

Community Asset Transfer Policy

March 2020

Section 3 updated to include Council's new Corporate Strategy 2020-24 agreed at Full Council on 25th February 2020

Bath & North East Somerset Council



Community Asset Transfer Policy

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Community Asset Transfer Policy

1. Overview

Since the Quirk Report 2007 and the introduction of the Localism Act 2011, there has been a growing interest by both local Councils and the third sector in transferring property assets into community ownership. Councils and central government have recognised that community assets can provide better outcomes, offer better value as well as create greater freedoms for partner organisations to tailor services and draw down external investment.

Under s123 of the Local Government Act 1972, any disposal by the Council of an asset in excess of 7 years (including leasehold interests) must obtain “best consideration”, unless the General Disposal Consent (England) 2003 can be applied or a specific consent is obtained.

The General Consent allows specified circumstances where the consent can be applied:

- a) the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
 - i) the promotion or improvement of economic well-being;
 - ii) the promotion or improvement of social well-being;
 - iii) the promotion or improvement of environmental well-being;
- and;
- b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).

The Council has undertaken a number of Community Asset Transfers over the last eight years with various organisations where they have demonstrated that they are delivering services in our area and that their proposals can fulfil the following criteria:

- That they are an appropriate, not for profit legal entity, with a suitable governance structure to ensure effective management of the asset;
- There is an alignment between the work and objectives of the organisation and the Council’s own Corporate Strategy and;
- Opportunities are created for enhancing the capacity of the third sector and empowering them to deliver their objectives.

This policy document builds upon the work already undertaken by the Local Authority and follows the principles set out in the guidance document produced by “Locality” on Community Asset Transfer and examples taken from other local authorities including Bristol City Council, Isle of Wight and Wigan Borough Council. This policy creates a straight forward process for organisations to apply for a Community Asset Transfer. This is essential to ensure that the wider community interests are safeguarded and that the overall objectives agreed for each asset transfer will continue to be delivered in the longer term. The Council will review this policy in line with its Corporate Strategy 2016-2020.

2. Definitions

- **Asset of Community Value** – also known as “Community Right to Buy” or “Community Right to Bid” allows defined organisations, including Parish Councils, to ask the Council to list certain assets as being of “community value”. This is designed to give communities more opportunity to take control of assets and/or facilities important to them. If an asset is listed and then comes up for sale, the new right gives communities a total of 6 months to put together a bid to buy it.
- **Community Asset Transfer** - (as defined by Locality) “Community assets are land or buildings that have current or future potential use for community value. They can be brought into community ownership through a number of routes, and can involve different organisational structures and terms of ownership.”
- **Equalities Act 2010** - The Equality Act 2010 legally protects people from discrimination. It replaced previous anti-discrimination laws with a single Act, making the law easier to understand and strengthening protection in some situations.
- **Expression of Interest (EOI)** – The Expression of Interest is a written proposal made from an organisation who is interested in taking over a community asset.
- **Heads of Terms** - A set of terms within an agreement or letter of intent that is non-binding, outlining the main issues relevant to a tentative (partnership or other) agreement.
- **Localism Act 2011** – an Act of Parliament passed to facilitate the devolution of decision making powers from central government control to individuals and communities
- **Land Registration Act 2002** – together with the Land Registration Rules 2002 regulates the role and practice by simplifying and modernising the registration of land.
- **Partnership Agreement** – is an agreement between the organisation and the Council that defines the outcomes expected.
- **Third Sector** – these are organisations commonly known as voluntary and community organisations. Their governance structures vary. They can be registered charities, trusts, social enterprises, mutual and co-operatives.
- **Transfer** – is defined as “passing ownership or management of a building or piece of land from a public sector body to a third sector organisation.”

3. The Council’s Strategic priorities for Community Asset Transfer

The Corporate Strategy is the Council’s overarching strategic plan. It was agreed by Full Council on the 25th February 2020 and sets out what the Council plans to do, how it plans to do it, and how it will measure its performance over the next four years.

There is one overriding purpose to improve people’s lives. The strategy sets out two core policies

- tackling the climate and nature emergency and
- giving people a bigger say.

And identifies three principles.

- prepare for the future
- deliver for local residents and;
- focus on prevention.

For more information about the Corporate Strategy visit www.bathnes.gov.uk

4. Assets within the scope of the Community Asset Transfer policy

Community Asset Transfers apply to land or buildings that have current or future potential community use.

