

Appendix 4
**West Berkshire Council's
Corporate Property
Asset Management Plan
2013/14**

Adventure Dolphin, Pangbourne



Thatcham Nature Discovery Centre



The Castle Post 16 School

Hungerford Library

West Berkshire Council's Corporate Property Asset Management Plan 2013/14

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Corporate Asset Management Plan 2013/14

1 Introduction

1.1 This Asset Management Plan is a document which sets out the principles and actions needed to deliver the most effective use, and the best value, from the Council's tangible assets. It is intended to be a high level document covering a number of the Council's strategies and we have set the plan out under these headings:

- Existing arrangements
- Asset Strategy
- Progress
- Review and action plan

1.2 The Corporate Asset Management Plan supports the Council's year Council Strategy for 2013 to 2017. The Council Strategy takes into account the changing financial conditions and legislative framework and has as its themes caring for and protecting the vulnerable, promoting a vibrant district, improving education and lastly protecting the environment.

1.3 Other plans which have asset management planning implications include:

- The Medium Term Financial Strategy
- The Housing Strategy,
- Supporting People Strategy,
- Waste Strategy,
- The Visions for Newbury, Thatcham and the East of the Area
- The Capital Strategy and
- Individual service plans.

1.5 Property Asset Management Arrangements

1.5.1 Responsibility for management of the Council's properties is split between service areas, the Property Team (in Education Services) and the Asset Team (in Finance). Generally the service departments are responsible for the day to day management of the assets currently used to perform their respective functions – e.g. libraries, care homes and leisure centres. The Assets Team is responsible for the leased properties and empty properties. The Property Team is responsible for the management of the Council's administrative office buildings. Repair, maintenance and building projects for all properties are also routed through the Property Team as are the refurbishment and rebuilding schemes for Education.

1.5.2 The arrangements for the management of all assets are steered by the Capital Strategy Group, which is a cross service group of officers and members, to oversee property and capital matters. Matters specifically relating to property assets are considered by the Asset Management Group which is a sub group of the Capital Strategy Group.

1.5.3 Although the Services are responsible for making changes to the property they occupy, the decision for property matters such as capital expenditure, sales, leases, property sharing and purchase of new property are corporate led and Services need to submit a business case to the Asset Management Group. The terms of reference for the Asset Management Group are attached as appendix 1 but the Group has the following principal functions:-

- Prioritising and allocating expenditure on maintenance in accordance with condition survey information plus other criteria to be established
- Consideration of the total accommodation needs of all services
- Reviewing the justification for the Council holding properties on the basis of strategic importance, suitability, condition and cost
- Consideration of proposals to acquire, lease and dispose of properties
- Consideration of other property issues involving expenditure outside the annual budget by way of a business case submitted by the occupying Service.

1.5.4 The Asset Management Group has an input into the planned maintenance programme for the following financial year. The planned maintenance programme for each service area is generated annually from a database and other sources that hold information on the condition of assets. The available funds are allocated as a proportion of priority 1 repairs as a total of the whole. The priority 1 repairs are identified in the condition surveys which are updated on a rolling basis. The programme is therefore based on the needs of the property and will be interlaced with any routine requirements due in the next 5 years, e.g. electrical testing and statutory tests.

1.6 Framework for Review of Current Property Portfolio

1.6.1 The Council has acquired properties over time in two ways. Firstly, the Council has acquired or renovated buildings in line with its strategic direction, e.g. the purchase of Turnhams Green and West Street House and the disposal of other buildings. Secondly, assets have been acquired in a piecemeal way, sometimes as a result of local government re-organisation or by way of developer contributions as part of the planning process. This means that the properties do not always meet our current business needs.

1.6.4 The Asset Management Group has therefore established a framework for reviewing the existing property portfolio. The aim of this framework is to base decisions on future use or disposal of assets on the importance of each property to the the delivery of the Council's strategic priorities. It also aims to prioritise maintenance resources on the basis of operational efficiency. The framework also places the onus on Heads of Service to keep the Asset Management Group informed of any actual proposed change of use of the properties which are the responsibility of their service area. The framework for review is set out in more detail in Section 4 of this document.

