

In 2022,
49.63% of
adults in the
UK reported
feeling **lonely**
occasionally,
sometimes or
often

Research shows
that third spaces
provide
opportunities for
social interaction
& empower
communities to
be more **resilient**
and **better-**
connected

How do we
prioritise
protecting
third spaces
for **future**
generations
?

Executive Summary

Communities play a vital role in improving local outcomes. For some assets, “best value” will be to safeguard community service delivery by transferring an asset to a community group, rather than an open market disposal or maintaining it on a peppercorn rent. Transferring the asset typically allows the community group to attract better funding and grants, invest in the asset, and collaborate with other groups.

CAT's are not a quick fix to save money.

CAT's should be considered as part of a wider Asset Strategy and Service Delivery Plans, and not seen as a route to dispose of low value, poor condition assets to community groups even less able to fund them than the Council, often resulting in collapsed groups and hidden liabilities for the Council. The best outcomes come from longer term, partnership planning, and often community groups need to be convened by the Council where one does not already exist.

Rather than targeting CAT's, treating all assets like an ACV, and following a similar process, can help reduce risk and accelerate delivery. In any case, a clear strategy, evaluation framework, support package and governance is required.

What Is A Community Asset Transfer (CAT)

CAT is the transfer of land or building ownership from a statutory body to community organisations for a price below full market value

The main goal for CAT is

- To achieve public benefit
- To remove surplus assets and maintenance pressures on the local authority
- A CAT can be asset only, or is increasingly accompanied with a service transfer, with or without a grant

Why is there a need for this procedure?

- When a number of public assets are either diminished in service or futile, creating pressures on the public finances via maintenance costs EG Town Halls, Schools, Courts
- This results from reduction in local budgets and public structure changes - local government reorganisation/demographic shifts
- Often these buildings are in prime central neighbourhood locations or listed buildings, inhibiting redevelopment of space

What does this mean for the community?

- Transferring assets to local community organisations enables utilisation of an alternative business model that encourages community enterprise, volunteer commitment, utilising local intelligence
- Community action can create safe spaces and a thriving community hub that attracts social investment

CATs vs ACVs

An ACV is an Asset of Community Value. It is important to differentiate ACVs from CATs. The Localism Act allows community groups to nominate buildings or land to their local authority as an asset of community value. These are building or land that can be owned outside of the local authority. If the local authority agrees that the nomination meets the test of being land of community value, the council would place the asset on a list of assets of community value for a period of 5 years.

ACVs introduced a community right to bid, and thus if the owner of a listed asset decided that they wish to sell the asset during the 5-year period of listing, then they must notify the local authority who would inform the nominating community group. The group then has a right to trigger a moratorium of up to 6 months to raise the purchase price. At the end of moratorium period the asset owner is free to sell to whoever they choose. Which differs from a CAT where the local authority remain the asset owner.

Multiple Asset Transfer

Multiple asset transfer to local communities is increasingly in demand as local authorities prioritise efficient asset ownership, reducing excess expenditure and reconfiguring current service provisions

Cross-subsidy is one solution, where one income generating asset is used to subsidise costs of a community facility that would otherwise be unsustainable if simply transferred under CAT

Multiple asset transfer categories:

Place-based

Transfer of mixed assets within a local authority to underpin new community enterprises

Service-led

Transfer of specific services (library) that are costly or inefficient. Including service redesign and modernisation

Asset type

Identifying multiple transfer options for specific types of asset (community centres or sports facilities)

Case Study - Multiple Asset Transfer and Library

Glendale Gateway Trust, Northumberland



The local community set up the trust and decided a community resource centre was required. The trust bought a derelict building via CAT from the council and raised £750,000 for the conversion works.

Once the Cheviot Centre opened in 2001 it provided a tourist hub, meeting exhibition and office space for a range of voluntary and community organisations.

The trust currently hold £1.4 million in assets. It stimulates local economic growth by generating annual income of £143,000 from assets and employs 10 people

Next steps: Completing an asset transfer of the former library and transforming it into two affordable housing units

Crofton Park Library, Lewisham



Social enterprise Eco Computer Systems saved three libraries that were threatened with closure in 2010 via an open procurement process.

