

# **BURY COUNCIL COMMUNITY ASSET TRANSFER TOOLKIT 2022**

## INTRODUCTION TO COMMUNITY ASSET TRANSFER

As part of the Let's Do It Community strategy and the Let's Do It Flexibly programme, the Council is looking to make best use of its land and building assets (**known collectively as property assets**), including identifying opportunities to declare its unwanted property assets as surplus to requirements. This is also in line with the Council's approved Accelerated Land and Property Disposals programme.

Using the LETS principles of Local, Enterprise, Together and Strength, one such opportunity is to provide a base for which to develop a Community Wealth Building Framework to give certain property assets a new lease of life as community managed assets. This helps support the borough's community groups to grow and develop as they take on responsibility for a property asset.

The Council's Estates Transformation Board activities include the rationalisation of land and buildings through the aforementioned disposals programme and this programme includes Community Asset Transfer (CAT) as one of its disposal options.

The Council is in full support of welcoming applications for CATs from community groups. This toolkit has therefore been designed to help local community groups decide if they want to consider a CAT and to guide them through the process.

Please read this toolkit document in conjunction with the CAT Policy 2022.

## WHAT IS A COMMUNITY ASSET TRANSFER?

A CAT allows a community group to directly benefit from the transfer of a Council-owned property asset to the group to directly manage, which will enable the securing of long-term community benefits and/or improvement in economic, social and environmental wellbeing of the area served.

The basis of a CAT and the terms agreed will be consistent with the level of transferred risk or cost retained or passed on by the Council. It will also consider the benefits that will be provided. The asset transfer can range from a:

- Short-term lease e.g. 5 years
- Short-term lease followed by a further or a series of short-term leases
- Short-term lease followed by a longer-term lease with mutual provision to bring it to an end
- Longer-term lease, e.g. 6 to 99 years
- Lease followed by transfer of the freehold or
- Freehold

Potential CAT opportunities can be found via the approved property assets for disposal under the Council's Accelerated Land and Property Disposals Programme. Details on such property assets can be found on the Council's Internet [Council Owned Land and Property](#)

Applicants for a CAT will be asked to complete an initial **Expression of Interest [EOI]**. Assuming the Council is willing and able to consider an asset transfer for the property asset selected by the community group, the applicant will then be asked to provide a comprehensive **Business Case** making the case for transfer. These will be reviewed against the LETS principles and the feasibility

of the application e.g. governance, financial standing and a value for money test of the services and benefits provided in exchange for the asset transfer along with monitoring arrangements where appropriate.

Support for the preparation of an EOI will be available from the Community Hubs, which will include support to link interest groups to wider community networks for joint EOIs/bids to add benefit and make the application more viable for the group(s) involved. It will also help with alignment with local priorities/Let's Do It Strategy.

The Community Hubs will support a community group(s) with the work pre-EOI stage as explained above, and the Council's Land & Property team will progress the CAT application process once the EOI has been approved.

## EXPLANATION OF TERMINOLOGY

- **Property Asset** refers to land and/or buildings that the Council has approved surplus to its needs.
- **Asset Development** is the process which enables community groups to obtain an interest in assets for the benefit of their community.
- **Business Case** is a document which demonstrates a local community group's ability to manage and finance a property asset and also helps you plan for its future.
- **Capacity** the ability of a local community group or resource to successfully do something.
- **Feasibility Study** is the evidence that a project can be successful.
- **Financially Viable** is whether or not your project can cover its costs in the first year and every year thereafter.
- **Freehold** is the outright ownership of the property asset.
- **Leasehold** is the right to occupy land or a building for a given length of time.
- **Objectives** are the goals, aims, priorities that you want to achieve along with a timescale.
- **Redundant/Surplus** is where the property asset is no longer required to deliver a Council function or service.
- **Stakeholders** are everyone with an interest in the project.
- **Sustainability** is the evidence that the project and property asset will continue to work successfully.

