

Policy Statement

An Introduction to the Policy Statement

Argyll and Bute Council holds each of its property assets as a resource to be used in the delivery of services and to support and contribute to its corporate objectives.

This Council also recognises that it has a valuable contribution to make in supporting the development and role of the Third Sector to provide key services within communities.

The Council believes that the transfer of certain assets to Third Sector organisations will support community empowerment and may achieve better value for money and sustainable outcomes for both the Council and the wider community.

The Corporate Asset Management Strategy sets out arrangements for the management and development of the Council's key assets. The Strategy already contains approved policy statements for each of its main asset groups.

However, as the process for transferring assets will follow a different route from existing surplus property disposals and because the transfer of assets from public ownership requires strict probity and equity, it is considered appropriate to produce this separate policy statement for the transfer of assets to the Third Sector.

This new Policy will be embedded within the 2012-13 Corporate Asset Management Strategy and will complement all existing Asset Management Policy statements.

The Purpose of the Policy Statement

Its purpose is to provide a commitment, underpinned by a transparent and positive process, to enable appropriate Council property assets to be transferred to Third Sector organisations, where a sustainable opportunity is considered to exist.

The National and Local Context for the Policy Statement

In March 2009 COSLA and the Scottish Government published a joint community empowerment action plan entitled "Community Celebrating Success: Inspiring Change". In this document they endorse the view that the transfer of assets to the Third Sector is seen as tangible form of empowering communities.

In conjunction with this the Scottish Government appointed the Development Trusts Association of Scotland to take forward a raft of initiatives with local authorities and this, in turn, has led to the creation of the Community Ownership Support Service (COSS).

This Service exists as a support network for both community groups taking on assets and local authorities alike. Its aim is to increase the flow of assets into community ownership. A paper entitled "Public Asset Transfer Empowering Communities" has

been published by COSS and through the use of case studies, it seeks to demonstrate how community groups and Councils can work together, overcome difficulties and achieve results for mutual benefit.

In parallel with the emerging national agenda the Council commissioned its own Demonstration Project which ran from 2008-10. The aim of the Project was to develop and improve opportunities for the third sector to work alongside and deliver services for the Council.

The Project was run by a Board chaired initially by the leader of the Council and then by the Third Sector spokesperson. Partners from NHS Highland, Highlands and Islands Enterprise, voluntary and social enterprises and the Big Lottery Fund were all represented on the Board.

The Demonstration Project Board published its final report entitled "Harnessing the Potential of the Third Sector to Help Achieve Council Objectives Demonstration Project" in September 2010.

The full Council approved the asset recommendations contained in this report to improve community sustainability through the Third Sector's ability to acquire assets.

The Aims of Third Sector Asset Transfer

The Council's extensive property portfolio comprises a wide range of assets including, for example, offices, schools, libraries, halls, depots, and rented commercial property. The majority of these assets support direct service delivery, while some play a role in helping to stimulate economic activity and regeneration. The Council also has a role as a custodian of community assets such as playing fields and play areas.

Through the ownership of assets, the Council therefore seeks to achieve a variety of economic, regeneration, social, community, environmental and public functions.

Nevertheless, for some of these assets, community management and ownership may unlock and deliver:-

- Additional benefits to the local community.
- Benefits to the Council and other public sector bodies.
- Benefits for the organisation carrying out management or operation of the asset.

It is acknowledged that community groups will have a greater opportunity to access new sources of finance and be better placed to invest in an asset thereby extending its life and enhancing its use and availability to a wider community.

Use of the Council's approved process for all applications using the standardised application forms, supported by comprehensive guidance notes, ensures all interested parties are better informed and therefore better prepared to assume responsibility for an asset.

Argyll and Bute Council should enjoy the following benefits, amongst others, from Third Sector Asset Transfers:-

- Community empowerment.
- A more sustainable "Third Sector".
- Improvements to local services.
- Improved Value for Money.
- Social enterprise.
- Economic development.
- Area wide benefits for the residents of Argyll and Bute.
- Delivery of Agreed Outcomes and Corporate Objectives.