2 Property Asset Strategy

- 2.1 The reason the Council owns land and buildings is to support service delivery either directly through the provision of accommodation for frontline services, such as schools, libraries, car parks and open space, indirectly through support service functions housed in the administrative offices or to generate income through rent or capital receipts.
- 2.2 There are several demands on the Council's land and buildings which can often be conflicting. For example the Council is expected to reduce the size of its estate in order to raise maximum capital receipts and reduce expenditure, whilst at the same time transferring assets at less than market value to partners and the local community in order to achieve local objectives. Therefore, decisions will need to be made on a case by case basis in order to fulfil the most pressing objective at the time.
- 2.3 The strategic aims and objectives for management of the Council's property assets are to:
- Treat property as a valuable resource and ensure that the value of the assets is protected, by optimising rental and capital return and effective expenditure control to ensure that value for money is obtained.
 - Ensure efficient, effective and sustainable use of land and buildings.
 - Use property assets to contribute to the process of service improvement, with the creation of new ideas and working practices to help solve service issues.
 - Ensure that the Council complies with statutory obligations pertaining to property.
 - Rationalise the use of land and buildings and establish criteria for retaining, disposing of and acquiring property.
 - Utilise property in support of the Council Strategy.
 - Support the Capital Programme through targeted asset disposal.
 - Pursue partnership working and co-location opportunities.
 - Enable full public access to the Council's building and services.
- 2.4 The Council's properties can be broadly split into three categories being operational, non-operational and vacant. The following paragraphs describe how these strategic aims and objectives can be applied to each category.

2.5 Operational Portfolio Strategy

2.5.1 Operational property is occupied by or on behalf of the Council for the direct delivery of its services, for example Council offices and community schools. Outsourced functions such as sports centres, waste collection and some community care buildings are occupied by organisations providing services on Council's behalf but are still classified as operational property.



Turnhams Green offices

2.5.2 The strategic aims for the Council's operational property are:

- To support service delivery.
- To provide fit for purpose buildings.
- To minimise cost.
- To have a lean portfolio with the minimum number of properties required to maintain service provision.
- To exploit sharing opportunities with other public sector organisations.
- To consider opportunities for urban or rural regeneration using Council property as a catalyst.

2.5.3 We aim to implement the strategy by:

- Reviewing the use and cost of the Council's buildings .
- Reducing building running costs, for example, by the use of the lowest energy tariffs, targeting planned maintenance in order to reduce the cost of reactive maintenance and the appeal of rating assessments.
- Continuing with condition surveys to monitor the state of the Council's property.
- Promoting and actively seeking opportunities to share buildings and facilities with partner organisations.
- Disposing of surplus properties where appropriate.
- Acquiring properties if the need cannot be met by property already owned.
- Capital expenditure on buildings to provide fit for purpose buildings where it is cost effective to do so.
- The use of option appraisal in decision making.
- Implementing the Newbury, Thatcham and East of Area Visions.

2.6 Non-operational Portfolio Strategy

- 2.6.1 Non-operational property is not used to meet service needs, and is therefore either let to third parties or is surplus to requirements. The Council's investment property includes the London Road Industrial Estate in Newbury and the Kennet Enterprise Centre, Hungerford.



Kennet Enterprise Centre

- 2.6.2 The strategic aims for non-operational property are:

- To extract maximum income.
- To review the cost effectiveness of the portfolio.
- To support use by the third sector where a benefit to the community will be achieved.
- To consider opportunities for regeneration using Council property as a catalyst.

- 2.6.3 We aim to implement the strategy by:

- Collection of rent and pursuit debtors in a timely manner.
- Implementing rental increases under the lease agreements.
- Taking the opportunities as they arise to extract value from changes in lease terms.
- Re-letting of vacant properties as soon as practicable.
- Further consideration of the options available for the regeneration of the London Road Industrial Estate.
- Property review and challenge.
- Disposals or alternative uses for under performing properties.

2.7 Strategy for Vacant Properties

- 2.7.1 The Council will seek to minimise vacant and non-productive property within our portfolio and will consider options for other uses, either an alternative use by another service or partner organisation or a sale or lease to a third party.

- 2.7.2 In times of low market value it may not always be in the Council's best interests to put a surplus property straight to market. Where appropriate, consideration will be given to temporary uses or leaving a property unused, until market conditions improve.

2.8 Disposals and Acquisitions

- 2.8.1 If a service has a new or changed accommodation need for which no existing Council property is suitable, the Council will need to acquire new property. However, property acquisition will only be considered where it addresses a corporate objective.

