Community Asset Support Scheme

Contents

Outline approach

The Council recognises the significant value that community assets[1] provide in supporting the wellbeing, development, and cohesion of the residents and local communities in the borough. The Council has a role in supporting community assets that:

- deliver services
- protect public spaces
- enable local development
- ensure community access
- fulfil statutory obligations.

The Council is keen to actively support community assets and to be doing so in a transparent and rigorous way that ensures:

- value for money
- delivery of community and social value
- long-term sustainability of the assets for the benefit of the residents of Reigate & Banstead.

The Council's Community Asset Support Scheme (the Scheme) seeks to meet these objectives. The Scheme has regard to the Council's Asset Management Plan 2023-2028, Property Disposal Policy; Property Acquisition Policy; and, the Community Asset Transfer Policy. The Scheme brings together approaches that have been utilised by the Council over a number of years with enhanced elements introduced within this Scheme.

Existing council community assets

The Council owns a wide range of assets (Listed on the Council's Asset Register - Asset management | Asset management | Reigate and Banstead) many of which can be classified as community assets.

The Council ensures high quality management of all its assets in line with its Asset Management Plan 2023-2028 including: regular condition surveys, the maintenance of buildings to a high standard, ensuring regulatory and legal compliance.

[1] a **community asset** typically refers to **land or buildings that provide a benefit to the local community**, and which the community values for their social wellbeing or social interest.

The Council takes a long-term approach to community asset management including:

- considering alignment to the Council's Corporate Plan objectives, environmental sustainability, and equalities matters
- ensuring that its assets are retained in the appropriate legal vehicle/s to support their security and sustainability as community assets for the residents of Reigate & Banstead
- considering where and how it can modernise and deliver environmental improvements to its community assets to ensure they deliver value for money and community value.

In relation to the community assets the Council owns the Council either: directly manages the assets to deliver community provision or services; or, offers leases/tenancies at will to local voluntary, community and faith sector (VCFS) groups and Town and Parish Councils who run the assets to deliver benefit to the community.

The Council supports the operation of its community assets in a number of ways including:

- **Rental Grant Subsidy** - an existing scheme

  Where VCFS groups agree a lease or a tenancy at will with the Council these leases are calculated at market value and a discount to that charge is then calculated and applied through the existing Rental Grant Subsidy Scheme so that the value to the community is recognised.

- **Peppercorn rent within a development** – an existing scheme

  Where a VCFS group occupies a space developed by the Council for community purposes within a wider development or project, this can be on a peppercorn rent linked to terms agreed with the developer.

- **Leases linked to the delivery of services** – an existing scheme

  Where a statutory or community service is delivered via a contract within a building owned by the Council e.g. leisure centres.

- **Community Asset Transfer** – a new policy

  A Community Asset Transfer Policy is a non-statutory process by which the Council transfers the responsibility for, or the ownership of, land or buildings to eligible organisations which are part of the VCFS or Town and Parish councils delivering community benefits to Reigate & Banstead to assure the long-term delivery of community benefit through the asset. Assets may be transferred at a nominal or reduced rent / price. This is known as a disposal at less than best consideration. Any consideration of less than best consideration will be made in line with the principles of the Council's existing Rental Grant Subsidy scheme to create consistency and in line with the 'Circular 06/03 Local Government Act 1972' which provides a general consent for Councils to sell land at less than best consideration, if it considers that it will help to secure the promotion or improvement of the economic, social or environmental well-being of its area.

Acquisition of community assets

The Council will consider the potential to acquire additional community assets within Reigate & Banstead when the financial position allows for such considerations. The Council will consider community asset acquisition where a strong value for money case can be made, the acquisition can be completed in a timely manner and the asset and its subsequent use by the Council or an eligible organisation (who is seeking Community Asset Transfer) will deliver significant benefits against at least one or more of the below objectives:

- preserve public use
- promote resident and community wellbeing and social value
- address an identified and evidenced gap in current provision
- boost local economy
- support community ownership.

