

Isle of Wight Council

Guide to the Community Asset Transfer Process

Part of the Community Asset Transfer Policy April 2009

Revised February 2010

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1. Introduction: What is Community Asset Transfer?

Background

The Local Government White Paper “*Strong and Prosperous Communities*” (2006) encourages Local Authorities to involve local people in shaping and delivering local services. This includes helping local groups and organisations to deliver public and community services by transferring Council assets to community ownership.

The government report, “*Making Assets Work – The Quirk Review*” (2007) identified many benefits of local groups owning or managing former public assets. Community ownership makes better use of public assets. It gives local people a bigger stake in the future of their community and local services. Successful transfers include community halls, amenities like swimming pools and toilets, land for sport or building new community owned facilities.

This process is now widely called Community Asset Transfer.

The aims of Community Asset Transfer (CAT)

The Council’s assets include land, buildings and other structures used for a variety of different social, community and public purposes. The Council’s CAT policy enables community management and ownership with the aim of delivering a number of benefits:

- *Building confidence and capacity in local communities.* Taking control of local assets can raise local confidence, will get people more involved in community life and underpins more cohesive and sustainable communities.
- *The creation of new partners with access to resources not open to the Council and other public sector services.* Better value will be gained from assets, which can also be improved. Community groups also relate directly to service user communities and are able to invest in complementing existing public services.
- *Community organisations gain strength and capacity.* Taking ownership of an asset can result in financial security, access to loans and funding, increased recognition, a sense of identity for communities, the development of iconic places, greater leadership capacity and organisational development. Transfers can also provide a secure base for further opportunities to expand and diversify.

Improving the chances of success

Powers to transfer assets already exist and the Isle of Wight Council has made transfers for many years. Experience shows that successful transfers are based on business-like proposals and mutual benefit for community organisations and the Council.

When the Council disposes of a property asset it is under a legal obligation to achieve best consideration, which generally means achieving the highest price possible. However, community and voluntary groups usually expect (or need) some sort of beneficial sale or lease at below market value, often to make a project viable. This may be possible if it can be robustly proven that additional benefits to the community create “added value”.

The Council must have a way of assessing how business-like a proposal is and for making a judgement on the balance between seeking the full disposal value of a property, with the less tangible benefits to a community of a transfer (there is no guarantee that a disposal below market value will be offered). The Council also needs a way of judging competing bids for the same asset.

For this reason, the Council has a Community Asset Transfer (CAT) policy and process that is both transparent and fair.

The principles behind the Council's Asset Transfer (CAT) policy

The Council's CAT policy is underpinned by the following principles:

- *Asset transfer proposals must support Council aims and priorities.*
- *Proposals will be assessed against the Council's financial priorities.*
- *CAT is part of a long term programme of third sector partnership and support.*
- *The Council will implement CAT proactively.*
- *The Council will take a strategic approach to asset transfer through regular reviews of the CAT potential of its assets.*
- *The Council will have a transparent corporate process for asset transfer which includes a clear point of first contact and clear stages and timescales.*
- *The Council will adopt a method of assessing the benefits of transfers - linked to corporate priorities, which allows a comparison with market disposal.*
- *Any disposal at less than best financial consideration will be accompanied by an agreement identifying the benefits and how these will be monitored and measured, together with remedies available to both parties if the agreement is not met, including claw back provisions to enable any market value to be recovered.*

Making an application

The process set out in this guide is the agreed method of making an application for an asset transfer. The guide contains:

- The process of making an application in stages.
- Checklists for composing applications.
- Contact arrangements for information and help.
- A Flowchart that illustrates the CAT process, in Appendix 1.
- A briefing on challenging issues, in Appendix 2, and several CAT case studies, in Appendix 3.

2. First Steps to an application

There are a number of steps to consider and discuss with the Council before making a CAT application. A transfer is not always possible or indeed the best option.

Check that there is mutual benefit

Firstly, whatever the benefits to the work of a community or voluntary organisation, asset transfer proposals will only be considered if they will help the Council achieve its strategic priorities.

