Building Communities Through Community Buildings

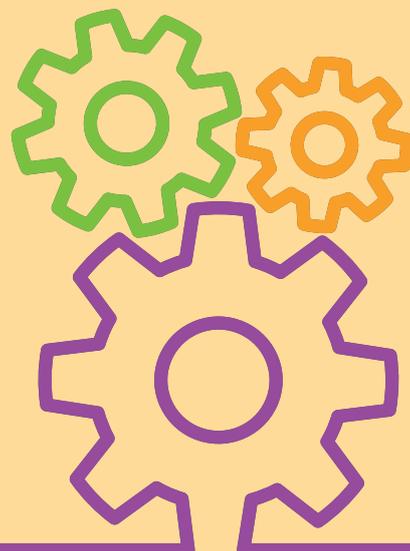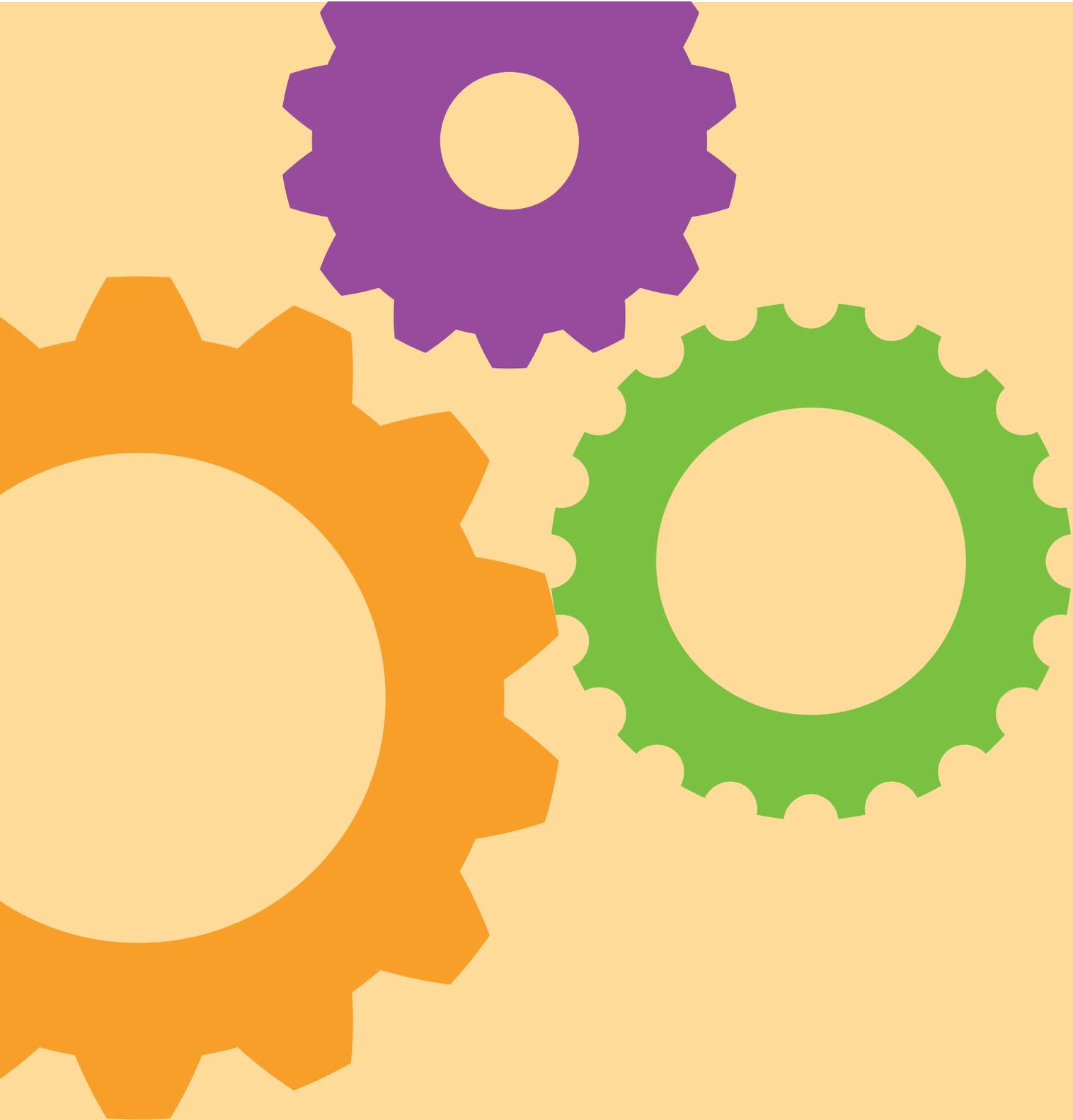**DOUGLAS VALLEY COMMUNITY**

Local places for local people

Community Asset Transfer Toolkit & Diagnostic for Community Organisations

A self help guide for Community Asset Transfer

The Deal

Introduction

As part of the Deal Wigan Council is seeking a new relationship with the community of Wigan and Community Asset Transfer is one mechanism which can contribute to that new relationship.