General Principles of Asset Management

The Council's Policy Statement in respect of the transfer of assets to the Third Sector supports the following principles:-

- Any proposed asset transfer must support the Council's Single Outcome Agreement (SOA) and Community Planning Partnership (CPP) outcomes and therefore should not be to the detriment of other strategies and policies.
- It recognises the Council's discrete and independent role as a supporter of the Third Sector, but also acknowledges its stewardship of publicly owned assets.
- The transfer of assets shall be carried out in a transparent, equitable and accountable way and be in accordance with the Corporate Asset Management Strategy and individual Asset Policy Statements.
- A strategic approach will be adopted for all assets, in accordance with our Corporate Asset Management Policy and Asset Management Plan.
- All our Services shall support the Policy Statement for the transfer of assets to the Third Sector and assist in delivering the aims and objectives contained in this Policy.
- All assets being transferred for less than market value shall be subject to satisfying the terms and conditions of the Disposal of Land by Local Authorities (Scotland) Regulations 2010.

Considerations Prior to Asset Transfer

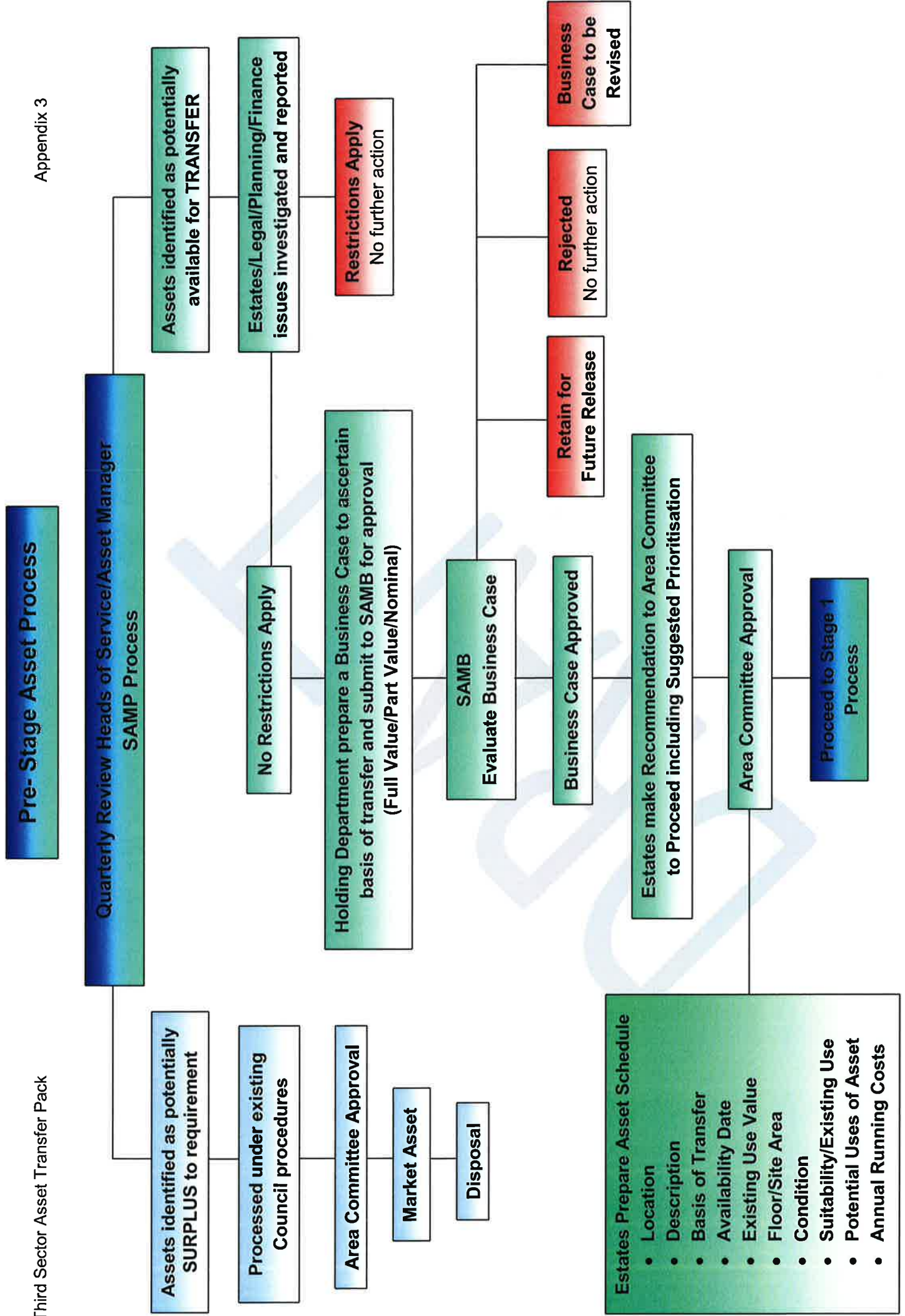
The decision to transfer assets to the Third Sector involves the consideration of a number of criteria, including:-