All proposals must support at least one of the objectives set out in the Isle of Wight Council Corporate Plan - www.iow.gov.uk/council/OtherServices/Business-Effectiveness-Unit/Corporate-Plan

Applicants should also consider the planning implications of their proposal, which will be referred to later in this guide. Information and contact details can be found at www.iow.gov.uk/council/OtherServices/Planning-PolicySP2/About-2180.

Consider a sponsor

Secondly, proposals must eventually have evidence of support from at least one Council service prepared to endorse the benefit of a transfer. This sponsorship will depend on how well a proposal meets Council objectives. For example, a youth organisation may ask for support from the Council's Childrens Services Directorate.

What assets can be transferred?

Thirdly, not all Council assets are openly available for transfer. The Council will only consider transfer applications for assets that are available for disposal, identified in the Capital Receipts Programme, which is updated quarterly.

However, if an asset is not listed for disposal, making a proposal to the Council that offers better value from an asset could lead to it becoming available for transfer.

There must be wider community benefit.

Fourthly, asset transfer applications must eventually be supported by evidence of wider benefit to the community. The Council will not consider bids for any property, regardless of its state, location or current use unless the applicants provide evidence of clear and direct community benefit. Without this, disposal on the open market will probably better serve local needs and the Council's need to ensure value for money.

Is the outline proposal financially realistic?

The next consideration is funding. Most unsuccessful asset transfers are victims of over-optimistic financial planning. No-one's interests are served by entering into a potentially long and costly process that will fail on financial grounds during the application or later, with potentially catastrophic implications for community organisations.

In order to prevent this, when making an initial approach to the Council, bidders will be asked to at least summarise their approach to capital and future revenue funding.

Council assets or landholdings are unlikely to be transferred under CAT as freehold interests and it is considered more appropriate that transfers for community use would be on a leasehold basis. This could range from a Tenancy at Will, a Licence, an occupational lease, or a ground lease (of anything up to 125 years).

Leasehold protects the future of the assets and ensures that the Council, as principal stakeholder, can influence future changes in use. This is particularly important where changes might be considered inappropriate or don't meet the original criteria for asset transfer. The Council's long term interest in the occupation and state of the facilities during the lifetime of the lease mean that it will wish to apply a normal and prudent level of monitoring of compliance with the lease and the state of the building.

A longer lease will have a higher premium, so potential applicants must have a clear view about the benefits of any proposed lease length. The Council will also seek to maximise income from the lease notwithstanding any beneficial terms that might be agreed. ***It is increasingly unlikely that the Council will agree to 'peppercorn rent' or highly beneficial low cost lease arrangements.***

The Council will also consider some form of claw-back provision should the lease terms not be met or changes be unacceptable. This will ensure that any reduced value from the original transfer is recovered, thus protecting the tax payer.

A great deal of financial information will be required later in the application process.

Asset transfer is not the only way to benefit local communities.

While an asset transfer might be considered the first option by groups wanting to deliver community benefits, there may be other partnership approaches to community ownership that don't entail transfer of an asset by the Local Authority.

For example, a community group might acquire an asset and agree to have a community service provided there by or jointly with the Council. An example of this is Lightwater Library in Surrey, where the community acquired land and paid for the erection of the library and Council pays the running costs of the service.

Who can apply for an Asset Transfer?

Any properly constituted third sector organisation with the capacity to manage transferred assets can make a CAT proposal. This includes community groups or associations, charities, trusts and not for profit organisations.

The future sustainability of applicant organisations is very important. Evidence of this will be asked for in all applications. For example, proposals made by organisations based on a small number of activists, or that may not be sustainable in the medium to long term are unlikely to be successful.

Town and Parish Councils are not able to apply for a transfer of Isle of Wight Council assets. There may be other ways for these local Councils to acquire or share assets. For example, local Councils are often partners in trusts and other forms of association formed to take on assets. The transfer of a community centre in Rochdale to a new community trust highlights the benefits of the involvement of a local Council or community partnership. This ensured full use by the local community and provided expert and political support to a successful enterprise.

At a later stage in the CAT process, the Isle of Wight Council will expect proposals to demonstrate support from the relevant Local Council or Councils.


