

Dadansoddi ar gyfer Polisi



Analysis for Policy



Llywodraeth Cymru
Welsh Government

SOCIAL RESEARCH NUMBER:

33/2021

PUBLICATION DATE:

24/03/2021

Community asset transfer: research with the third sector, local authorities and community and town councils

Title: Community asset transfer: research with the third sector, local authorities and community and town councils

Author(s): Coates, J., Nickson, S., Owens, N., and Smith, H.

Full Research Report: Coates, J., Nickson, S., Owens, N., and Smith, H. (2021). *Community asset transfer: research with the third sector, local authorities and community and town councils* Cardiff: Welsh Government, GSR report number 33/2021.>
Available at: <https://gov.wales/community-asset-transfer>

Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government

For further information please contact:

Name: Dr Jo Coates

Division: Social Research and Information Division

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Tel: 0300 025 5540

Email: RhYF.IRP@gov.wales

Table of contents

List of tables	2
List of figures.....	3
Glossary.....	4
1. Introduction	6
2. Literature Review	9
3. Methodology.....	22
4. Survey of Local Authorities.....	26
5. Qualitative Interviews - Findings	44
6. Data Monitoring and Indicators	69
7. Conclusions and Recommendations	72
8. References.....	82
9. Annexes	84

List of tables

Table 6.1: Indicators and Monitoring Data for Transferors69

Table 6.2: Indicators and Monitoring Data for Transferees 70

List of figures

Fig 4.1: Approximately how many hours a week do you spend working on CATs?	27
Fig 4.2: Does your organisation have a formal policy on CATs?.....	28
Fig 4.3: What type of organisations have you completed CATs with?	29
Fig 4.4: What type of data does your organisation collect?.....	31
Fig 4.5 : Which of the following types of data do you think it would be useful to collect?.....	32
Fig. 4.6: In your opinion, what proportion of CATs does your local authority collect data on?	33
Fig. 4.7: What type of assets or services are currently being transferred?	34
Fig 4.8: What type of support or guidance is this?	35
Fig.4.9: What types of assets or services have been transferred during the 2018/19 financial year?	36
Fig. 4.10: As far as you are aware, did you provide any follow-up support to the organisations with which you undertook a CAT during the 2018/19 financial year?	37
Fig. 4.11: What types of support or guidance did you provide?	37
Fig. 4.12: Of the assets and services which your organisation transferred during the 2018/19 financial year, what proportion of these would you describe as being successful?	38
Fig. 4.13: Of the assets and services which you view as unsuccessful after transfer, why do you think that was?.....	39
Fig. 4.14: Which of the following methods have you used in the 2018/19 financial year?....	40
Fig. 4.15: Looking ahead to the 2019/20 financial year, are there any further assets or services which your organisation intends to transfer?	41
Fig. 4.16: And what types of assets or services are these?	41
Fig. 4.17: Which types of organisations are likely to receive these CATs?	42
Fig. 4.18: As far as you are aware, is your organisation providing any support to the organisations that are expected to receive a CAT during the 2019/20 financial year?	43

Glossary

Acronym/Key word	Definition
ACES	Association of Chief Estates Surveyors – an organisation bringing together professional heads of property and asset management services in local authorities in the UK. The Wales branch brings together representatives from all 22 local authorities and other relevant public bodies in order to promote good asset and estates management in the interests of the community and public services.
ACV	Assets of Community Value - defined as any land or building with actual or potential importance to a community's wellbeing relating to society, economy or the environment.
CAT	Community Asset Transfer – the process by which a public body (usually a local authority) transfers the management or ownership of an asset or service (an ACV) to a community or town council, or a third sector organisation.
CVC	County Voluntary Council – an organisation with the aim of supporting community-based organisations within a particular locality.
Eoi	Expression of Interest
GDPR	General Data Protection Regulation – legislation outlining how public bodies should collect, use and store personal information. All data collection undertaken as part of this research complies with this legislation.
IRP	Internal Research Programme - a small team of independent researchers based in Knowledge and Analytical Services, Welsh Government and authors of this report.