Eligibility

Organisations proposing an acquisition with the potential for a subsequent Community Asset Transfer must be:

- Registered Charities (Charitable Company; Charitable Incorporated Organisation; Charitable Trust)
- Community Interest Companies (that are limited by guarantee and where they can evidence all profits have been reinvested back into the company and/or for the benefit of the community)
- Town and Parish Councils within Reigate & Banstead
- Other formally constituted non-profit making clubs or groups (i.e. groups that form the VCFS or are a non-profit organisation with a defined governance structure, robust financial systems and an adequate policy framework).

Eligible groups must evidence that:

- they will use the asset to provide community benefits to the residents of Reigate & Banstead
- any asset transferred will enhance the benefits they are able to deliver.

The following groups are not eligible:

- individuals
- companies that exist to trade for profit
- public sector bodies other than Town and Parish Councils within the Borough of Reigate & Banstead
- political organisations
- organisations registered outside the UK.

Application and assessment process

Proposals for the acquisition of a community asset with the potential for a Community Asset Transfer will be subject to a two-stage process. Stage one being an Expression of interest and stage two being an invitation to produce a full business case.

The Council will prepare, and make available on its website, an expression of interest form covering the required information.

Expression of interest

The proposing organisation should first submit a written expression of interest identifying the asset that is proposed for acquisition and potential future Community Asset Transfer and providing the following information (where the scoring of responses is set out in brackets), to include:

- the organisation's vision, aims and objectives for the future use of the asset. Describing how the vision will benefit the local Reigate & Banstead community and address the Council's corporate plan (including - equalities & environmental objectives). (Score 20%)

- the organisation's management structure/governance, experience and skills of the organisation and its board/committee/trustee members. (Score 15%)

- the organisation's/members' experience and track record of (or plans for): managing/running community facilities or similar; engaging with local community partnerships; supporting community groups and/or residents. (Score 15%)
- an overview of the organisation's current financial status, including: how they propose to fund the running cost of the asset and what support the organisation may require to succeed. (Score 25%)
- an initial assessment of how the organisation will practically run the asset. (Score 25%)
- confirmation that the organisation has had an initial conversation with the owner of the asset and believes that they are open to a sale
- confirmation that the organisation has read and understood this Scheme and will, if required, be able to provide the information required as part of a detailed application/business case required (see 'Business Case' section below).

Initial review

The Council will review the expression of interest and consider:

- if the proposal meets the requirements laid out in this Scheme (including if the organisation is eligible)
- a review of the asset proposed, its value and any initial conversations with the owner about the potential for sale at or below the market value. Properties will not be purchased at more than the market value
- consideration of the level of reduced rent / price that can be offered i.e. an initial view on the potential for disposal at less than best consideration.
- the views of the relevant local Councillors who will be provided with a summary of the expressions of interest for assets in their wards.

A recommendation as to whether to proceed to the second stage will be made to an initial assessment panel made up of officers from the Council's Strategic Property Officer Group and the relevant Executive Members.

The proposer will receive a written response to the expression of interest, either inviting the proposer to submit a business case in the second stage or with an explanation as to why it has been decided that the proposal should not proceed.

Detailed business case (second stage)

Eligible organisations who are invited to the second stage will be asked to complete a five-year business plan. The five-year business plan should include, but is not limited to, the items listed in Annex A and should expand upon the organisation's initial Expression of Interest. Applicants are encouraged to provide additional relevant details that strengthen their proposal, demonstrating their strategic approach, financial sustainability, and overall feasibility.

Business case assessment and decision

The detailed business case will be assessed and evaluated by the Council in line with the scoring at Annex A and against the criteria set out in this policy.

In parallel to the organisation completing the business case on the asset the Council will be completing full due diligence on the property which will inform the decision-making process. On acquisition the asset might require investment to support its long-term sustainability i.e. the Council might buy a community asset which also requires further development and both aspects of the spend would therefore be reflected in the assessment at stage 2 of the process. As well as any support the organisation might require (see section below on support to eligible organisations).

Details of the assessment of the business case and the due diligence completed on the asset will be reported to the Council's Community Asset Advisory Group (CAAG)[2] for consultation as to whether the asset should be purchased with a view to completing a Community Asset Transfer. The organisation will be informed of the date of the CAAG meeting that will consider the proposal.

