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Asset Transfer Request Applicant Notes

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1. What is an Asset Transfer?

The Community Empowerment (Scotland) Act 2015 seeks to empower communities by giving them control over assets in their communities so that they are enabled to drive change and achieve their goals. The Act moves asset transfer from a voluntary approach by public bodies to one which introduces a right for community bodies to make requests for ownership, lease, management or use of publicly owned buildings or land whether or not they are available for sale or deemed surplus to requirements by the owning body.

The Act requires those public authorities to assess requests transparently against a specified list of criteria, and to agree the request unless there are reasonable grounds for refusal.

Aberdeenshire Council is committed to asset transfer where that will bring benefits to communities and contribute towards achieving the Council's aims and objectives. The Council recognises that asset transfer can be a valuable part of supporting and sustaining local communities in Aberdeenshire and it wishes to ensure council assets can be owned and managed by the people who regularly use them.

2. Who can make an asset transfer request?

Under the terms of the Act, to make an asset transfer request (ATR), an organisation needs to be a community transfer body (CTB). There are different requirements depending upon if the organisation wishes to own an asset or to manage/lease it.

For ownership, the community transfer body has to be:

- A Scottish Charitable Incorporated Organisation (SCIO) the constitution of which includes provision that the organisation must have not fewer than 20 members; or



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- A Community Benefit Society (BenCom) the registered rules of which include provision that the society must have not fewer than 20 members; or
- A company the articles of association of which include provision such as:
 - the company must have not fewer than 20 members; and
 - on the winding up of the company and after satisfaction of its liabilities, its property (including any land, and any rights in relation to land, acquired by it as a result of an asset transfer request under this Part) passes—
 - to another community transfer body, or
 - to a charity.

For leasing or managing an asset, the community transfer body has to be a:

- **Community-Controlled Body** which means a body (whether corporate or unincorporated) which has a written constitution that includes the following—
 - (a) a definition of the community to which the body relates;
 - (b) provision that the majority of the members of the body consists of members of that community;
 - (c) provision that the members of the body, who consist of members of that community, have control of the body;
 - (d) provision that membership of the body is open to any member of that community;
 - (e) a statement of the body's aims and purposes, including the promotion of a benefit for that community; and
 - (f) provision that any surplus funds or assets of the body are to be applied for the benefit of that community.

3. Expression of Interest (EOI)

Before submitting an Asset Transfer Request application, interested Community Transfer Bodies are encouraged to discuss their options and their suitability. The scope of these discussions will help them to finalise their requirements and to prepare for the process of making an Asset Transfer Request application.



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The Council recognises that developing the business case and preparing an application for asset transfer can be both time consuming and resource intensive. The Expression of Interest stage of the process has therefore been designed to assess whether any potential application will meet the Council's suitability criteria.

Upon submission of an Expression of Interest, the Council will provide informal advice regarding the suitability of the application. The applicant can decide at that point, based on the advice given, whether to progress with an Asset Transfer Request.

4. Making an Asset Transfer Request (ATR)

Role of the Community Transfer Body

A completed Asset Transfer Request (ATR) can be submitted at any time. You do not have to have completed an Expression of Interest (EOI) form for the Asset Transfer Request to be accepted by your local area manager.

All the required information must be provided before the request can be validated. Any request should be submitted on the ATR form and must include:

- Organisation constitution and evidence of the type of organisation you are
- Details of the asset being requested and what type of transfer i.e. ownership, management, leasing or use
- What you intend to use the asset for
- A business plan of how you propose to fund the purchase/lease of the asset and the ongoing associated revenue costs. You should also provide an indicative price
- What benefits you believe this will bring to your community e.g. economic, regeneration, health, social wellbeing, environmental or whether it will tackle inequalities
- You need to outline and demonstrate community support for the ATR



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Role of Aberdeenshire Council

Asset Transfer Request (ATR) Check

- Your Area Manager will check that the ATR is complete and acknowledge this with you. We will have 6 months from this date of a valid application to decide the outcome of your request.

Internal Assessments

We will undertake a range of assessments to assess your Asset Transfer Request. These may include:

- Property – on the ability for the Council to transfer and the potential impact on Council assets
- Legal – to check the governance of the organisation and any legal title
- HR – should the asset requested be currently in use and have staff members
- Finance – financial assessment of the business plan and sustainability
- Community Benefit – assessment of the level of community benefit and the level of community support for the ATR

Local Asset Transfer Operational Group (LATOG)

The local asset transfer operational group will consider the ATR and accompanying assessments. LATOG may:

- refuse the ATR
- recommend approval of the ATR for consideration at Committee

Committee Consideration

If the ATR is recommended for approval by the LATOG, the Council's Area Committee will be asked to consider the request and either approve or refuse the request. Any approval will include the conditions on which the Council has chosen to place on the transfer of the asset.

Decision Notice

A Decision Notice will be published either following the decision of LATOG to refuse the transfer or following the Committee Decision.

If the Decision is to Approve, the Decision Notice will also set out any conditions of the transfer.



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Member Asset Review Panel

Community Transfer Bodies have the right to appeal if:

- The request has been refused (whether at LATOG or at Committee)
- There was no decision given within the correct timescale
- They disagree with the conditions set out in the Decision Notice to approve

Any appeal should be made within 20 days of the decision notice.

The ATR will be re-assessed by a Member Asset Review Panel. The Panel will have the option to confirm the decisions already taken or, if they disagree, they can refer it back to Committee for further consideration.

