

# **The Vale of Glamorgan Council**

## **Cabinet Meeting: 26 March 2018**

### **Report of the Leader**

## **Community Asset Transfer Applications**

### **Purpose of the Report**

1. To advise Cabinet of the recommendations of the Community Asset Transfer (CAT) Working Group and Insight Board.

### **Recommendations**

1. That Cabinet notes the contents of this report in order to inform a decision on the CAT applications as detailed within the Part II report on the agenda.
2. That the CAT Working Group undertakes a review of the Council's CAT Guidance which will be reported back to the Insight Board and Cabinet for approval.
3. That Cabinet receives further reports regarding CAT applications in due course.

### **Reasons for the Recommendations**

1. To consider the views of the CAT Working Group and the Insight Board and to enable a decision to be made under Part II.
2. To allow the Council's CAT Guidance to be amended in order to establish a consistent approach considering applications.
3. To enable Cabinet to consider future CAT applications.

### **Background**

2. The Council's original CAT protocol was endorsed by Cabinet in December 2010 (Minute No. C1149 refers). At that time, the protocol was produced in the context of a very different financial climate to today. It identified when the Council could consider transferring assets and how local communities could register an interest in taking over a Council owned property. The Council's Reshaping Services strategy recognises the significant potential for the Council to work more closely with Town and Community Councils (TCCs) and Third Sector organisations, including community groups. One way of doing so is to consider how the Council's property assets can be used and managed effectively to provide services in the future.
3. On 11th April 2016, Cabinet approved a revised CAT process and associated guidance which had been developed by officers drawn from a wide range of Council

departments and based on Welsh Government Best Practice Guide (Minute No. C3134 refers). The revised CAT process and associated guidance outlined that applications will be dealt with on a case by case basis.

4. The current process and guidance intended to provide a reference point for a wide variety of community bodies (such as voluntary organisations, co-operatives, mutuals, social enterprises and TCCs) who may be considering applying for a CAT. This guidance is underpinned by the following key principles that will provide a basis for evaluation of any applications:
  - Community needs
  - Supporting the Council in its objectives
  - Transparency in decision-making
  - Sustainability in the future operation of assets.
5. A copy of the current CAT Guidance is attached at [Appendix A](#) to this report.
6. As part of the CAT process, applications for Expressions of Interest (EOI) are received and considered by the CAT Working Group which consists of a number of officers including Legal Services, Finance, Democratic Services, Estates, Planning and Regeneration, Education, Performance and Policy and representatives from Glamorgan Voluntary Services and One Voice Wales (the organisation that provides support and advice to TCCs).
7. Following consideration of an EOI application, applicants may or may not then be invited to Stage 2 of the process (to submit a full business plan). The full business plan will then again receive full consideration by the CAT Working Group following which recommendations will be reported to the Council's Insight Board (a board consisting of the Managing Director and senior officers of the Council), with the recommendations of the Insight Board being ultimately referred to Cabinet for consideration under the process.

## **Relevant Issues and Options**

8. This report is being presented for consideration in respect of two CAT applications. Cabinet will note that a Part II report appears on the Cabinet's agenda which provides further financial and other information contained within the applications and details from the internal processes related to the applications. This is for data protection reasons. However, an overview of the applications and considerations in respect of the two applications is provided in this report.
  - **Millwood Bowls / Tennis Club sites, Barry**
9. An EOI was received in May 2016 from a Local Community Sports club. At that time the CAT Working Group was informed that it was the intention of the applicants that a new community sports club be established.
10. Following consideration of the application, the CAT Working Group invited the applicants to proceed to Stage 2 of the CAT process, Business Plan Stage.
11. A Stage 2 joint full business plan application was received in the name of the Community Sports Club in November 2016. Following receipt of the initial business plan, the CAT Working Group suggested that arrangements be made for officers from the Authority to meet with both organisations in order that further details could be provided to the Council in relation to some aspects of the business plan. The CAT Working Group felt there was insufficient detail within the financial forecasts

within the application and officers required further information with a request that officers from the Economic Development (ED) Section arrange to meet with both organisations to discuss the application.

12. With no further information being received, the CAT Working Group, following further discussions with officers from the ED Section, considered the application as received on 12<sup>th</sup> September, 2017. The CAT Working Group determined that the financial forecasts did not show sufficient financial sustainability and the submission did not address the issue of making the asset available for broader community use.
13. Having considered the above, the CAT Working Group therefore recommended to the Insight Board that the application from the Community Sports Club not be pursued for the reasons outlined above and Cabinet be informed accordingly.
14. At the meeting of the Insight Board on 16<sup>th</sup> January, 2018, the Board concurred with the CAT Working Group's determination that the application by the Community Sports Club not be approved for the reasons outlined above.
15. However, at the same meeting the Insight Board also requested that the CAT Working Group undertake a review of the CAT process and guidance following the first 18 months of its operation in order that any lessons learned to date can be incorporated into any revised version. As it stands, the Council's CAT Guidance refers to the need for encouraging applications that will benefit a broad spectrum of the community and not be necessarily aligned with single interest groups.
16. In addition, the Insight Board also specifically asked the CAT Working Group to consider the way in which reference to broader community uses may influence the process so as to unreasonably restrict the potential for a CAT application to proceed. If an application demonstrates financial sustainability but is based upon an asset which may be used by a limited or specific part of the community or offer a single use or limited number of sports or activities this should not necessarily preclude the application from being considered. This will also inform the review of Council assets that is currently underway with a view to proactively identifying assets which the Council may consider operating differently in the future.