## THE BENEFITS OF COMMUNITY ASSET TRANSFER

For local community groups:

- Puts decision making at a community level
- Encourages community development and regeneration
- Strengthens community groups and helps them grow
- Helps preserve and develop buildings and land
- Builds confidence in the community
- Creates opportunities for new funding

For the Council:

- Strengthens and develops existing local community groups

- Identifies new local community groups
- Makes new partnerships in and within communities
- Contributes towards efficiency savings
- Efficient and effective use of Council property assets
- Helps attract new funding
- Helps meet Council objectives

Together we can:

- Improve local services
- Encourage volunteering
- Further grow and develop local community groups
- Improve community sustainability
- Contribute to environmental and economic regeneration
- Provide opportunities for co-location of services

## FREQUENTLY ASKED QUESTIONS

The list of questions below is unlikely to be exhaustive and the Council will answer any questions that might not be listed.

- **What sort of group or project will be considered suitable to manage the Council's property assets?**  
Your group needs to be a legally constituted community group, charity, or not for profit organisation; or needs to be able to demonstrate progress in becoming a legally constituted group. The function and aim of your group must be to provide measurable benefits to the local community.
- **What should you think about before you consider applying?**  
Whether your group or organisation has got the skills, support, person power and financial ability to manage property assets. Do you already have, or can you generate enthusiasm and interest in the surrounding community for your project? You will need to be able to demonstrate that you have sufficient finances to enable you to sustain the management of the property asset each year as the Council will not have the resources to be able to assist.
- **What will the Council leave in the property asset where it is a building?**  
Depending on your needs we will potentially leave furniture and fittings if they are already in there from the previous use. Some buildings may have utility services that you will have to cover the costs of. This is not applicable to the management of land.
- **Why isn't the Council just selling the property asset?**  
The Council will dispose of land and buildings on the basis of the best consideration that can be reasonably obtained. This is about best value not necessarily the best price, so the social and environmental contribution of a CAT is a consideration alongside other disposal options.
- **Will you continue to pay for repairs and maintenance?**  
No, the property asset will be handed over in its current state and the Council will not take responsibility for any repairs or maintenance after the handover. An overview of the land and

buildings is to be included along with an indication of what future work may be required. We would strongly suggest that you take relevant professional advice in regard to the condition of the building.

- **What happens if more than one community group submits an Expression of Interest for the same property asset and there is therefore a competing demand for it?**

Each EOI will be assessed on its own merits and (if necessary) groups may be interviewed. If both groups are equally capable and can clearly manage the property asset, the project that provides the greatest long-term value to the local community will be chosen. You may wish to consider collaborating with the other interested party to jointly manage the property asset – the Community Hubs will support the discussions.

- **If we have a lease can the Council take the property asset back?**

The lease will set out the circumstances in which the property asset can be taken back. Provision will be made for groups which unfortunately find themselves unable to continue to manage it. It is strongly suggested that you take appropriate professional advice to assist you.