Where an asset has become surplus to operational requirements or where it is currently run as a community asset and its agreement is due to end, an assessment will be made on the future options including whether the asset is appropriate for Community Asset Transfer.

As part of the assessment consideration will be given to:

- The retention within the Council (both strategic long term objectives and operational requirements)
- Open market disposal
- Change of use / redevelopment
- Potential for Community Asset Transfer

If a Community Asset Transfer is being considered, further consideration will be given to protecting the asset, the need for investment and the community service offered.

The Council may use Community Asset Transfers as a route to continue a service where the community have expressed an interest in running a service – example Community Run Libraries.

In most cases, the Community Asset Transfer will not generally exceed the land value of £2,000,000, unless in exceptional circumstance. In this case a separate process would be required and the permission from the Secretary of State would be required.

There are a number of assets which will not be considered as a Community Asset Transfer, these include land or buildings;

- within the Council's Investment Estate (eg retail and office space)
- earmarked by the Council's Property Company ADL
- earmarked for capital receipt / disposal
- required for operational purposes
- retained for legal, contractual or other reasons

Where a Community Asset Transfer is determined as the preferred option, the Council, will invite expressions of interests.

Where they can demonstrate that there are social, economic or environmental benefits the transfer of management and/or ownership of the asset to a community organisation will involve a transfer at less than market value. This will normally be in a form of a lease; a licence for very short-term arrangements where flexibility is needed, and freehold in exceptional circumstances. The Council will not restrict its CAT to 'low value' or difficult to dispose of assets as this will narrow the scope of the policy.

All decisions will be made at the Council's discretion, irrespective of the strength of the business case presented. The Council may decide at any time not proceed with a Community Asset Transfer.

5. Differences between Community Asset Transfers and Assets of Community Value

There is often confusion made between a Community Asset Transfer and what are defined as Assets of Community Value. Although they share some of the same objectives, the crucial differences are:

- CAT is the transfer of ownership or management of public land or buildings from its owner (usually a local authority), whereas the Assets of Community Value can apply to some public and some privately-owned assets.
- CAT is the transfer of management or ownership at less than market value. Assets of Community Value sets out a defined period of time for community organisations to compete to buy an asset on the open market.
- CAT is a voluntary process. The Council has a legal duty to list Assets of Community Value if certain criteria is met.

For more information, about how to register an [Asset of Community Value](#).

6. Ownership terms and arrangements

The Council will give careful consideration to the ownership terms of any CAT application. In most cases the Council will offer a lease transfer. This will be dependent on a number of factors including the use and condition of the asset, capacity to manage and raise funds and the outcomes to be achieved.

The following is a guide to the length of terms that the Council may apply:

Short term	Management agreement or licence to occupy granted up to 1-2 years or a short term lease up to 6 years
Medium term	7 years up to 24 years lease
Long term	25 years +
Freehold	In exceptional circumstances

Attached in Appendix 1 is a sample heads of terms.

The Council will aim to work with organisations to ensure lease terms provide maximum benefit for both the organisation and Council. In all cases, leases will include a Partnership Agreement and terms that ensure the asset is returned if these agreements are not met or the organisation is dissolved, becomes insolvent or due to any other circumstances.

The Partnership Agreement will set out the agreed outcomes for the approved use of the asset. The tenant will be required to provide an annual report to the Council which will demonstrate how they have complied with the conditions of the agreement.

7. Calculating the value of the Community Asset

Community Asset Transfer usually involves a transfer at less than market value. The level of subsidy applied to the asset transfer, will be determined by the social, economic or environmental benefits generated by the transfer and the market value of the asset. The value of the transfer will vary. It cannot be assumed that this will automatically be reduced to nil, as the subsidy will be dependent upon the benefits demonstrated.

8. Criteria applied to all Community Asset Transfer

Any organisation wishing to apply for a Community Asset Transfer must demonstrate that they have:

- A clear vision for the future use of the building or land
- Prepared a financially viable business case.
- Good governance, robust financial systems and up to date policies and procedures
- A proven track record of successfully managing a community building or land, or have trustees or board members that have community and voluntary sector experience
- Contributed towards the Council's Corporate priorities (as set out above in 3)
- A clear community/social demand for the proposal.
- Directly benefiting as wide and diverse a range of local people as possible.
- An appreciation of the current Health & Safety and Fire Safety legislation.
- An understanding of Equalities legislation, including the Equality Act in relation to the accessibility of public buildings and the delivery of services

The length of any business plan will depend on the nature of the lease arrangements proposed, normally a three to five year period.