In light of the views of the CAAG the final decision will be taken by the Head of Service with responsibility for Property Services, in consultation with the Head of Service with responsibility for Community Partnerships, the Executive Members with responsibility for Assets and Community Development, the Chief Financial Officer, Procurement Manager and the Monitoring Officer, and in accordance with this policy (the Council's Community Asset Transfer Policy). The organisation will be informed of the final decision in writing either

[2] The CAAG will be a Member/Officer working group, with the established function of facilitating the consultation of relevant Executive Members regarding delegated officer decisions. It is anticipated that other Key Members (i.e. the Chair of Overview & Scrutiny and Group Leaders) will be invited to attend and advise. The relevant Executive Members will seek the advice of representatives of the wider membership of the Council through the CAAG.

confirming that the Council is proceeding with a purchase or with an explanation as to why it has been decided that the proposal should not proceed.

Support for wider Community Assets within the borough

The Council supports community assets within the borough that it does not own.

The Council's Strategic and Local CIL funding (Community Infrastructure Levy) is the primary route through which the Council supports infrastructure including community assets.

In addition, the Council will establish asset grant programmes, when the financial position allows, to provide additional support to eligible organisation within the borough.

Eligibility

Please see the eligibility section for the acquisition of a community asset. Organisations applying for a grant must meet these eligibility criteria.

Where the grant is to be used to improve an existing community asset the asset to which the grant will be applied must be owned (freehold) or there should be a lease in place of at least 10 years.

Application and assessment process

For applications for grants over a value of £75,000 there will be a two-stage process. Stage one being an expression of interest and stage two being an invitation to produce a full business case.

Any grants under the value of £75,000 will only be required to complete a stage one expression of interest. (noting that quotes and organisational documentation will be required to support the award of the grant).

The Council may run grant schemes for differing amounts of money. Please always review the guidance on the Council's website to confirm what values of grants are available through a given programme.

The Council will prepare, and make available on its website, an expression of interest form covering the required information.

Expression of interest

The proposing organisation should first submit a written expression of interest setting out the project that is proposed, providing the following information (where the scoring of responses is set out in brackets), to include:

If you are applying for a grant to improve an existing asset you must confirm the ownership of the asset for which you are applying for the grant. The land/property must be owned by:

- Your organisation
- A project partner you are working with
- A local authority or Town or Parish council

The expression of interest then asks questions that will be scored as follows:

To assess the impact of the project – 45%

- What will your community asset improvement project deliver? (e.g. a new roof with solar panels, accessible pathways through a community garden etc)
- How will this make a difference to your community? (how your project will impact those in your wider community and the positive outcomes it will have for those who take part in your project. If you are improving an existing asset please set out how these improvements will enhance the benefit that you can bring to your community)
- How does the project link to the objectives in the Reigate and Banstead 2030 plan? Reigate & Banstead 2030 | Reigate & Banstead 2030 | Reigate and Banstead
- What environmental features might your project incorporate?

To assess the organisational capacity – 30%

- Outline your organisation’s management structure/governance, experience and skills of your organisation and its board/committee/trustee members (or plans). This could include: Managing/running community facilities or similar; Engaging with local community partnerships; Supporting community groups and/or residents
- Describe your organisation/members experience and track record of (or plans for) : Managing projects; delivering change/improvements to services

To assess the feasibility of the project and how it will be delivered – 25%

- If the project relates to an asset, confirm that the organisation owns the asset or has a lease of more than 10 years?
- The anticipated start date and duration of the project?
- Has any feasibility work already been undertaken?
- The overall cost of the project? How much of the funding you are applying for from the Council? What are the key costs of the project? Where any other funding has been sourced from?
- Which Statutory Permissions or Licences or insurances will you need to undertake your project? If these permissions are needed, which are already in place?

Please note that quotes for works and details of permissions in place are not required at the Expression of Interest stage however they will be needed at the business case stage and groups are advised to progress this as far as is reasonable to support the strength of their application.

