

Fleetville Community Centre New Building Project

Transferring the assets

Document NB21 (The Hurdles Event) issued on June 20th 2015, described the four steps towards secure advice, guidance and support on our way to gaining permission to build a new centre. They are:

Step 1: Designation as an Asset of Community Value (ACV)

Step 2: Transfer of Assets (ToA)

Step 3: Community Building Grants

Step 4: Community Right to Build (CRB)

While the details of Steps 2, 3 and 4 are correct, the details about Step 1 in both St Albans City & District Council's (SAC&DC) documentation, and in locality.org documentation was ambiguous in places; both giving the impression that designation of land/buildings was possible through both public and private ownership options, as indeed it is. However, neither made it clear whether ACV designation was a pre-requisite to Step 2 Transfer of Asset (ToA).

We sought further advice from SAC&DC and had a constructive and helpful meeting with Lyn Henny, Asset Management Surveyor, and Barry Cronin, (temporary) Community Engagement Officer. A detailed written response was prepared by Debbi White, Property & Asset Manager, who was not at the meeting.

It was confirmed that the council's offer to transfer the ownership of the centre to the Community Centre Trust is the same process known as Transfer of Assets. We were provided with a document, "*A Guide to Community Asset Transfer*" to assist us in the process. This has just been published.

It was confirmed that there is no connection between ACV and ToA. The council can only transfer its own assets, but it can list as ACVs assets which are publicly or privately owned.

A key paragraph was the following:

"There is no connection between whether an asset is listed and whether we will transfer it. Firstly we will consider whether the asset is strategic and/or is likely to form an important part of any future project that the council intends to deliver. If it is, it is unlikely we will wish to transfer it because of the impact on the project. However, if it is not a strategic asset, or required as part of a council project, our willingness to transfer an asset is based on our assessment of the business case. We consider how likely it is that the organisation applying for the

transfer has the ability to manage, maintain and improve the asset for community purposes. Whether it will have the funding and skills/knowledge (or know where to get advice) to hold property for the benefit of the community; whether the proposal will improve general community use.”

On the question of listing:

“We list all assets that we have deemed to be assets of community value. If a request was to be made to list Fleetville Community Centre (FCC), and if such request was agreed, it would be listed.”

On the question which had been raised by a trustee about our potential vulnerability if it was known by others that we were in the process of listing or transferring, the response was:

“FCC has a lease of the property already and is protected by the terms of that lease, so we could not simply take it from FCC and give it to someone else. We have not had many requests for ToAs from community groups, but we have done lots with parish councils. I would, however, normally expect it to be the group that is occupying and running the asset to be in the best position to request a ToA and also to be better equipped to provide a robust business case.”

We can now, therefore, consider Step 1 as a non-essential part of our process to acquire the land/building under ToA; SAC&DC will list the site if we wish it to be so listed as an ACV, but it is quite separate from the ToA process, which forms the remainder of this document.

“A Guide to Community Asset Transfer”

The council’s document, *“A Guide to Community Asset Transfer”* is attached to this document, and outlines the requirements which the Trust will have to fulfill for the transfer to take place. The process is governed by an application which we make to SAC&DC, rather than an offer made by the council and accepted by the Trust.

At the recent meeting with the council it was advised that it was highly unlikely that a ToA process would be completed before, or in time for, the end of the current lease in November 2016. Indeed, this is confirmed in the Guide, which give a likely timescale of *“18 to 24 months”*.

This would require us to sign up to a new lease (or an extended lease), which we are advised to consider anyway. This would benefit us during the Community Asset Transfer process when making applications for funding. At present our lease has one year to run with no confirmed freehold. Not a good statement to

provide a potential funder; whereas a (say) 25 year lease will be more appealing. The council suggests that the cost of an increased lease would be in the region of £500. As a proportion of the entire project this is a tiny amount – even if it transpired that the cost is double that amount. We are unlikely to require the new lease for more than two or three years.

Investigating *The Guide to Community Asset Transfer*

If anyone had thought the project might be achievable in the short term, a casual glance at the evidence list on page two of the attached document should be enough to keep us on level ground. There is much to do.

The list on page 2 of *A Guide to Community Asset Transfer* is not simply a tick list, although, on the face of it, the list does give that impression. For most of the items we must have prepared something first in order to be able to tick that item. The council needs to see proof that we have considered, discussed, evidenced and decided. Essentially, therefore, a report is required, or a chapter within a more comprehensive report.

