services.
 - *Strong and Resilient communities* – the policy will enable community led initiatives and support self-sufficient, vibrant and inclusive communities
14. The Community Service, Policy and Performance Service Delivery Plan for 2021-22 includes an action to facilitate Community Asset Transfers of community buildings at Keymer Brick & Tile, Barn Cottage Recreation Ground and East of Kingsway.
15. If approved, this policy will supersede the Cabinet resolution on 5 July 2010 regarding the criteria for considering requests from Town or Parish Councils for the transfer of assets, which required them to enter into a three-year Management Agreement.

Financial Implications

16. None. Community asset transfers will be cost neutral or generate an income for the Council. Any investment in physical infrastructure will be funded through s106 receipts and external fundraising.

Risk Management Implications

17. The policy has been devised to limit the risk to the Council. The assessment criteria and decision-making process is robust to properly examine the suitability of the applicant and proposed use. The lease terms and management agreement will help the Council to reclaim facilities if they are not used as intended, for community benefit, or poorly managed in the future.

Equality and Customer Service Implications

18. The policy is intended to enable where appropriate communities to take local responsibility for local facilities which will benefit residents. Applicants are required to submit an Equal Opportunities Policy and demonstrate that facilities are affordable and accessible to users.

Other Material Implications

19. None

Background Papers

- Draft Community Management and Asset Transfer Policy
- Meanwhile Foundation legal templates