9. Eligible organisations

Organisations that are not for private profit will be considered to apply for a Community Asset Transfer. This includes the following organisations:-

- parish and town councils
- incorporated charitable organisations including CIOs and Trusts
- companies limited by guarantee with charitable status
- community interest companies (CIC) limited by guarantee or by shares
- community benefit industrial & provident societies with an asset lock

This Policy will adhere to the commitments made in the Parish Charter May 2018 which recognises the statutory role and functions of parish. The Parish Charter also sets out a number of key principles for the devolution of services:

- By choice, not imposed
- One size doesn't fit all
- All liabilities to be declared openly on both sides
- Give proper notice of changes
- Be clear on what is being transferred, and over what timescales
- Encourage parishes to cluster
- Set up a 'support' offer"- e.g. training/equipment

For certain assets and in exceptional cases, the Council may consider leasing a building or

land to an unincorporated organisation. The lease arrangements agreed will depend upon the length of lease required and the governance arrangements in place. In all cases the Council will need to be assured that the liabilities are properly held and managed.

Privately owned or commercial organisations can only be considered where they demonstrate that their main aim is to deliver social, economic or environmental benefits eg. social enterprises.

National organisations whose remit is regional or nationwide will not normally be considered for CAT.

10. Applying for a Community Asset Transfer

The Council will operate a four stage process. See Appendix 2 for more details. The first stage will be an assessment of the future potential uses of the building or land (see 4 above). Once the asset has been identified as a Community Asset Transfer, organisations will be invited to submit an expression of interest which will determine the eligibility of the organisation and their proposal.

If successful, the third stage will require the applicant to submit a detailed business plan for which advice and guidance is offered, also see attached Appendix 3.

The final stage will be the practical implementation and legal steps required in the Community Asset transfer process.

If your organisation is currently occupying a Council asset and your leasing arrangements are due to expire, you will be required to re-apply under the terms of this policy.

11. Assessment process

The application process and criteria is set out in Appendix 2. A panel (made up of Council officers) will undertake the assessment of all the Community Asset Transfer applications. The assessment will be presented to the B&NES Property Board and final approval will be made by a Cabinet Member.

Where an application does not meet the criteria for a Community Asset Transfer, in the first instance the reasons for the refusal will be discussed between the applicant and the Council. 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.

12. Monitoring

All Community Asset Transfers will include a Partnership Agreement that will form part of the lease which sets out the agreed outcomes and evaluation on the use of the building or land. The organisation will be expected to provide an annual report in line with the agreed arrangements as well as confirming that the constitutional have not changed. These may include usage statistics, service evaluations, or other key indicators which will be clearly laid out in the Partnership Agreement. Failure to do so may result in a loss of rental subsidy.

13. Review

This policy will be reviewed twelve months following the approval date.

14. Support available

The Council's Communities Team can provide applicants support in preparing their business case and submitting their plans. It is advisable that organisations arrange initial meetings with the team to discuss their proposals.

15. Useful resources

The information below is provided as a guide to applicants only and does not imply that the Council endorses the views and information provided by external organisations.

General

- [B&NES Voluntary Sector Support](#) - useful sources of information for voluntary organisations.
- [Locality](#) - national network providing resources, case studies and toolkits.
- [Gov.uk](#) - government website including Charity Commission, HMRC.
- [NCVO \(National Council for Voluntary Organisations\)](#) - NCVO provide resources, research and expertise for the VCS sector.
- [DSC Directory of Social Change](#) - publications, guides and resources.

Funding

- [B&NES Funding Bulletin](#) - a monthly bulletin produced by the Council detailing grants, funding programme and trusts.

Managing a building

- [Action with Communities in Rural England](#) – guidance on running a village hall.
- [Health and Safety Executive](#) – guidance, risk assessment and policy templates

Licences and permits

- [Bath & North East Somerset Council](#) – alcohol licences, events, gambling
- [Bath & North East Somerset Council](#) - Food standards

Planning permission

- [Bath & North East Somerset Council](#) – planning permission and advice
- [Bath & North East Somerset Council](#) – listed buildings
- [Bath & North East Somerset Council](#) - building regs

Business Rates

- [Bath & North East Somerset Council](#) – business rates relief and exemptions

Appendix 1

Sample Heads of Terms and Partnership Agreements

Sample Heads of Terms

Name of organisation: []

Introduction: []

Landlord: Bath and North East Somerset Council (B&NES)

Tenant: []

Property: Land and Buildings as shown outlined in red on the attached plan

Term: [] years.