- 2.8.2 The Council's strategic aims for disposal and acquisition of property are:

- To seek a lean portfolio with the minimum number of properties required to maintain service provision;
- To obtain the best price for properties which are surplus to requirements;
- Where appropriate, to use our property to support regeneration projects and/or the supply of affordable or special needs housing.
- To acquire properties which are fit for purpose and represent value for money for the Council.

2.8.3 The Council aims to implement the strategy and deliver the priorities by:

- Reviewing all properties to assess suitability, service need and value for money
- Identifying properties which are surplus to the Council's requirements
- The preparation and implementation of a disposal programme of surplus assets. The current programme is shown in Table 1.
- Use option appraisal to assist in decision making.
- Disposing of property at best value unless there is an overriding community benefit, in particular the provision of affordable housing and special needs accommodation for vulnerable people.
- Consideration of the options available for the London Road Industrial Estate regeneration and other Newbury Vision projects.

2.9 Community Asset Transfer

2.9.1 As a general rule when the Council lets or sells properties to third parties it will be at market prices. However, in line with the Government's Localism agenda, organisations working in the voluntary sector on a 'not for profit' basis, consideration will be given to allowing such organisations to occupy Council property at a discount. The organisation will be expected to demonstrate that it is providing a community service to local residents, which helps to support one of the key strategic objectives for the Council. Properties occupied under this concession will be monitored to ensure that the original objectives are still being met.

2.9.2 Requests for community asset transfers will be considered on a case by case basis by the Asset Management Group. A draft policy and process for dealing with these requests is set out in Appendix 2.

3 Progress

3.1 Recent achievements

3.1.1 Recent achievements in line with the Asset Management Plan's strategic aims are:-

- The Padworth Integrated Waste Management Facility is now fully operational.
- Strategic Review for London Road Industrial Estate has been completed and the proposals are being investigated.
- Completion of Alice Bye Court, a 51 bed extra care scheme provided in partnership with Housing 21.
- Sale of five properties bringing in approximately £3.5 million in capital receipts.

3.2 Partnership working

3.2.1 West Berkshire Council has a good record of sharing its properties with other organisations, where this offers service benefits and/or value for money improvements. Some examples of working in partnership and property sharing initiatives are as follows:

- Children's Centres. Services directed at families with young children are provided by multi-agency team in buildings provided by the Council in 10 locations across the district.
- Youth Offending Team – a multi-agency team operating from a single building provided by WBC
- Chieveley depot – a highways maintenance depot shared on a long standing arrangement between the Highways agency and West Berkshire Council.
- Sharing space in our libraries with the Parish Councils of Mortimer and Hungerford.
- The Community Mental Health Team are a joint service with the NHS operating from Hillcroft House, a property provided by the Berkshire Healthcare NHS Foundation Trust.
- HMRC to take desk space at the Market Street offices.

3.2.2 Other examples of partnership working which do not involve property sharing but do involve asset transfer and significant involvement from the Council to move forward projects for the benefit of the local community are:

- The Park Way retail development which opened in November 2011.
- Working with registered social landlords to provide new extra care housing for elderly people at Alice Bye House, Thatcham and at The Priory Hungerford.
- Working with the Council's registered social landlord partners to identify strategic sites for affordable housing.

3.2.3 The Assets team and service areas, through the Asset Management Group, will continue to pursue further opportunities for property based partnerships

3.3 Data Collection

3.3.1 Performance measurement is the mechanism by which audit, review and improvement are achieved. An essential element in measuring performance is the availability of reliable and readily accessible information. Property Services has a database which can record the core information

about the Council's properties – for example, its address, size, legal status and leasehold information where appropriate. Collection of condition data for the Council's properties is important to providing a basis for expenditure on maintenance based on need. The condition data is reviewed and updated on a rolling basis. The provision of a web based system is being implemented and should provide all stakeholders with easy access to property related data.