Checklist: Pre-application - First Approach to the Council

When considering a bid, make contact with the Council to discuss ideas. There are initial contact details at the foot of this page.

When making contact, it will be important to have considered the following issues:

- Check that a proposal will support at least one of main objectives of the Isle of Wight Council.
- Is there a Council service that might sponsor an asset transfer application?
- Is the asset in question listed for disposal, or could it be listed?
- Be ready to explain how the community will benefit from an asset transfer.
- Be ready to discuss the value of the lease. Will the proposed transfer be financially sustainable in the long term given the Council's policy of maximising the value of leases made under Community Asset Transfer?
- Consider the different ways that the outcomes intended by an asset transfer proposal might be achieved.
- Be ready to explain the objectives and activities of your group or organisation.
- Does your group have legal foundations, clear governance and leadership.
- Be ready to explain how your organisation can ensure and demonstrate its long-term sustainability.
- Be ready to discuss how you might get support from your Local Council.

Finally, always discuss the likely time to completion of a bid with the Council before committing to a scheme or project based on a transfer. CAT applications can take a long time due to the risks involved in the transfer of what are often valuable assets.

 The First Point of Contact when considering a Community Asset Transfer proposal is the Isle of Wight Council's Property Team, at County Hall in Newport, Tel 01983 823266

3. Prepare and Submit an Application for a CAT

Why have a two stage process?

The CAT process is a two stage process. This ensures that final applications are as strong as possible.

The first stage bid gives everyone an opportunity to consider the merits of the proposed transfer against any alternative options before time and effort is committed to compiling and appraising a fully detailed application.

Help and advice

☎ Impartial advice on independent sources of help and advice to prepare CAT applications is available at Community Action Isle of Wight, Tel 01983 524058

☎ The first contact at the Council for all CAT matters is the Isle of Wight Council's Property Team, at County Hall in Newport, Tel 01983 823266

Timescales

Stage one and Stage Two applications are both appraised at the CAT panel. Applicants for both application stages will be given a minimum of 12 weeks notice of a CAT Panel unless the applicant agrees to a shorter period.

The written Stage One or Stage Two application should be supplied three weeks before the CAT Panel date. The application will be reviewed and the Council will give two weeks notice of any extra information that will be needed or needs clarification before the panel.

Appraisal

Section 4 below, '*Assessing Asset Transfer Proposals*', sets out how the Stage One and Stage Two bids will be appraised and the range of possible recommendations that the Council's CAT Panel may make.

Stage One application

Having agreed with the Council that CAT application is the right option; the next step is to submit a Stage One outline proposal.

The application should be in the form of a written outline business case. It will form the foundation for the detailed application to be made later and is appraised by the Council's CAT panel.

The intended outcome of the first stage of application is agreement to continue to a fully detailed and final Stage Two bid. The Panel assessing the Stage One application may also offer successful applicants advice on the direction and strengthening of their bid, as well as advising the Council's management team.

Should the first outline bid be declined, the Council will provide a full explanation and suggestions as to an alternative approach if appropriate. An appeal is possible (see section 4 '*Assessing Asset Transfer Proposals*' below).

Checklist: Stage One application:

This checklist provides a format for the written application.

Part 1. Project Proposal

- 1. The name and location of the project.
- 2. Names and contact details of the principal applicants.
- 3. A description of the reason the applicants are applying for a Council asset, where it is, what the intended use will be, and how it will be managed. A map of the proposed location will be required, to be supplied on request by the Council.
- 4. The Council objectives that the bid supports.
- 5. Actual or likely support for the bid from a sponsoring Council Directorate and the Local Town or Parish Council.

Part 2: The applicant organisation

- 6. The purpose and goals of the organisation(s) bidding for the asset.
- 7. A summary of governance arrangements and the recent history of the applying organisation(s).
- 8. Details of any partner groups or organisations involved in the bid, and their contribution.