Rent: £ [] pa [with a rent review each five years based on RPI formula]. The rent will be abated to a [] subject to the tenant satisfying the landlord that they have:

- A clear vision for the future use of the building or land.
- Prepared a financially viable business case.
- Good governance, robust financial systems and up to date policies and procedures
- A proven track record of successfully managing a community building or land, or have trustees or board members that have community and voluntary sector experience
- Contributed towards the Council's Corporate priorities.
- A clear community/social demand for the proposal.
- Directly benefiting as wide and diverse a range of local people as possible.
- An appreciation of the current Health & Safety and Fire Safety legislation.
- An understanding of Equalities legislation, including the Equality Act in relation to the accessibility of public buildings and the delivery of services
- An annual report will be submitted to B&NES providing information that will satisfy the landlord that the conditions continue to be complied with.

Permitted use: [Details will also be set out in the Partnership Agreement]

Disposal of lease: It may be permissible to assign or sublet the lease to another charitable organisation with similar aims, subject to absolute consent of B&NES. Hiring out of space is permitted providing that no landlord and tenant relationship is created.

Repair: The tenant is to be responsible for keeping the building or land in good and tenable condition throughout the term of the lease and to yield it up in this condition at the end of the term. [] is to carry out a survey to satisfy themselves as to the obligations they are taking on.

Insurance: B&NES will continue to insure the buildings or land, covering the normal risks, subject to reimbursement of the premium. The tenant will be responsible for providing their own contents and public liability insurance.

Alterations: No alterations permitted to the structure or exterior of the premises without the consent of the landlord (such consent not to be unreasonably withheld). Internal non-structural alterations permitted details of which to be notified to the landlord in advance.

Lease Break: The tenant may serve six months' written notice to bring the lease to an end to expire on each anniversary of the grant of the lease, subject to all substantive terms and conditions of the lease having been complied with. Lease to be contracted out of Landlord and Tenant Act 1954 provisions relating to security of tenure.

Bath & North East Somerset Council

PARTNERSHIP AGREEMENT Template

Introduction

This document is a formal agreement between Bath & North East Somerset Council and [xxxxxxxxxxxxx] defining the main responsibilities of each party for the running of [xxxxxxxxxxxxx].

As a community asset it is intended to complement and be consistent with the relevant policies of Bath and North East Somerset e.g. Equality and Diversity.

This agreement is made the [xxxxxxx] between Bath & North East Somerset Council (The "council") and the present officers of the [xxxxxxx]

Bath & North East Somerset Council and [xxxxxxxxxxxxx] have agreed to work together in the operation of a [xxxxxxx] at [xxxxxxx] ("The Centre") for the benefit of the inhabitants ("the beneficiaries") of xxxxxxx and the environs in the county of Bath & North East Somerset (hereinafter called the "area of benefit").

This agreement witnesses:

1. The agreement starts on {date} and will be reviewed every x years on the anniversary of this date and in conjunction with the review of the open market rent. The current rent is £xxxx of which a subsidy of £xxxx will be made by the Council. The balance of £xxx being the subsidised rent due from the xxxxx.
2. The xxxxxxx will:
 - a) Have a clear vision for the use of the building or land.
 - b) Good governance, robust financial systems and up to date policies and procedures.
 - c) Contributed towards the Council's Corporate priorities.
 - d) Directly benefiting as wide and diverse a range of local people as possible.
 - e) Being a democratic organisation in the way it conducts its affairs and makes decisions.
 - f) Manage its affairs through a proper governance structure, holding Annual General Meetings for members and open meetings for the public where appropriate.
 - g) Undertake to ensure the organisation, management and activities contribute to best practice in respect of Equal Opportunities.
3. Specifically the [xxxxxx] will:
 - a) In managing and operating the [xxxxxx], endeavour to ensure it is open to all groups and individuals.
 - b) Demonstrate its commitment to Equal Opportunities in any literature or publicity

issued, including the advertisement of posts and the services/facilities offered.

- c) In relation to matters of employment, operate within current legislation and work towards best practice in relation to paying staff the proper rate for the job with job descriptions, contracts of employment, itemised pay statements and appropriate insurances.
- d) Keep in force insurances covering the [xxxxx] responsibilities for contents, public liability and employer's (where appropriate), and any activities for which the [xxxxx] has liability.
- e) Obtain and keep in force the appropriate licences for all activities in the [xxxx] and in connection with the work of the [xxxxx].
- f) Demonstrate satisfactory levels of financial administration:
- g) The [xxxxxx] will be expected to maintain properly accounting procedures. Documentary evidence will be kept for the books of account and will include invoices, receipts, bank statements and cheque books stubs.
- h) A projected Annual budget for the next financial year is produced.
- i) Independently audited accounts are produced.
- j) Refrain from publicising any material which in whole or part appears to be designed to affect public support for a political party or whose objectives contravene the aims of the [xxxxxxxxx]'s constitution.
- k) Provide an annual report including financial accounts to the Council.

