

DATA LABEL: PUBLIC

COMMUNITY ASSET TRANSFER A GUIDE FOR VOLUNTARY AND COMMUNITY GROUPS

1. Introduction

This guide is for all voluntary and community groups interested in acquiring property assets owned by West Lothian Council in order to develop and deliver services, and to generate benefits for their local communities.

It:

- explains the scope of the Council's policy on community asset transfer;
- provides guidance to interested groups on how to apply to take on an asset, and
- explains how the Council will determine an application.

The guide outlines our process and timescale for responding to requests for individual property asset transfers, which we believe is in line with being a transparent local authority.

Our objective is to make it as simple as possible for an organisation to start the application process to purchase or lease land or property from the Council. The information supplied will help us to ascertain whether an organisation is ready to take on the property and whether the purpose the applicant has in mind for the property will bring about benefit for the community and meet council objectives.

There must be a clear proposal, business case and rationale for transfer. This could include opportunities for new and innovative ways of supporting the Council in providing services to the community, delivering services directly, or the provision of new activities or services that would otherwise not be available.

Each property asset transfer will be judged on its own merits and the detail of any arrangements for transfer will be arrived at through individual negotiation. However, in this guide we have tried to show that we have a consistent, fair and transparent process for responding to proposals from local communities.

This information, along with application forms and a copy of the Council's policy, is also available on the Council's website

2. Context

The need for local authorities to consider the methods of service delivery, and the growing interest from community-led organisations in assuming responsibility for the delivery of local services, are fuelling the drive for communities to take responsibility for publicly owned property assets. This trend is reflected in changes in public policy (e.g. political prioritisation of community empowerment), and in recent legislation (e.g. the Disposal of Land by Local Authorities (Scotland) Regulations 2010).

The Council's policy for the transfer of property assets to community-led organisations recognises that handing over the ownership or stewardship of an asset can have a valuable role in supporting and sustaining local communities.

Community asset transfer is driven by the delivery of services, not the availability of assets. It provides an opportunity to engage people in providing services, and adding value in their local communities. This may be by delivering services that the Council finds it can no longer afford, or additional services, the need for which has been identified by the local community. It may also allow a group to develop a commercial venture which will support community benefit. In addition, community-led groups may be able to access development funding that might not otherwise be available.

The community ownership of assets can make an important contribution to the range of innovative, bottom up solutions which community groups can develop to address local needs. Importantly, these solutions not only meet the needs of the local people, they can also contribute to the delivery of Council and national strategic priorities.

It is anticipated that most interest in transfer of responsibility will come from community-led organisations which identify a specific opportunity. However, opportunities may also be identified by the Council. The continuing review of the Council's operational properties is expected to identify properties that are underperforming – i.e. that are not being used efficiently or effectively, and/or which have potential for a more intensive use, or a greater variety of social, community and public purposes, to the benefit of the local community

Proposals may be many and varied, and the legal issues that arise from them are likely to be equally varied and challenging. Solutions will depend on the nature of the proposal and the property assets involved. They will also be affected by the way the proposal is being funded, the type of community-led organisation that is implementing it, and the organisations with whom they have to reach separate agreements e.g. funders.

If transfer is proposed, there must also be a critical appraisal as to whether it assists in delivering agreed outcomes. The Council has to ensure that there is a robust justification for transfer. Transfer should be a means to an end not an end in itself.

It is likely that the legal structure for transferring any property asset will vary to reflect the specific needs and circumstances of the proposal or organisation making the proposal – there will be no single model. However, each mechanism should reflect the objectives and required outcomes of both the proposed occupier/operator and of the Council. The Council's responsibility for the stewardship of public assets will mean that we may need to protect the public interest through conditions or burdens within the legal structure of any transfer.

3. Which assets may be suitable for transfer?

The Council's physical assets include land, buildings and other structures and these are used for a variety of different social, community and public purposes.

The Council's policy applies to assets that are no longer needed for the direct delivery of Council services, and which are not in the programme of sales that contribute to the Council's capital investment programme. Other assets identified by the Council as being surplus to requirement or underperforming, may also be considered. The asset can be either land and/or a building owned by the Council.