While it is not possible to define how long such an operation will take, it would be reasonable to suggest between 1 and 2 years. Much will depend on whether each task will be worked on sequentially, or whether there are sufficient people able to lead and develop particular sections. If that becomes possible the timescale can be shortened somewhat. So let's fill in some detail about what we would need to do. I have replaced each bullet point on the document with a paragraph number, in sequence.

1. has a clear practical achievable vision for the building.

In our heads we each have our own vision for what we would like to see; that is, the building's possible structural design, look and view of internal spaces. But "vision" is also about the concept. In the Trust's relationship with its community how do we expect to serve that community better? The Trust is also not exactly the same as the building; so we may need to give consideration to the way we work and our collective role embedded in the community of Fleetville.

2. has the capacity to deliver.

This is a major marker. How would we know whether we have the capacity to deliver? How would we record our confidence that the project is successfully deliverable? Although it is listed at number 2, our confidence will grow as every other item on this long list is developed and concluded. It will therefore be one of the final items to be "ticked".

3. can provide a coherent detailed business case.

This is rather different from item 4 below. We will need to record a logical set of proposals for what we intend to achieve; proposals which make sense and are relevant to our community and our project. Does what we propose make sense in practical terms, is it “pie in the sky”, or is our thinking still too woolly?

4. has a clear business plan which outlines various scenarios.

How will we know whether what is proposed is the optimum plan? Is there evidence that we have actually considered other approaches to reach the same solution. What are the costs and benefits of doing nothing, for example? Have we worked through other scenarios, such as finding an alternative existing building, partial development, improving the current building, and so on. We may retain our optimum vision, but how do we know whether it IS the optimum option in cost terms, in sustainability terms, in manageability terms?

Remember, we are not digging into our own pockets for funding, and the council needs to know that it will be transferring a sustainable asset before it loses responsibility for it.

5. demonstrates how its proposal provides added community benefit.

We are not simply replacing an old building with a new one, so what additional benefits will the new building bring, or what way/s will the Trust and the Centre work to benefit the wider community? We should be making a difference to individuals and groups; and we should also be defining the difference we will make to the community as a whole?

6. has members which have a range of skills or know-how to source the skills that are missing/lacking

Creating working groups or committees/sub-committees is never an easy task, as each of us is a volunteer; but working groups should be comprised of willing people who are able to contribute experience or a skill, and can devote time to help the project fulfil its purpose. But the catch-all is “*or know how to source ...*” It will not be sufficient for us to suggest that we can do an undefined something. The council will need to know that Mr X is experienced at Y and has already used this in Z part of the project. Or that the project has no-one within its cohort with skill A, but has been able to co-opt W to advise the project on D and E. The evidence of our contributions will need to be included in the report/s we submit.

7. has a strategy for succession planning.

In any long-term project, such as ours, there will be issues around succession of responsibilities, and the people to carry them out. There are restrictions on the number of years trustees can serve, and restrictions on the amount of time individuals will offer. Equally, sudden changes can occur, in which one individual might move away, lose interest, have to cut back on time spent on

various activities, withdraw through ill-health, or wishes to make a fresh start. If we are not prepared for these, sometimes unforeseen, changes, we can be caught unawares. Key responsibility changes at the very least should be planned for. Examples might be A and B working together; C might take on a role with D agreeing to take over in 18 months time. Another approach might be to grow a pool of volunteers learning roles so there is always a fall-back position with someone having sufficient experience or skills available to take over. Other scenarios are also possible!

8. understands the risks involved and how they might be mitigated.

As we develop the project we will need to be alert to risks. They might be legal, organisational, or financial. When a key decision is ready to be made we should record any risks identified, and protect it appropriately. Mitigations need to be embedded within the project. Although this approach will continue through to the end of the project, the council will be informed about our approach and strategy, and will observe that it is being consistently applied.

9. understand the likely sources of funding and its likelihood of success.

We need to understand that different funders have different requirements, and that some funders are specialists in particular fields. We will show evidence that we have explored these avenues of fund searching and have understood the requirements of each clearly.

10. understands the likely revenue costs.

We're back to our business plan, and the various options we have considered and compared. It is relatively straightforward to predict likely revenue streams, but less easy to calculate in all of the possible costs, both during the course of the project and the running costs in ongoing occupation. We will need to show that we have considered a range of cost options, and have included a proportionate optimisation bias, or contingency.

11. understanding the ongoing maintenance and repair costs.