Crofton Park Library was essential for families with young children and for those who required free internet access.

Eco Computer Systems opens the library for 40 hours per week with 35 volunteers. They created a community hub via provisions of book loans, children's reading initiatives and activities. New additional services like community café, computer recycling and hire rooms generate more income streams.

Next steps: Plans to hire a part-time manager, run pre-employment and IT support sessions, "pop-up" cinema and community radio station

Case Study - Community Centres

St John's Community Centre, Mildenhall, Suffolk



The ST John's estate is becoming uneconomical to operate, due to high social housing and an ageing population

Partnership between Keystone Development Trust and district council have agreed to build and new centre and 20+ homes , with Keystone owning and operating.

The development utilises a counterweight cross subsidising strategy, where the homes are all social housing, except three which are rented. The rent income generated will support the costs of running the centre. This means the local authority does not fund the maintenance of additional services

Hay-on-Wye Cheese Market, Wales



This grade II listed building was council surplus and needed repairs. A CAT was granted under the Heritage Lottery Fund.

The building was renovated using sustainable methods and materials to preserve the building. Creating short term jobs for the local economy and long term growth though a thriving community

The building now has a community space on the ground floor and holiday rentals on the first floor that provide vital income

This scheme enables community engagements, utilisation of unused space and job creation. However, the grade listed building had many legal constraints thus the project took four years to complete

Friends of Jubilee Pool, Bristol



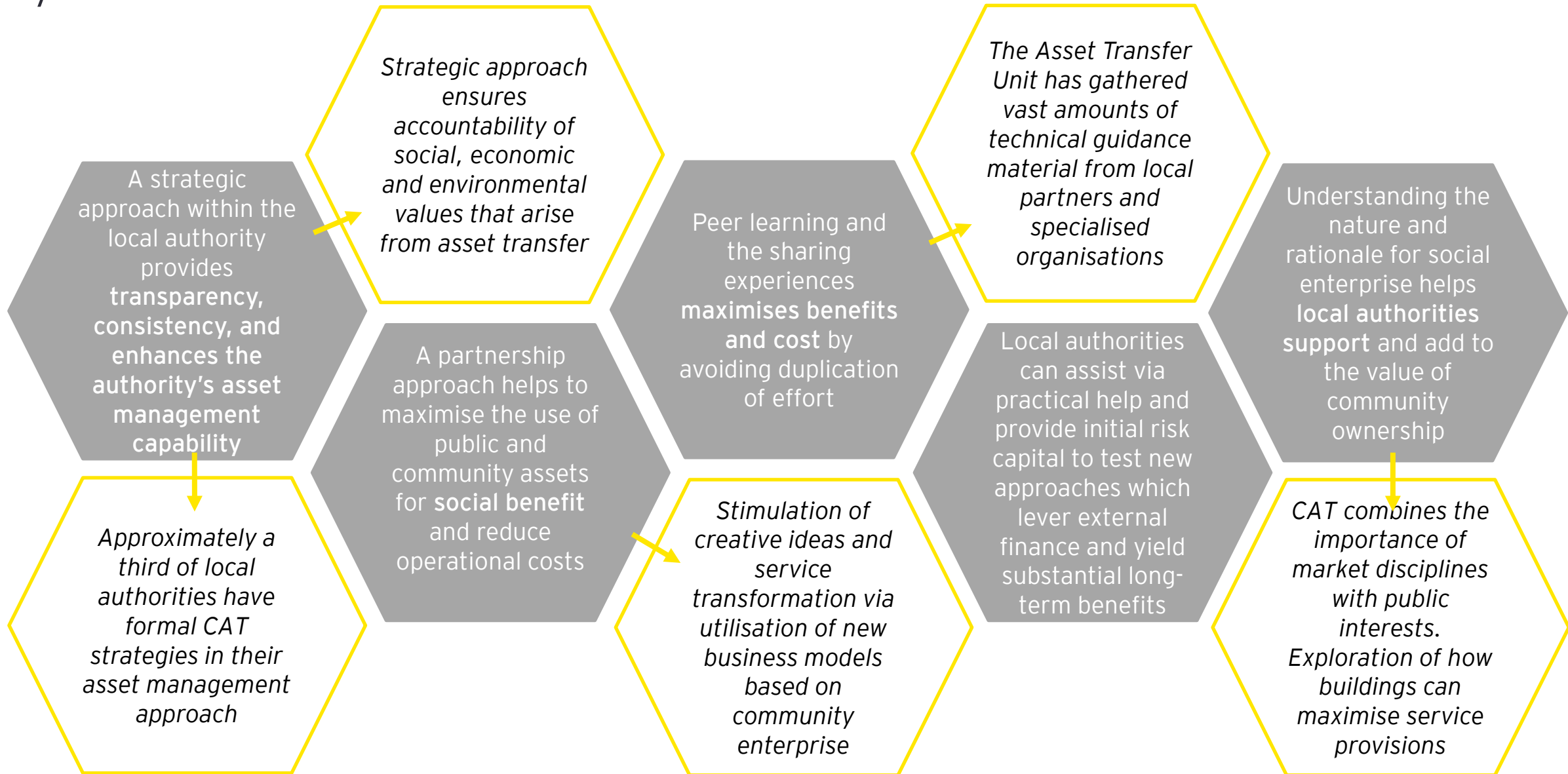
In December 2021 the FoJP was established as a not-for-profit company to bid and manage the pool and gym via CAT. They had five directors and 15 local Bristolian volunteers