NOTE - Additional information will be added relevant to the applicants agreed outputs and outcomes.

4. The Council will:

- a) Allocate an Officer who will act as a link to the [xxxxxxx], provide advice, guidance and assistance on request, or redirect enquiries as required.
- b) Monitoring the activity of the organisation against the outputs and outcomes agreed.
- c) Attend any relevant meetings of the [xxxxxx] as required.

Appendix 2

Community Asset Transfer Application process
and assessment criteria

Community Asset Transfer Application process

Stage One: Assessment of Asset

- Step 1: Assessment of the Asset – is it surplus to requirements and is the asset eligible for a Community Asset Transfer?
- Step 2: If yes, Expressions of interest are invited.

Stage Two: Expression of Interest (please allow at least three months to complete)

- Step 3: The applicant is asked to provide a written proposal of no more than 4 sides of A4 that explains:
- Why the asset is required by the organisation?
 - The aims and objectives
 - Who are the beneficiaries?
 - The support from the community and partners
 - Demonstrate effective management and governance arrangements
- Step 4: An assessment of the proposal will be made by a panel of council officers and in advice sought from B&NES Property Board in consultation with the Cabinet Member. Ward Councillors and, where applicable the local parish or town Council and other key stakeholders will be consulted on the proposal inviting comments.
- Step 5: The decision will be recorded on the Officers Decision register.
- Step 6: The applicant will be notified within three months of receipt of the EOI. If unsuccessful the applicant will receive a written response explaining the reasons. An initial unsuccessful EOI does not preclude from further submissions.
- Step 7: If successful, draft heads of terms and Partnership Agreement discussed.

Stage Three: Business Plan (please allow at least six months to complete)

- Step 8: A business plan (3 – 5 years) will be required to be submitted. Details of what should be included in the business plan are described in more detail in Appendix 3.
- Step 9: An assessment of the business plan will be made against the CAT criteria by a panel of Council officers
- Step 10: Legal and professional advice sought by officers and cost benefit analysis
- Step 11: Heads of terms and Partnership Agreement drafted.
- Step 12: A written report for a decision will be required. The report will be presented to the B&NES Property Board. If agreed, the final decision will be made by the Cabinet Member. In exceptional circumstances, a CAT may require the approval by Full Cabinet.

Stage Four: Completion (please allow at least six months to complete)

Step 13: Finalise documentation and lease including service legal agreement

Step 14: Property Management regime i.e. hand-over of building or land

Step 15: Annual review

Notes:

The Council's Property Board is an advisory group and is not a decision making body. The Cabinet Member or Cabinet will be the decision makers

The timescales are provided as a guide only. In some cases these stages may be considerably shorter however, timescales recognise that some groups have limited capacity and therefore the timescales will vary case by case.

Stage two – Expression of Interest (EOI) Assessment

About the organisation?
What are the Governance arrangements of the organisation?
Why is the asset needed?
The aims and objectives
Who are the beneficiaries?
The support from the community and partners
Recommendations

Stage Three - Full Application Assessment

Date Application received	
Contact person	
Name of organisation	
Registered office address	
Registered website address	
Details of asset	

Application Checklist

Have the following documents/ information been received / provided	Comments
A completed business plan	
Details of Charity Number / Company Registration No	
Date of Registration	
Legal status <ul style="list-style-type: none"> • parish / town council • incorporated charitable organisations including CIOs and Trusts • companies limited by guarantee with charitable status • community interest companies (CIC) limited by guarantee or by shares • community benefit industrial & provident societies with an asset lock • other (please specify) 	
Copy of the Governing documents	
Copies of Audited Accounts	
Copies of insurance documents	
Other supporting documentation such as annual reports, minutes of meetings	
Results from any community consultation exercises	
Evidence of support from key partners, stakeholders, funders	
Copies of the all the organisations policies and procedures including the Health and Safety Policy and Equality and Diversity Policy	
Three / Five Year Income and Expenditure Template	

Assessment form

Corporate priorities

Criteria	Comments
Has the organisation demonstrated that it meets at least one of the Council's Corporate priorities?	