We are getting used to using the phrase "the end of the project," by which we mean when the building is complete and the ribbon has been cut at an opening ceremony. But that is only the point when we hand the building over to its operators. It should be a building which can be sustainably maintained. When the building is open we should be able to say that maintenance costs have been minimised in A, B and C ways. At the early end of the project we will have to decide how we wish to see future costs minimised, because part of the planning is to ensure that happens. An example might be to install a certain type of light fitting so that lights are not left on unnecessarily, or a need to minimise the cost of window cleaning. In both cases, although we will be responsible for the strategy, the building engineer/architect will specify the solutions.

12. understands building related issues.

As long as we know what we wish to achieve, and we know roughly what resources we have available (money/land), professionals will advise us on how it can be achieved. At the time we submit our report we will still be closer to the starting point than the finishing line, but the council will wish to see evidence that we have begun to structure our building requirements and to show priorities, options and cost comparisons, even if most of the cells in the resulting spreadsheet or table are still empty.

13. understands planning/conservation/heritage issues.

Discussion and determination on these issues, and others such as energy footprint, sustainability of building materials and related matters, should form an early but comprehensive discourse in our report. It also involves discussion on how the building will sit in its immediate and not-so-immediate surroundings. Routes by which people using the centre will reach it and the relative ease of doing so. There are also the issues of parking, the public realm which is Royal Road, and the relationship with the school, nearby homes and businesses.

14. has appropriate policies and procedures in place

This may involve adapting the structure of our constitution and other existing policies in good time for the new building. For example, this is our current policy on employment of staff; and this is how we intend to change it to accommodate X, Y and Z. These policies should be in place to coincide with the submission of the final report.

15. understands and enacts the VISIBLE requirements or an equivalent.

VISIBLE will form the basis of a forthcoming document.

16. ... and other documentation found at locality.org.uk

We probably will not need to show evidence of knowledge, i.e. that we have read and understood these groups of sources; instead, evidence of application, which will be demonstrated in many parts of the report. The style and structure of the report will itself show that we have followed the guiding principles of VISIBLE and LOCALITY.

A Guide to Community Asset Transfer

If your group is thinking about requesting the transfer of a community asset, there are a few things that you might find helpful to consider before deciding whether this is the right route for you.

The asset transfer process is rigorous and you will be required to demonstrate that your group is a properly constituted organization with a sound business case. You will need to show that your proposal will deliver additional benefits for the community and it is important that you understand the detailed information you will need to provide at the outset.

The requirements for any group are very similar whether or not it is a heritage building. The main difference being that a group must fully demonstrate how it will deal with all the additional issues a listed or heritage building brings.

With any potential community asset transfer, early discussions and assistance from the council is essential so that an interested group fully understands what is required, what can and can't be done and how long things may take. As an example, from inception to signing of the lease, the timescale for completion of an Asset Transfer could be 18 to 24 months.

Some tips before you embark on the process:

- Understand how the process works
- Consider the amount of work that is required to complete the application
- Know what you want to do (this has to come from the group)
- Do not begin the process until you are ready to do so
- Be professional
- Get help from community organisations and/ or consultants where prudent/ necessary to do so
- View the council as a partner not an enemy.
- Be realistic

What to do if you want to proceed:

The group must be able to demonstrate that it is capable of running the building for its intended community purpose and that it is a viable proposition. Ultimately a group will have to take on the building, all its liabilities and all the issues associated with building ownership, including renovation, refurbishment, funding and maintenance. It is therefore imperative that a group can fully

demonstrate and evidence to the council that it has a full appreciation of all the issues and that it addresses these in a business case.

The council therefore requires the group to provide evidence that it:

- has a clear practicable achievable vision for the building
- has the capacity to deliver
- can provide a coherent detailed business case
- has a clear business plan which outlines various scenarios
- demonstrates how its proposal provides added community benefit
- has members which have a range of skills or know how to source the skills that are missing/lacking
- has a strategy for succession planning
- understands the risks involved and how they can be mitigated
- understands the likely sources of funding and its chances of success
- understands the likely revenue costs
- understanding the ongoing maintenance and repair costs
- understands building related issues
- understands planning/conservation/heritage issues
- has appropriate policies and procedures in place
- understands and enacts the VISIBLE requirements or an equivalent (Visible details can be found at <http://www.visiblecommunities.org.uk>)
- further helpful information can be found at <http://locality.org.uk/our-work/assets/>

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