What is Community Asset Transfer?

At its simplest level, community asset transfer is a change in management and / or ownership of land or buildings, from public bodies, (most commonly local authorities), to communities, (community and voluntary sector groups, community enterprises, social enterprises, etc). The spectrum of transfer options can vary widely, but communities typically take on the ownership or management of a community asset on a freehold, long lease, shorter lease or a licence to occupy basis. Any group interested in taking on an asset would not only take responsibility for the building/land but also its ongoing repairs, maintenance and management, in most cases on a long term leas.

As part of The Deal, local charity Douglas Valley Community is working in partnership with Wigan Council to support organisations through Wigan Council's Community Asset Transfer process. To help organisation identify if they are 'ready' to take over a community asset, Douglas Valley Community has developed a Community Asset Transfer Toolkit & Diagnostic Questionnaire. Douglas Valley Community will provide 'ongoing support' to your organisation throughout the process.

The Toolkit is intended as a handy guide to help you understand what is involved in taking over and running a community asset. It provides you with information, resources and references to internet based organisations such as Locality that might help. The document is made up of two sections.

Section 1 of the Toolkit provides information, guidance and tips to help you build up a picture of the process of applying to take over the management of a 'community asset' from the expression of interest stage, and onto the main application stage.

Section 2 of the Toolkit is a Diagnostic Questionnaire. This is a self-assessment tool aimed at helping you identify the strength and sustainability of your organisation in readiness for Community Asset Transfer.

Who is the Toolkit for?

It is for people, organisations and social enterprises that work at a neighbourhood or community level in the Wigan Borough.

For example:

- Individuals or groups of people coming together for the first time for a specific purpose, to deliver a particular service from a building under threat of closure.

- New or existing community, voluntary organisations and social enterprises looking to acquire premises/land from which to grow and develop their services within a particular neighbourhood or community area.

Jargon Buster

The Community Asset Transfer process can be full of jargon. Definitions of some of the terms included in Asset Transfer are listed below:

- **Assets** – For the purposes of this toolkit we refer to a tenure interest in land or buildings (freehold or leasehold).

- **Asset development** – a process by which community organisations pursue an interest in land or buildings for the benefit of their neighbourhood or community.

- **Asset base** – the amount of assets owned by an organisation

- **Business plan** – written up version of the business case

- **Capacity** – the ability of a group or resource to be able to do something.

- **Feasible** – whether the project is possible.

- **Feasibility Study** – the basis on which a community project can achieve success.

- **Financially viable** – in this context whether or not a community project can cover its costs and set enough aside in reserve.

- **Objectives** – goals, priorities and targets you intend to achieve in a particular timescale.

- **Stakeholders** – all those with an interest in a community project

- **Surplus** – profit

- **Sustainable** – a community project that is able to carry on going in the long-term

What are the benefits of Community Asset Transfer?

In its Community Asset Transfer Policy, Wigan Council has clearly identified a range of benefits that the asset transfer process will have for both the community and the Council.

For the community:

- Strengthens community organisations (by helping them to develop their 'asset base').

- Devolves decision-making to a neighbourhood level.

- Acts as a catalyst for community regeneration.

- Provides new opportunities to develop and improve land & buildings.

- Encourages community participation and volunteering.

- Builds confidence and the capacity people have to further improve their community.

For the Council:

- Forges new partnerships with the community.

- Delivers on 'shared outcomes' and 'objectives' in key strategies.

- Contributes towards efficiency savings – revenue and capital.

- Helps the drive towards a more efficient use of council assets.

- Opens doors to new sources of funding.

What is the Council looking for in a Community Asset Transfer proposal?

Proposals to undertake a CAT project will be assessed on the extent to which the transfer is likely to lead to:

- Improvements in local service provision.

- Active engagement of the local community in volunteering.

- Strengthening of the financial viability and sustainability of community organisations.

- Social, environmental and economic regeneration of the area – including the development of community enterprise activities.

- Improvements in the environmental design of the building – particularly concerning energy management.

- Greater 'co-location' of local service providers.

Flow Chart of Community Asset Transfer

Council agree recommendation for Asset Transfer

Submit Expression of Interest

STAGE 01

Submit Full Application including Business Plan

STAGE 02

Panel review application and make recommendations to Deal Steering Group

STAGE 03

The Deal Steering Group reviews the recommendations and makes the final recommendation to Deal Executive Board
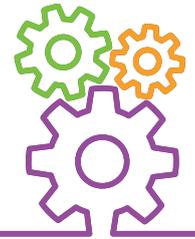
STAGE 04

The Deal Executive Board makes community asset transfer decision

STAGE 05

Handover of asset to successful organisation

STAGE 06

So are you ready for Community Asset Transfer?

