

POLICY & RESOURCES SCRUTINY COMMITTEE

9th JUNE 2016

Asset Transfer Annual Report 2015/16

To consider and comment on the following issues:

- That the Committee considers and comments on the annual update on progress of Community Asset Transfers.

Reasons:

- Following the resolution of the Policy & Resources Scrutiny Committee on 30th April 2015 to include an update in its Forward Work Programme.
- To enable members to exercise their scrutiny role in relation to performance monitoring.

To be referred to the Executive Board / Council for decision: NO

Executive Board Member Portfolio Holder: Cllr. David Jenkins (Resources)

Directorate: Environment	Designations:	Tel Nos. / E-Mail Addresses:
Name of Head of Service: Jonathan Fearn	Head of Property	01267 246244 jfearn@sirgar.gov.uk
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EXECUTIVE SUMMARY

POLICY & RESOURCES SCRUTINY COMMITTEE 9th JUNE 2016

Asset Transfer Annual Report 2015/16

Following the Community Asset Transfer progress report provided to the Policy & Resources Scrutiny Committee on 30th April 2015, it was resolved that an update be provided to members as part of the Committee's forward work programme. The purpose of this report therefore is to bring members up to date with the present position in relation to all Community Asset Transfers in the County.

This annual report includes details of progress on all property types that are the subject of asset transfer discussions. It is not the purpose of this report to go into great detail on individual cases, but to provide Members with an overview of the present position and future direction on Community Asset Transfer.

A copy of the Council's adopted Procedures for Community Asset Transfer is included at Appendix 1. This document, together with those from other local authorities, has recently been reviewed by the Welsh Government's National Assets Working Group and a Best Practice Guide was published at the beginning of April 2015. This has recently been updated and is included at Appendix 2. The Council's Property staff contributed to the production of this national guidance and case studies.

The Asset Transfer process is not new, however, in recent years, due to the financial climate, it has gained greater prominence. It has been highlighted as one way forward to ensure that assets are retained and used for the benefit of the communities they serve, both now and for future generations.

A cross-departmental Asset Transfer Team, Chaired by the Head of Property, co-ordinates and ensures a consistent, corporate approach to asset transfer discussions.

Appendix 3 documents the Transfers that have taken place to date, together with a brief synopsis of transfer discussions that are presently ongoing with Community and Town Councils and other interested organisations, which mainly relate to parks and playgrounds.

Members will be aware that heightened interest in the Transfers of parks, playgrounds and amenity areas has been prompted by the proposal in 2014 to increase charges for use of sporting facilities. Discussions on asset transfers have been ongoing for some time alongside proposals from the Grounds Maintenance Section to restructure payments with the relevant sporting organisations. It is not within the remit of this report to provide an update on the revised fee structure for sporting facilities.

A report is due to be taken to the Executive Board on 20th June 2016 in relation to Parks, Playgrounds and Amenity areas, highlighting the Town and Community Councils that have expressed an interest (EOI) in taking transfers of assets in their respective areas. The report also notes the wards and assets that had not been the subject of EOIs.

With regard to the recreational assets, of 27 Town and Community Councils with relevant assets, 18 (66%) have submitted an EOI covering 81 assets. That leaves 9 Community Councils involving 35 assets where no expressions have been received or an initial interest has been lodged but subsequent correspondence indicates otherwise. An additional 13 expressions of interest have also been submitted by various sporting groups for a range of assets. There are a further 30 Community Council areas where recreation assets are already managed locally rather than by the County Council. The Council is in various stages of discussion with the range of Community Councils and groups that have expressed an interest in the facilities. Some transfers have been undertaken on licence pending completion of issues raised by the Coal Industry Social Welfare Organisation (CISWO) such as Pontyberem Park and Parc Stephens, Kidwelly. CISWO has a legal interest in these facilities. The majority of transfers are currently in the hands of solicitors, with others remaining at an early discussion stage.

Members will be aware that, in order to support the transfer of these assets the Council resolved to provide a Maintenance Grant equal to twice the previous year's direct maintenance cost. In addition the Executive Board earmarked an Asset Transfer Fund of around £250,000 to provide Improvement Grants capped of up to £10,000 per organisation. Both the Maintenance and Improvement Grants can potentially be used by organisations as match-funding for grant applications for improvements or new facilities on the property transferred.

The Executive Board report on 20th June will set out the position in relation to recreational facilities following the EOI deadline of 31st March 2016. The report will highlight the properties that have not been the subject of an EOI and seek a decision on the future process and timing for dealing with these assets, together with the future availability of Maintenance Grants.

In summary, some good progress is now being made with various Community and Town Councils, however, it is appropriate to consider the implications of not receiving expressions of interest and incentivising transfers where discussions are in their early stages. There have been delays in the process mainly due to:

- Legal issues and in particular land held on trust - transferring certain assets is not straightforward, with the Council in many instances holding the land as trustees for the benefit of defined beneficiaries (in most instances the local community). The terms of these Trusts require specific legal processes to be followed.
- Poor condition of assets - there is limited condition information available and interested parties often have to undertake their own assessment of need based on their future intentions for the premises. In some instances a condition survey will be dealt with as part of preliminary work in connection with grant related schemes to upgrade facilities.

- Linked to the above issue is a reluctance to take on assets that are perceived to be liabilities and the desire to deal with all outstanding issues whether directly or indirectly related to the premises in advance of Transfer.

The Property Division, working with officers from across the Council, continues to focus efforts on progressing transfers to ensure that services and provision important to local communities for current and future users are retained.

<p>DETAILED REPORT ATTACHED?</p>	<p>NO but following appendices are included:</p> <p>Appendix 1 – Carmarthenshire County Council's Community Asset Transfer Procedures 2013/16</p> <p>Appendix 2 – Community Asset Transfers in Wales: A Best Practice Guide by the National Assets Working Group (NAWG), March 2016</p> <p>Appendix 3 – Carmarthenshire Community Asset Transfers: Present position on current discussions</p>
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Jonathan Fearn Head of Property

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	NONE	YES

1. Policy, Crime & Disorder and Equalities

Contributes to the Making Better Use of Resources Theme. In the event that the Council receives no interest in taking a transfer of a particular recreation asset, a suitable consultation process would be required and equalities impact assessment to determine future provision.

2. Legal

Requires legal input to formalise the agreements. Asset transfers, in accordance with the adopted Procedures, are undertaken on a long-leasehold basis.

3. Finance

Asset Transfer provides for greater efficiency and subsequent revenue savings.

5. Risk Management Issues

Asset transfers would normally pass insurance responsibility via the lease to the tenant, reducing the County Council's liability.

7. Physical Assets

Asset transfers ensure the continued use of the assets concerned for the benefit of present and future generations.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: Signed: Jonathan Fearn Head of Property

1. Local Member(s) – Consulted as part of the asset transfer process and prior to any disposal.

2. Community / Town Council – Various consultations / workshops and meetings held.

3. Relevant Partners – Various consultations / workshops and meetings held with sporting groups and third sector bodies.

4. Staff Side Representatives and other Organisations – N/A

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW:

Title of Document	File Ref No. / Locations that the papers are available for public inspection
Asset Review	Property Division, Environment Department
Asset Transfer and Co-Location (Policy & Resources Scrutiny Committee – 30th April 2015)	Agenda http://online.carmarthenshire.gov.uk/agendas/eng/POLI20150430/index.asp Minutes http://online.carmarthenshire.gov.uk/agendas/eng/POLI20150430/MINUTES.HTM
Community Asset Transfer Committee Papers	Agendas and Minutes http://democracy.carmarthenshire.gov.wales/mgListCommittees.aspx?bcr=1