

AGENDA ITEM No. 14(c)

NORTH LANARKSHIRE COUNCIL

REPORT

To: LEARNING & LEISURE SERVICES COMMITTEE	Subject:- ASSET MANAGEMENT – PROMOTING ASSET TRANSFER (UPDATE REPORT)
From: HEAD OF COMMUNITY INFORMATION & LEARNING	
Date: 31 MARCH 2011	Ref: IM/LMcM/MS

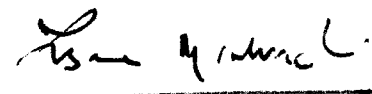
INTRODUCTION

The purpose of this report is to provide information, to committee, on the outcome of the joint work carried out by North Lanarkshire Council's regeneration services, property services and Voluntary Action North Lanarkshire (VANL) regarding the development of a community ownership model for Bargeddie and Holytown community facilities.

RECOMMENDATIONS

The learning and leisure services committee is recommended to:-

- (i) approve that, for the pilot projects, up to 2 years support be put in place for Holytown and Bargeddie community facilities including:-
 - up to 2 years rental free period;
 - up to 2 years repairs and maintenance support;
 - up to 2 years continued support from to build capacity; and
 - up to 2 years revenue grant funding to the value of £5,000.
- (ii) remit this report to the Regeneration Committee for its consideration.



Members wishing further information please contact:

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ASSET MANAGEMENT – PROMOTING ASSET TRANSFER (UPDATE REPORT)

NORTH LANARKSHIRE COUNCIL: LEARNING & LEISURE SERVICES

Report by Head of Community Information and Learning

1. INTRODUCTION

The purpose of this report is to provide information, to committee, on the outcome of the joint work carried out by North Lanarkshire Council's regeneration services, property services and Voluntary Action North Lanarkshire (VANL) regarding the development of a community ownership model for Bargeddie and Holytown community facilities.

2. BACKGROUND

Promoting Asset Transfer – Demonstration Projects

- 2.1.1 Members will recall that in 2009, the Development Trust Association Scotland received funding from the Scottish Government to deliver the Promoting Asset Transfer programme which aims to increase understanding and awareness of the benefits and risks in the transfer of assets from local authorities to community organisations. North Lanarkshire was successful in the bid to become one of the pilots. The aim of the project was to develop a strategic approach to community ownership under the Promoting Asset Transfer programme.

The North Lanarkshire asset transfer programme had two distinct themes namely to:-

- support the two pilot projects through the asset transfer process; and
- develop a Council Community Asset Transfer policy.

- 2.1.2 During the pilot it quickly became apparent that the support available through the Promoting Asset Transfer programme was only available directly to community groups participating in the pilot projects and not the local authority. It had been anticipated that the specialist consultancy support would allow the authority to review our current policy in relation to surplus assets. Due to the fact that both the Bargeddie and Holytown committees had only recently formed to consider the possibility of becoming responsible for a community asset they did not have in place the capacity or required committee structure to participate fully in the pilot from the early stages. As the council and partners were not able to draw down funding on their behalf we were not able to access the specialist support.

3. CONSIDERATIONS

Surplus Property Policy

Participation in the pilot process has however highlighted a need to review North Lanarkshire Council's existing Surplus Property Policy and standard practice in relation to the lease or sale of public assets. The pilot identified that the current policy for sale or lease of land or assets could be adapted in accordance with the Disposal of Land Regulations, to assist the Council with achieving further efficiencies through Community Asset Transfer. The proposed amendments to the current policy will be subject of a future committee paper. The purpose of this report is to update committee specifically in relation to the Bargeddie and Holytown pilots.

3.2 Community Transfer of Council Assets

The transfer of council assets to community groups would allow the Council, in accordance with the Community Engagement Strategy (2009), to ensure that consistently across all parts of the council, we focus first and foremost on customers and respond to their needs whilst operating in a way in which:

- delivers improved public services;
- achieves better corporate working and improves service coordination;
- improves operational efficiency and minimises overheads;
- exploits the tremendous business improvement opportunities presented through the ongoing development of new technology; and
- fully values the contributions of our staff and partners.

The Council currently has three main options to consider when a property is deemed as surplus to operational requirements:-

- (i) to sell at market value;
- (ii) to lease the property at market value; and
- (iii) to hold for future opportunity.

To achieve the above priorities set out in the Community Engagement Strategy our participation in the demonstration project has identified that a further option should be put in place, this fourth option being:-

- (iv) In accordance with the Disposal of Land Regulations consider disposal to a group at less than market value, thus allowing the community access to facilities at a reasonable price if they meet the criterion contained within the Disposal of Land regulations:-
 - (a) Economic Development or Regeneration;
 - (b) Health;
 - (c) Social Wellbeing; or
 - (d) Environmental Wellbeing.

The implications of the Disposal of Land Regulations and the above proposed amendments to the current surplus property process will be outlined in more detail in a future report which will detail the criterion and proposed amendments to the policy.

3.3 Bargeddie & Holytown Pilot Support

Participation in the pilot project has identified that appropriate support to develop the organisations capacity would need to be put in place if the pilot projects are to succeed. The proposal is that from 1st June 2011 until 1st June 2012 the two organisations will be fully supported by the Council and VANL to develop their capacity and prepare them for taking on the responsibilities associated with operating the facilities from June 2012 onwards.

Throughout this process the user committees will be assessed to ensure that the appropriate financial governance and management structure is developed. If it is found that by June 2012 the committees are in a position to take on responsibility for the asset the proposal would be to initially lease the facility at no charge for a period of two years. Additional revenue support to the value of £5,000 will be made available to the Bargeddie and Holytown committees for financial years 2012/13 and 2013/14. After this interim two year period the option to transfer the community asset will be considered if it is found that the groups are sustainable and complying with the criterion contained within the Disposal of Land regulations. In addition the Council will continue to repair and maintain the facilities until June 2013. The committee need to be given the opportunity to generate cash reserves and attract funding that will allow investment in the fabric of the building as both facilities require significant investment to allow them to continue to operate.

- 3.4 A review of the surplus process will be undertaken by Property Services. On conclusion of this review a report will be submitted to the appropriate committee with recommendations that allow the Council to ensure that opportunities that allow improved public services to be delivered, more efficiently are maximised. For any assets subsequently declared surplus to requirements the holding department will be required to liaise with Property Services during the initial consultation process to ensure that the value of the land or property is identified. If a substantial capital receipt can be generated, this will influence whether or not the asset will be deemed appropriate for community asset transfer.

4. CORPORATE CONSIDERATIONS

4.1 Financial Implications

The additional revenue support to the Bargeddie and Holytown committees will be met from the learning and leisure services community facilities revenue budget.

5. RECOMMENDATIONS

The learning and leisure services committee is recommended to:-

- (i) approve that, for the pilot projects, up to 2 years support be put in place for Holytown and Bargeddie community facilities including:-
 - up to 2 years rental free period;
 - up to 2 years repairs and maintenance support;
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