- Benefits to the respective parties, e.g. The Council, the wider community or community organisations which will be generated by the transfer of the asset to the Third Sector.
- Loss of any existing income.
- Retention of assets for direct service delivery.
- Potential capital receipts.
- Potential loss of capital receipt at market value.
- The opportunity to secure a sustainable future for the asset.

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Internal Process Guidance Notes for Asset Transfer to the Third Sector		
This is a three Stage process and these draft process notes should be read in conjunction with the appropriate flow charts.		
PRE - STAGE		
Pre - Stage	Action	Responsible
1.0	<p>Each year as part of the Service Asset Management Planning (SAMP) process, Services are required to submit details of any properties that are likely to become released, or are currently being assessed as potentially available for release.</p> <p>This process will be tracked and monitored quarterly through meetings between the relevant Service Head and the Head of Facilities/Strategic Asset Manager.</p> <p>These quarterly meetings will also be used to identify any emerging requirements for additional accommodation.</p> <p>If a potential surplus asset is identified the Asset Management Board will initially assess if there is a wider corporate requirement for an asset of this nature. In this instance any potential reallocation will be processed under the Council's existing procedures.</p> <p>Where such an asset is identified, Estates check the Title position to identify restrictions, if any, that might prevent or affect the ability of the Council to sell or lease the asset</p> <p>Area Committee give approval for the disposal of the asset.</p> <p>Asset is marketed by Estates.</p> <p>Asset is disposed of.</p>	Head of Service/Head of Services/Strategic Asset Manager
1.1	<p>If no wider corporate requirement exists the asset will be considered for potential transfer to the Third Sector.</p> <p>The holding department will prepare a business case to determine the basis of</p>	Head of Service/Head of Facilities/Strategic Asset Manager/Senior Estates Surveyor

	<p>transfer. (Full value/Part value/ Nominal value/Lease)</p> <p>Any asset potentially identified for transfer will be subject to a prioritisation process.</p> <p>Report encompassing Business Case presented to Area Committee by Estates.</p> <p>Area Committee gives approval for the transfer of the Assets.</p> <p>Estates prepare an asset schedule to include:</p> <ul style="list-style-type: none">• Location• Description• Basis of Transfer• Availability Date• Existing Use Value• Floor/Site Area• Condition• Suitability/Existing Use• Potential Uses of Asset• Annual Running Costs	
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STAGE ONE		
Stage One	Action	Responsible
1.0	<p>Estates prepare and issue asset particulars on web and by email including :-</p> <ul style="list-style-type: none"> • Details of the asset e.g. location, description, construction, condition and size. • Acceptable planning uses, based on current local plan. • Potential availability e.g. next quarter, next year etc. • Closing date for initial expressions of interest. • Estimation of asset value. <p>Estates will simultaneously provide appropriate web link to a standard downloadable "Initial Expression of Interest" letter template. This letter will request the following information from interested parties :-</p> <ul style="list-style-type: none"> • Name of interested party/organisation. • Contact details. • Nature of interest, i.e. Third Sector, developer etc. • Is their interest in leasing or purchasing the asset? <p>Estates will acknowledge all expressions of interest until the expiry of the circulation period. During this period the Social Enterprise Team will be kept wholly informed of any expressions of interest received.</p>	Senior Estates Surveyor
1.1	<p>At the end of the circulation period Estates will :-</p> <ul style="list-style-type: none"> • Notify the appropriate Service Head of interest received. • Notify the Asset Management Board. • Remove the asset notification from the web. • Advise any Third Sector interested parties that a member of the Social Enterprise Team will make contact at this point. • Notify Developer or any Private interests that their details will be kept on file in the event that the property eventually becomes surplus to 	Senior Estates Surveyor