Before you start…

The motivation that you / your organisation have in first considering taking on a community asset will be important. In an ideal world there will be a strong fit between the potential that can be realised in the project/activity/service you have identified for the asset and the core purpose of your group or organisation.

Here are some questions you might ask yourself before you start the asset transfer process.

Why is your organisation interested in the asset and what are your plans?

Consider the reasons you are interested in this land or building. You will need to explain to the Council and demonstrate throughout the process how you will achieve your outcomes.

Below are some outcomes you may want to consider:

- Community empowerment and benefits to the local or wider community

- Capacity building through the use of local skills, experience, knowledge and time

- Retaining and improving local provision

- Delivering local services that meet local needs through community led and community controlled assets

- Extending the use of a building or land to do things in a different way, being as creative and innovative as you can

- Delivering value for money including the ability to draw attract other sources of funding not available to the council

- Social enterprise and social well- being, including community cohesion

- Financial viability, long term sustainability and external investment

- Working with partners to deliver the above
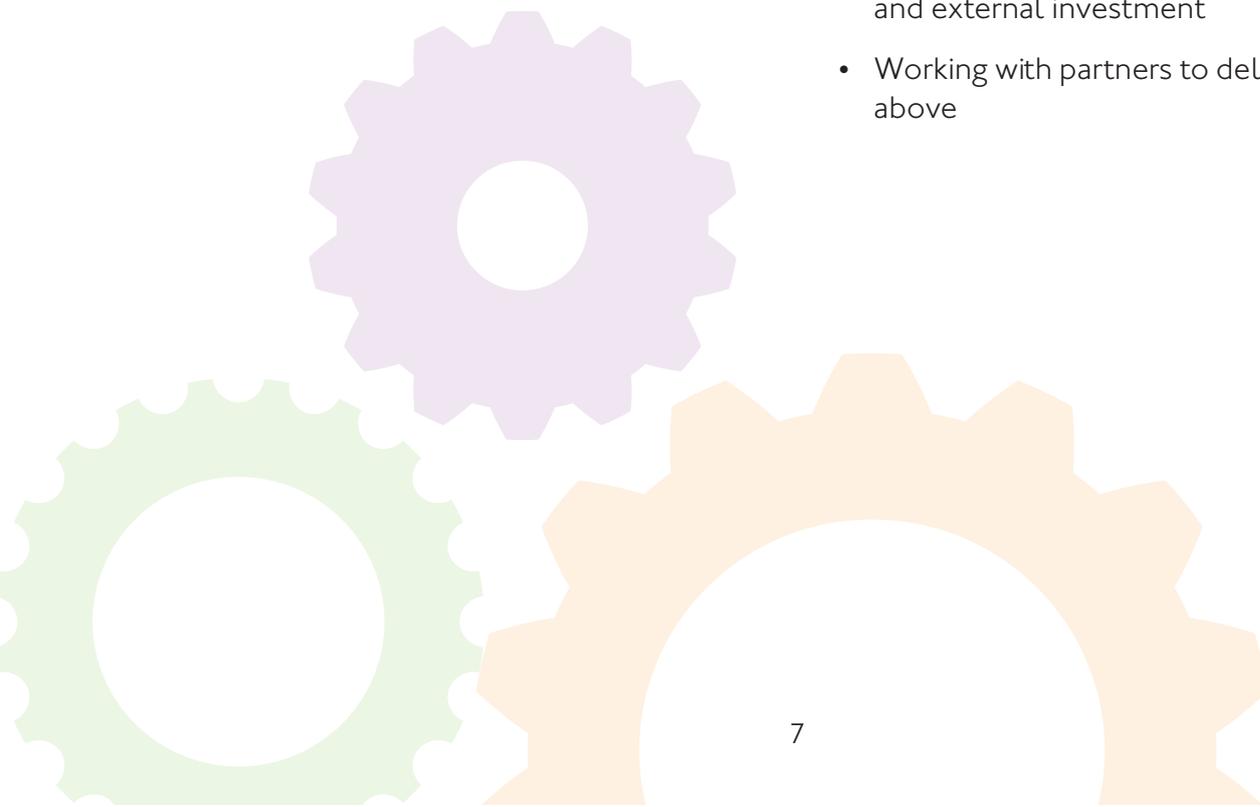
Your plan should read like a story, building up a picture of what has and what might be achieved, backed with hard evidence drawn from market research and community consultation. Most importantly your plan should be developed with the active involvement of your 'key stakeholders' and should be approved and adopted by your organisation.

Your plan should be designed to be:

- **Short** (Normally no more than 20 sides of A4 – 10 pages double-sided).