Applications for transfer will be considered on a case-by-case basis against the criteria outlined in the Council's policy.

Assets Considered Unsuitable For Transfer

There are some assets that must remain under Council ownership in order to support the delivery of essential services; to continue to provide an income to the Council; or to support economic activity in an area.

There are also some assets that may be considered unsuitable for transfer because of title burdens and conditions e.g. assets gifted to the Council for educational purposes. Some restrictions can be lifted but it can take time.

The Council must also balance the needs of the community and its commitment to community asset transfer, against the need to generate capital receipts in order to invest in essential capital projects. Assets which have been identified for the generation of capital receipts to support the Council's investment programme, and land held for strategic development purposes, will not normally be considered suitable for transfer.

Assets held on the Housing Revenue Account (HRA), such as Council houses and garages, are not specifically covered by the Council's community asset transfer policy. This is because they are subject to a separate process for approval, involving the Scottish Ministers.

Applications for an asset not considered suitable for transfer - for operational or other reasons - will be rejected. However, we will be able to tell an applicant this early in the process.

Terms of Transfer

In most cases Councils seek the best price that can reasonably be obtained when disposing of an asset. However in certain circumstances a transfer at less than best consideration may be possible.

Changes in legislation mean that Councils are no longer required to obtain best consideration (full market rent or price) when disposing of assets **where a community-led applicant has been able to make a robust case showing how the transfer is likely to benefit the local community.** However, any transfer must contribute to the promotion or improvement of one, or more of the following:

- economic development or regeneration
- health
- social well-being, or
- environmental well-being

The actual procedure for such transfers is set out in the 'Disposal of Land by Local Authorities (Scotland) Regulations 2010' (The Regulations). In order to allow transfers to take place at less than best consideration the Council has to be satisfied that the provisions of these Regulations can be appropriately met. In such cases the level of discount to be applied will be determined, principally, by the potential benefits to the community.

Transfer can take place in different ways. This may include:

- the transfer of management responsibility for an asset through a service level or management agreement;
- a short or long term lease arrangement, or
- transfer of outright ownership.

The selected means of transfer will reflect the requirements of both the applicant and the Council – so each proposal will be different. In all cases involving transfer of ownership/occupation appropriate legal mechanisms will be put in place to protect the Council's responsibilities as stewards of public assets. This may include restrictions on changing the use of the asset from the purpose for which transfer was originally intended.

If the community-led organisation is taking a lease or outright ownership, they will be responsible for:

- Upkeep, repair and maintenance of the asset;
- All running costs, including insurance;
- Compliance with statutory inspections and health and safety requirements

4. Who is eligible?

The third sector covers a range of organisations involved in a wide variety of activities. It is not possible to provide a comprehensive definition of the types of community group covered by the Council's policy. However, it is expected that applicants will be community-led organisations – i.e. an organisation that is not-for-private-profit; has a defined geographical area of operation (probably no greater than the Council area, but in most cases smaller – e.g. a village, neighbourhood, town or similar); is accountable to, and managed by, those who live within that area; and is democratically run. NB: community-controlled organisations exist to serve the whole community of place or specific communities of interest within this.

Applicant organisations may take many forms, e.g. community associations, development trusts, community councils, community forums, tenant organisations and community based housing associations, etc. They can also adopt different types of legal structures such as company limited by guarantee, unincorporated (voluntary) association, partnership organisation, or industrial and provident society (co-operative). Many have charitable status. The key thing is not the precise model but that they are recognised in their communities as valuable, open, accountable and inclusive organisations.