	<p>requirements of the Council and is placed on the market.</p> <ul style="list-style-type: none"> • Hand over to the Social Enterprise Team to progress in accordance with agreed process. 	
1.2	Social Enterprise Team to nominate a contact officer to each interested party. They will then arrange an appointment and send out the Asset Transfer Application Pack, if requested.	Social Enterprise Team
1.3	Social Enterprise Team to contact the Assessment Panel to arrange backstop date for Stage One Application review.	Social Enterprise Team
1.4	Social Enterprise Team to contact Community Services to determine whether interested party has an ABC grant, or has submitted a funding application.	Social Enterprise Team
1.5	Social Enterprise Team to meet with interested party to ensure understanding of process and to assist with completion of application form, if required. Where appropriate, Business Gateway can be requested to provide additional guidance and advice.	Social Enterprise Team /Business Gateway
1.6	Social Enterprise Team receives completed Stage One Application Form at conclusion of 32 day timescale and forwards to two internal independent scorers to assess. Final score validated by third independent officer. Social Enterprise Team notified of outcome.	Social Enterprise Team Scoring Team
1.7	<p>Social Enterprise Team to distribute Application and Stage One Evaluation Score to Assessment Panel with or without qualified recommendations</p> <p>Recommendation either:-</p> <ul style="list-style-type: none"> • Progress to Stage Two. • Turn down Application. • Progress via Estates to Area Committee for property to be declared surplus prior to marketing. 	Social Enterprise Team
1.8	<p>Assessment Panel meets to determine if Application should progress via Area Committee to Stage Two.</p> <p>NB.</p> <ul style="list-style-type: none"> • Terms of Reference - <i>To be established.</i> • Evaluation process/scoring matrix • Process for accountability and challenge • Head of Service from holding Department to sit on panel 	
1.9	Panel recommendation provided to Estates to incorporate into Area Committee Report.	Chair of Panel
1.10	Report prepared and submitted by Estates to Area Committee with appropriate	Senior Estates Surveyor

	recommendation, such as:- <ul style="list-style-type: none">• Explore potential asset transfer via Stage Two Process.• Retain asset.• Reallocate asset.• Market asset for sale or lease.	
1.11	Estates to inform Applicants and Social Enterprise Team of appropriate decision	Senior Estates Surveyor SET Officer

**Stage 1
Application**

**Details of Available Assets Posted on Council Website
by Asset Management Board
(Link to downloadable "Expression of Interest" letter)
32 day period of notification**

**Estates receive an Expression of Interest
from Third Sector Organisation (TSO)**

- Request logged
- Asset Management Board (AMB) notified
- Business Gateway (BG) notified
- Social Enterprise Team (SET) notified

Social Enterprise Team (SET)

- Arrange appointment with TSO
- Send Stage One Application Pack
- Diarise Stage 1 completion date with Assessment Panel

**SET undertake an initial assessment of
questionnaire with TSO**

- Capacity of TSO
- Available support
- Viability
- Sustainability
- Alternative uses
- Recommendations