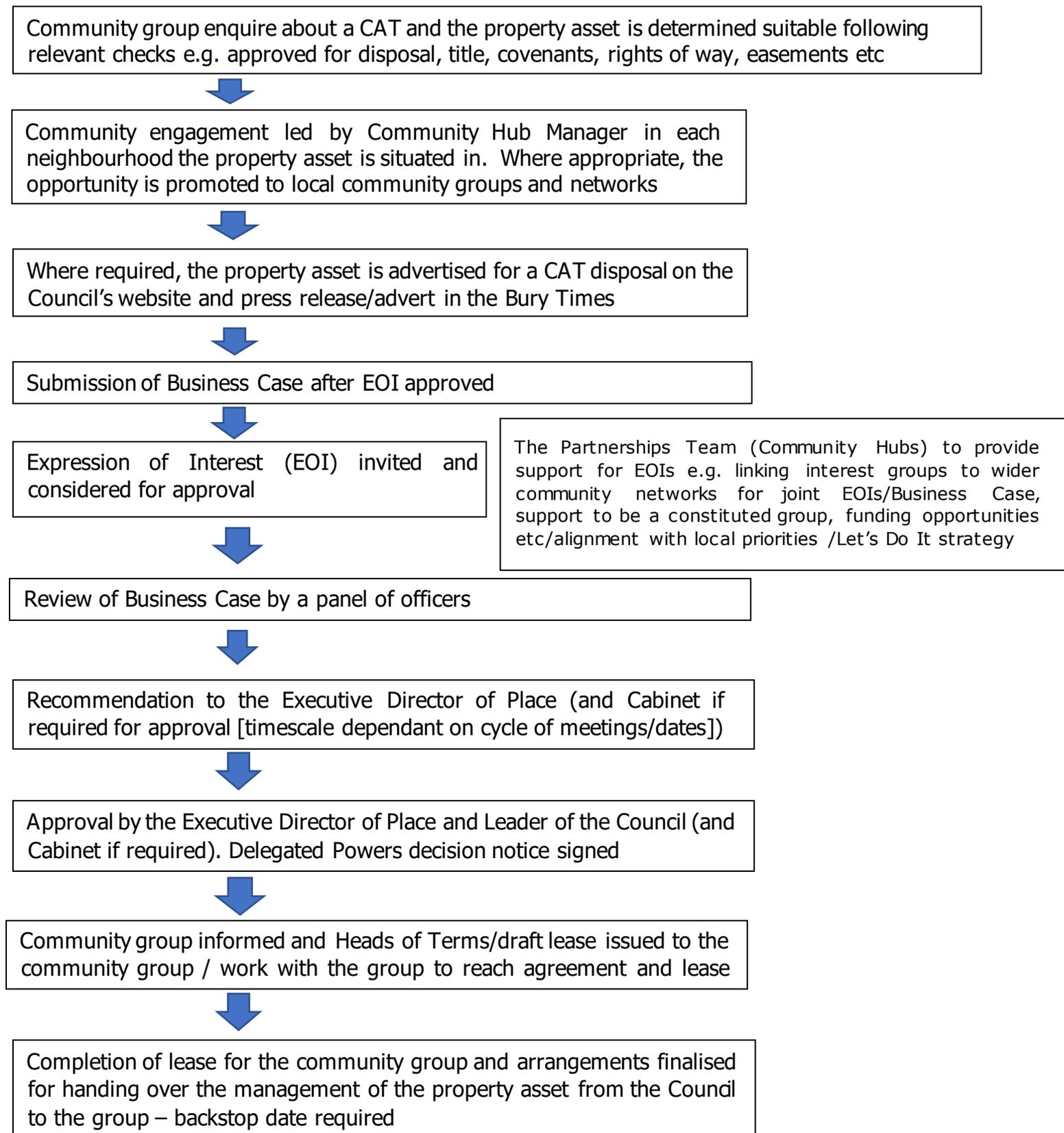
- **Can the Council say no to a CAT?**

Yes. The Council reserves the right to not consider a CAT on a property asset if it determines that another disposal option is preferred and takes priority. The Executive Director of Place in consultation with the Leader of the Council will consider such cases and make a decision on priority. Whilst the Council is in full support of CATs and supporting local community groups develop, each case has to be taken on its own merits as the Council still has to consider best value. There are also expected capital receipt and revenue savings targets through the Accelerated Land and Property Disposals Programme and Estates Rationalisation programme.

## COMMUNITY ASSET TRANSFER FLOWCHART

Please see flowchart on the next page.