3.4 Factors Affecting Progress

- 3.4.1 The current economic climate has had an effect on the aims and aspirations of our asset management plan largely due to the restrained financial circumstances which means there is less money available for property improvement or acquisition. Coupled with this is the decline in market value for properties which might be sold resulting in lower capital receipts. Consequently, the capital monies available need to be targeted at properties where expenditure would enable the building to meet service demand or comply with statutory requirements. The squeeze on public finances means that all opportunities for extracting value or reducing cost for the Council's portfolio need to be pursued.
- 3.4.2 Recent government initiatives which affect our property include the Localism Bill and Academy Schools. The Localism Bill encourages Councils, amongst other things, to transfer its community buildings to the voluntary sector. West Berkshire Council does not have a large number of community buildings within its ownership and the ones we do have are already let to not for profit organisations. However, where a building becomes available which could be used by the third sector then consideration will be given to offering it to the third sector, particularly where a community need is already identified, for example the Riverside Community Centre.
- 3.4.3 A draft policy has been prepared to assist in the identification and allocation of Council owned properties under a community asset transfer and this is included in Appendix 3.
- 3.4.4 The Localism Bill also gives certain groups the opportunity to nominate properties within the district as assets of community value and once the nomination is approved the asset cannot be sold until the local community groups have been given an opportunity to bid for it. These provisions apply to properties owned privately and those owned by the Council. If any of our buildings are listed then there may be a delay in achieving a capital or rental receipt.
- 3.4.5 The opportunity for schools to transfer to academy status has already been taken up by five secondary schools and other schools have expressed an interest in following suit. This means that the buildings effectively move out of our property portfolio, although the Council remains responsible for ensuring that these schools have sufficient capacity to meet demand for school places across the district. This change in responsibilities will affect future planning for school buildings.

4 Property Review

4.1 In order to achieve the aim of a fit for purpose portfolio the properties will need to be reviewed. We can do this either as part of service review or by way of an asset challenge survey. Following the reviews the most likely options will be whether the properties should be:

- retained and existing use continued or intensified,
- in need of investment, including expenditure on maintenance or improvement,
- sold, including a transfer to a community organisation,
- retained and used pending future development opportunity,
- considered for co-location for more than one Council Service or shared with other public sector partners,
- in the case of investment properties, opportunities for lease restructuring.

4.2 Several reviews have taken place at Service level which have a bearing on property needs and show that there is a potential to realign or disinvest of property in order to meet changing requirements, for example some of the day centres. Reviews in Youth Services have identified that some of the services and buildings they are run from could be transferred to other providers, such as the Riverside Community Centre. There are some parts of the Council's portfolio which do not reflect corporate need, based on location, suitability or condition, (for example Greenham House and a block of flats formerly used for the temporary accommodation for homeless families,) and other properties where more efficient use of the buildings is possible (for example the corporate offices).

4.3 The following framework for future asset reviews has been developed by the Asset Management Group.

4.4 The Asset Management Group will classify each property as Red, Amber or Green from the point of view of:

- Strategic Importance – i.e. the extent to which they support the delivery of the Council Strategy
- Operational Efficiency

Each property is the responsibility of a designated a Head of Service.

4.5. The Asset Management Group will review the list of assets every six months by asking the responsible Heads of Service to inform the group of any actual or planned change in use and/or status, i.e. Services will be responsible for reporting when assets become surplus to requirements, but the Asset Management Group will regularly monitor the status of all the Council's assets.

4.6 The Head of Service responsible for any assets designated "Red" in terms of strategic importance should prepare a business case to justify why the asset should be retained by the service if they feel it should not be disposed of, for review by the Asset Management Group.

4.7 If the business case is successful, this should be noted on the asset listing and the status of the asset should be reviewed again within a three year period.

- 4.8 If the business case is not approved, the Asset Management Group will normally recommend to Corporate Board, Management Board and Executive the sale of the property on the open market unless a case is made either:
- i. To transfer it to another service where it is needed to help deliver one of the Council's key strategic priorities e.g. to replace an inefficient/unsuitable asset with a more efficient and/or suitable one;
- or:
- ii. To transfer it to another organisation who will help to support one of the Council's key strategic priorities (the asset may in some circumstances be offered below market value, if the service benefit is held to outweigh the potential capital receipt);
- 4.9 Investment in maintenance and/or replacement of assets will be targeted at Assets which are Green for strategic importance but Amber or Red in terms of operational efficiency.
- 4.10 Flowchart for property reviews