However, in order to be eligible an organisation will be expected to have the following characteristics:-

1. It is formally-constituted; has appropriately experienced management; and has sound and relevant governance arrangements in place;
2. It has its own decision-making system and accountability to independent trustees or its own members or constituents;
3. It exists for community, social, environmental or economic benefit objectives;
4. It has a strong track record in bringing in and managing money and/or a robust financial plan moving forward. (The Council will wish to review copies of audited accounts and forward projections where appropriate);
5. It does not distribute any profit or surplus to owners or members, but must reinvest it to further its social aims/community benefits (i.e. commercial concerns are excluded, but organisations which charge users or the public for services or whose activities include contracts with the Council are eligible);
6. It is non-political and is not engaged in supporting candidates for political office
7. It is likely to have an element of involvement of volunteers.
8. Demonstrates it has the skills and capacity within, or available to, its managing body to effectively deliver services and manage the asset, and comply with statutory obligations, e.g. health and safety.

The Council will consider transfer of responsibility for property assets to long established, stable and secure formal organisations. Newly formed or less formally constituted groups may also be considered suitable for transfer provided they can demonstrate that they have the necessary expertise and experience to manage the asset and have a sound business plan in place.

The policy recognises that voluntary and community groups across West Lothian are at different stages of maturity and has made a commitment to promoting transfer options through awareness raising, outreach and support. Officers from a wide range of services are actively working with voluntary and community organisations to build capacity and to provide them with the confidence and skills to take on the management of an asset. Contact details for these officers are given in Section 9.

5. Process

Introduction:

The Council recognises that asset transfer will require a significant commitment from a voluntary or community group. However, as the stewards of public assets we have to be sure that there is a robust justification for any transfer. We believe our process is both transparent and proportionate.

In the first instance, groups are encouraged to discuss their options, their suitability and the scope of community asset transfer with their local Community Regeneration Officer (CRO), who will be able to advise, or to signpost to another, appropriate officer. These informal discussions will help to prepare for the process of making a formal application for transfer. Contact details for each locality are given at the end of this guide.

The process of asset transfer may be initiated in two ways:

- A request from a community-led organisation
- By the Council identifying an asset as appropriate to transfer either to sustain the current building and service delivery, or for an alternative use where a building has been deemed surplus

The application process will follow two key stages:

Stage 1: Outline application

Stage 2: Completion of Full Business Case

Applicants will not normally be expected to submit a Full Business Case at Stage 1, unless one has already been completed and is available to support the Stage 1 application. Applicants invited to progress to Stage 2 will be expected to develop and submit a Full Business Case.

Stage 1 – Outline application

This initial application is intended to allow us to assess the suitability of a proposal in broad terms and help us arrive at a decision as to whether the applicant is invited to submit a stage 2 application. The Outline Application should not involve a huge amount of work - all that is required is enough information to show there is a potential business case for transfer. Completed forms should be sent to the local CRO, or the officer offering initial support, if different, who will submit the proposal to the Council's Capital and Asset Management Board (CAMB).

As a minimum we **do** expect an Outline application to demonstrate:

- The status of the applicant (constitution, financial details etc)
- An outline of the proposed use of the asset
- An indication of how transfer will benefit the local community
- Information on how transfer will meet the Council's strategic aims, as outlined in the application form.
- An indication as to whether any alterations are likely to be made to the property. (NB at stage 1 applicants are **not** expected to produce detailed plans and costs)

Interested parties can find a Stage 1 Application form on the Council's website.

Applicants should provide us with a copy of their constitution. This will help us to ascertain whether the applicant has the necessary powers to carry out the project, or whether their constitution will need to be amended.

The CAMB will consider whether the application is consistent with corporate priorities and objectives, and will provide an indication as to whether council officers are supportive of the proposal in principle, and if the applicant should proceed with the preparation and submission of a Stage 2 application for decision by the Council Executive. At this time a relevant Council officer will be assigned to act as the key contact for the community-led organisation as they develop their application. This officer will have

experience in the particular field of activity that will be delivered from the asset, e.g. sports, community facilities etc.

Following the favourable determination of a Stage 1 application we will also provide a valuation of the asset, for lease or sale. All available information on the asset, including details of its condition, running and maintenance costs, and title deed restrictions, will be shared with the group to help them decide whether to submit a Stage 2 application.

