

ABERDEEN CITY COUNCIL

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COMMITTEE	Finance Policy and Resources
DATE	9 March 2017
INTERIM DIRECTOR	Bernadette Marjoram
TITLE OF REPORT	Community Asset Transfer Procedure 2017
REPORT NUMBER	CHI/17/036
CHECKLIST COMPLETED	Yes

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1. PURPOSE OF REPORT

The Report provides an update on the community Asset Transfer section of the Community Empowerment (Scotland) Act 2015. It advises on the technical guidance issued by the government in late November 2016 and of the Act coming into force from 23 January 2017. It provides a draft procedure to ensure the council is compliant and consistent in its approach to transfer requests and asks that this be adopted as a draft procedure and that a further consultation process be undertaken in this regard.

2. RECOMMENDATION(S)

It is recommended that :-

- a) The committee approve the draft procedure.
- b) The committee agree to the establishment of a sub-committee to review appeals against decisions.

3. FINANCIAL IMPLICATIONS

There will be a range of financial implications in relation to the implementation of a formal policy around community asset transfer which will have to be assessed on a case by case basis when the policy is implemented. There is the potential for capital receipts to be lost to the council if assets are transferred at less than market value whilst there are potential revenue savings if buildings are transferred to the operation and maintenance of others.

Each project will carry its own financial risk profile and will have to consider wider competition issues and state aid.

#### 4. OTHER IMPLICATIONS

The procedure has a range of wider implication particularly in relation to the resource required to undertake the actions identified within the procedure, review applications and undertake the necessary due diligence.

#### 5. BACKGROUND/MAIN ISSUES

The Issues around Community Asset Transfer where last reported to committee in September 2014.

<http://councilcommittees/documents/s40909/Community%20Asset%20Transfer%20-%20Policy%20Development.pdf>

<http://councilcommittees/ieListDocuments.aspx?CId=146&MId=2908&Ver=4>

The report recommended that members note the content of the report and it instructed officers to develop an approach to Community Asset Transfer which is as close as possible to be consistent across the organisations within the Community Partnership.

Since this time the Community Empowerment Act 2015 has come into force and part 5 which deals with Community Asset Transfer had legislative effect from 23 January 2017. The technical guidance to support this was made available in late November 2016, making this the first opportunity for a procedure reflecting the guidance to be brought to a committee. Further information can be found on the Scottish government web-site noted below.

<http://www.gov.scot/Topics/People/engage/AssetTransfer>

The proposed procedure which the council will adopt, subject to committee approval, is attached as an appendix to the report. This will initially be provided as a draft procedure until full consultation has been undertaken with our community planning partners and the wider community. A further report will be brought to a meeting of this committee thereafter to incorporate recommendations of partner agencies and from the wider consultation. It is considered that the consultation on the procedure will be relatively low key and involve web-site based responses.

Members are asked to be aware of a number of key issues within the procedure:-

- The technical guidance suggests that asset transfer requests should be approved unless there is a reason not to approve them.

- At this time the single point of contact for all enquiries will be the Asset Management Manager who will chair an officer panel to review all applications. The panel will include officers from community's team, legal and finance and other council departments, subject to the nature of the application. The panel could also potentially include community planning partners.
- All requests for community asset transfers requests, with a recommendation will be reported to this committee whether a discount is requested or not or whether or not it falls within delegated levels for property disposals.
- An investment in ICT infrastructure to support the process will be required. This is currently under discussion with other partners to try and identify economies of scale etc.
- A review panel for rejected applications will require to be created. This should be composed of elected members and not officers. Training for the elected members involved will require to be considered.
- The committee should be aware that a right of appeal to the Scottish government can be made if the review panel refuses the application.
- The committee should be aware that a right of appeal also exists if the transaction is not concluded within a period of 6 months from the date of the approval of the application.

## 6. IMPACT

### **Improving Customer Experience –**

*Having a formal procedure that is open and transparent will improve the customer experience for communities making request in so far as it clearly identifies each parties roles and responsibilities.*

*Longer terms there are opportunities to look at different service delivery models with communities through the use of council assets.*

### **Improving Staff Experience –**

*Staff experience will be improved through the availability of a clear, succinct policy giving certainty around roles and responsibilities.*

### **Improving our use of Resources –**

*The principle behind community asset transfer is to use all public assets to best serve the communities they represent. The procedure gives the opportunity to consider proposals in a consistent way and an ever changing environment.*

*As a public sector organisation, the Council has a legal duty to be open, transparent and accountable for assets and the procedure sets the parameters for this.*

### **Corporate -**

*The Aberdeen local outcome improvement plan makes a number of references towards how the partners will engage with communities around asset transfer. This procedure provides the framework to do this. The procedure also makes it clear how decisions around asset transfer should link back in to the improvement plan.*

**Public –**

*The report will be of some public interest in so far as it provides a framework for community asset transfers.*

*An ehria scoping report is include within the appendice. The policy makes it clear that equality and fairness issue will be key factors in the decision making process around assets.*

7. MANAGEMENT OF RISK

The request from committee is to approve a draft procedure which can than undergo a period of further consultation and possible amendment as such there is no particular risk around the implementation of the report at this time.

By approving the report now and risks around the council not being compliant by not having a formal policy will be mitigated.

Certain key requirements of the Act are being met however certain aspects particularly around the sharing of information are still being established. This accrues some risk although is mitigated by a ongoing dialogue with the Scottish government and other local authorities and agencies to determine the most cost effective way to achieve this.

8. BACKGROUND PAPERS

*Community empowerment act link :*  
<http://www.gov.scot/Topics/People/engage/AssetTransfer>

9. REPORT AUTHOR DETAILS

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