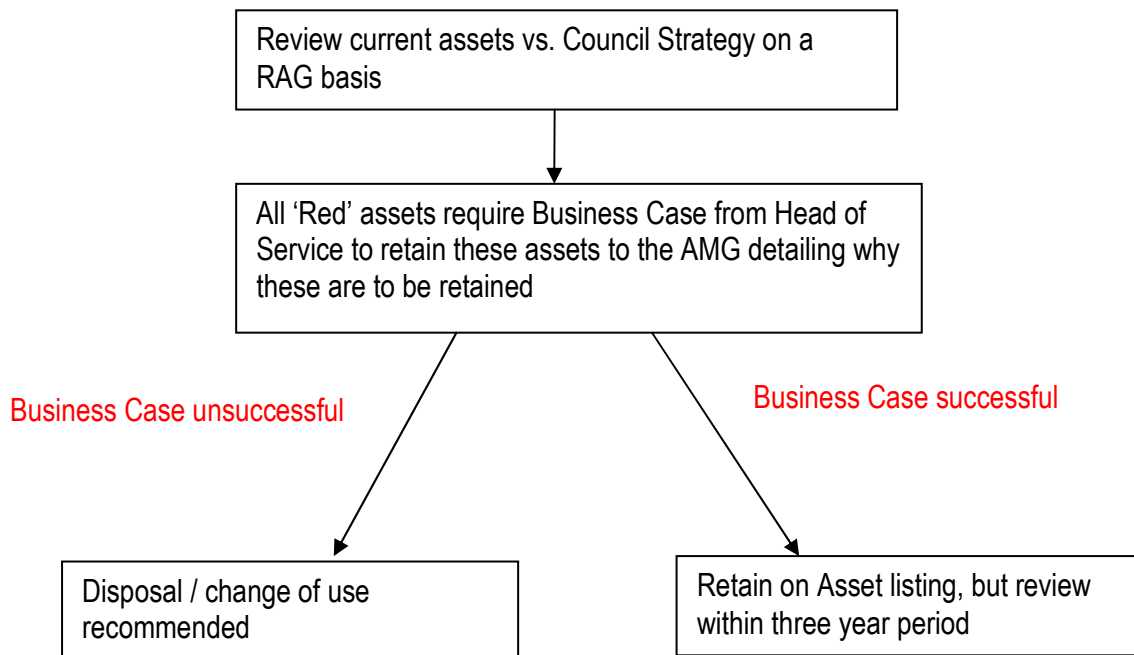


Table 1 –Property Asset Disposal Programme 2012 to 2014

Site	Comments
Current Disposals	
Land adjacent to the Phoenix Centre, Newbury	Value may be influenced by intangible benefits in relation to social housing and supported living.
Control Tower, Greenham Common	To be sold subject to asset of community value listing.
Trinity School playing fields- Love Lane Site	Either negotiate with former owner under Crichel Down rules or put on the open market.
Taceham House, Thatcham	To be redeveloped in partnership with adjoining owner.
Pound Lane Depot	Progressing as a potential housing site with process for disposal being determined
Croft Field, Hungerford	Potential for housing development of part of the site subject to community asset/village green status
Potential Future Disposals	
Various properties at Market Street, Newbury	Site being taken forward as a regeneration project and the development agreement signed with Grainger Plc.
Waterside Centre, and The Wharf car parks Newbury	Part of the Wharf redevelopment of the Newbury Vision. Timing depends upon progress of The Vision and finding alternative accommodation for current users at Waterside.
Council buildings and depot at Faraday Road	Depends upon the continuing feasibility study for London Road Industrial Estate.
London Road Industrial Estate	Depends upon the continuing feasibility study.

Appendix 1

Terms of reference for the Asset Management Group

Objectives:

1. To advise Capital Strategy Group, Corporate Board and Members on issues concerning the acquisition, disposal, condition and changing use of Council properties.
2. To review priorities for maintenance of Council properties
3. To develop and maintain the Asset Management Strategy for West Berkshire, taking into account:
 - Changes in accommodation needs of services
 - The need to minimise revenue costs by co-ordinating and rationalising properties used by different services
 - Opportunities to generate capital or revenue income streams through the disposal or letting of properties which are surplus to operational requirements
 - Opportunities to pursue the Council's key priorities through sharing properties with or transferring them to other public and voluntary sector organisations
 - Ensuring that the Council achieves the best value for money from its asset base

Membership:

Portfolio Holder for Finance and Health and Safety
Portfolio Holder for Property.
Director of Environment
Head of Finance
Chief Accountant
Finance Manager (Capital, Assets, VAT and Treasury)
Asset Strategy Officer
Estates Officer
Head of Education
Property Services Manager
Strategic Commissioning and Compliance Manager
Head of Commissioning, Housing and Safeguarding

Reporting to: Capital Strategy Group

Appendix 2 – Draft Community Asset Transfer Policy

1.0 What is Community Asset Transfer?

1.1 Community Asset Transfer is the transfer of the Council's land and buildings to community and voluntary organisations at less than best consideration, normally on a leasehold arrangement.

