

<p>CABINET MEETING – 6th APRIL 2011</p> <p>EXECUTIVE SUMMARY SHEET – PART I</p>	
<p>Title of Report: Surplus Building Policy (Community Benefit)</p>	
<p>Author(s): Deputy Chief Executive and Executive Director of City Services</p>	
<p>Purpose of Report: The report seeks Cabinet approval and adoption of a Sunderland City Council Surplus Building Policy (Community Benefit) in order to establish a consistent approach to Voluntary and Community Sector (VCS) occupancy of council owned assets and to provide a clear framework to consider all requests for community asset transfers.</p>	
<p>Description of Decision: To request Cabinet approval and adoption of the Surplus Building Policy (Community Benefit)</p>	
<p>Is the decision consistent with the Budget/Policy Framework? Yes</p>	
<p>If not, Council approval is required to change the Budget/Policy Framework</p>	
<p>Suggested reason(s) for Decision: The Surplus Building Policy (Community Benefit) will support the development of an efficient and effective portfolio of Council assets which are utilised by the VCS organisations, establish a consistent approach to occupancy and consider all requests for community assets that seek to support community related activity in Council assets.</p>	
<p>Alternative options to be considered and recommended to be rejected: There are no alternative options proposed.</p>	
<p>Is this a “Key Decision” as defined in the Constitution? Yes</p>	<p>Relevant Scrutiny Committee: Management</p>
<p>Is it included in the Forward Plan? Yes</p>	

SURPLUS BUILDING POLICY (COMMUNITY BENEFIT)

**REPORT OF THE DEPUTY CHIEF EXECUTIVE AND EXECUTIVE
DIRECTOR OF CITY SERVICES**

1.0 PURPOSE OF THE REPORT

- 1.1 The report seeks Cabinet approval and adoption of a Sunderland City Council Surplus Building Policy (Community Benefit) in order to establish a consistent approach to Voluntary and Community Sector (VCS) occupancy of Council owned assets and to provide a clear framework to consider all requests for transfers.

2.0 DESCRIPTION OF THE DECISION

- 2.1 To request Cabinet approval for the adoption of the Surplus Building Policy (Community Benefit).

3.0 BACKGROUND

- 3.1 A Working Group (reporting to the Capital Strategy Group) was established to formulate a Policy to:
- Support the development of an efficient and effective portfolio of Council assets which are utilised by VCS organisations, ensuring a systematic approach that maximises the delivery of key outcomes for the community consistent with the key priorities of the Sunderland Strategy and Local Area Plans.
 - Establish a consistent approach to occupancy (including rental arrangements and asset transfer where appropriate) and to consider all requests for community assets that seek to support community related activity in Council assets.
- 3.2 The Council has 85 assets occupied by VCS organisations. The following information has been collated in respect of all of these community assets:
- Location of the premises at a ward and area level, lease and rent arrangements, sustainability and utilisation
 - Governance arrangements and the contribution of the current programme to the Local Area Plans
 - Asset Management

- 3.3 The information collated provides an overview of existing Council owned VCS occupied assets across the City. The analysis highlights potential opportunities for co-location of VCS organisations.
- 3.4 The information will be used as the core data for considering asset rationalisation and potential transfers and also as a reference tool for the council in identifying services delivered in localities.
- 3.5 The Surplus Building Policy (Community Benefit) takes into account National and Local Policy Frameworks. It provides a clear framework to ensure VCS organisations are provided with the clearest guidelines possible and additionally establishes the decision making processes associated with the transfer of an asset.
- 3.6 Cabinet agreed on 21 July 2010 that the VCS should be consulted on the draft Policy and the formal consultation period was completed on 26 November 2010.
- 3.7 The draft Policy has subsequently been considered by Area Committees and responses from both the VCS and Elected Members have informed this final draft.
- 3.8 Specifically the following areas of the Policy have been updated to reflect feedback received during the consultation:
- Ward Councillors will be consulted in relation to establishing evidence of local need
 - The position with regard to covenants has been clarified in relation to community use
 - Support from City Council and VCS infrastructure organisations to VCS organisations considering an asset transfer has been highlighted
 - Compliance with legislation regarding safeguarding has been highlighted
 - Where there may be opportunities for short-term/time-limited usage of buildings by the VCS, it has been acknowledged that a full business plan need not be submitted and that a risk based approach be undertaken proportionate to the circumstances
- 3.9 The draft Policy was considered by Management Scrutiny Committee on 20 January 2011. Members welcomed and supported the Policy as well as the opportunity to receive feedback on the consultation which many had been involved in. Members queried the capacity of volunteers and small VCS organisations to manage assets and were advised that the Policy aims to support organisations through this process.