Governance and Management

Criteria	Comments
Is the organisation clearly defined and established?	
Does the organisation demonstrate through its governance arrangements community benefit?	
Do they hold AGM or similar?	
Is the staffing and management structure been clearly defined?	
Does the organisation have up to date and written procedures covering: <ul style="list-style-type: none">• Recruitment and Induction• Training & Development• Health & Safety• Equality and Diversity• Safeguarding• Disclosure Barring Service Checks• Grievances / complaints	
Does the organisation have sufficient insurance policies in place?	

Equalities

Criteria	Comments
Has the organisation demonstrated an understanding of the Equality Act 2010 and how it would be applied?	

Financial arrangements

Criteria	Comments
Has the organisation submitted a three / five year detailed income and expenditure budget that demonstrates their project is financially viable and sustainable?	
Has the organisation demonstrated that they have a good financial track record or have the necessary processes and procedures in place?	
Has the organisation demonstrated various sources of funding eg, CiL, contracts, fundraising, grants?	
Has the organisation included the costs of any improvement works and identified sources of funding. Are they considered reasonable?	

The Proposal

Criteria	Comments
Is there a clear vision for the future use of the building or land?	
Are the aims and objectives clearly defined?	
Does the proposal clearly define the activities that will take place?	

The Asset

Criteria	Comments
Is the asset suitable to use for the organisations proposal?	
Has the organisation demonstrated a full understanding of their duty in relation to managing the building or land including: Condition, Suitability, Accessibility, Health & Safety, Planning restrictions, Other	
Has the organisation given comprehensive details of all proposed works that are intend to be carried out, including indicate costs and means of funding these and are these realistic?	
Has the organisation demonstrated it has the skills and capacity to manage the asset and deliver the proposal?	

Community benefit

Criteria	Comments
Has the organisation set out the needs of the community?	
Has the organisation undertaken consultation with the community?	
Has the organisation demonstrated that they have an inclusive approach to meeting the needs of a wide range and diverse community?	
Has the organisation demonstrated the social, economic and environmental impacts? (see outcomes/impact table)	

Appendix 3

Preparing the Business Plan

Preparing the Business Plan

This guide has been prepared by Bath & North East Somerset Council to provide support for organisations wishing to apply for a Community Asset Transfer. It focusses on the areas where the business plan will be assessed. This is only intended as a guide and the applicant must ensure that it has demonstrated it has met the criteria for the Community Asset Transfer as detailed above in 8.

1. About the organisation

An outline of your organisation's aims, objectives, track record and legal status. You should also describe:

- the services and activities your organisation currently provides, how these are run and who benefits from your work.
- the organisation's management structure, decision making process, committees and other governance arrangements
- The roles and responsibilities of trustees, staff, volunteers and their involvement in the project with reference to their relevant skills, experience and expertise, and their current and future involvement in this project.
- Evidence of track record of effective governance through open and accountable processes, with adequate monitoring, evaluation and financial management systems.

Supporting documents / information

- *Legal Status/ Details of Charity Number / Company Registration Number/ Date of registration*
- *Copy of the Governing documents*
- *Copies of insurance documents Public Liability Insurance = £5m, Employer's (Compulsory) Liability Insurance = £5m and any other relevant insurances.*
- *Other supporting documentation such as annual reports, minutes of meetings*

2. The vision for the future use of the building or land

This section should describe how the Community Asset Transfer will help deliver your objectives including:

- A description of what you are trying to achieve.
- About the asset, its location, size and capacity.
- How you would operate the asset and service?
- What have you achieved so far?
- What services you intend to deliver?
- How you would develop any community activities?
- Details of the type of Community Asset Transfer required including the length of lease sought and the reasons why.
- How you are contributing towards the Council's Corporate priorities
- Any relevant research, studies or other data that has been collected.
- You may also wish to also include a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats analysis)

3. The need and benefits

The organisation will need to identify the needs that will be met by the Community Asset Transfer as well as demonstrating how you will benefit as wide and diverse range of local people as possible. Including details about:

- The community (whether a geographical one or community of interest) your project is seeking to serve
- Who are the existing and target beneficiaries?
- Details of the anticipated benefits that the Community Asset Transfer will produce and how these will be measured
- What community support do you have for your proposal?
- Knowledge of other relevant existing community services and facilities
- What partnerships have been put in place or what opportunities are you exploring to work collaboratively and build partnerships

Supporting documents

- *Include results from any community consultation exercises you have undertaken (including the methodology used, the results and the conclusions you are drawing from this) and plans for further consultation*
- *Evidence of support from key partners, stakeholders and potential funders*

4. Impact of the activities

Include in this section details of the activities, the outputs and outcomes of your project and what the longer term impact will be. Below is an example of how you can assess the impact.