1.2 The policy will apply when either:

- A community or other voluntary organisation approaches the Council to request the use of a Council Asset
- The Council identifies an asset as being surplus to its requirements and is considering how best to dispose of it.

2.0 Purpose of the Policy

2.1 The Council has a disposal policy which is contained in the Asset Management Plan and the general presumption is that disposals will be on the open market for best price. Reference is made in the Asset Management Plan about disposals to not for profit organisations. This community and asset transfer policy is to give fuller guidance on how to achieve that.

2.2 The purpose of the policy is to set out a framework to show how West Berkshire Council will consider requests from the community and voluntary sector to use the Council's land and buildings. It is also sets out

the information that is required from the community and voluntary sector and the expectations for the transfer fulfilling the Council's strategic objectives and to empower local communities.

3.0 National Policy Context.

3.1 National Government has, for some time, encouraged local authorities to involve local people in the direct running of their communities and has produced legislation, such as the Local Government Public Involvement Act 2007 and the Localism Act 2011, to create strong communities and deliver better public services through a rebalancing of the relationship between local people and public bodies.

3.2 The Localism Act has introduced the concept of the Community Right to Bid. This process allows relevant bodies (e.g. Parish Councils and Community Groups) to ask for assets of community value to be listed. This effectively means that the asset cannot be sold until the relevant body has been given a chance to confirm that they wish to bid for the asset. If so they must also be given sufficient time to submit their bid. A separate process has been introduced to manage this requirement, although the properties and applicants involved the are likely to be similar to those affected by the Community Asset Transfer Policy.

3.3 The Quirk Review undertaken in 2007 set out the benefits to local groups by the management or

ownership of public property assets which, in turn leads to strong communities. The Quirk review recognised that the voluntary and community groups would need assistance to understand the risks and rewards of community asset transfer.

4.0 Local Context and Links to Council Strategies

4.1 Working in partnership with the local voluntary sector should help the Council to achieve some of its own objectives such as those in the Council Strategy including to *reshape the way cultural, countryside and other services are delivered, with significantly greater involvement from local communities, the voluntary sector and parish councils and seek to transfer assets and services where these can clearly be delivered more effectively*”.

5.0 Criteria for community asset requests

5.1 When considering requests for a community asset transfer the Council must bear in mind the following in relation to the affected property:

- The need to raise capital receipts.
- The loss of any income or opportunity costs.
- Requirements for the property for direct service delivery by the Council.
- The benefits to all parties by transferring the property.
- That, where the property is needed to deliver a service, additional

ongoing revenue costs are not incurred.

5.2 The Property

- The property must be owned by the Council, either freehold or leasehold and be legally capable of being transferred.
- It must be surplus to operational requirements.
- The transfer of the property has been approved by the Asset Management Group.
- The transfer will deliver a strategic or operational benefit to the Council.

5.3 The Use

- The use will support the Council’s strategic priorities set out in the Council Strategy.
- The property will be used for the benefit of the local community to enable local people to have access to services or facilities that meet their local needs.
- The use will be inclusive of a wide and diverse range of people.
- The use will deliver a demonstrable social, economic or environmental benefit to the local community.
- The use is not already provided in the locality.
- The use to be environmentally sustainable and Disability Discrimination Act compliant.

5.4 The Applicant

- Interested organisations must be community led with strong local links.
- Be properly constituted and be capable of being a legal entity.
- Not for profit.
- Be financially viable.

- Have good governance through open and accountable processes.
- Have the skills and capacity to deliver the service and manage the property.
- Have a well prepared business case.
- Have a track record of delivering similar projects.

5.5 *Basis of transfer of property*

- Transfers will be on a leasehold basis. This makes it easier to limit the use for community benefit.
- Freehold will only be considered if the applicant pays full market value.
- The applicant will be responsible for all management of the property including health and safety matters and all required surveys.
- The use is to be for community benefit and the organisation is to provide continuing evidence of a community benefit on a periodic basis.
- If planning consent is required then the applicant must obtain this.
- The applicant will be expected to meet all the running, maintenance and repair costs of the property.
- Collaboration and sharing of the property with other community or voluntary groups will be encouraged.
- The Council may be prepared to take back the property in cases where the transfer has been unsuccessful.

