

	<p style="text-align: center;"><b>Assets Regeneration and Growth Committee</b></p> <p style="text-align: center;"><b>12 December 2016</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Community Asset Strategy Implementation Plan Update</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Director of Resources</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Urgent</b></p>	<p>No</p>
<p style="text-align: right;"><b>Key</b></p>	<p>No</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Appendix (i) CAS Implementation Phases 1 &amp; 2 Nov 16 Appendix (ii) CAS Implementation Planned Phases 3 – 7 Nov 16</p>
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## Summary

This briefing paper is designed to provide members with an update on the progress of the work carried out so far in terms of community engagement, the development and implementation of the Community Asset Strategy to date.

## Recommendations

- 1. The Committee is requested to note the content of this briefing paper.**

## **1. WHY THIS REPORT IS NEEDED**

1.1 The purpose of this report is to provide Members with an update on the progress and implementation of the CAS Implementation plan.

### **1.2 The Community Asset Strategy**

1.2.1 The Community Asset Strategy (CAS) was published in July 2015 and set out how the Council will deal with the portfolio of properties contained within it. The CAS Implementation Plan, published in 2016, has the primary aim of ensuring that there is pro-active management of the community portfolio to;

1.2.1.1 realise capital receipts

1.2.1.2 reduce revenue costs

1.2.1.3 transform and deliver community services in an efficient manner

### **1.3 The CAS Implementation Plan and Community Benefit Assessment Tool (CBAT) System**

1.3.1 There are approximately 233 community based organisations within the Borough, many of which are small but important organisations that deliver wide ranging services, from yoga to modelling and reading to pottery.

1.3.2 Of the 141 properties identified in the CAS, 69 of those properties had occupational agreements that had either come to an end or, were about to expire within the next 3 years. It is these 69 properties therefore which constitute phase 1 of the CAS Implementation Plan.

1.3.3 A Community Business Case Coach (CBCC) has been employed to specifically liaise and engage with the various organisations that wish to occupy Council community assets. The CBCC works closely with the Estates Team, to ensure appropriate legal documentation is put into place, to ensure that good business practice and appropriate governance is maintained.

1.3.4 The purpose of the CBAT is to provide a transparent method of assessing the amount of rental rebate that would be appropriate against the market rent, which has been assessed by the Lead Estates Surveyor (LES).

1.3.5 To date, the CBCC and LES have engaged with 24 of the larger community organisations. Appendix (i) provides a resume and update of that engagement so far.

1.3.6 To enable a Community Group to access the CBAT process it needs to clearly demonstrate that they are appropriately constituted as one of the following:

- 1.3.6.1 a Charity,
- 1.3.6.2 a Community Interest Entity or Trust

1.3.7 Following on from this, the following 3 steps are crucial to a Community Group obtaining a CBAT rebate;

- 1.3.7.1 completion of an activity log,
- 1.3.7.2 a statement of business case,
- 1.3.7.3 a CBAT assessment.

1.3.8 So far, during phase 1 and 2 of the engagement plan, the CBCC has recommended that two of the organisations consulted should be removed from the CBAT process because they failed to meet the criteria outlined in 1.5.6 above.

1.3.8.1 One of the organisations is a commercially run school charging £3,000 per child per term.

1.3.8.2 The other organisation is a community group who are not appropriately constituted and do not meet the requirements to access the CBAT.

1.3.9 This clearly demonstrates that commercial and inappropriately constituted organisations cannot take advantage of the CBAT system. Further, this demonstrates that none of the properties identified within the CAS, will be let to commercial businesses.

1.3.10 Should a property become vacant within the Council's portfolio, the property is considered for all uses, including community use. Should a community group be offered a lease in a building not currently designated as a community asset, consideration is given to potentially re-defining that building as a community asset, so that the CBAT can be applied and a subsidised rent potentially awarded.

1.3.11 From the engagement carried out, (24 organisations so far) it has been determined by analysing the results of the assessments, that the average rebate granted, is between 70 to 80% off the market rent, that would ordinarily be proposed. In 8 cases a 100% rent rebate has been assessed as being applicable.