- **Focussed and to the point.**

- **Easy to read.**

- **Well presented.**

The link below provide you with information and guidance on how to put together a Business Plan

www.communitymatters.org.uk

Will your proposed community project deliver real benefits to your community?
Wigan Councils' Deal focusses on three key outcomes - Start Well, Live Well and Age Well and careful thought should go into your Business Plan to evidence how your project/activity/service will bring about 'community benefit' around these outcomes. For example, if one of your planned project 'activities' is to create a new community café, your desired 'outcome' of that activity may be that 'local people have somewhere go, socialise and eat a good value healthy meal'. This would support all 3 of the Deal outcomes. Many projects fall into the trap of viewing the project activity as the end result, whereas it is the 'outcome' of the activity that is the real community benefit and it is this that needs to be measured and proven.

Below is an example of how you can measure your outputs and outcomes

Activities	Outputs	Outcomes	Impact
What did you do?	**What happened as a direct result of the activity?**	**What longer-term change has occurred as a result?**	**What 'big-picture' change has happened?**
• Mother & Toddler Gym Buddy sessions	• 40 Parents and toddlers attend twice weekly exercise based activities	• More family 'leisure time' with children • Extra weekly session to support demand • Improved communication between parent and child	• Improved parenting skills. • Increased confidence amongst parents and their children • Improved parent and child health & wellbeing

Has your organisation established clear and agreed 'objectives' wanting to take on a community asset?

Here are some tips:

- Look at existing community service delivery / visit the building.

- Take a look at the potential to build on the existing situation and / or develop new community uses, especially those that might address an unmet need or fill a gap in local service provision.

- Go and see other similar projects elsewhere. Talk to the managers of services and facilities that offer the same kinds of activities that you have in mind for your community project.

- Identify any local 'competition'. Find out about the activities and facilities they have to offer. Look for opportunities to work together and share resources.

- Set your objectives. A simple list of the things that you would like your project to deliver

- Engage with your 'key stakeholders'. Stakeholders could include; local residents; elected members, neighbours; the existing users of the building/land. Where appropriate, talk to them to find out what they want and need. It may be that you want to involve them directly in helping you to develop your project proposals

Does your organisation have the 'capacity' to take on a community asset?

This is about your organisation having the right governance in place, having the right mix of abilities, skills, knowledge and experience, together with the time and financial resources necessary to commit to taking over and maintaining a community asset.

The Diagnostic questionnaire in Section 2 is intended to help you with this

Has your organisation proved that the proposals for your community project are 'feasible'?

Taking over a community building or land is a substantial commitment and your organisation should therefore be sure that your well-intended ideas can stand up to scrutiny. You may want to undertake a 'Feasibility Study'. A Feasibility Study is described as *'an analysis and evaluation of a proposed project to determine if it (1) is technically feasible, (2) is feasible within the estimated cost'.* Tips and guidelines can be found at:
www.communityactionderby.org.uk/resources

Does your organisation's 'business case' for your project stack up?

The work that your organisation does to build its 'business case' will be a key part of the Community Asset Transfer. Wigan Council will require all organisations to have a robust Business Plan in place.

Other tips on how to measure outcomes can be found via the links below.

www.communitymatters.org.uk

Insurance & Licences

You will need to have insurance.

The types of insurance you need may vary depending on the risks to your organisation , but could include:

- Public Liability Insurance
- Lift Insurance
- Employers liability, only if you employ people
- Trustees liability
- Building and contents insurance
- Vehicle insurance
- Any other insurance for specific activities e.g. if you hold a special event

Equality & Diversity

Equality means ensuring that everyone has equal opportunity to participate, contribute to and benefit from the activities undertaken by your organisation. Diversity goes beyond fair and equal treatment to recognise and appreciate the benefits that people's different talents bring to an organisation or community. Society is diverse in many different ways. Embracing and celebrating diversity helps create an environment where everyone feels included and valued.

Things you may want to consider:

- How will your organisation, in planning and managing this asset, actively eliminate discrimination, advance equality of opportunity and foster good relations within the community?

- How could you help new groups to form to meet community needs?

- How will the asset and how it is managed be accessible to all sections of the community?

- How will you encourage the community to be more cohesive and the asset to be a focus to enable this to happen?