3.10 On 4 February 2011 the Department for Communities and Local Government issued the consultation paper 'Proposals to Introduce a Community Right to Buy – Assets of Community Value'. This follows on from the recent publication of the Decentralisation and Localism Bill which proposes a new right for local people to identify assets of community value and a moratorium on their sale to give community groups the time to prepare a viable bid.

3.11 The Community Right to Buy builds on existing local authority asset transfer arrangements under the Local Government Act 1972 (General Disposal Consent 2003) and includes:

- Extending the scope to private as well as public assets
- Giving communities the right to identify property which they see as being of vital local importance, including local shops and public houses,
- Local authorities will be required to maintain a list of assets in their area which have community value, and communities will be able to nominate assets which they believe should be included.
- Delaying the sale of these assets on the open market for period of time to enable community groups to put together a bid, prepare a business plan and raise the necessary funds.

The Council is in a favourable position with respect to the introduction of the Community Right to Buy in that the draft Policy sets out the framework for managing the transfer of Council property to a formally constituted VCS organisation. In addition the surplus assets procedure detailed in the draft Policy sets out clear criteria for assessing community need.

4.0 IMPLICATIONS FOR THE CITY COUNCIL

4.1 The City Council, by agreeing a Surplus Building Policy (Community Benefit), will ensure that it has in place a fit for purpose policy framework which supports the Council and the VCS by ensuring a consistent approach to occupancy and assessing a request to transfer a community asset.

5.0 PROPOSED NEXT STEPS

5.1 Following approval of the Policy by Cabinet, it is proposed that the implementation arrangements associated with the Policy will be established within the Office of the Chief Executive and City Services Directorate.

6.0 REASON FOR THE DECISION

- 6.1 The Surplus Building Policy (Community Benefit) will support the development of an efficient and effective portfolio of Council buildings which are utilised by the VCS organisations, establish a consistent approach to occupancy and consider all requests that seek to support community related activity in Council buildings.

7.0 ALTERNATIVE OPTIONS

- 7.1 There are no alternative options proposed.

8.0 RELEVANT CONSIDERATIONS/CONSULTATIONS

- 8.1 City Services Directorate and the Office of the Chief Executive have led the work to produce the Policy.

- 8.2 The formal consultation period involved:

- All Area Committees
- Sunderland Community Matters
- National Community Matters
- Sunderland Partnership's online Consultation Calendar
- All Area VCS Networks
- Voluntary & Community Action Sunderland (formerly Sunderland CVS) membership
- Volunteer Centre Sunderland membership
- Sunderland Community Network membership
- All Community Associations
- Sunderland City Council Community Development website
- Management Scrutiny Committee

- 8.3 The Council's Capital Strategy Group will be involved in the implementation of the Policy.

- 8.4 Financial implications – The approach does not imply a need for additional resource but will impact on the ways in which the Council works with the VCS and therefore how existing resources are utilised and maximised for the benefit of the community.

- 8.5 A Sustainability Impact Assessment (SIA) has been carried out for the Policy; however, it had a less significant score and therefore no need for a full SIA.

9.0 GLOSSARY

VCS – Voluntary and Community Sector
CVS – Centre for Voluntary Services