1.3.12 Appendix (i) provides an over view of the first two phases of work carried out from July 2016 to date.

1.3.13 Appendix (ii) provides the planned programme of work over the next four phases of the planned community engagement from January 2017 onwards.

## **1.4 Hub Projects;**

- 1.4.1 The broad idea of a Community Hub is to make more efficient use of the community estate by maximising the use of certain assets and therefore reducing the costs apportioned to all users. One of the ways this is done is, to encourage and support different groups to co-locate within a single property.
- 1.4.2 There are currently a number of examples of this kind of facility sharing within the existing estate. For example:
  - 1.4.2.1 Friern Barnet Library
  - 1.4.2.2 Friary House,
  - 1.4.2.3 The Meritage Centre
- 1.4.3 In accordance with the Community Asset Strategy Implementation Plan, the opportunity to develop further Hubs will always be considered but only after careful consultation and community engagement. The CAS Implementation Plan and other community projects are governed via the Community Projects Board, which is chaired by the Director of Resources. The Board is made up of all those Officers involved in the construction of community buildings, estates management and community engagement projects.

## **1.5 Community Engagement**

- 1.5.1 Individual Community Hub construction projects have their own internal Project Boards and collaborative working groups, where not only the various community groups are invited to attend but so are the councillors in whose ward the development resides.
- 1.5.2 Current feedback from the community groups and those Councillors consulted has, in general, resulted in positive feedback.
- 1.5.3 The CAS Implementation Plan has provided the opportunity to develop and improve community engagement. The level of Councillor involvement has also been further encouraged, with the added benefit of building additional relationships.
- 1.5.4 It is clear, from the community engagement so far undertaken, that nearly all community groups would like to have access to facilities directly under their own control, either for their own use or within their sphere of management. However, given the financial and land pressures within the Borough, this “ideal” is very difficult to achieve or sustain in all circumstances.
- 1.5.5 One of the very early lessons learned from the CAS Implementation plan has been that small groups often only use community space once or twice a week. This was identified in the CAS, and as such it is important to identify who the lead organisation is in such cases. It is at this point that

both the CBCC and the Lead Estates Surveyor (LES) meet with that group and act as facilitators, with a view to arranging for them to act as coordinators of the entire space available.

- 1.5.6 This level of engagement is to be continued and developed further during the continued roll out of the various strategies and initiatives being undertaken by the Council.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 To allow members to assess progress of the Community Asset Strategy and Implementation Plan to date.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not Applicable.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Not Applicable.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 The Council's Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the taxpayer.

- 5.1.2 The Community Asset Strategy Implementation plan encourages partnership and community engagement which wholly supports the Council's Corporate Plan.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 The Community Benefit Assessment Tool seeks to address and provide a transparent system by which the services delivered to the community are measured in more than strict financial terms.

5.2.2 The costs of staffing are mitigated by the delivery of the CAS and the capital receipts projected to be delivered through further efficiencies in asset utilisation.

5.2.3 The Hub projects are continually evaluated through the aggregated procurement of project delivery systems and governance currently in place.

### 5.3 **Social Value**

5.3.1 The Public Services (Social Value) Act 2013 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.3.2 The CAS, the CAS Implementation plan are designed to ensure that Social Value is delivered to the wider community and the Councils' various Stakeholders. The CBAT assesses the social value that a group brings to the community, in financial terms, and calculates a subsidy that can then be applied to the market rent for the asset that may be leased to that group.

The key issue for a good score to be achieved is the level of activity the organisation undertakes. The CAS plan and the CBAT model distinguishes between those organisations that access the wider community at large and those that do not.

### 5.4 **Legal and Constitutional References**

5.4.1 Local authorities are given powers under Section 123(2) of the Local Government Act 1972 (as amended) to dispose of land held by them in any manner they wish. Except with the consent of the Secretary of State for Communities and Local Government, a council cannot dispose of land, other than for the grant of a term not exceeding seven years, for a consideration less than the best that can reasonably be obtained.