6.0 The Community Asset Transfer Process

6.1 A property asset is identified, either by WBC as being surplus to requirements or by a request by a

community or voluntary organisation for a particular property. In the latter case the property may be operational so consultation will be required with the service to see if the property could be released from operational use.

6.2 Valuation undertaken bearing in mind that the transfer may be at less than best consideration.

6.3 Expressions of interest invited from suitable groups.

6.4 Expressions of interest appraised by Asset Management Group.

6.5 Short listed groups requested to submit a business case for the transfer.

6.6 Business cases appraised by the Asset Management Group along with the option of an open market disposal. The assessment matrix shown later can be used to assist in the decision making process.

6.7 Decision reported to Executive if outside the delegation of the Head of Legal Services.

6.8 Terms agreed with successful applicant and lease completed.

6.9 The timescale for applications will vary depending upon the complexity of the proposal, the number of applicants, the route it needs to take through the Council's governance structure and for the completion of the lease. However, applicants should be aware that the process could take 12 months.

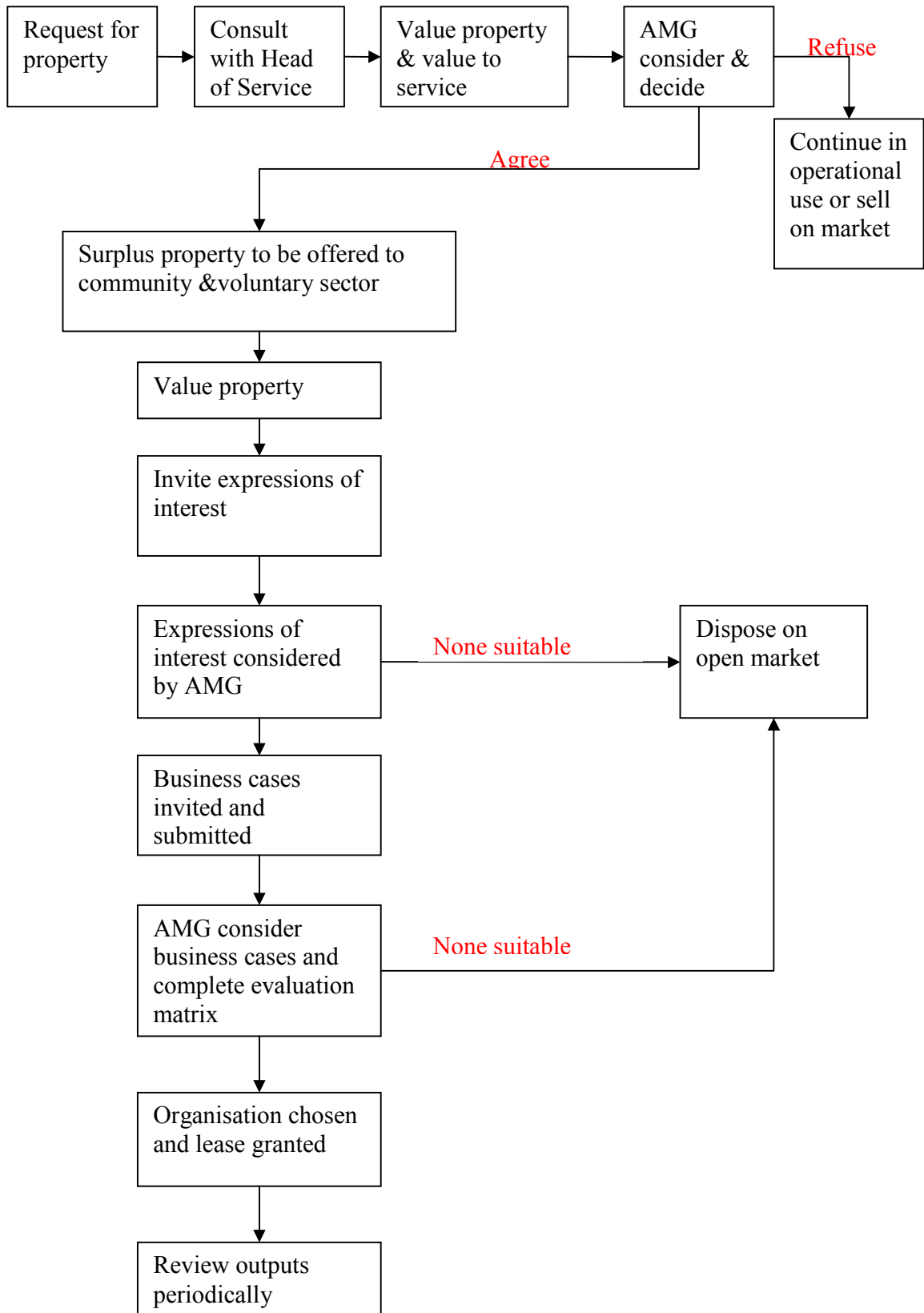
7.0 Business Case Requirements

- 7.1 It is likely that potential applicants for community asset transfer will have limited financial and property management experience so it is important that a robust business case is submitted. The business case can be in any format but should contain the following information and evidence:
- Proposed use and maintenance of the property.
 - Details of the local needs that will be met by the proposal and how the benefits will be measured and reported on an annual basis.
 - Details of any new jobs that might be created.
 - Evidence of local consultation and that there is a demand and local support for the scheme.
 - How the scheme fits in with the Council's strategic objectives.
 - Evidence of the ability, skills and capacity of the organisation to run the proposed service, including governance details.
 - Evidence of the scheme complying with equal opportunity, sustainability and health and safety requirements.
 - Financial details of the organisation and how the scheme will be funded, at the outset and going forward.
 - Project plan to show likely timescales to set up and fund the scheme.
 - A risk assessment and contingency plan in the case that the scheme is not successful.