LA	Local Authority
OVW	One Voice Wales – the principal representative body for community and town councils in Wales.
WCVA	Wales Council for Voluntary Action – the national membership organisation for the third sector and volunteering in Wales. It supports CVCs, community groups, voluntary organisations, social enterprises and volunteers.
WLGA	Wales Local Government Association - a representative body for local authorities in Wales. Its primary purposes are to promote better local government, to promote its reputation and to support authorities in the development of policies and priorities which will improve public services and democracy.

1. Introduction

- 1.1 The Internal Research Programme (IRP, Welsh Government) was commissioned jointly by the Communities and Third Sector policy team, Welsh Government and Ystadau Cymru¹ to undertake a piece of research to broaden and deepen the evidence base around community asset transfer (CAT) first gathered in the research report *Management and delivery of services and assets in community and town councils* (Welsh Government, 2018), hereafter referred to as ‘the 2018 study’. The research seeks to understand the process of CAT from multiple perspectives including local authorities (LAs), third sector organisations and community and town councils.
- 1.2 Assets of community value (ACVs) can be defined as any land or building with actual or potential importance to a community’s wellbeing relating to society, economy or the environment². In times of UK government austerity and rising demand for public services, public bodies in Wales have found that in order to protect ACVs from closure and to ensure long term sustainability, a viable course of action is to transfer their ownership to community organisations. These community bodies can be varied, for example voluntary organisations, cooperatives, social enterprises or town and community councils. CAT also aligns with the ethos of community empowerment in service delivery within local government policy; the idea that those closest to the community i.e. those who reside in a particular locality, are best placed to design and deliver service most beneficial to that community.
- 1.3 The 2018 study undertook quantitative and qualitative research, in the form of a survey and interviews, with councillors and clerks of community and town councils, to better understand the experience of managing transfers of assets and services made to them from their LA. Evidence gathered was used to inform a review of the community and town council sector by the then Cabinet Secretary for Finance and Local Government as part of the wider programme of local government reform.

¹ Ystadau Cymru (previously known as the National Assets Working Group) is a pan-public sector group established to enable and influence collaborative asset management across public sector organisations. Following the publication of the 2018 study, a joint work stream led by One Voice Wales (OVW) and Wales Council for Voluntary Action (WCVA) was established to take forward the recommendations made.

² Welsh Government (2015), Consultation document: Protecting community assets

Although this research provided insight into the experiences of CAT in community and town councils, what it did not cover was the experiences of LAs and other transferees' views on the process and outcomes. In order to strengthen the evidence base around the issues and challenges of undertaking CATs, an approach that accounted for multiple perspectives was required.

1.4 Following the publication of the 2018 study, the Community and Third Sector Policy Team (Communities and Tackling Poverty) approached the IRP to undertake similar research into the current capacity and capabilities of the third sector to successfully undertake CATs. In January 2019, the policy team was approached once more, this time by Ystadau Cymru, to consider a piece of research looking in greater depth at the findings from the 2018 study, with a specific focus on two key elements of the asset transfer process:

- the difficulties and challenges encountered by both third sector organisations and community and town councils in the process of transferring and maintaining services and assets; and
- the span, depth and factors influencing the decisions made by LAs and other public bodies in this process on what to transfer, how to transfer and how to facilitate the process.

1.5 Due to the overlap between the research requirements, it was recognised that a revised research proposal could satisfy the requirements of both divisions.

1.6 The aims of the research were therefore;

- to replicate the 2018 study for the third sector in Wales;
- to undertake further research on the community asset transfer (CAT) process within the Town and Community Council sector, which delves deeper into the issues highlighted in the 2018 study; and
- to examine the experiences of Local Authorities and other public bodies in Wales in relation to the CAT process.