5.4.2 A general consent dated 2003 has been issued by the DCLG, this can be used where the value foregone is less than £2 Million and the proposed lease would be for the social, environmental or economic well-being of the residents of the Borough.

5.4.3 Section 123 of the Local Government Act 1972 requires the Council to advertise the disposal of Public Open Space in a local newspaper for two consecutive weeks and to consider any objections received.

5.4.4 Should any project within the CAS Implementation plan meet the above criteria then the above processes will be triggered.

5.4.5 Objections will need to be considered before the Council decides whether or not to proceed. This can be dealt with by a member or an officer provided that

the appropriate authority has been delegated to them.

5.4.6 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 1, Table A sets out the acceptance thresholds which provides authority for the action. Financial arrangements up to £100,000 can be approved by a Director or Deputy Chief Operating Officer as per the Authorised Delegated Powers provisions, unless the matter is for less than best consideration, in which case it must be considered by ARG.

## 5.5 Risk Management

5.5.1 There is a risk that a commercial organisation could inadvertently be awarded CBAT calculated rental subsidy; Careful checks take place, during the engagement process, to ensure that if a community group does not fall within the categories of: a registered Charity, a Community Interest Entity or a Trust, thus clearly demonstrating their commitment to the delivery of services to the community, then that organisation falls outside of the CBAT process.

5.5.2 Community groups could choose not to engage with the process under the CAS, which could jeopardise the awarding of rental subsidies; Most of the groups involved in the CBAT have responded to the experience in a positive manner, only two organisations have refused to engage but most recognise the value of the model. They are reassured by the fact the model offers an assessment for calculating rent subsidy which is transparent.

5.5.3 Currently there is no appeal process available; should an organisation, disagree with the calculated level of subsidy. This could result in disengagement from the process but this risk is mitigated by maintaining continuous dialogue, and coaching of the group to ensure an accurate assessment. Ultimately, should an organisation find itself in a position where it feels it is not being dealt with in a transparent and fair way, they can escalate their issues with the officers and / or seeking ward councillor support on their behalf.

5.5.4 Religious assets i.e. churches etc. are excluded from the CAS, which could result in a perception that faith groups are unfairly disadvantaged; by operating a fair and transparent subsidy assessment process that is applicable to all community groups who lease designated community assets, mean this risk is minimised to an acceptable level.

5.5.5 State Aid Rules are breached: In deciding whether to give the rent subsidy, the council will need to check whether this would amount to state aid, which could be considered as being unlawful. The appropriate processes and procedures are currently being developed to ensure that the Council is suitably protected. Such checks are continuously being undertaken to ensure that the Council is not breaching any of its statutory duties "...pursuant to Article 107(1) of the Treaty on the Functioning of the European Union (formerly Article 87(1) of the EC Treaty)".

## 5.6 Equalities and Diversity

- 5.6.1 Under the 2010 Equality Act the Council must have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
  - advance equality of opportunity between people from different groups
  - promote and foster good relations between people from different groups and with a protected characteristic and those without.

The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination. Up to date information about the Equalities impact of the proposal and details of how this has been assessed

- 5.6.2 The CAS Implementation plan does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result.

## 5.7 Consultation and Engagement

- 5.7.1 Adherence to the CBAT process and rent review / lease renewal negotiations require a great deal of community engagement. This is demonstrated within appendix (i)

## 6. BACKGROUND PAPERS

- 6.1 The Community Asset Strategy

[https://employeeportal.lbbarnet.local/dam/documents/departments-and-services/internal-support-services/estates-and-facilities/CAS-Implementation-Plan\\_FINAL-REDUCED-PRINT/CAS%20Implementation%20Plan\\_FINAL%20REDUCED%20PRINT.pdf](https://employeeportal.lbbarnet.local/dam/documents/departments-and-services/internal-support-services/estates-and-facilities/CAS-Implementation-Plan_FINAL-REDUCED-PRINT/CAS%20Implementation%20Plan_FINAL%20REDUCED%20PRINT.pdf)