- How can you contribute to making the community feel safe and promote understanding of different issues e.g. young people needing places to meet and play rather than being perceived as a nuisance by others?
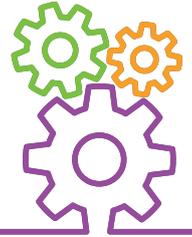
Section 2.
Community Asset Transfer Diagnostic

Is your organisation ready?
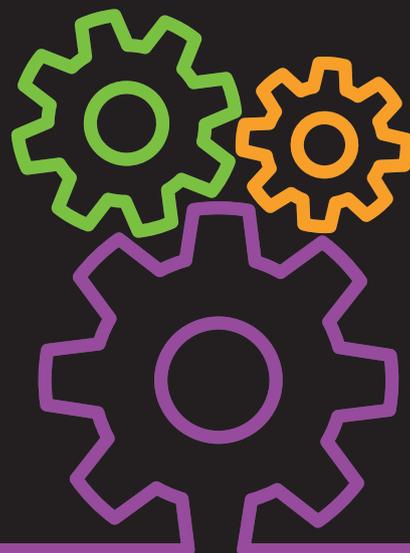
Who is the Toolkit for?

Good governance is a vital part of how organisations operate and are held accountable for what they do. It is also one of the most important requirements for the transfer of council assets to the community. Wigan Council will need evidence of the sustainability of your organisation at the full application stage if it is to be considered for asset transfer.

The Diagnostic has been designed to use as a self-assessment questionnaire. It helps you assess your organisations 'readiness' for asset transfer. The questions help you look at your organisations legal structure, its governance arrangements and its financial sustainability. Information from the Diagnostic can help you to provide evidence to Wigan Council. Don't worry if you are unsure about any of the questions, Douglas Valley Community are there to offer you support and assistance throughout the CAT process. It will work with you on any questions/issues that need addressing before you proceed with applying for the asset. It is important to recognise that reviewing your organisation is not simply a 'tick-box' exercise. Once you have completed the diagnostic, you can share it with Douglas Valley Community and they will work with you to draw up an action plan for any items that that need attention.

Things you need to consider:

- Do you need to change?

- Can you deliver as you currently are?

- Do you need to expand?

- Do you need new skills or knowledge?
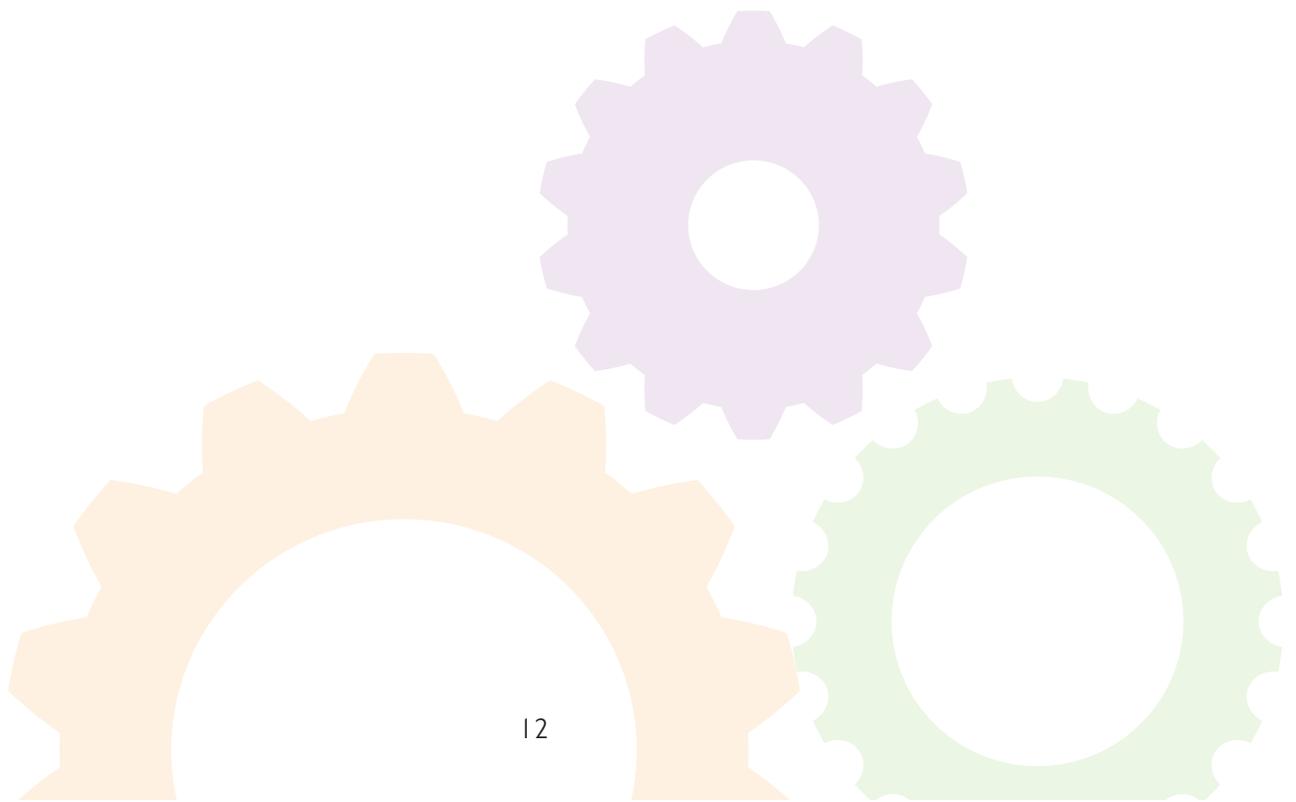
Getting started
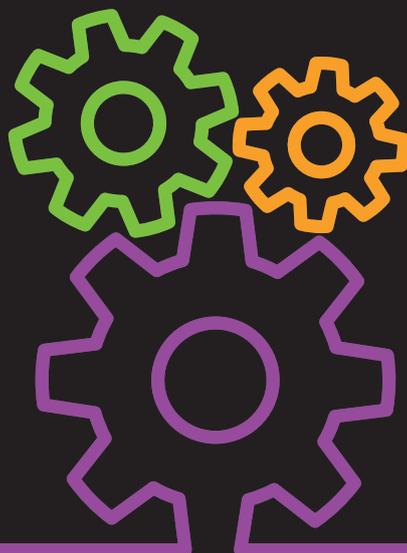
Where possible it is important that this document is completed by a number of trustees. Please answer all questions as fully as possible, but if you are not sure of how to respond just leave it blank.

