

Bath & North East Somerset Council

MEETING:	Economic & Community Development Policy Development and Scrutiny Panel
MEETING DATE:	5th October 2011
TITLE:	Community Assets
WARD:	ALL
AN OPEN PUBLIC ITEM	
List of attachments to this report: APPENDIX: Extract from report to Corporate Performance and Resources Overview and Scrutiny Panel, 13th July, 2009. "Council Approach to Quirk"	

1 THE ISSUE

1.1 This report sets out the current context for the use and development of Council-owned assets to achieve wider community outcomes. It contains information about "Quirk" asset transfer and also the proposed new "Community Right to Buy" as well as giving some examples of how assets can be used in this way.

2 RECOMMENDATION

The Economic & Community Development Policy Development and Scrutiny Panel is asked to agree that:

2.1 It discuss the issues highlighted in this report

2.2 It receives a short presentation on the new "Community Right to Buy"

2.3 It request a further report on the operation of the Community Right to Buy when the provisions in the Localism Bill are finalised

3 FINANCIAL IMPLICATIONS

3.1 Any decisions relating to assets would need to be considered carefully in relation to the Council's budget and asset planning. There is a staffing and related cost relating to support for helping communities manage and own assets. The "Main Fund" of the £1m Performance reward Grant scheme has highlighted as an objective "Involving the community in running and improving the spaces that matter to them".

4 THE REPORT

4.1 Councils and other public bodies have traditionally owned and managed a great variety of property assets. These range from land and buildings which are directly connected to the delivery of public services- such as depots and other facilities- to assets owned primarily to generate income as part of a commercial portfolio. In addition, there are a wide range of management and other arrangements for these assets, including management committees for local facilities such as community centres. Within these various categories, public bodies have sought to make best use of their assets to meet the various reasons for which they are held.

4.2 In May 2007, a report was published by the Chief Executive of Lewisham Council, Barry Quirk. Its starting point was that public assets could be used as a way of empowering communities. The report highlighted a number of cases where greater community involvement- and in some cases ownership – of public assets had led to greater community involvement and new approaches. Clearly, this approach fits well with the Government's approach to the "Big Society". This is because:

- Involving local people in managing assets can lever-in goodwill, skills and involvement in addressing local needs
- Local people may be able to run a local facility in a different way to public sector bodies
- Assets transferred to the community may be able to attract external funding and income and potentially become more sustainable

4.3 More widely, it is also helpful for public bodies and communities to look at the total resources available for addressing an issue, including property assets, not just financial budgets.

4.4 However, the Quirk Report also highlighted that there were a number of risks and challenges in this approach, and in particular the need to ensure any transfer of public assets to community ownership and management does not risk wider public interest concerns or overly burden communities with asset management. The report also highlights that the additional benefits of community management and ownership can outweigh risks and "opportunity costs", for example in lost capital receipts or income. So long as risks are properly assessed, minimised and mitigated, the report identified "no impediments to the transfer of public assets to communities."

4.5 The report goes on to suggest that all of these issues may be addressed by Councils adopting a strategic approach to the use of assets to achieve community

empowerment. A report to the previous Corporate Performance and Resources Overview and Scrutiny Panel in July, 2009 identified the Council's policy on this as agreed by the Council's Property Board in July 2007, and also identified a series of examples of where this policy had been put into practice. The overall approach as presented to the Panel is attached as Appendix One.

4.6 Since this policy was adopted, the Government has also proposed the introduction of a "Community Right to Buy" as part of its Localism bill which is currently at report stage in the House of Lords. This right- which applies to privately-owned and not just public assets- allows local communities to request that an asset be placed on a register of "assets of community value", to be held by the Council. If placed on this register, if and when this asset comes to be sold, the owner must give local groups a "window of opportunity" to potentially buy the asset. This is designed to allow communities to protect facilities such as local village pubs. The exact details of this have been subject to considerable debate and feedback as the Localism Bill has gone through its parliamentary stages, and a short presentation will be made on the latest situation at the meeting.

5 RISK MANAGEMENT

5.1 A separate risk assessment has not been undertaken of this report but the report highlights areas where risk would need to be managed in relation to asset management and transfer

6 EQUALITIES

An equalities impact assessment has not been carried out but as the Council develops its approach to managing its assets an EIA would need to be part of this.

7 CONSULTATION

7.1 *Other B&NES Services Section 151 Finance Officer; Chief Executive; Monitoring Officer*

8 ISSUES TO CONSIDER IN REACHING THE DECISION

8.1 *Social Inclusion; Customer Focus; Sustainability; Property;; Human Rights; Corporate; Health & Safety; Impact on Staff; Other Legal Considerations*

9 ADVICE SOUGHT

9.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

Contact person	Andy Thomas, 01225 394322
Background papers	<u>Proposals to introduce a Community Right to Buy - assets of community value: Consultation paper</u> <u>Making Assets Work: The Quirk Review of Community Management and ownership of Public Assets</u>
Please contact the report author if you need to access this report in an	

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The Quirk issue was considered by the Council's Property Board in July 2007. The resolution was:

That the Board:-

- 1. - notes the report.*
- 2. - confirms the validity and relevance of the existing concessionary lettings scheme and that this represents the primary method by which the Council supports community initiatives.*
- 3. - confirms that it is not minded to promote the disposal of community assets but will be prepared to consider such proposals on an individual basis by way of reports submitted to it for consideration.*

The Council is keen to ensure it derives best value from its property assets and is thus currently dealing with each approach on a case-by-case basis based upon the merits presented by the relevant parties.

The expectation is that, generally, arrangements can be dealt with by reference to the Council's adopted Concessionary Lease Policy.

The role of Property Services is to advise on the commercial potential for any property falling within the Quirk agenda; providing market values and suggesting suitable vehicles to (generally) lease premises to qualifying organisations.

The approach taken by the Council is an innovative solution to supporting the provision of services and benefits to the community. The not-for-money benefits that organisations bring to the Council would be determined and quantified by the service which has responsibility for the relevant area, and an agreement entered into which would specify the terms under which a group could enjoy occupation of a building at less than market value.