Competing Interests

While we expect community-led organisations to work together to achieve locally agreed objectives it is recognised that there may be occasions when two or more organisations are interested in the same asset. In these circumstances each will be expected to complete a Stage 1 application, and demonstrate engagement with, and the support of the local community for their proposal. A decision on which proposal should be progressed will be taken by the Capital and Asset Management Board.

Stage 2 – Detailed assessment

Although we are promoting a consistent approach towards applications, the level of detail to be included in a Stage 2 application will vary depending on the type of asset to be transferred. The assigned officer for the group will be able to provide guidance on this. However, it is expected that a comprehensive business plan will be developed, along with detailed plans for the management of the asset once transferred.

In summary, this application must:

- Include a review of potential options for meeting the identified need in different ways
- Demonstrate a clear community/social need for the transfer
- Show that there is community backing for the transfer and that consultation has taken place within the community – as part of this consultation it is expected that the proposal will be submitted to the appropriate Local Area Committee.
- Demonstrate that the applicant has the capacity to manage the asset and has members who have the necessary skills and experience
- Show the applicant has good governance and robust financial systems
- Show how the applicant aims for a project will contribute to the achievement of the Council's corporate and strategic objectives
- Prove that the proposed project will not duplicate activities, services or facilities already provided in the local community.
- Show that the applicant has thought about the risks involved in taking on the asset and ways of mitigating these
- Demonstrate that there are realistic opportunities for securing the finance required to develop the asset (if appropriate), and
- Show that ongoing delivery of the services and running of the asset are viable (i.e. that the project will break even) and sustainable over the longer term.

More detail on what is likely to be expected is given in Section 7. Our Stage 2 application also gives detailed guidance on what we expect applicants to be able to tell us.

The application will then be evaluated by the Capital and Asset Management Board, following which a detailed report will be submitted to the Council Executive. The decision on the outcome of the application will be conveyed in writing to the applicant as soon as possible, likely within one week of the decision.

Appeal

If a **Stage 1 application** is rejected on the grounds that the applicant is not properly constituted or that the outline proposal for the use of the asset does not appear to be well thought through, the applicant will be given the opportunity to resubmit their application at a later date, once the issues

have been addressed. Appropriate officers from the Council can provide advice and guidance on the development of a constitution and governance arrangements, or on the development of an outline business case, as required.

If a Stage 1 application is rejected on the grounds of suitability, the applicant can write to the Chair of the Capital and Asset Management Board asking that the decision be reviewed. The applicant will be notified the outcome of this review within 30 working days.

Rejection of a **Stage 2 application:** The final decision on any transfer will be made by the Council Executive. Under the Council's Standing Orders there is no appeal of a Council Executive decision. The applicant will be informed of the decision in writing and if their application is rejected, the reasons for the refusal.

6. How long will it take?

It is recognised that each transfer will have a unique set of considerations so timescales will vary. The following are indicative of how long we expect applications to take.

Stage 1

Acknowledge receipt of application	5 working days
Assess suitability of application	6 weeks
Notify community group of outcome	1 week from date of decision

Stage 2

Acknowledge receipt of application	5 working days
Assess suitability of application	6 weeks
Seek decision from relevant Committee	3 - 6 weeks (depending on the Committee cycle)
Notify community group of outcome	1 week from date of decision

7. What must applicants do

Our two stage process means that we do not expect applicants to carry out a great deal of work until Stage 2. However, we would suggest that, before completing the Stage 1 application form, applicants should review and consider what we ask for as part of Stage 2. Any information applicants can give us with a Stage 1 application, that helps to answer the questions we pose as part of Stage 2, will help our initial evaluation.

Our Stage 2 evaluation will be much more comprehensive, and the following sections outline what we expect applicants to be able to tell us.

➤ **The Business Plan**

If proposals are to last, and be successful in delivering long term community benefit, both the viability (i.e. having the financial resources to become established and to stay alive) and the sustainability (i.e. being run by people with the right skills, knowledge and aspirations to succeed) of the project are fundamental.

