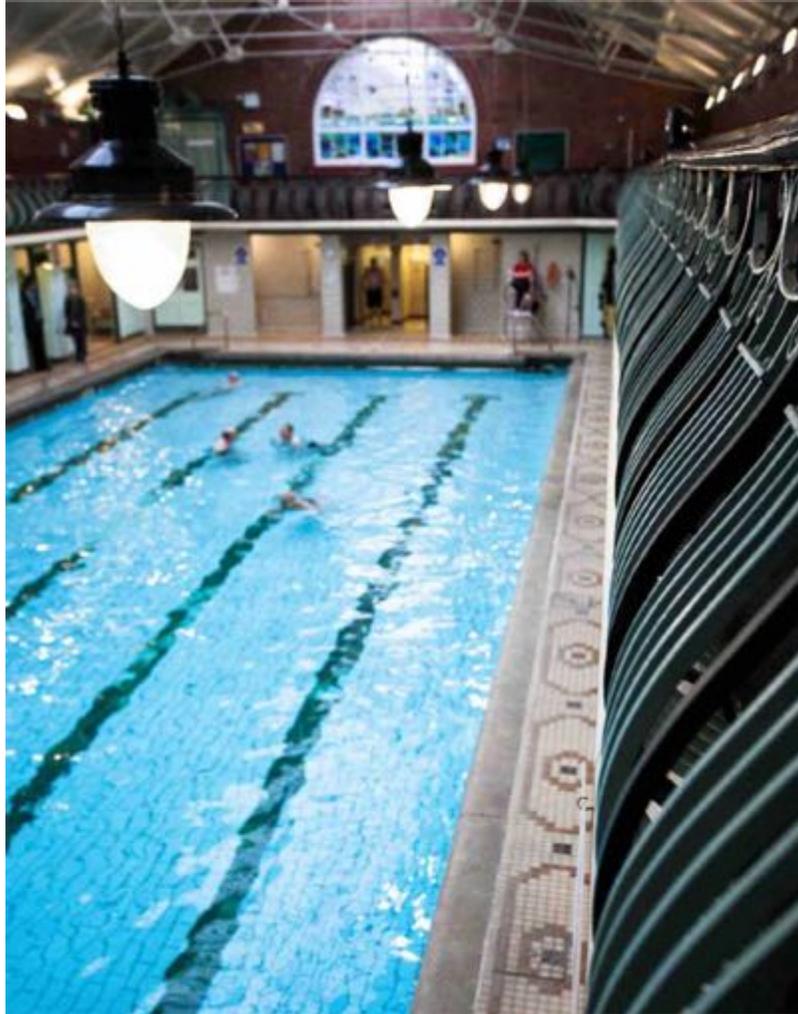


Introduction to Asset Transfer



Daniel Rose
March 2019

Remember him?



Localism Act 2011

Powers and Governance

- General power of competence
- Local authority governance arrangements
- Mayoral arrangements
- Standards
- **Community rights**
- Council tax referenda
- **Community right to challenge**
- **Community assets**

Planning

- Plans and strategies
- Regulations
- Community right to build
- Duty to co-operate

Social housing

- Overview
- Allocations and tenure reform
- Homelessness
- Regulation
- Self- financing



Localism Act 2011

Remember him?



"I think it is reasonable that councils shouldn't use their new found freedom to saddle up the horses, arm their citizens and invade France. Apart from that, the world will be your oyster"

Community Rights

Community Right to Challenge

- Allows expressions of interest by voluntary and community bodies; organisations set up for solely charitable purposes; parish councils; and by two or more employees of the local authority;
- The right to challenge is not limited to locally based organisations;

Community Rights

Right to Bid for Community Assets

- Local voluntary and community organisations nominate local land or buildings to be included in lists of community assets (known as ACV);
- ACV list maintained by LA's;
- LA has 8 weeks to respond with a decision;
- Community group must satisfy the land or building provides *social wellbeing or social interests of the local community*. Or in 'recent past' or 'realistically occur' within 5 years;
- The community group making the request for listing must also demonstrate its local connection and public benefit;

So then what.....?



Community Rights

Right to Bid for Community Assets

If listing as an **Asset of Community Value** is achieved...

- Remains on the list for 5 years and appears on Land Registry;
- Requires private owners to notify LA if they intend to dispose of the asset;
- This triggers a 6 month moratorium when groups can come forward within the first 6 weeks to become potential bidders (groups must have a legal status);
- If no bidder comes forward within the 6 weeks then the owner may proceed to marketing for sale;
- The group essentially gets the 6 months to prepare a bid and resolve investment issues etc;
- At the end of the 6 months a standard sale process commences and is open to all other private bidders too;
- Commonly applied to pubs, libraries, community centres.

Community Asset Transfer

- Applies to publicly owned assets;
- The transfer of management or ownership at less than market value;
- A voluntary process entered into by public bodies – ie this isn't right like the Right to Bid;
- Can be a range of methods: licenses, short to medium leases, long lease, freehold disposal.

Community Asset Transfer – successes



Community Asset Transfer – failures?



Community group is praised for its heritage expertise **Trust triumphs in bid to run Lydiard**



© The Lydiard Park Heritage Trust. Photo by John. Robert. Picture: 019844 403,007



Some London examples



Community Asset Transfer – process

- Campaign mode
- But what will you actually do with it? Options Appraisal
- Will it add up? Viability work
- Engaging the community
- Planning and licensing considerations
- Management options
- Funding options (poss community business?)
- Capacity, skills and leadership

Community Asset Transfer – learning?

- Due diligence – actually do some....even if the LA doesn't!
- Get as much data as possible from the LA – finances, staffing, energy arrangements and usage data;
- Condition – and then negotiate a deal
- Organisational structure;
- Lease arrangements and liabilities;
- Prepare for snagging issues and the unexpected;

Summary



Discussion and questions