Part 3: Impact of the proposed asset transfer

- 9. An outline summary of how the project will contribute to meeting proven community needs.
- 10. An outline summary of how the community will be able to use the transferred asset, and assurances that the asset will be physically accessible to all community groups.
- 11. An outline summary of the benefits to the applicant organisation of a transfer. This might include security of tenure, a financial asset for borrowing, raising status and profile, increased activity, greater scope for volunteering etc.
- 12. A summary of the impact of a transfer on other community and voluntary groups in the area, particularly the impact on the organisation's long term sustainability.
- 13. A summary of the impact of a transfer on public services in the area.

Part 4: Business Information

- 14. A summary of the financial plan for the transfer and the longer term management of the asset. This should include a summary of proposed improvements to the property and the maintenance envisaged in future.
- 15. Initial proposals for lease terms.
- 16. A summary of any proposals for improving the environmental sustainability of the asset during any lease.
- 17. Any other information, including brochures, plans and maps that might help the appraisal panel. This could include an update on any planning issues, information on how neighbours and the local community will respond to any transfer and any known threats or risks to the project.
- 18. Any extra information requested by the Council.

Stage Two application

Once a successful first stage application has been approved by the Community Asset Transfer Panel, the applicants will be invited to proceed to Stage Two. This is the applicant's opportunity to submit a more detailed proposal.

The application should be in the form of a detailed written business case.

Applicants are recommended to seek advice and support that will lead to the best possible application.

Checklist: Stage Two application:

This checklist provides a guide to the format for the written application:

Part 1: Project Proposal

- 1. The name and location of the project.
- 2. Names and contact details of the principal applicants.
- 3. A detailed explanation of the aims, objectives and outcomes that will be fulfilled by a transfer.
- 4. A detailed outline of what is proposed if a transfer is made.
- 5. A report on development plans for the asset. This should include plans for investment and maintenance, available drawings and an agreed "red-line" map of the proposed location supplied on request by the Council.
- 6. Evidence that the project supports Isle of Wight Council Corporate objectives.
- 7. An account of support for the bid from a sponsoring Council Directorate and the Local Town or Parish Council.

Part 2: The applicant organisation

- 8. The purpose and goals of the organisation or organisations bidding for the asset.
- 9. A description of the governance arrangements and recent history of the principal applicant organisation, including evidence of an adequate constitution or terms of association, project management arrangements and management controls.
- 10. Clearly defined structures, roles and responsibilities within the applicant organisation(s) appropriate to delivery of the project, whether voluntary and/or paid.
- 11. Evidence that the organisation and key individuals managing the asset and associated project have appropriate skills, knowledge and expertise to sustain the project in the long term (including any accreditations achieved, such as the ACRE Hallmark (Action with Communities in Rural England), the Community Matters Visible Standards or the Development Trusts Association Health Check).

- 12. Details of any partner organisations, their roles and contributions.
- 13. Evidence of the experience of and/or commitment to partnership working by the applicant organisation.

Part 3: The impact of the proposed asset transfer

- 14. Evidence that the asset would be used to benefit the wider community, with the results of any information gathering that supports proposals on meeting community needs. This should include assurances that the asset will be physically accessible to all community groups.
- 15. A detailed report on the benefits to the applicant organisation of a transfer. This might include the benefits of security of tenure, the use of the asset for secured borrowing, raising local status and profile, increased activity, greater scope for volunteering etc.
- 16. A report on the anticipated impact of a transfer on the applicant organisation's long term sustainability.
- 17. A summary of the impact of any transfer on other community and voluntary groups who may be affected by a transfer.
- 18. A summary of the impact of a transfer on public services in the local area, particularly where services use or could use the asset.

Part 4: Business information

- 19. A report on financial plans – The applicant must provide at least a five year cash flow and budget forecast (ie not based on a single capital grant at the outset) to demonstrate that the project is sustainable and that the asset will be maintained. Organisations without a financial history should discuss their application with the Council.
- 20. Proposals for lease terms or any draft terms agreed.
- 21. Information on how the environmental sustainability of the asset and/or project will be improved during any lease-holding.
- 22. Evidence that all relevant legislation and regulatory controls are in place – Meeting equality standards, child protection, health and safety, DDA and licensing requirements.
- 23. A risk assessment that sets out risks to the project that will have impact on its success, the applicant organisation and the Council.
- 24. Evidence of support for the project in the local community. The bid should demonstrate evidence of consultation and that the project is not aligned only with a single interest group.