In order to demonstrate that a proposal is viable and sustainable, and has been thoroughly and competently developed, there is a requirement for a Business Plan. Such a plan will demonstrate that a proposal has merit and is consistent with the Council's own aspirations. It is also likely that applicants will need to submit a Business Plan alongside any application for external funding support, and applicants may want to consider this when they are drafting a Business Plan in support of their Stage 2 application, to avoid duplication of effort.

The following outlines the structure of a Business Plan, which we expect applicants to follow

1. Project Objectives, i.e.
 - A statement of the objectives/outcomes the project is to accomplish;
 - The plan for reaching them and the reason why they are attainable;
 - Consistency with Council objectives/outcomes
 - Means of measuring performance against objectives/outcomes. Tell us what the benefits are perceived to be, and how these will be measured

2. Project Feasibility – an assessment of whether and how the proposed project can be developed/delivered to meet its objectives given the demand for it, the context it will operate in, and the resources available. Feasibility will also outline the steps that need to be taken to progress the proposal from idea to reality. It should demonstrate:
 - The level of demand
 - The potential to generate income
 - Copies of recent accounts (if available)
 - Appropriate financial forecasts
 - The availability of financial support for implementation (if required)
 - An understanding of what is needed (skills, finances and other resources) to run and maintain the project when complete
 - The level of involvement of volunteers
 - An assessment of the extent of existing provision in the local market (where the applicant is engaged in a commercial venture)
 - The approach to managing the design and construction process if the proposal includes capital works

3. Constitution and Governance
 - Outlining the legal structure of the body that will take forward the proposal – who makes the decisions and how they make them
 - Providing information on the capacity and skills of the organisation to manage and implement the proposal
 - We may also need information on what would happen to an asset if the applicant's organisation ceases to exist.

4. Viability

- Demonstration of how the project will cover all its costs with income over a specified period – usually three to five years (although this may need to be longer depending on the nature of the project, e.g. if loans in are place for capital works) including a financial breakeven and sensitivity analysis
- Setting out how assets will be managed to a high standard, covering insurance, statutory compliance, security, Health and Safety etc.

5. Sustainability

- Demonstrating how the asset will be maintained and operated by the organisation into the foreseeable future – showing how the project can last in the long term. In considering an application we will want to know that applicants have the ability and capacity to maintain and operate the asset in the foreseeable future.

It is expected that the initial assumption in any Business Plan will be that the asset will transfer at market value. It will be incumbent on the applicant to demonstrate, through the Business Plan, why there is a financial deficit that results in a requirement for transfer at less than market value.

More detail on the most critical features of the Business Plan is given below.

➤ **How the applicant intends to use the asset:**

Applicants must clearly demonstrate that the transfer of the asset is to provide services or facilities that will meet the needs of the local communities or directly benefit local residents. The Council will expect each proposal to explain the proposed use of the building and how the asset transfer would enable and enhance the activities within the community; i.e. to:

- demonstrate that the asset will support community and voluntary activities within the area. For assets that are still in use, we may want to know how existing users would be able to continue their use of a property;
- outline the future opportunities for enhancing the use of the asset as a community facility that transfer would bring;
- identify opportunities for using the assets to develop and provide new and innovative services, which may be linked to current Council service provision.

Applicants will need to give us details of how they intend to alter the property, and how they will pay for this.

Applicants will also need to tell us how they expect to hold the property – e.g. lease, outright ownership etc – and the amount they would expect to pay.

➤ **Demand for the proposed use, and the support of the local community**

We expect applicants to identify a clear community/social demand for the transfer, and to demonstrate how that demand has been identified through engagement and consultation in the local community

We will be looking for evidence of community support for the transfer. This has to be obtained through consulting any existing building users, other community groups and other stakeholders from within the community. The views of elected members should also be sought, including presentation of the proposal to the Local Area Committee.

Applicant's research should demonstrate that the proposal is the best approach to address the identified demand.