Initial review

The Council will review the expression of interest and consider:

- if the proposal meets the requirements laid out in this Scheme (including if the organisation is eligible)
- a review of the project proposed against the criteria above
- the views of the relevant local Councillors who will be provided with a summary of the expressions of interest for assets in their wards
- the affordability of the projects proposed.

A recommendation as to whether to proceed to a) award the grant if under £75,000 or b) proceed to the second stage will be made to an initial assessment panel made up of officers from the Council's Strategic Property Officer Group and the relevant Executive Members.

The proposer will receive a written response to the expression of interest, either a) making a provisional offer for a grant of less than £75,000 (subject to quotes, relevant organisational documentation and the conditions of a grant agreement) or b) inviting the proposer to submit a business case in the second stage or c) with an explanation as to why it has been decided that the proposal should not proceed.

Detailed business case – (second stage - for grants over £75,000)

Eligible organisations who are invited to the second stage will be asked to complete a business case for the project. The business case should include, but is not limited to, the items listed in Annex B and should expand upon the organisation's initial Expression of Interest. Applicants are encouraged to provide additional relevant details that strengthen their proposal, demonstrating their strategic approach, financial sustainability, and overall feasibility.

Business case assessment and decision

The detailed business case will be assessed and evaluated by the Council in line with the scoring in the Annex and against the criteria set out in this policy.

Details of the assessment of the business case will be reported to the Council's Community Asset Advisory Group (CAAG)[3] for consultation as to whether the grant should be awarded. The organisation will be informed of the date of the CAAG meeting that will consider the proposal.

In light of the views of the CAAG the final decision will be taken by the Head of Service with responsibility for Property Services, in consultation with the Head of Service with responsibility for Community Partnerships, the Executive Members with responsibility for Assets and Community Development, the Chief Financial Officer, Procurement Manager and the Monitoring Officer, and in accordance with this policy (the Council's Community Asset Transfer Policy). The organisation will be informed of the final decision in writing either confirming that the Council is proceeding with the offer of a grant or with an explanation as to why it has been decided that the proposal should not proceed.

Award of grants

A detailed grant agreement, setting out the roles and responsibilities of the parties including the deliverables and Key Performance Indicators that the grant recipient agrees to deliver, will be signed before grants are issued. It is expected that most grant awards will be paid in staged payments.

[3] The CAAG will be a Member/Officer working group, with the established function of facilitating the consultation of relevant Executive Members regarding delegated officer decisions. It is anticipated that other Key Members (i.e. the Chair of Overview & Scrutiny and Group Leaders) will be invited to attend and advise. The relevant Executive Members will seek the advice of representatives of the wider membership of the Council through the CAAG.

For any grants awarded of over £500,000, it is expected that a charge and/or a restriction on the title to the property would be made.

Support to eligible organisations

The Council recognises that whilst many eligible organisations have significant experience of managing buildings it can be a challenging undertaking for smaller or newer organisations to consider assuming responsibility for a community asset and developing an associated business case. When taking forward work in relation to Community Asset Transfer; acquisition of community assets and grants for community assets the Council will ensure that appropriate support is available to organisations. This will include one or more of the following:

Expression of interest briefings and information:

- Briefings from Council officers
- Information sessions from independent organisations on considerations in relation to running community assets.

Business case development support and guidance:

- All eligible organisations who are taken through to the second stage of a process relating to community assets will be offered a briefing meeting with relevant Council officers to talk through the requirements of the second stage and respond to enquiries
- Where the organisation is seeking a Community Asset Transfer an information pack about that asset will be issued to them with key information about the asset and its current running costs (where available) that will support the organisation to draft their business case. Accompanied site visits will be offered at this stage. For eligible organisations who are taken through to the second stage who have not previously run an asset and/or written a business case of this nature additional one-to-one support will be offered through independent organisations. Though please note such support will be advisory in nature and the task of writing and submitting the business case remains with the bidding organisation.

Support for successful proposals:

- a grant of up to £5,000 to be spent on legal costs or similar professional fees, for those who have a strong business case but where their existing financial position demonstrates that they might otherwise not be able to progress without up-front support

- a grant of up to £50,000 to be spent on year one establishment costs, for those who have a strong business case and where their existing financial position demonstrates that they might otherwise not be able to progress without up-front support.