**TSO return completed Stage 1 application to SET for
Scoring and Validation process**

**Application evaluated by two officers, verifier and
assessment panel**

**Estates produce and submit a report with appropriate
recommendations to the Area Committee**

**Market asset for
sale or lease**

**Explore asset
transfer**

**Re-allocate
asset**

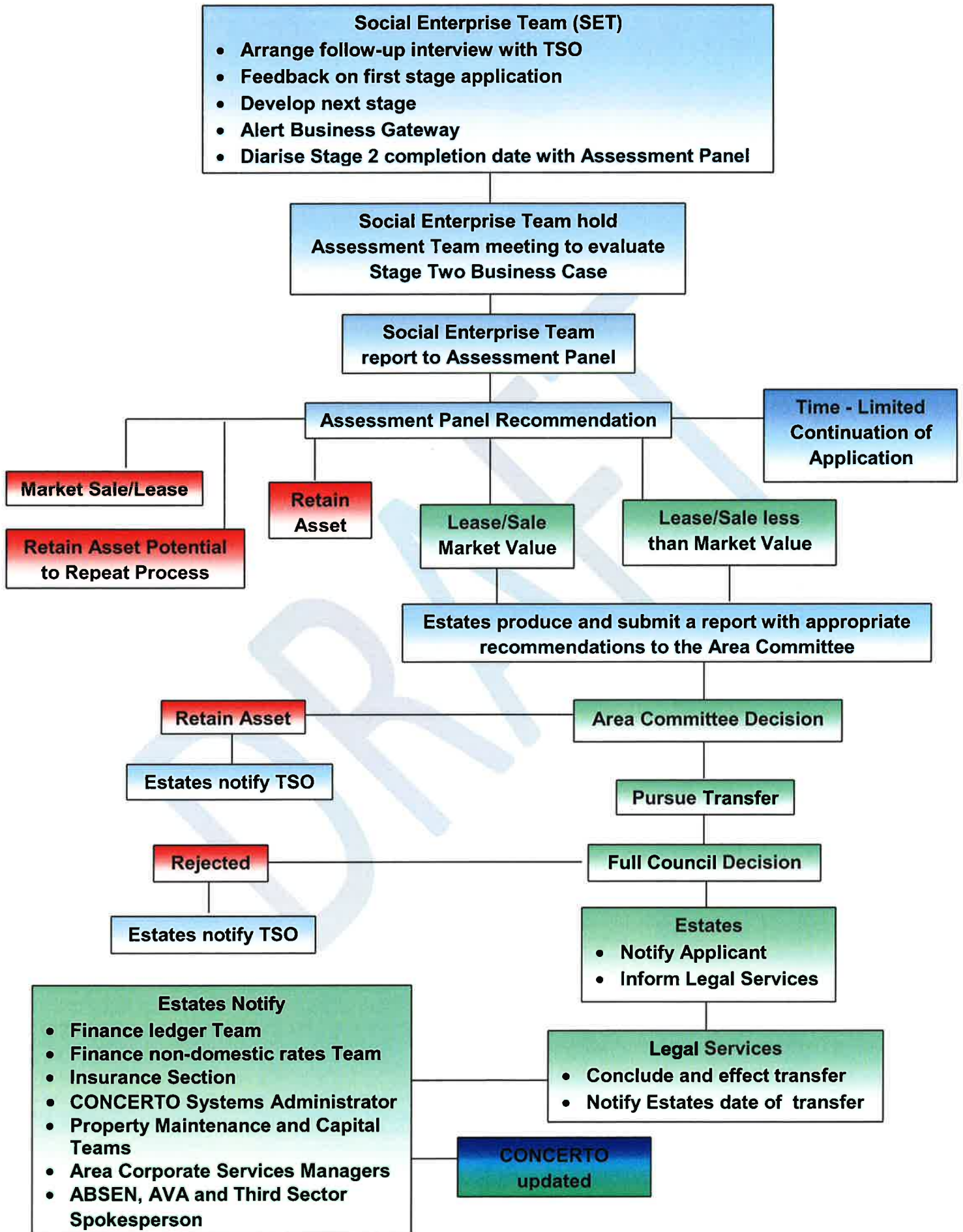
**Retain
Asset**

**Proceed to Stage 2
Process**

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STAGE TWO		
Stage Two	Action	Responsible
1.0	Social Enterprise Team to arrange follow-up interview with applicant to develop next stage and feedback on first stage application.	Social Enterprise Team
1.1	Social Enterprise Team to alert Business Gateway and others, where appropriate, to possible support required.	Social Enterprise Team
1.2	Social Enterprise Team to contact the Assessment Panel to arrange backstop date for Stage Two Business Case review.	Social Enterprise Team
1.3	Social Enterprise Team hold Assessment Team meeting to evaluate Stage Two Business Case based on robust framework and measurement criteria.	Social Enterprise Team/ Independent Chair
1.4	Social Enterprise Team report to meeting of Assessment Panel.	Social Enterprise Team
1.5	<p>Assessment Panel reach decision and instruct Estates to proceed to Area Committee, subject to conclusion of any appeal or challenge action, if any. Recommendation potentially either:-</p> <ul style="list-style-type: none"> • Proposed transfer of asset by lease or sale at market value. • Proposed transfer of asset by lease or sale at less than market value. • Continuation of application for specified period of time to allow for legitimate outstanding issues in relation the Application to be resolved. • Retention of asset indefinitely. • Retention of asset and repeat of potential availability process. • Market for sale or lease. 	Panel Chairman/Senior Estates Surveyor
1.6	<p>Area Committee Decision:-</p> <ul style="list-style-type: none"> • Not to pursue transfer – Estates to advise Applicant accordingly. • To pursue transfer – See 1.8 	Area Committee

	below.	
1.7	Remitted to Full Council for approval. <ul style="list-style-type: none"> • Transfer rejected – Estates to advise Applicant accordingly. • Transfer approved – See 1.9 below. 	Area Corporate Services Manager