- 25. Monitoring and evaluation processes (possibly involving the Isle of Wight Council or the relevant Town/Parish Council) to demonstrate the successful delivery of objectives and targets over the life of the project, ie what will be different and how can it be measured.
- 26. Any extra information requested by the Council. This may for example include a project plan.
- 27. Any other information that will assist the Panel.

4. Assessing Asset Transfers

The appraisal process

CAT applications are reviewed and appraised by a Panel of at least three Council officers and at least one independent representative of the third sector. The Panel will consider policy, legal, financial and risk issues, it may also call on expert advice.

The panel will appraise the applications against a set of criteria.

The criteria for CAT

Applications must provide evidence that the proposal is well informed, well planned and if agreed, will be sustainable. All CAT proposals must meet the following criteria and Terms of Reference:

- Asset transfer will support selected outcomes and objectives identified in the Isle of Wight Council Corporate Plan and other relevant appropriate plans and strategies. Transfers will support, enhance or replace the identified public service delivery for that community, and will not conflict with the Council's financial priorities.
- Assets will be used genuinely for the benefit of the community, meeting proven local needs and offering real opportunities for successful and independent third sector organisations to become more sustainable in the long term.
- The asset will be open to a range of users and disadvantaged communities (i.e. not individual/narrow interest groups), and will be compliant with the Disability Discrimination Act.
- Use of the asset will be financially and environmentally sustainable. Future refurbishment plans will consider energy efficiency as a priority and use good quality, environmentally sustainable materials and construction practices.
- The third sector organisation taking the asset on will be sustainable, will benefit from greater security and independence, and will be better able to meet community needs.
- Transfer will enable communities to have more access to facilities and/or opportunities that respond to their local needs.

CAT Panel recommendations

The Panel will appraise applications and through the panel chair will make a recommendation on each application to the Council's Director of Regeneration. Pending successful negotiation of all aspects of a transfer, the Director of Regeneration will secure a final decision in the most appropriate form.

Applicant groups will be provided with written and verbal feedback on Panel recommendations.

The basic recommendation for a Stage One application will be that the outline application makes proposals that should be considered in detail.

Other Stage One recommendations may include advice to applicants that will improve their bid. It could include a deferral pending review or improvement of the application, or a rejection of the application.

The basic recommendation for Stage Two applications is that the application meets the criteria for a Community Asset Transfer.

Other recommendations could include caveats to an approval, such as possible changes to the application or approval pending final negotiation of lease terms, or confirmation of funding. There may be a recommendation to the Council that they undertake an Equalities Impact Assessment if not already done. The panel could also defer an application for changes or decline an application.

Appeals

Where a Stage One initial proposal is unsuccessful, the applicant may lodge an appeal against the decision, with the grounds for the appeal being in respect only of the reasons given for the refusal. The appeal must be submitted in writing to the Asset Transfer Appeals Panel (consisting the Leader of the Council, the Chief Executive, the Director of Finance and an independent representative of the wider voluntary and community sector – different from that on the initial Panel) within two months of the initial refusal, with evidence supporting why the applicant considers the refusal to be unsubstantiated.

The decision of the Asset Transfer Appeals Panel will be final.