## COMMUNITY ASSET TRANSFER FLOWCHART



**NB: The full CAT process could take a few months to fully complete (including ongoing support)**

## MAKING YOUR CASE

It is important that you put forward a robust EOI and Business Case that will convince the Review Panel (usually [but not limited to] Council staff from the Local Partnerships team (community hubs), Land and Property, Legal Services, Finance and the service previously responsible for managing the property asset). It is worth also thinking about how it will be received by your local community. Below are a few things to think about:

- Why you are interested in the property asset and what are your plans
- What are the services you can deliver and how will they meet local needs?
- Is anyone else doing the same or similar in the area?
- Who can you work with and how will this benefit you, them and the project?
- What sources of funding are available now and in the future?
- Has your community group got clear objectives for the project, including benefits for the end users?
- How are you going to interest and engage the local community?
- Have you and your group got the capacity, including robust financial capacity to take on full responsibility of managing the property asset

Please read this toolkit document in conjunction with the CAT Policy 2022.

## OTHER THINGS TO THINK ABOUT

Managing a property asset for the benefit of the local community is a big responsibility; both on a day-to-day basis and financially. Funding is not the only challenge – you also need to take into consideration:

- Insurance cover
- Health and Safety
- Building management
- Governance and leadership
- Equality and Diversity
- Safeguarding of children and vulnerable adults
- Safe and fair recruiting of volunteers

Good management is a key part of how any organisation works and this needs to be clearly demonstrated in your business case. If your group is not already legally constituted, we need to know your plans and timescale for this, remembering that you can seek assistance from the Community Hubs.

## BUILDING INFORMATION

Where a building is in scope (rather than land), some introductory information about it is to be included as part of the CAT. It might be a building that you already use and know well but please remember that this is a big undertaking. Managing a building is a lot of responsibility including all aspects of health and safety and well-being of anyone using it.

## NEXT STEPS

Please read the Council's 2021 Community Asset Transfer Policy and if you remain interested, complete the EOI. Once the Council has received the EOI, we will contact you to arrange a meeting and possibly a visit to the property asset that you are interested in and provide more information.

The EOI can be found on the next page (page 8).

## CONTACTS

### **Partnerships Team (Community Hubs):**

0161 253 6592

[corporate.core@bury.gov.uk](mailto:corporate.core@bury.gov.uk)

### **The Land and Property Team:**

0161 253 5995

[property@bury.gov.uk](mailto:property@bury.gov.uk)

## USEFUL WEBSITES

<https://mycommunity.org.uk/understanding-community-asset-transfer>

<https://www.gov.uk/government/publications/community-ownership-fund-prospectus/community-ownership-fund-prospectus>

In addition to the above, many local councils provide excellent supporting information for their CAT process but please be aware each council will have their own variation on the process.

## COMMUNITY ASSET TRANSFER (CAT) EXPRESSION OF INTEREST

**THIS EXPRESSION OF INTEREST MUST REACH US BY [date to be inserted]. APPLICATIONS RECEIVED AFTER THIS DATE WILL NOT BE CONSIDERED**

**Please indicate the Land and or building you are interested in**

Address 1

**Name of your organisation**

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**Is your organisation a branch or part of a larger organisation? If so, please provide the details of your parent organisation.**

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**Name and address of parent organisation**

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**Who is the main contact for this application?**

**Full**

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Postcode:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_ **Mobile:** \_\_\_\_\_

Bury Council has agreed its policy for CAT based on satisfying key tests of 'the organisation' the 'property asset' and 'Value for Money'. Applicants for CAT are asked to provide responses to help with consideration of the tests.

**I confirm that I and the organisation's Managing Group have read the CAT Policy and understand the responsibilities and duties of our organisation.**

**YES: Please initial** \_\_\_\_\_

**Does your organisation have a governing document e.g. constitution, articles or memorandum of understanding etc? If yes, please submit copies with your application.**

YES  NO

**Does your organisation have an Annual General Meeting? If yes, please provide the date of the last meeting**

YES  NO  Date of meeting \_\_\_\_\_

**Does your organisation produce annual reports or returns for the Charity Commission or other governing bodies? If yes, please submit copies with your application.**

YES  NO

**On a separate sheet please provide details of your organisation's management structure, providing names, roles and responsibilities.**