In this diagnostic we use the word trustee to describe the group of people legally responsible for the organisation. You may call this group of people trustees, management committee members or another name. The completion of the Diagnostic is not intended to be overly complex or burdensome, but it will require you to dedicate some time to focusing on the questions that it raises. Please try and answer all questions as fully as possible, but if you are not sure of how to respond just leave it blank. Douglas Valley Community are happy to discuss these questions with you.

Please make a note below of the people who have asked to be involved in completing this Diagnostic

Part 1 Governance

Good governance is a vital part of how third sector organisations operate and are held accountable for what they do.
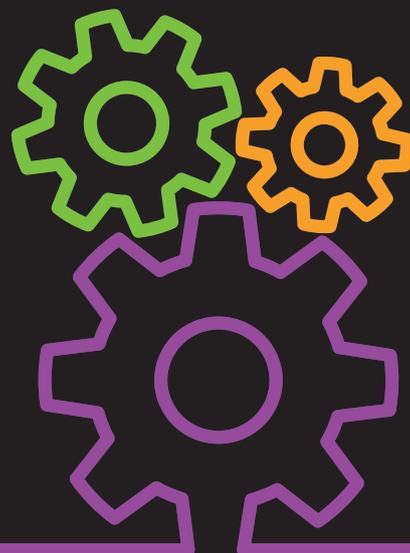
Question	Your notes and evidence	We need help with this
1 What is your Legal Structure: A Unincorporated ☐ B Incorporated ☐ C Constituted ☐		
2 Do all Trustees have a copy of our constitution and understand and follow it? A yes ☐ B no ☐ C not sure ☐		
3 We held our last AGM A within the last 12 months ☐ B more than 12 months ago ☐		
4 When do you hold you trustees meetings A 0–4 times a year ☐ B 5-10 times a year ☐ C more than 10 times a year ☐		
5 Are all your meetings quorate and run following the rules of your constitution A always ☐ B sometimes ☐ C never ☐		

Question	Your notes and evidence	We need help with this
6 We minute all of our meetings including noting agreed actions, who will do the work and by when. We keep minutes in a safe place and all trustees get a copy of the minutes in good time after the meetings A always ☐ B sometimes ☐ C never ☐		
7 We have written role descriptions for trustees and officer roles (chair, secretary, treasurer) and we understand our legal duties as trustees A yes ☐ B no ☐ C not sure ☐		
8 We understand the skills and knowledge and experience we need trustees to have to rum our organisation well and our trustees have these skills, knowledge and experience A yes ☐ B no ☐ C not sure ☐		
9 We recruit and appoint trustees and trustees retire following the rules of our constitution and any other written rules A always ☐ B sometimes ☐ C Never ☐		

Question	Your notes and evidence	We need help with this
10 We have enough active people on our trustee board and we can fill any trustee vacancies quickly A always ☐ B sometimes ☐ C never ☐		
11 We make appropriate checks on all new trustees including asking trustees to sign a declaration form confirming they are legally able to act as trustees, and DBS (if appropriate) A yes ☐ B sometimes ☐ C not sure ☐		
12 We give each new trustee an induction pack including a copy of our constitution, latest accounts and reports, minutes of last 3 trustees meetings, contact details of other trustees, latest business plan/action plan and any other information new trustees need to know A always ☐ B sometimes ☐ C never ☐		
13 We manage conflicts of interest, discuss conflicts at each trustees meeting and have written conflicts of interest policy A yes ☐ B No ☐ C Not sure ☐		