1.7 Following a review of existing evidence related to CAT at a Wales and UK level, the research comprised a survey sent out to single points of contact in all 22 LAs in Wales and a selection of other public bodies known to undertake CATs. The survey

aimed to understand whether and to what extent local authorities collect data on CATs, identify what types of CATs have been undertaken, and to help define the scope of the qualitative data collection. The qualitative data collection comprised a set of semi-structured interviews with LA officials with responsibility for CAT and employees and volunteers in third sector organisations and community councils who had either completed or were currently undertaking a CAT. The quantitative data collection revealed gaps in understanding of the issues and challenges to the process, and explored further issues experienced by transferees following completion of the CAT. Findings from both the survey and interviews were used to provide a suggested matrix of indicators for data collection that would be helpful in monitoring the number and type of transfers taking place and their long-term sustainability after the process is completed. This would assist Welsh Government, LAs and transferees in understanding where support could be most helpfully provided to improve the CAT process and the experience of managing assets for transferees.

- 1.8 This report outlines all key findings, puts it in context with previous evidence and provides recommendations for further monitoring and best practice around CAT. Section two summarises the key literature, section three details the methodological approach, sections four and five provide the findings of the survey and interviews respectively, section six provides a matrix of suggested monitoring indicators and section seven provides conclusions and recommendations.

2. Literature Review

- 2.1 Community Asset Transfer (CAT), a process by which assets owned by public bodies are transferred into community ownership or management, has been a widely adopted approach to local service delivery at a UK level since the New Labour government of the late 1990s and the subsequent coalition government of 2010-2015. Its principal advantage was to increase the role of the voluntary sector in public service delivery (Rex, 2018) and move away from the market paradigm of public service provision as a way of reducing costs and increasing efficiency and choice of service. Promoting the community paradigm aimed to devolve decision-making around delivery of services to those whom it directly impacted (Lent and Studdert, 2019), resulting in increased community empowerment. However, the drive to deliver decentralisation through localism in the last decade has coincided with cuts to local government as a result of ongoing austerity policies and this has posed significant challenges to CATs, both with respect to the process of transfer and management of the asset post-transfer.
- 2.2 Since 2003, LAs in Wales have been able to dispose of assets in any manner they wish, including for less than market value, provided the LA views the disposal as being in the interest of community wellbeing (Local Government Act 1972: General Disposal Consent (Wales), 2003). This legislation was not intended as a method for authorities to dispose of surplus assets, but instead to provide opportunities for community development and to sustain assets of community value (ACVs) (Welsh Government, 2015). In times of UK government austerity and rising demand for public services, some LAs in Wales have found that in order to protect ACVs from closure and to ensure long term sustainability a viable course of action is to transfer their ownership to community bodies (Welsh Government, 2015). These community bodies can be varied, for example voluntary organisations, cooperatives, social enterprises or town and community councils; only limited by the proviso that they have well defined aims which relate to community wellbeing and appropriate governance structures.
- 2.3 CAT has therefore become a widespread approach of LAs in Wales with numerous financial and community-focused benefits. The commencement of widespread

austerity policies across the public sector further accelerated the programme of CAT already in progress in Welsh LAs. As more community organisations have undergone a CAT process, it has become increasingly apparent that an evidence base was required to understand the capacities, capabilities and experiences of community organisations, LAs and the organisations that support them, in order to understand the facilitators and barriers to completing a CAT, and the sustainability of CATs in the long-term. This would aid Welsh Government in understanding how to support the sector to address key challenges both during and post-transfer. This review outlines the facilitators and barriers to completing CATs as outlined in the literature, using UK data where Wales data are unavailable, as a way to outline the issues pertinent to this research, and to highlight gaps in understanding about experiences of undertaking CATs within the third sector and community and town councils in Wales. It is then followed by a discussion of the policy context and recent research into CATs in Wales, including the 2018 study.

Facilitators of CAT

2.4 The review of the literature revealed a number of facilitators to a successful CAT, these include; timing, communication, flexibility, funding and the type of transfer being undertaken.