➤ **The applicants organisation**

Only applications submitted by an organisation that is constituted, fit for purpose, and operating on a non-profit making basis, will be considered. We will have to be satisfied that the applicant has the necessary expertise and resources to deliver the project/activities outlined in the application.

Applicants must:

- demonstrate that they have the skills and capacity to manage the asset.
- show that they have good governance and robust financial systems in place, and

- be able to demonstrate that all necessary policies expected of a community group, such as training plans, Health and Safety policies, compliance with relevant equalities legislation, etc, are in place
- show that they fully understand the risks associated with the project, and that they have the expertise and processes in place to manage them

➤ **Finance**

Applicants must include a certified copy of the organisation's most recent audited or independently approved accounts. If the applicants organisation has been operating for less than one year a financial projection should be provided.

Organisations must provide details of how much it has in **all** bank or other accounts. If an organisation has significant balances, an explanation of why those funds cannot be used for the purposes of purchasing or leasing an asset, should be provided, e.g. details of any ring-fenced monies

➤ **How the proposal meets local objectives**

Applicants must show how the proposal contributes to the strategic objectives and outcomes of the Council and the Community Planning Partnership. Details of these can be found on the Council's website.

➤ **Community benefit**

As noted above we expect the proposal to have the support of the local community. If an application seeks the transfer of the asset at less than market value we will also need a demonstration of the projected community benefit. This will result in a financial figure that must equal the difference between the market value and the suggested transfer value.

The exact method of calculating the projected community benefit will depend on the size and value of the asset. The CRO and the lead officer from the Sponsoring Service will be able to guide applicants on the exact process to be followed. However, for larger assets it is expected that the standard method for determining community benefit will be by the calculation of the Social Return on Investment.

8. Evaluation process – how we will assess an application

In accordance with the Scottish Government guidance on the application of The Regulations, the Council has put in place a transparent corporate process for assessing the benefits, costs and risks of the transfer of responsibility associated with asset transfer. The evaluation process will assess each proposal in terms of its ability to contribute to the following:-

1. Community empowerment
2. Area and local community benefits, for example by sustaining or improving local services
3. Building the capacity of voluntary groups; encouraging a sustainable voluntary sector; or supporting social enterprise
4. Economic development and regeneration; health; social or environmental well-being
5. Value for money
6. Meeting objectives set out in Local Community Plans, Strategic Priorities and Local Outcome Agreement as well as those set out in service specific strategies and plans

The Business Plan and associated documents, submitted as part of the Stage 2 application, will help us to evaluate the proposal.

The process will be lead by officers from the Sponsoring Service i.e. the Council Service that has direct responsibility for the form of activity most closely related to the use proposed, e.g. community accommodation, sports, or community gardening. During this process we will engage with applicants, through dialogue and/or meetings, to ensure a clear understanding of the exact nature of the proposals.

An assessment of the benefits of the proposal (the Council's Business Case) will be prepared by the Sponsoring Service, and will include:

- Contribution to the criteria specified in The Regulations – i.e. economic development or regeneration; health; social well-being; or environmental well-being – where a transfer at less than Market Value is proposed.
- An options appraisal for the asset
- An assessment of the proposals compliance with the European Commission's State Aid rules, and the Accounts Commission's Code of Guidance on funding external bodies and following the public pound (as appropriate)
- A financial assessment of the benefits to the Council and its community partners arising from the proposal, where an asset transfer at less than best consideration (i.e. market value) is proposed.

This assessment, along with the review of the Business Plan, will inform both the legal means by which a transfer can take place (including the value at which the asset can be transferred), and the final report to the Council Executive.