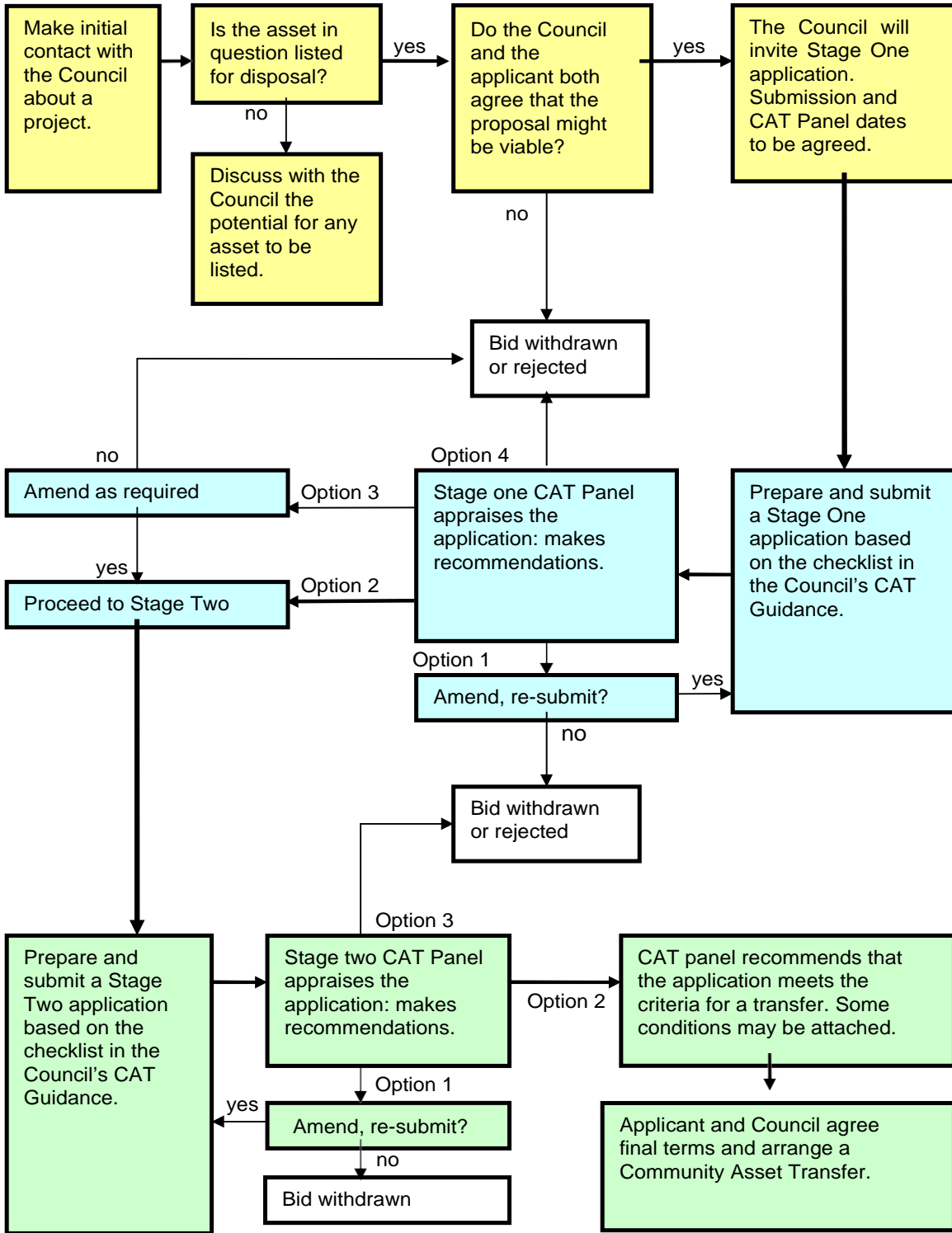
Where a Stage Two application is declined, in the first instance the reasons for the refusal will be discussed between the applicant and the Council in order to understand where Stage Two failed. Advice will be given on how the application can be improved or, if further work is required, make it more robust to deliver its proposals. Following any improvements (required within six months of any refusal – thus allowing for improvements to be made) the applicant would be requested to submit its improved application. This would then be reassessed and a decision given in writing, including reasons in the event of a refusal.

If the initial application cannot be improved (for example, the revenue budget does not work and no further finances are available) or the resubmitted 'improved' plan is also refused, then the applicant can appeal to the Asset Transfer Appeals Panel within two months of the initial refusal or refusal of the revised application, again with evidence supporting why it considers the refusal to be unsubstantiated.

The decision of the Asset Transfer Appeals Plan will be final.