Question	Your notes and evidence	We need help with this
14 We have all relevant Health & Safety Policies in place to protect trustees and building users A Yes ☐ B No ☐ C Not sure ☐		
15 We make all our annual returns to the Charity Commission, Companies House and /or other relevant regulators on time and notify of change including change of trustees A yes ☐ B no ☐ C not sure ☐		
16 We have clear aims and objectives and all trustees understand them A yes ☐ B no ☐ C not sure ☐		
17 We have a clear and agreed vision for our organisation, work co-operatively to achieve this and value the different contributions of each member A yes ☐ B no ☐ C not sure ☐		

Question	Your notes and evidence	We need help with this
18 We plan our activities and services to try and meet the needs of our local community and have an annual action plan with a budget A always ☐ B sometimes ☐ C never ☐		
19 We have a written policy and systems in place to manage our money including managing the risk of fraud, paying trustee and volunteer expenses, managing reserves A yes ☐ B no ☐ C not sure ☐		
21 We regularly receive and discuss financial information at trustees meetings and we all understand the financial reports A yes ☐ B no ☐ C not sure ☐		
22 We produce examined or audited annual accounts, an annual report and report on our public benefit A yes ☐ B no ☐ C not sure ☐		

Question	Your notes and evidence	We need help with this
23 We employ one or more workers A yes ☐ B no ☐ C not sure ☐		
24 We have a written policy and procedures for recruiting, inducting, training, supporting and dismissing volunteers, written role descriptions for volunteers and use volunteer agreements A yes ☐ B no ☐ C not sure ☐		
25 We have up to date safeguarding children and adults policies and procedures and trustees understand their responsibilities for safeguarding A yes ☐ B no ☐ C not sure ☐		
26 We have the following up to date policies and procedures A health & safety ☐ B data protection ☐ C equality & diversity ☐		
27 We have the right level of insurance and our insurance policies are reviewed regularly A yes we review it every year ☐ B yes we've never reviewed it ☐ C no not sure ☐ D not sure ☐		
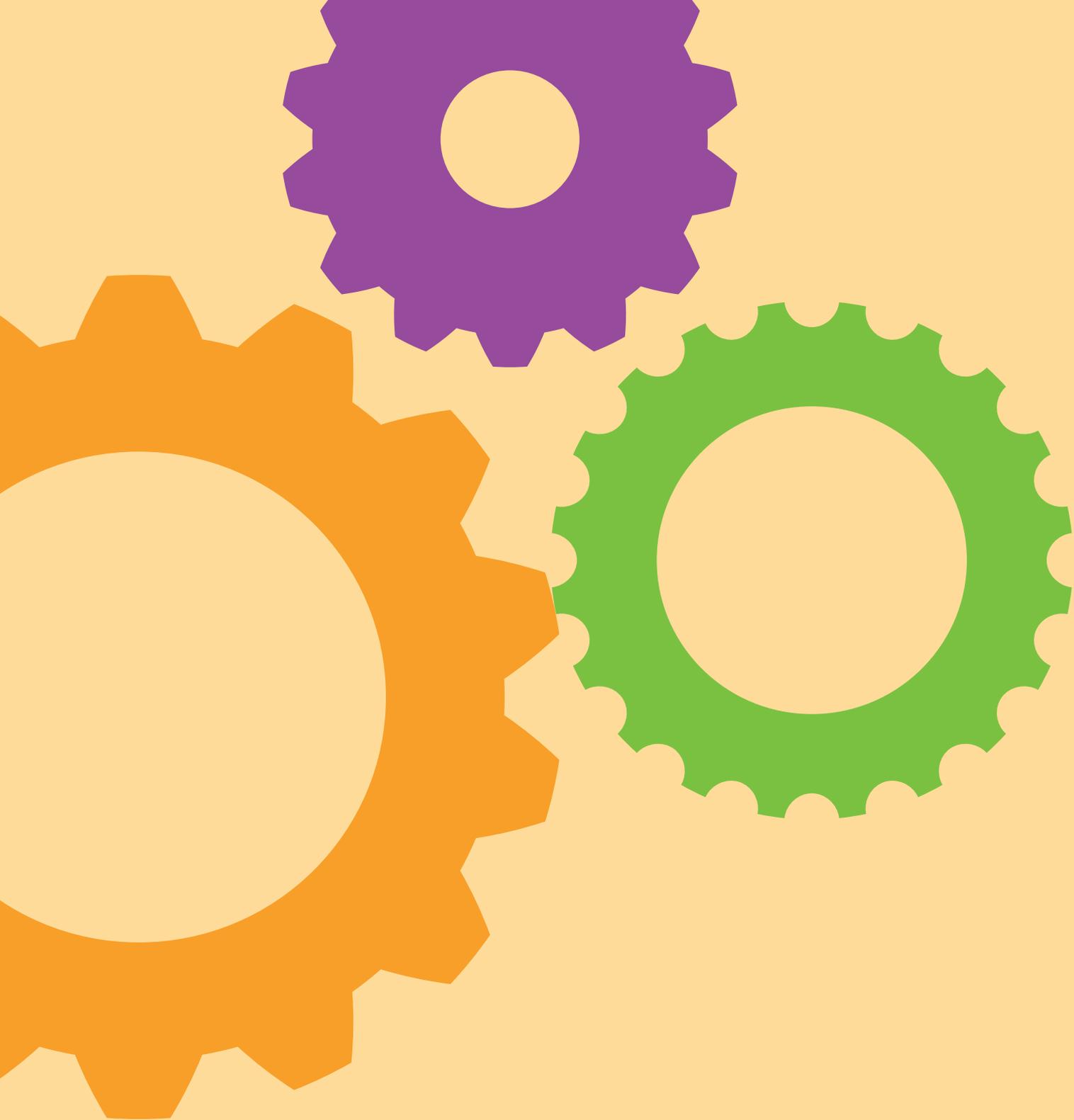
Part 2 Finance & Funding