The request for this support should be reflected in the business case submitted in the second stage and will be taken account of within the assessment.

Annex A – Acquisition detailed business case (second stage) requested contents and scoring

About your organisation (10%)

Expanding on the information in your Expression of Interest submission, please provide the following information about your organisation:

- Key contact details (including contact name, email address and telephone details)
- Name of organisation
- Legal form/entity
- Organisational structure (please consider providing an organisation chart)
- Aims and objectives
- Activities and services you provide and beneficiaries
- Partnerships that the organisation is part of
- Key organisations that you will work with
- Experience & track record (evidenced-based examples):
    - running community facilities
    - building and/or land management and maintenance
    - working in partnerships
    - health & safety
    - safeguarding and welfare of children, young people and vulnerable adults
    - managing contractors and sub-contractors' business & service continuity

Summary of the proposal (10%)

Please provide a summary of your proposal for the asset you are seeking for acquisition and subsequent transfer, including:

- Aims and objectives
- Activities, services, events and uses to be provided
- Operating hours (if applicable)
- Time available for hire by the community (if applicable)
- The benefits and how these would be measured
- Governance management structure
- How the asset will be staffed (as appropriate, may include volunteers)
- Quality assurance standards to be applied

Community needs (20%)

Expanding on the information in your Expression of Interest, please demonstrate how you will respond to the needs of the community:

- Community needs evidence
- Community facilities / gaps in provision
- Any evidence of local consultation undertaken
- The proposed community benefits and creating a positive impact for the community (including potential projects, usage etc and how will these be measured)
- How you will address equality, diversity and inclusion considerations
- How you will address environmental sustainability considerations; and if necessary mitigate any possible negative impacts
- How the community would be involved and consulted
- The rationale for any pricing (for services, renting space etc)

Promotion (10%)

Expanding on the information in your Expression of Interest, please provide information on how you will promote the offerings of the asset and communicate with local residents and stakeholders:

- Methods to be used (online, direct to customer etc) and target audience
- Who will be responsible for communications (in-house or external)
- Please explain how you will monitor success

Finance and budget (20%)

Expanding on the information in your Expression of Interest submission, please outline your organisations financial position, financial goals for operating the asset and detailed funding requirements:

- Cash flow for first year
- Detailed Income & Expenditure forecasts for each of the five years of the plan

Ensure that you include supporting narrative around:

- Methodology used
- Approach to achieving financial sustainability
- Rationale for projections and assumptions made
- Any external financial support required from the Council and or others and back-up plan if the funding is not forthcoming (see section on support below, please make clear if you are seeking this support)
- Local authority support (e.g. financial, volunteers, equipment), with clear assumptions and demonstration of needs
- Identification of set up costs and estimated costs of acquisitions associated with set up

Risk analysis (10%)

Expanding on the information in your Expression of Interest submission, please identify and summarise the main risks you foresee and what action would be undertaken to manage and mitigate the identified risks:

- Clearly outline potential risks and how these will be mitigated
- Describe how risks are assessed
- Outline how often risk assessments will be conducted and who will be responsible for monitoring and managing risk

Key Performance Indicators (10%)

Expanding on the information in your Expression of Interest submission, please demonstrate how you will establish and meet KPI's (key performance indicators) for the asset, to include

- Please propose up to 8 KPIs[4]
- Outline how you will track and measure success against the KPIs
- Detail the tools you will use to collect the data
- How often you will collect and review data
- Who will be responsible for monitoring and implementing KPIs

Project plan (10%)

Please provide a timeline with key tasks and activities.

Annex to business case - supporting narrative on building condition

Where your view, based on the knowledge available about the asset, is that further capital improvements may need to be made to the asset after acquisition and before transfer please list what these are and your rationale for this. No cost estimates are required. The Council will make its own assessment and liaise with you on the potential for any works.

