

WILTSHIRE COUNCIL

CABINET (CAPITAL ASSETS) COMMITTEE 10 JANUARY 2011

Subject: **Transfer of Community Assets**

Cabinet member: **Councillor Toby Sturgis – Property, Waste and Climate Change**

Key Decision: **No**

Purpose of Report

1. To propose that a review of the existing policy for the Transfer of Community Assets is undertaken, with a view to proposing a revised policy that increases the clarity and consistency of its application.

Background

2. The Community Asset Transfer Policy was approved by Cabinet on 15th December 2009. It set out a framework whereby all properties declared surplus by the Council would be subject to consultation with Area Board members. There were three main strands:
 - Area Board Members should be pro-active in identifying priority community projects to ascertain whether the Council can assist delivery of that project through asset transfer;
 - There should be some tangible benefit to the community with the transfer being a specific catalyst to achieve a specific objective.
 - To make the process quick and easy, through the use of short-form templates and applying standard transfer documents as far as possible.
3. Cabinet resolved on 14th September 2010 to apply a further clarification to the process, by proposing a distinction between strategic and non-strategic property sales recognising the need to streamline the process to reflect the volume of sales expected through the Workplace Transformation Programme and the Corporate Plan. A strategic property is defined as having a value in excess of £250k, or if it has been identified to fund a strategic corporate project. A similar approach is taken where the property is being sold or transferred to a third party to deliver a corporate policy or statutory function.
4. For Strategic Sales, Area Board members are informed of sales in their area. Disposal of non-strategic assets with a value below £250k are

referred to the Area Boards, provided they are supported by robust and appropriate business cases that benefit local communities.

5. Cabinet also resolved for the Workplace Transformation Programme Board to be the forum for operational approval of strategic sales and the monitoring of property disposals.

Main Considerations for the Council

6. Since the adoption of the policy, and its further development in September, it is apparent that some issues are emerging with respect to the intent and the application of the policy. The proposed review is intended to cover items where key issues have been observed, but the process of the review will also seek to explore other issues that need to be addressed within the policy. The process of the review will therefore centre on these key issues.
7. The current definition of “strategic” assets under the policy is relatively clear. However, in the current climate, it is recommended that the largely value-based definition be reviewed to identify an approach that enables the designation of assets to more accurately reflect the Council’s strategic needs.
9. The purpose of consultation with Area Board members needs to be clearly communicated to ensure that it is clear where members are simply being informed of the sale of a strategic asset in their Community Area, and those where they have a genuine ability to influence a decision.
10. The strand of the policy that sought a considered view from the Area Board about the community needs in an area, has not delivered the benefits that were perhaps foreseen. Collation of these needs would enable a more strategic view to be taken by Property Services in respect of those that can be progressed as Community Asset Transfers and thus avoid many ad-hoc requests.
11. Service needs driven by most frontline services operating services from Council property are now being successfully captured, analysed and rationalised by the Workplace Transformation Programme. However, the following types of need are not readily captured by the programme, and hence have typically identified their service needs through the surplus property consultation process.
 - Residential (affordable, sheltered, extra care...)
 - Economy and Enterprise
 - Schools
12. In most circumstances disposal costs, including staff time, legal costs etc can be capitalised against a sale receipt. This is not the case for Community Asset Transfers, as there is no capital income against which these costs can be charged. Hence these transactions are a revenue and

resource demand on Property and Legal Services. This resource pressure affects the Council's ability to respond quickly to Transfer requests. Standard templates for key documents assist in speeding the process, but further streamlining of the process will be considered as part of the process.

14. Consultation with key officers will be undertaken as part of the review process, which will be conducted with reference to relevant areas of the Workplace Transformation Programme, and the Service Director, Economy and Enterprise.
15. Since the adoption of the original policy, the Localism Bill has been presented to Parliament. The implications of this bill needs to be reflected in the revised policy. The timing of this bill being developed and proceeding through the legislative system is likely to require an adequate review mechanism within the revised policy to ensure that it remains consistent with the final shape of the legislation.

Environmental and climate change considerations

16. An assessment of the environmental and climate change considerations related to the policy will be provided within the process of the proposed review.

Equalities Impact of the Proposal

17. An assessment of the equalities impact of the policy will be provided within the process of the proposed review.

Risk Assessment

18. An assessment of the risks related to the policy will be provided within the process of the proposed review.

Financial Implications

19. The financial impact of the policy will be considered through the process of the proposed review.

Legal Implications

20. The legal implications of the policy will be considered through the process of the proposed review.

Conclusions

21. There is a need to review the current Community Asset Transfer Policy, for the reasons identified in the foregoing report. The Committee are asked to approve a review of the policy, and receive a report and proposed policy at their meeting on 7th February 2011.

Proposal

22. That Cabinet request the Director of Resources to carry out a review of the existing Community Asset Transfer Policy, and to report to a future Committee meeting with a proposed amended policy.

Reason for Proposal

23. To ensure that the Community Asset Transfer policy continues to be relevant to the Council's objectives in line with the Council's Corporate Plan, Business Plan, and evolving work related to the Localism Bill.

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21 December 2010

Background Papers

The following unpublished documents have been relied on in the preparation of this report:

None

Appendices

None