For any further information about the Community Asset Transfer Process and these guidelines, contact the Isle of Wight Council's Property Team, County Hall, High Street, Newport, Isle of Wight, PO30 1UD ☎ 01983 823266

Appendix 1: Community Asset Transfer Process Flow Chart



Appendix 2: CAT: Briefing Sheet for Community Organisations

1. Is Community Asset Transfer (CAT) right for us?

- Will our asset transfer be wholeheartedly supported by the Council? Any transfer must meet the Council's needs for financial value and the delivery of very important objectives.
- Are we clear about the costs of setting up and governing an asset transfer, in time and paid-for costs? (ie. Surveyors, Architects, Project Managers, Accountants and Lawyers).
- Is there a sound and realistic business plan for the asset based on the best possible knowledge? A sound plan must be used and owned jointly by all partners; and revisited constantly throughout the process.
- Are there realistic and grounded financial assumptions underpinning the project. The biggest reason for failures is over-optimistic financial planning.
- Are we expecting the Council to improve the asset prior to transfer? This is unrealistic as the Council will wish to transfer maintenance and improvement with the lease.
- Are we looking for a peppercorn rent or a generously low lease payment? The Council is no longer granting generous leases. Financial plans must be based on costs that although subject to negotiation, will be much nearer market levels.
- Are we prepared for the long haul? The details of transfer can take an age to iron out and can cause frustration.
- Are there more than a few activists driving the project? Is leadership in the long term going to be provided by new people with the same drive? If not, there is a probability the transfer will fail.
- Does our proposal provide evidence that we understand our community and can prove its needs? Will the project win sustainable local support?
- Is there support from other community organisations? Networking and partnering isn't a cost, it's a potential benefit and builds capacity.
- Is everyone 100% signed up to a clear purpose for the transfer, particularly where there may be several partners and different perspectives?
- Have we looked for help and experience? Bodies such as the Community Alliance (which brings together BASSAC, Community Matters and the DTA) offer experience and skills, and can help groups to present effectively to funders and other partners.

2. CAT Risks (to all parties).

1. The community organisation's skills and capacity to manage the asset.
2. Failure of the business case.
3. Inability to generate capital and revenue with degeneration of the asset.
4. Risk of capture by single interest groups.
5. The need to ensure full use of, and access to, the asset.
6. Ensuring a wide range of functions and services are provided in line with proven community need.
7. The impact of failure on the viability of the community organisation and its members.

3. Benefits to local communities of successful CAT

There can be direct and indirect benefits for community where an asset is situated:

- Users of assets that are in the control of the community, whether individuals or groups, are better able to plan for the future.
- Local wealth creation activities become possible, bringing increased income and improved health within the local community.
- Local control of a local asset can have a powerful multiplier effect. It can restore confidence in that place, it can restore the viability of local businesses, it can help to reverse the exodus of residents and businesses, it can help to restore land values and attract new investment.
- Local asset ownership with a broad community remit can play a powerful role in promoting community cohesion by bridging divisions in communities, building community confidence.
- Surpluses generated by the asset remain in the community.
- Buildings that are taken over by communities sometimes have iconic status in the community, restoring them or maintaining them directly addresses current local needs.

4. Benefits to external stakeholders of successful CAT

Local service-providers can also benefit both directly and indirectly from community ownership and management of assets in a number of ways:

- Local service providers may find themselves with a local partner who can tap into resources and funding that they cannot. This can complement the services they provide, and act as a channel for user and community feedback in response to local services.
- Asset-based organisations can often offer a base for neighbourhood-based service provision, making it more accessible to local people. This is particularly important in rural areas, where services are being lost.
- Asset transfer can enable community organisations to support public services in ways that are more community-responsive and more closely related to local needs.
- These community benefits can have a direct effect on the pressures experienced by local public services, such as the NHS, welfare support, education and the community safety services, enabling them to focus their resources on highest priority needs and localities.

5. Benefits to Community Organisations

The benefits to a community organisation are immense. They can be listed briefly as follows:

- Embarking on the journey towards asset ownership and the related sustainability brings greater confidence in a secure future, by giving it status, recognition and indeed power
- Effective asset ownership and management requires a transformation in the culture of an organisation in terms of leadership, management capacity and organisational development, which can be empowering for everyone.
- Acquiring the necessary finance and meeting the legal requirements will bring an organisation into contact with a wider range of players both locally and often well beyond the locality, opening

new horizons to those involved.