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[4] You may wish to consider KPIs around areas such as; Usage of space and facilities (%); Engagement and outreach (newsletters, social media, consultations); Financial sustainability; Customer satisfaction; Number, types, diversity and frequency of activities; environmental KPIs e.g. energy use; carbon footprint; water consumption; waste reduction

Supporting documentation

Before entering into a transfer the organisation must ensure that the following documents and statements are in place, depending on the scale of the organisation. If an interested organisation already has these documents prepared, we request that the potential operator issues them to the Council alongside submitting the business case:

- copy of Constitution/governing document/Trust Deed/memorandum and articles (if applicable)
- copy of last two years annual audited accounts (if applicable)
- equalities policy/statement
- safeguarding policy/statement
- evidence of health and safety policy/statement
- environmental sustainability statement or policy (if applicable)

Annex B – Grant support detailed business case (second stage) requested contents and scoring

About your organisation (10%)

Expanding on the information in your Expression of Interest submission, please provide the following information about your organisation:

- Key contact details (including contact name, email address and telephone details)
- Name of organisation
- Legal form/entity
- Organisational structure (please consider providing an organisation chart)
- Aims and objectives
- Activities and services you provide and beneficiaries
- Partnerships that the organisation is part of
- Key organisations that you will work with
- Experience & track record (evidenced-based examples):
    - delivering projects to time, cost and quality
    - managing contractors and sub-contractors' business & service continuity

Summary of the proposal (10%)

Please provide a summary of your proposal for the project you seeking grant funding for including:

- Aims and objectives
- The project to be delivered
- The benefits and how these would be measured

- Show that the project will encourage sustainable practices and activity and that long term it won't have a negative impact on the environment

Community Needs (20%)

Expanding on the information in your Expression of Interest, please demonstrate how you will respond to the needs of the community:

- Community needs evidence
- Community facilities / gaps in provision
- Any evidence of local consultation undertaken
- The proposed community benefits and creating a positive impact for the community (including potential projects, usage etc and how will these be measured)

- How you will address equality, diversity and inclusion considerations
- How you will address environmental sustainability considerations; and if necessary mitigate any possible negative impacts
- How the community would be involved and consulted
- The rationale for any pricing (for services, renting space etc)

Finance and Budget (20%)

Expanding on the information in your Expression of Interest submission, please detail the financial plans and considerations for the project:

- A financial breakdown which includes project costs, project income, volunteer contributions, non-cash contributions (Your project costs must include contingency and evaluation allowances proportionate to the project)
- 3-year cash flow forecast
- Price quotations
- Plans for other funding (if applicable)
- Only include VAT if you can't recover it from HM Revenue and Customs

Permissions (10%)

- Planning and permissions in place
- Relevant insurances in place
- Any other funding required in place

Risk Analysis (10%)

Expanding on the information in your Expression of Interest submission, please identify and summarise the main risks you foresee and what action would be undertaken to manage and mitigate the identified risks:

- Clearly outline potential risks and how these will be mitigated
- Describe how risks are assessed
- Outline how often risk assessments will be conducted and who will be responsible for monitoring and managing risk

Key Performance Indicators (10%)

Expanding on the information in your Expression of Interest submission, please demonstrate how you will establish and meet KPI’s (key performance indicators) for the asset, to include

- Please propose up to 8 KPIs[5]
- Outline how you will track and measure success against the KPIs
- Detail the tools you will use to collect the data
- How often you will collect and review data
- Who will be responsible for monitoring and implementing KPIs

Project Plan (10%)

Please provide a timeline with key tasks and activities - who will deliver and when

Supporting Documentation

Before entering into a grant agreement the organisation must ensure that the following documents and statements are in place, depending on the scale of the organisation. If an interested organisation already has these documents prepared, we request that the organisation issues them to the Council alongside submitting the business case:

- copy of Constitution/governing document/Trust Deed/memorandum and articles (if applicable)
- copy of last two years annual audited accounts (if applicable)
- equalities policy/statement
- safeguarding policy/statement
- evidence of health and safety policy/statement
- environmental sustainability statement or policy (if applicable)

[5] You may wish to consider KPIs around areas such as; Usage of space and facilities (%); Engagement and outreach (newsletters, social media, consultations); Financial sustainability; Customer satisfaction; Number, types, diversity and frequency of activities; environmental KPIs e.g. energy use; carbon footprint; water consumption; waste reduction