When you take over an asset you need to be aware that you are taking on responsibility for the building/land including its on-going repairs, maintenance and management. Evidencing how your organisation can afford to sustain the asset is important as you will need to evidence this as part of the application process.
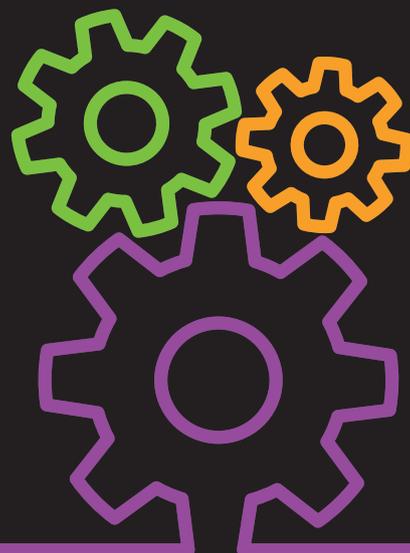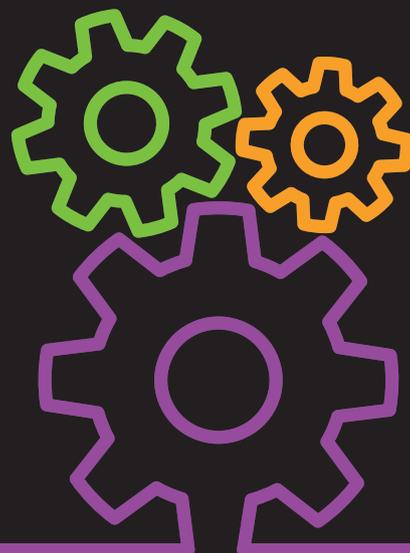
Question	Your notes and evidence	We need help with this
1 We have a bank account A Yes ☐ B No ☐	24	
2 We have a system for handling cash A Yes ☐ B No ☐		
3 We have a system for paying regular bills A Yes ☐ B Yes but there are problems ☐ C No ☐		
4 We have a system for recording income & expenditure A Yes ☐ B Yes but there are problems ☐ C No ☐		
5 We have a budget A Yes ☐ B No ☐		

1 We have a bank account

Question	Your notes and evidence	We need help with this
7 We have cash reserves A None ☐ B Less than £5000 ☐ C More than £5000 ☐		
8 We have a business plan A Yes, reviewed regularly ☐ B Yes but out of date ☐ C No ☐		
9 We have a number of significant different income streams (e.g. grants, membership fees) A One ☐ B Two to Three ☐ C Four or more ☐		
10 What percentage of your income is at risk (i.e. likely to be withdrawn, come to an end) in the next 12 months A More than 50% ☐ B 20% – 50% ☐ C Less than 20% ☐		
11 Currently our income covers A 100% of our costs ☐ B 70%–100% of our costs ☐ C Less than 70% of our costs ☐		

Part 3 Managing People

This section is all about staff, and volunteers who may be in your organisation.

Question	Your notes and evidence	We need help with this
1 Do you employ staff? Will you need to in the future to help manage the asset? A Yes ☐ B No ☐		
2 Do you involve volunteers or hope to? A Yes ☐ B No ☐ C Not sure ☐		
3 Do you have an effective and fair way of recruiting staff and volunteers? A Yes ☐ B No ☐ C Not sure ☐		
4 Do you have role descriptions for volunteers? A Yes ☐ B No ☐ C Not sure ☐		
5 Do you provide an induction, support and supervision? Yes ☐ No ☐		
6 Do you provide adequate training for the duties staff/ volunteers have to perform? Yes ☐ No ☐		