**Does your organisation employ staff? If yes, please provide details of your staffing structure.**

YES  NO

**Does your organisation use volunteers? If so, how many and in what capacity?**

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**How many people currently use your organisation's services? The number provided should be service users/clients not visitors**

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**What is the main purpose of your organisation?**

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**Has your organisation got an audited or independently checked set of accounts for the last financial year? If yes, please provide a copy with your application.**

YES  NO

**Does your organisation have a bank account in its own name for which it receives statements? If yes, please provide the most recent.**

YES  NO

**Does your organisation currently own or lease land or buildings or has it previously done so? If yes, please provide details below.**

YES  NO

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**One of the responsibilities attached to managing an asset is ensuring you have the right insurance cover in place. Does your organisation currently have any insurance policies in place?**

YES  NO

**If your organisation has ever been refused insurance, please explain why below.**

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## **COMMUNITY ASSET TRANSFER (CAT) BUSINESS CASE**

**As part of Bury Council's CAT application process if the property asset and organisation tests set out are satisfied, as well as approval of the EOI, the applicant will be required to submit a BUSINESS CASE setting out further details about its proposals. This will be used to help with satisfying the value for money test.**

**YOUR BUSINESS CASE MUST BE WITH US BY [date to be inserted]. WE CANNOT ACCEPT ANY SUBMISSIONS AFTER THAT DATE.**

**The Business Case needs to be a concise but robust document and as a minimum it will cover / contain the following key areas:**

- A cash flow forecast and budget detailing financial viability and sustainability of your organisation. To demonstrate ability to manage the property asset and any resulting costs.
- Risk register and mitigations to include financial, statutory and health and safety considerations.
- Where the property asset is to be transferred at less than best consideration (as assessed by the Council's Valuation Officer) the benefit or value of the proposals to be demonstrated in monetary terms, e.g. achievement, promotion or improvement or the economic, social or environmental wellbeing of the whole or any part of the area or direct savings such as protecting the value of Council assets the long term.
- A statement of the aims and objectives of the organisation.
- Description of the organisation's client / users i.e. its target group.
- An executive summary of why the proposed property asset is needed, i.e. what difference it will make.
- Details of what activities, services, events and uses the property asset will be required for, and how they will be delivered: please identify any new / additional activities / services that will be delivered.
- Which Council objectives will be delivered against and outcomes as a result of the CAT?
- A community need statement outlining the community need and any community benefits from managing the property asset – the how, who, how many and how measured. Including details of stakeholders and evidence of community involvement and consultation.
- What improvements, both physical and cosmetic will be made to the property asset – including indicative costs and how paid for?
- The capacity of the organisation to manage the property asset:
  - Expertise and skills of the Board / Managing Group.
  - Any experience / history of the organisation in managing property assets and delivering activities, services, managing health and safety requirements and projects.
  - Arrangements for ongoing business planning.
  - Arrangements to be put in place to ensure effective management of the property asset and compliance with relevant statutory regulation.
  - Succession Planning – how your organisation will replace people on its Board / Managing Group over time to ensure the right skills and knowledge is maintained.

**PLEASE READ THE NEXT PART CAREFULLY BEFORE SIGNING.**

### **UNDERTAKING**

**I certify that the information supplied in this application form is accurate to the best of my knowledge and that I am authorised by the governing body of the organisation to submit this application on its behalf (please supply a copy of the minute or minutes from the managing body meeting where this authority was granted or a letter confirming this).**

**I understand it is a criminal offence to knowingly make a false statement, to give or offer any gift or consideration whatsoever as an inducement or reward to any Council Officer, partner or representative and that any such action will empower the Council to cancel this application for the transfer of the asset.**

**Signed:**

**Print Name:**

**Position within the organisation:**

**Date:**

**Application to be returned to:**

The Land and Property Service  
Bury Council  
3 Knowsley Place  
Duke Street  
Bury  
BL9 0EJ

**E-mail:** [property@bury.gov.uk](mailto:property@bury.gov.uk)