1.8	Estates notify Applicant and pass all relevant information to Legal Services with instruction to conclude agreement on behalf of the Council.	Senior Estates Surveyor
1.9	Legal Services conclude agreement and effect transfer. Estates notified of date of transfer.	Chief Solicitor
1.10	Estates send notification of transfer to:- <ul style="list-style-type: none"> • Finance ledger Team • Finance non-domestic rates Team • Insurance Section • CONCERTO Systems Administrator • Property Maintenance and Capital Teams • Area Corporate Services Managers • Third Sector Partnership and Lead Councillor for Community, Culture, Customer and Communication 	Senior Estates Surveyor
1.11	CONCERTO updated	Systems Administrator

**Stage 2
Application Process**



Draft Asset Transfer Implementation Plan				
Action	Date	Where	Required	Action
News Release	September 2012	<ul style="list-style-type: none"> Local Press Website Third Sector Partnership 	Content to include info on Planned Training and Official Launch	Social Enterprise Team/ Communications Team
Potential Assets Identified	September 2012		Report for SAMP (Service Asset Management Plan)	Heads of Service
Assets Considered for Transfer	October 2012		Investigation of Estates, Planning, Legal and Finance issues	Head of Facilities/Strategic Asset Manager/ Senior Estates Surveyor
Elected Members Training	October Area Committees	Relevant Areas	Presentations	Strategic Asset Manager/ Social Enterprise Team
Officer Training	October 2012	Kilmory	Presentations	Strategic Asset Manager/ Social Enterprise Team
Third Sector & Communities CPP Training	15 th November 2012	Kilmory	Presentations	Strategic Asset Manager/ Social Enterprise Team
SAMB Approval	November 2012		Business Case	Holding Department
Scoring & Evaluation Officer Training	November 2012	TBC	Presentation/ Practical Exercise	Strategic Asset Manager/ Social Enterprise Team
Creation of Sharepoint Site	November	Kilmory	Training	IT Services/Web Team
Launch	End of November 2012	Inveraray Venue TBC		Strategic Asset Manager/Social Enterprise Team DTAS/OSCR/HIE/BIG Lottery Fund/Member representation TBC
Open Community Group Training	4 Sessions November/ December 2012	LACPG meetings TBC	Presentations/ Potential Webinar for Islands	Social Enterprise Team/Strategic Asset Manager/ DTAS
Assets Approved for Release	December 2012		Report including Prioritisation	Estates/Area Committee
Go Live	January 2013	Website/Third Sector Partnership/		