Timing

2.5 Issues around timing of CATs can be either a facilitator or a barrier to successful transfer. There is some evidence that a shared timeline between transferors and transferees can be a facilitator to a successful CAT (Cooperative Councils Innovation Network, n.d.), however this appears to link directly to the finding that the transferors and transferees have different ideal timelines in mind. The 2011 UK legislation (Localism Act, 2011) sought to provide the time for community groups to put together a proposal, both implying and aligning with evidence that community groups want a longer timescale to complete a CAT (Rex, 2018; Nichols & Forbes, 2014). This is in part because community groups want to have the freedom to explore multiple options to prevent closure of the ACV in question, which may contradict the transferor's desire or need to offload the costs associated with the ACV as soon as possible. This

is important because some evidence suggests that rushing to offload an ACV for financial reasons leads to unsustainable transfers (Auditor General for Wales, 2018).

- 2.6 Case studies have revealed that a phased approach to the timing of CATs may work well. By moving ownership of *services* in advance of the management of the *building*, it is thought that there is greater opportunity to up-skill volunteers (Hobson, et al., 2019). Another benefit of phased transfers is that it may allow for community groups to test the viability of their business plans in advance of taking on the full asset (Locality, 2016). Stakeholders taking on multiple asset transfers also endorsed a phased approach, here suggesting moving an asset at a time. Their reasoning was similar to those suggesting the movement of services and buildings separately, in that they cited the belief that the skills and knowledge gained through the first, hopefully successful, transfer would ensure future transfers be more efficient (Sport England, 2017).

Communication

- 2.7 The concept of shared timelines between transferor and transferee also has the potential to facilitate effective communication, including enabling the development of shared values and principles to work towards together (Cooperative Councils Innovation Network, n.d.). These values and principles can include the purpose of the CAT, for example whether there is an expectation for someone to manage a building, or whether there is a larger purpose such as re-developing community delivery of services (My Community, 2016). Ensuring clear and aligned expectations between transferors and transferees might be operationalised through the use of a memorandum of understanding which sets out shared goals (Capacity: The Public Services Lab, 2018).
- 2.8 Perhaps unsurprisingly given the above comments, it has been found that constructive relationships between councils and communities require an ongoing dialogue and honest communication (Tjoa, 2018), and for CATs specifically, clear communication and a pre-existing relationship between transferors and transferees are desirable (McMorran, et al., 2018).
- 2.9 Conversations with the community are also important for developing good communication around CATs (Cooperative Councils Innovation Network, n.d.). From

the very start of the CAT process, it is important that communities are aware of what is going on, and communication with such stakeholders ought to be planned in from the start (Capacity: The Public Services Lab, 2018). Without communication it is possible that transfers begin through an informal process which then leaves community groups on the back foot and forced into a reactive position, whereas in the community paradigm they ought to be an active part of their strategic community development (McMorran, et al., 2018).

- 2.10 For a CAT to be successful, it is thought that there ought to be community buy-in (Capacity: The Public Services Lab, 2018; Varady, et al., 2015; Power to Change, 2018), and successful communications can facilitate this (Cooperative Councils Innovation Network, n.d.). It has been noted that communities are wary of large commercial organisations acquiring ACVs, or that the future owner may prohibit community use of the asset they acquire (Cooperative Councils Innovation Network, n.d.; Sport England, 2017). By successfully communicating that this is not the case, theoretically one can see community buy-in increasing.
- 2.11 A community consultation process is considered a viable approach to communication (Capacity: The Public Services Lab, 2018). This aims to see what the community wants from a potential CAT and therefore increases the knowledge of future users (Capacity: The Public Services Lab, 2018; Sport England, 2017).
- 2.12 As well as communication between the transferor and the community, it is also important for there to be clear communications within each group. For example, good communication between departments in the local authorities may ensure a more efficient CAT. Not only would departments know who is responsible for what, but they would also all be aware of what the transferee had agreed with them as a body (Capacity: The Public Services Lab, 2018; Rex, 2018). One suggestion of implementing this is through writing a clear CAT policy which is shared throughout the organisation.
- 2.13 Conversely, some aspects of poor communication have also been cited in the literature. It was highlighted that when LAs did not engage early enough with the community over a potential CAT then rumours were more likely to circulate about the LA's intentions and ultimately this could be detrimental to the process (Sport