8.0 Risks in Community Asset Transfer

- 8.1 There is an element of risk in a community asset transfer and the potential risks are listed below. These will need to be considered in conjunction with any application.
- Organisation does not have the capacity or skills to take over the property and provide the service, or loses these at a later date.
 - Reliance on key personnel either within the organisation or at the Council, lack of succession planning.
 - Organisation cannot fund the proposed scheme either at the outset or at some time in the future.
 - Property is not used for community purposes or taken over by a minority interest.
 - Transfer contravenes State Aid or procurement regulations.
 - Confusion over roles and responsibilities between the Council and the organisation.
 - Objectives of the organisation are unclear and not aligned to Council objectives.
 - Scheme is not value for money.
 - Potential liability for Council if the scheme fails.
- 8.2 These risks can be reduced by the provision of clear legal documentation and a summary of expectations by each party at the outset.

Process Flow Chart



COMMUNITY ASSET TRANSFER ASSESSMENT MATRIX

PROPERTY ADDRESS	CURRENT USE:
	OPEN MARKET VALUE:
NAME OF APPLICANT/COMMUNITY GROUP:	PROPOSED USE:

1.0 FINANCIAL CONSIDERATIONS	Score 10	Comments on reasons for score
1.1 Capital receipt or rental offered <i>(compare to market value)</i>		
1.2 Capital costs secured <i>(higher score the greater the percentage)</i>		
1.3 Estimated revenue savings to WBC: <i>(include building and maintenance costs)</i>		
	SUB-TOTAL: /30	
2.0 VIABILITY OF BUSINESS PLAN	Score 10	
2.1 Evidence of projected revenue stream for next 5 years		
2.2 Reliance on revenue grant aid <i>(lower score the greater the reliance)</i>		
2.3 Financial covenant strength of applicant		

2.4 Track record of applicant		
	SUB-TOTAL: /40	
3.0 CONTRIBUTION TO COUNCIL'S STRATEGY <i>(proposal should contribute to at least one)</i>	Score 10	
3.1 Caring for and protecting the vulnerable		
3.2 Promoting a vibrant district		
3.3 Improving education		
3.4 Protecting the environment		
	SUB TOTAL /40	
4.0 CONTRIBUTION TO LOCAL NEEDS	Score 10	
4.1 Which groups will benefit? <i>(e.g. young people, disabled, older people, sports users, unemployed)</i>		
4.2 Involvement of volunteers <i>(What will they do and how sustainable is their use?)</i>		
4.3 Number of jobs created (if applicable)		
4.4 Is joint use with other agencies proposed?		
	SUB TOTAL /40	

GRAND TOTAL	/150	

SUMMARY AND CONCLUDING COMMENTS