What did you do?	What happened as a direct result of the activity?	What longer term change occurred as a result	What big picture change has happened?
Social impacts			
<ul style="list-style-type: none"> • Community lunch club for older residents 	<ul style="list-style-type: none"> • 40 individuals attended the lunch club weekly 	<ul style="list-style-type: none"> • Provided nutritious meals for older residents • Used surplus food from local supermarkets 	<ul style="list-style-type: none"> • Reduced isolation and loneliness in older residents • Improved the wellbeing of older people
Economic impacts			
<ul style="list-style-type: none"> • Jobs creation/support for existing jobs and training 	<ul style="list-style-type: none"> • 2 jobs created • 10 training courses held 	<ul style="list-style-type: none"> • Opportunities for local employment • Improving the skills of local people 	<ul style="list-style-type: none"> • Reduced unemployment
Environmental impacts			
<ul style="list-style-type: none"> • Local activities for older residents 	<ul style="list-style-type: none"> • 10 out of town journeys saved 	<ul style="list-style-type: none"> • Extending the services and facilities for local residents 	<ul style="list-style-type: none"> • Reduction in carbon emissions reducing the need to travel

5. Project resources

The organisation will need a range of resources. You will need demonstrate that the you have a proven track record of successfully managing a community building or land or that

you have board members that have community and voluntary sector experience. Include in this section details regarding:

Staffing and volunteer resources

- the staff and volunteers who will deliver this project and their roles.
- the number of staff and volunteer roles that will be created for this project including a structure diagram and the reporting lines for the project.
- How do you ensure that staff and volunteers have skills/knowledge relating to safeguarding, equalities and health and safety duties? Trustees in particular should demonstrate that they are aware of their legal responsibilities and have undertaken relevant training where required.
- any recruitment or training plans including timescales and costs.

Management and supervision resources (organisation structure and project structure)

- how staff, volunteers, consultants and other human resources within the project will be managed.
- who will manage the finances and what experience they have.
- the arrangements you have for managing your current work and any new arrangements that will be put in place for this project.
- what policies the organisation already has and what policies the organisation will have to develop to deliver this project.
- who will be responsible for ensuring regulatory compliance with health and safety, food safety and licensing legislation etc, where applicable.
- what training and experience do key staff have to enable them to carry out their roles effectively.

Partnership working and stakeholders

- who are your partners.
- what their role will be.
- what the advantage of involving them is how you will manage the partnership.
- what commitment to the project they have provided their relevant experience.

Supporting documents

- *Copies of the all the organisations policies and procedures such as HR policies, volunteer management, GDPR etc.*
- *Copies of insurance policies including employers liability, trustees insurance etc.*

6. Managing the building or land

The organisation will need to demonstrate how it will effectively manage the building or land, taking account of health and safety, licences and permits, ongoing maintenance as well as demonstrating the practical skill and knowledge needed to run the building. In this section you will need to consider, not all questions will relate to your building or land:-

- How energy efficient is the building? Do you have plans to reduce our utility bills?
- What recycling and waste collections have you put in place?
- Do you have a Health and Safety policy? Have you undertaken a risk assessment?
- Have you produced a fire evacuation plan? Do you have a fire marshal?
- What first aid provision do you have in place?
- What do you need to do to run a café or bar in the building?
- What insurance do you need to run the building or land?
- What hire policies do you need for your building?

- What licences will you need to play music / radio in your building?
- What training have you considered for your staff, volunteers?
- Where can you get training in building or land management?
- Are there roles that will need to have a Disclosure and Barring check?
- Who is responsible if things go wrong?
- What kind of regular maintenance do you need to do?
- What kinds of repairs or improvements need building regulation approval, planning application or listed building consent?
- What arrangements are in place to manage and maintain the land?
- Do you need a change of use permission to incorporate all your uses?

Supporting documents

- *Copies of all the organisations policies and procedures including the Health and Safety Policy, Risk assessment*
- *Copies of insurance policy*

7. Equalities, accessibility and diversity

The organisation will need to demonstrate how it will make sure the premises operates in a non-discriminatory way: how the plans ensure that all sections of the community are included and potential barriers to access are identified and addressed. Consideration should be given to employees, volunteers and service users. The organisation's equalities policy should ensure it addresses all of the nine protected characteristics of the Equality Act 2010.