- **The Kymin - Penarth**

17. On 22<sup>nd</sup> March, 2017 an EOI application for The Kymin was received and following a CAT Working Group meeting the applicant was invited to submit an application (full business plan) under Stage 2 of the process.
18. The Stage 2 application was received in November 2017 and the CAT Working Group met to consider the application on 21<sup>st</sup> November, 2017.
19. Having considered the Stage 2 application in line with CAT Guidance, the CAT Working Group identified that there appeared to have been no full consultation undertaken in order to inform the development of the business plan (a requirement of the process). In particular, there was no further information on how the public / organisations had been consulted since the Stage 1 application had been received and considered. The financial element of the proposal was identified as having insufficient detail to demonstrate the sustainable operation of the asset. The CAT Working Group also concluded that the application was light in overall detail, including the level of research being undertaken to develop the business plan.
20. In considering the comments of the CAT Working Group, the Insight Board subsequently agreed to recommend to Cabinet that it concurred with the comments of the CAT Working Group and that the application be not approved for the reasons

outlined above. In addition, reference has been made to the fact that The Kymin is a very strategic asset in Penarth, and indeed the wider Vale of Glamorgan, occupying a highly prominent location adjacent to the Esplanade and the Pier. At a time of financial constraint, work is underway to consider the future use of all Council assets. In this regard, it was considered that the application was premature given the need to conduct that review and consider the importance and value of this particular asset in the context of Penarth and the Esplanade.

### **Resource Implications (Financial and Employment)**

21. To date there have been 18 applications for CATs. No additional staffing resources have been employed at this time and the process has been managed within existing resources. However, should resource pressures arise these will be reported to the Reshaping Services Programme Board for consideration.

### **Sustainability and Climate Change Implications**

22. The need to ensure that services are sustainable for future generations is a key element of the Reshaping Services agenda.

### **Legal Implications (to Include Human Rights Implications)**

23. The Council's approach to any CAT and any guidance or processes it agrees to deal with such applications should aim to align with the principles of the Well-being of Future Generations (Wales) Act 2015.
24. The Council will consider all applications in accordance with its own agreed process and guidance. However, it is not obliged to accept an application for CAT unless it is satisfied that it meets the criteria set out in its guidance.

### **Crime and Disorder Implications**

25. It is considered that the use of underutilised or vacant accommodation (through the CAT process), would develop a sense of community ownership and engagement which could assist in addressing the issues of crime and disorder that may exist.

### **Equal Opportunities Implications (to include Welsh Language issues)**

26. The CAT process is delivered in accordance with the Council's Equal Opportunities and Welsh Language policies, statutory requirements and ethos. Equality Impact Assessments will be undertaken for schemes where it is deemed appropriate to do so.

### **Corporate/Service Objectives**

27. The CAT Guidance supports the Council's Reshaping Services programme.

### **Policy Framework and Budget**

28. This is a matter for Executive decision by Cabinet.

### **Consultation (including Ward Member Consultation)**

29. Local Ward Members for the sites detailed within the report have been consulted.
30. Councillor B.T. Gray commented: "I would like to comment the following on the recommendation to turn down the CAT for The Kymin:

I would like the applicant to be given an opportunity to present their complete plans for The Kymin to Cabinet. I feel that public consultation prior to transfer could have negative outcomes for the Vale were they to then decide to not grant a transfer, or indeed to go in a different direction altogether.

After proper consideration of the full plan (after representations are received by Cabinet) the Vale may wish to request that the applicant consult further. However to rule a transfer out on this basis I believe to be unfair and not in the spirit of co-operation that is needed in this process.”

31. Councillor K.F. McCaffer commented: “Whilst I appreciate the position of the VOG, I think that to reject the CAT on the grounds of lack of consultation is unreasonable. Should the applicant have gone to public consultation and the CAT had been widely accepted and welcomed by the people of Penarth, to then have the CAT rejected would have reflected negatively on the VOG and on the applicant.

I also think that a lot of people in Penarth don’t understand that The Kymin belongs to the VOG.”

32. With reference to the comments received, the remarks are noted, particularly with regard to consultation. However, as referenced in paragraph 20, the strategic context of The Kymin and the need for this Council to consider the future of all strategic assets is an overriding factor in this instance.

### **Relevant Scrutiny Committee**

33. Corporate Performance and Resources.

### **Background Papers**

None.

### **Contact Officer**

Lorna Cross, Operational Manager (Property)

### **Officers Consulted**

Legal Services  
Members of the CAT working Group

### **Responsible Officer:**

Carys Lord, Head of Finance / Section 151 Officer  
Managing Director