The goal was to provide a leisure centre that was good quality, sustainable, local and accessible. They was also emphasis on commemorating the rich intergenerational history of the pool.

Thus far the FoJP have begun the CAT bid process, generated a business plan, have a quote for the maintenance costs and conducted a 24 hour swim to begin offsetting the costs

The next step is to gather community opinions and to understand what the local community would like to see in their leisure centre

Key Lessons



Key Considerations



Local Authorities Support

- Support via access to property management and accounting expertise within the council
- Offering short licenses and leases in the early stages of a transfer during a “testing” period
- Offering sale or lease terms that are proportionate to the social nature of the organisation instead of profit-based
- Recognising the value of initial investing capital can reassure potential social and private investments

Community Rights



- This gives Parish councils and local community groups and neighbourhood forums the ability to nominate assets which will be of community benefit
- Neighbourhood forums require 21 members on the electorate register to have input
- All participating bodies must show they are holistically concerned with the asset benefit to the local authority area



Building Quality

- Ensuring provision of full information for maintenance requirements and costs of the building in question

Sustainability



- Choosing locations of community value that are not in use currently, but can be useful in the long-term
- Buying assets with non-ancillary value IE a potential constant main usage. *Example; not agricultural fields that are used for festivals annually*

How can a local authority ensure a successful CAT?



1

Securing high level support of the Council

Assign a dedicated team responsible for the liaising with potential community groups & access to inhouse expertise such as property management.



2

Preparation

Provide clear signposting to useful business planning materials that will help the community to write their business plan



3

Securing support of the Councillors

Ensure that the relevant Councillor is engaged with the business plan and has provided insight and feedback



4

Engage with Community Stakeholders

Connect community stakeholders that may be interested in the CAT and keen to be involved/offer support



5

Convening & Supporting

Convene with all key stakeholders to support them to collaborate and develop a plan suitable for all parties. Provide signposting to opportunities for relevant business planning upskilling



6

Launch CAT Bidding Process

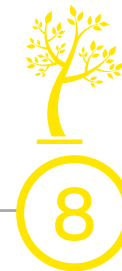
Prepare an opportunity to scrutinise the business plans, providing helpful insight into potential challenges as well as relevant solutions



7

Financing

Create a small investment pot to kick start applications. In addition, provide clear signposting for grant funding and relevant loans.



8

Reporting

Offer a feedback loop in the form of a monthly stakeholder update to offer support and share learning opportunities as well as key contacts for further support.

A Local Authority Strategy for CATs