Your organisation will need to demonstrate :-

- How it will proactively work to promote equality, eliminate discrimination, and foster good relations?
- How it will encourage new groups to form to meet community needs?
- How it will offer a neutral and accessible space that is welcoming to all sections of the community?
- What are your legal obligations for working with children, young people or vulnerable adults?

Below are a number of scenarios which may help you consider how you will respond to the different needs of the community

- The management committee wants to ban the youth group from using the hall because they broke a window last time they used it. What should you do?
- The building or land is not very accessible for people with mobility impairments or wheelchair users. What can you do?
- A women's group wants to stop men coming into the building when they are there. What should we do?

Supporting documents

- *A copy of the Equality and Diversity policy*

8. Project delivery

This section should include detailed information about the project, the jobs it will create (if relevant); volunteering opportunities; and describe any services or activities it will provide. Also include issues such as planning and licencing permissions that you will need.

Include:

- activities and services delivered
- how many jobs will be created, including whether they will be full-time, part time, temporary, seasonal or permanent (if applicable)
- a project timetable which includes all the relevant activities or services of the project, stating when they are due to happen and how long they are likely to take after the project is launched.
- You should also include key milestones as part of the Community Asset Transfer including details of the first two/three years of operation and on-going strategy for maintaining the asset/service.
- Planning or licencing applications may be required and may affect your timescale and budget

9. Monitoring and evaluation frameworks

This section should provide a detailed description of how monitor activity including:

- how you will measure and track the progress
- the methods you will use to monitor the progress of your project
- how you plan to monitor the long-term impact of the project
- how you will use the information that you gather to improve the delivery of your project
- how you will involve the project beneficiaries in monitoring the project.

10. Risk analysis

The business plan must include an assessment of the risks associated with the project to see if there are any weaknesses or threats to the viability of your project. There are many ways of assessing the risks to a project such as completing:

- a risk register that identifies risks to your project, the likely impact if the risk occurred and how the risk will be managed. Consider the key legal, planning, insurance and health and safety matters associated with project (see above in 6)
- an analysis of your project's strengths, weaknesses, opportunities and threats (SWOT analysis)
- a PEST (political, economic, social and technological) analysis of the factors which may impact on the environment in which your project operates.
- Risk analysis is most useful when the key stakeholders of a project take part in doing it. This allows for wider stakeholder considerations to be taken into account. Once the key risks have been identified your plan should explain how these would be managed.

11. Project costs

The organisation will need to show how the project is financially sustainable over the life of the business plan and how you have addressed any financial liabilities. The income and expenditure template below may assist in providing a detailed breakdown of the budget. The level of detail that is included within this section will vary according to the type and scale of the project. In this section you should address:

- project expenditure requirements for at least a five year period
- project funding requirements
- sources of income, (such as grants, donations, rental/room hire, sales etc)

- including details of any assumptions behind your projections, funding, reserves)
- In-kind donations, such as volunteer hours
- details explaining how you will repay any money you have borrowed to fund your project

If the project includes capital expenditure, any financial projections provided should account for the periods of development, construction and operation of the project. Accordingly the business plan should account for the costs of developing and building your project as well as the costs of recruiting and employing staff and volunteers, operation and maintenance, and other specific items of expenditure.

Note - Calculating Volunteer in-kind costs

The easiest and simplest way to calculate the economic value of volunteers' contribution is to use the formula below:-

Total Volunteer Cost = the number of volunteers x average number of hours x national minimum wage hourly rate.

The current rate (25s and over) for 2018 is £7.83.

Supporting documents

- *Copies of Audited End of Year Accounts*

Five Year Income and Expenditure Template

Income	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Start-up funding					
Grants					
Rental/ room hire					
Other income eg: Café, Shop					
Volunteer time in kind					
Fundraising					
Total Income					
Expenditure	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Salaries including on-costs of NI, Pensions, management, Staff, volunteer time in kind					
Training and development					
Caretaking/ cleaning costs: materials, Refuse collection, Security					
Utilities: Water, Electricity, Gas					
Rent / Mortgage					
Building / land management fees					
Business Rates					
Repairs and Maintenance					
Transport and Travel					
Centre Supplies: Furniture, IT, clothing, equipment					
Telephones and Internet					
Promotion and publicity					
Insurances and Professional Fees: Property, Public liability & Employers insurance, Performing rights, Accountancy and legal fees, Architects fees, Consultancy fees					
Other					
Total Expenditure					