- Organisations will be opened up to external scrutiny, which will be a difficult, but important threshold to overcome.
- Ownership of a capital asset can be one of the key factors in providing collateral for further borrowing, in levering in additional assets, and generating surpluses to finance new activity, thus providing a springboard for further growth.

Appendix 3: Case Studies of Successful Community Asset Transfers

Case Study 1. Gablesby Village Hall, Cumbria

The example of Gablesby Village Hall in Cumbria illustrates how community ownership of a key local building can contribute significantly to building the morale of a neighbourhood.

Over the last few decades Gablesby's population has fallen to below 200 and those remaining have watched its public facilities gradually disappear. The foot and mouth epidemic in 2001 was the final straw for the local economy but, led by an energetic and visionary chair, a local action group was formed and decided that revitalising the village hall would be an important element in and also a symbol of the village's recovery.

The building itself was built with an endowment to the village from a farmer in the nineteenth century. On the strength of this the village mounted a successful campaign to reclaim it from the local council and place it in the ownership of a village hall trust.

The trust went on to secure funding from a range of sources to renovate the hall and bring it back into use. The result is that now Gablesby has an attractive focal point for their social activities that is sustainable and secure and has a planned maintenance programme in place to prevent future maintenance crises.

The project has done much to restore pride in the community and some economic opportunities may also be opening up through the establishment of the hall as a venue and the associated demand for catering. The whole process has enabled local people to develop skills and increased confidence that may open up future avenues for collective activity to benefit the village.

Case Study 2. Burton Street Project, Sheffield

The Burton Street Project in Sheffield clearly demonstrates the positive impact that community ownership can have on the local area. In 1994 local people set out to turn a disused Victorian school into community buildings, from which they would generate income by renting out space at affordable prices to local groups. The centre now provides a home for 100 groups and over 2,000 people use the centre each week.

The organisation also uses the building for its own regeneration work and for delivering services: skills training, assisting people into employment, social enterprise development, family support, services for people with learning difficulties and mental health problems and arts, sports and recreational activities.

The Burton Street Project initially moved into the property rent free from the Local Authority in lieu of improvements to the building. Over time the people running the organisation realised that purchasing the building would enable them to put their services on a more sustainable footing and, working closely with the regeneration team in Sheffield City Council, managed to buy the premises for £130,000 (approximately £320,000 below market value).

Through the services it provides the Burton Street Project is making a sustainable contribution to the economic regeneration of the city.

Case Study 5. Butterworth Hall, Rochdale

In 2003 a community in Rochdale successfully negotiated a 999 year lease for their local community hall at a peppercorn rent.

The council could not justify continuing to subsidise the running of Butterworth Hall for a dwindling lunch club. However 11 community groups also used the hall informally providing facilities to around 350 people a week. All these users faced losing their premises.

All involved were aware of the risks involved in transferring a property to community ownership, particularly that use of the property would change over time and the user's committee may not be sustainable in the long-term.

Coincidentally, however, a Community Development Trust had been set up locally with the aim of taking forward regeneration schemes. The natural solution was that this trust, the MoorEnd Development Trust, could hold the lease to the hall on behalf of the users thus helping to allay concerns.

Council officers met with the Trust and hall users to survey the building to establish the cost of urgent repairs. The rent for the premises had also not been increased in recent years and did not cover the running costs.

Pennines Township Council then made a small grant to pay a consultant to work with the community groups to test the viability of increasing the rent and finding additional occupants. This gave the community confidence in taking on such a project. The Council then agreed that making the necessary repairs and with a small grant for two years to cover the cleaning costs, the council would save money within three years.

Rochdale MBC agreed to give a 999 year lease to the Development Trust at a peppercorn rent. There is now a formal arrangement in place between the Hall Management Committee – which comprises the users – and the Trust.

Since taking over the hall in early 2004 the management committee has increased the number of groups using the hall, despite the increase in charges. They have also raised funds for the purchase of new furniture, equipment and to completely refurbish the interior.