5. Negotiation of Contract

Role of the Community Transfer Body

Engage in the process to agree contractual terms. This will include agreeing legal, financial and any legacy elements.

You will also need to finalise any financial arrangements during this stage of the process.

You have the right to appeal to Scottish Ministers, if the contract has not been agreed within 6 months and there has been no mutual agreement to extend the period.

Role of the Aberdeenshire Council

The Council will work to agree final terms of transfer of ownership/lease.

This process should be concluded within 6 months, although this can be extended by mutual agreement. This does not mean the transfer has to take place within that time, but the date for the transfer, the price or rent and any other terms and conditions must be agreed. The contract may be conditional on other factors that are needed to allow the community proposals to go ahead, such as confirmation of funding or planning permission.



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6. Business Plan Template

Completion of the application form will be much easier if the Organisation has developed a Business Plan demonstrating that it is prepared to take on the responsibilities of buying or renting the asset.

For Organisations in the process of developing their Business Plan the following template may be useful. The level of detail to be provided in each section will vary according to the type and scale of the project

A. Project Name and Executive Summary

This should provide a concise summary of the overall project business plan which highlights the most important features of the project including: -

- A short description of the scope of the project including what it will do, what it will achieve and who will benefit from it
- A summary of how the project will be delivered including timetable, budget and resource considerations
- Summary of the key stakeholders and partners for the project

B. Organisation and Management

Provide an outline of the Organisation's aims, objectives and legal status. Provide details of other similar projects delivered by the organisation including how successful they were.

Describe: -

- The services and/or activities the organisation currently provides, how these are delivered and who benefits from the.
- The Organisation's management structure, decision making process and key lines of communication or reporting
- Roles and responsibilities of the board members or trustees and senior management team including skills, experience and knowledge
- How the community is involved in the management of the Organisation
- Catchment area for the Organisation



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- List the policies, systems and procedures in place, i.e.:-
 - Health and Safety
 - Equal Opportunities
 - Environmental principles
 - Financial policy and agreements
 - Booking and hiring procedures (if appropriate)

C. Project Background

Describe how the project has been developed to date with reference to any relevant studies or research that has been carried out.

Describe the options that were considered for delivering the proposed outcomes and the reasons for choosing the option proposed

D. Proposal

Describe the aims and objectives and targets for the project including the outcomes and benefits the project aims to achieve

Describe how the project will support the Council's local priorities or supports national objectives as set out in the Local Outcome Agreement

E. Community Needs

Provide evidence of need. Consider:

- Where the project will be delivered
- Current gaps in service provision
- The target users or visitors – make reference to relevant market research and needs analysis
- The total number of people that experience the need that this project will address
- How will barriers to participation be addressed
- Links to any other projects locally, regionally or nationally

F. Project Resources

Detail the resources required to deliver the project, i.e:

- Staffing resources – include a staffing structure diagram and any training plans that need to be put in place;



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- Management and Supervision Resources- set out how staff, volunteers, partners etc will be managed, who will manage project finances, etc;
- Volunteer resources – describe their role in the delivery of the project.

Also describe how the community will be involved in influencing what happens and taking part in decisions regarding the project.

G. Partnerships

Identify other organisations and stakeholders involved with the Organisation including details of any partnership arrangements that might be in place to deliver the proposal.

With partners describe their role, why they need to be involved, how the partnership will be managed, etc

H. Asset

Identify the asset required.

Outline proposals the Organisation has for the asset, i.e. building/ refurbishment.

Describe the transfer arrangements required, i.e.: -

- If lease what length of lease is required
- If transfer of ownership – how will this be done

Highlight any planning issues the Organisation may be aware of. How will these be resolved?

I. Risk Assessment

The project business plan should include an assessment of the risks associated with the project to see if there are any weaknesses and if there are any threats to the viability of the project.

The business plan should detail each risk, assess the likelihood of it happening and its potential impact and the plan for dealing with the event should it occur



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J. Project Plan

Provide a project plan or timetable for the non-capital elements of the project. This should include all the relevant activities or services of the project, stating when they are due to happen and how long they are likely to take.

Include any planning and development work that may take place before the asset becomes operational

K. Management Plan

Provide a basic plan for the long-term sustainability of the asset once it is operational

L. Project Costs

A detailed cost plan for acquiring the asset should be provided with details of how this cost was to be funded

M. Financial Appraisal

The financial implications of running the project need to be considered including the expected income and expenditure.

An indicative 3-year capital and revenue budget plan should be provided showing all anticipated grant funding, identifying whether this has already been secured and any other income expected, sources etc.

The capital budget will cover the projected costs for developing the asset.

The revenue budget must include staff costs and the costs of managing the asset as well as overheads and other specific items of expenditure.

Include a cash flow projection to show the actual cash position of the Organisation for the current year and a projection for a further 2 years.

N. Marketing and Communications Strategy

Explain what methods of communication will be used to market the asset and promote the activities of the Organisation.



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O. Monitoring and Evaluation

Describe how the project will be monitored and evaluated.

Describe how this monitoring will be used to improve service delivery.

Describe how the long-term impact of the project will be evaluated.



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7. Useful Links

[Link to Community Empowerment \(Scotland\) Act 2015 Part 5](#)
[Asset Transfer Guidance for Community Transfer Bodies](#)
[Download Asset Transfer Summary Guide](#)