9. How can we help? Who can help?

WEST LOTHIAN COUNCIL

Initial contact - Community Regeneration Officers

Council ward:

Armadaile & Blackridge:	Douglas Benson,	douglas.benson@westlothian.gov.uk
Bathgate:	Douglas Benson,	douglas.benson@westlothian.gov.uk
Broxburn, Uphall and Winchburgh:	Douglas Grierson,	douglas.greirson@westlothian.gov.uk
East Livingston and East Calder:	Claire Pattullo,	Claire.pattullo@westlothian.gov.uk
Fauldhouse and the Breich Valley:	Laura Machnik,	laura.machnik@westlothian.gov.uk
Linlithgow:	Douglas Grierson,	douglas.greirson@westlothian.gov.uk
Livingston North:	Sarah Crowe,	Sarah.crowe@westlothian.gov.uk
Livingston South:	Sarah Crowe,	Sarah.crowe@westlothian.gov.uk
Whitburn and Blackburn:	Scott McKillop,	scott.mckillop@westlothian.gov.uk

Subject to the availability of resources, council staff may be able to provide support to applicants by in-kind contributions, e.g. help with applications for funding or planning etc.

Service lead officers

Community Regeneration Manager:	Ian Hepburn,	Ian.Hepburn@westlothian.gov.uk
Community Arts:	Laura Tyrrell,	Laura.Tyrrell@westlothian.gov.uk
Community Learning and Development:	Ian McIntosh,	Ian.McIntosh@westlothian.gov.uk
Community and Leisure:	Neil Sharp,	Neil.Sharp@wled.org.uk
Regeneration & Employability:	Clare Summers,	Clare.Summers@westlothian.gov.uk
Sport and Outdoor Education:	Keir Stevenson,	Keir.Stevenson@westlothian.gov.uk
Youth Services:	Beverley Akinlami,	Beverley.Akinlami@westlothian.gov.uk
Business Growth:	Martin Thomson,	Martin.Thomson@westlothian.gov.uk
Allotments and Community Gardens:	Colin Bell,	Colin.Bell@westlothian.gov.uk

THE COMMUNITY OWNERSHIP SUPPORT SERVICE (COSS)

COSS is a Scottish Government funded service that helps community-based groups in Scotland take on land or building assets for the benefit of their community. COSS also support local authorities and other landowners wishing to transfer a building or land asset into community ownership. COSS's service includes independent expert advice, information on good practice, and training.

For further information contact coss@dtascot.org.uk, telephone 0131 225 2080, or visit our website at <http://www.dtascommunityownership.org.uk>

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN (VSGWL)

VSGWL aims to build capacity in the voluntary sector; to support the development of both individuals and social enterprise. They can provide advice on issues such as: funding, governance, training, legal structure, start-up, staff and volunteer recruitment, monitoring and evaluation, and networking.

VSGWL is located at 36–40 North Bridge Street, Bathgate and is open Monday to Friday, 9am to 5pm. Alternatively VSGWL can be reached by Email – vsg@vsgwl.org; or telephone (01506) 650111

Costs

The Council will work in partnership with the community-led organisation to help them through the process. However there will be costs associated with any asset transfer and applicants will be expected to pay their share of these. Costs may include:

- Valuation fees – the Council will obtain their own valuation for any asset to be transferred and the applicants can either accept this or arrange their own independent valuation at their own expense.
- Feasibility studies
- Architects' fees
- The applicants legal fees
- Consultancy fees

These are the costs that the community organisation may incur when contracting independent, professional advisors to help them with the transfer. These must be considered when developing a plan for community asset transfer along with the ongoing costs of maintaining an asset.

There are a range of funding options available which can enable community groups to purchase assets from the Council. These can involve grants, borrowing and fundraising and it is important that a group investigates these in full. Where commercial borrowing is considered, repayments would need to feature in the Business Plan. A lenders requirement for security may also influence the method by which an asset is transferred.

In each case we can help applicants to identify the appropriate sources of financial help, or guide them towards those who may provide help.

Other issues

There are a range of other issues that need to be considered and community groups should take independent advice on these before proceeding with their application. These include:

- Tax liability in respect of VAT and corporation tax
- Nature of any contractual relationship to be entered into with the Council for the provision of goods and services
- Application of EU Procurement Rules which are likely to be inherited from the Council by taking it over an asset
- Issues involving EU State Aid as this applies to all forms of public grant assistance
- TUPE issues where the voluntary / community organisation is taking on staff 'assigned' to an existing organisation or contract (or part of).