England, 2017). Securing buy-in to the process at an early stage was seen as a constructive way to begin the process (The Public Services Lab, 2018). LAs were sometimes unclear about what they wanted from the community in a CAT process and this could lead to confusion over roles and responsibilities (Locality, 2016; Rex, 2018). It was also reported that community organisations found it difficult to identify who the asset owner is, or who the right LA official to speak to was, leading to lengthy transfer processes (Hobson et al, 2019). Poor communication within different departments in the LA could also have a negative impact in the completion of a transfer, as agreements made between a LA and a community organisation can be held up by legal departments in LAs (Rex, 2018). Finally, the absence of a CAT policy, or equivalent guidance that is accessible by transferees can lead to a lack of clarity, co-ordination and transparency around the process (Locality, 2016; Rex, 2018; The Public Services Lab, 2018)

Flexibility

- 2.14 Although clear communication can come in the form of a defined CAT policy, literature on CATs also acknowledges the benefits of flexibility in the processes (Tjoa, 2018). The absence of a formal guidelines means that the view of the transferee can be taken into account in individual circumstances (Rex, 2018; Nichols & Forbes, 2014). In this way, they are not obligated to take on responsibilities they do not want and can instead negotiate a transfer which suits both sides best in the individual situation (Rex, 2018). The increase in local autonomy is also more in the spirit of CATs, in that power is delegated to the localities (Nichols & Forbes, 2014).
- 2.15 Another consideration with respect to not having a formally defined CAT policy is that they can be restrictive –there is a vicious cycle where community groups need to take on assets to gain experience, but councils are unwilling to transfer to them if they do not have a good track record already (Locality, 2016; Auditor General for Wales, 2018). Here, flexibility can be advantageous: it is recommended in literature that the application and approval process should be proportionate to the size of the opportunity in question.
- 2.16 In circumstances where there is a formal CAT policy, this too can be flexible. Policies can be developed for the short term, thereby allowing for development and iterative

changes to improve it over time (Locality, 2016). Flexible policies can also ensure leasing agreements which are not overly prescriptive, thereby allowing the transferee the ability to change their business models (My Community, 2016). Theoretically this ought to ensure better financial sustainability of the ACV.

Funding

- 2.17 There are a number of suggestions for facilitating financial viability of ACVs in CATs. Although it may seem self-evident, the ACVs which are transferred are more likely to be successful if they are economically and commercially viable (Capacity: The Public Services Lab, 2018; Nichols & Forbes, 2014). This unfortunately is not always the case, as in times of austerity transferees may wish to offload financial liabilities where there is no prospect of deriving income to fund maintenance and running of the ACV (Locality, 2016).
- 2.18 Even if the asset is not a liability, community buildings often struggle to cover their costs (My Community, 2016), therefore it is important to examine success factors when the ACV may not be commercially viable. One method of avoiding financial ruin of the transferee is to transfer counterweighted assets (Locality, 2016; My Community, 2016). This is where an asset with potential financial liabilities is paired with one of high value, and both are transferred together. In this way, the profits of the successful asset are able to balance out any losses of the liability, thereby together being sustainable. Alternatively, a second asset can be used to ensure the financial viability of the ACV which is being transferred. In this method, one asset can be sold in order to raise an endowment fund that is then used to pay ongoing requirements for the ACV which is to be preserved (My Community, 2016).
- 2.19 In situations where there are not multiple assets, it may be suitable for the transferor to help out financially. In some instances it may be appropriate for the transferor to provide general financial support or funds (Cooperative Councils Innovation Network, n.d.). This can be payment for management or running costs, either during transition to independence or post-transfer (Nichols & Forbes, 2014; My Community, 2016); or an offer of assurance of support with future capital costs (Nichols & Forbes, 2014). Where possible, CATs to community bodies can be facilitated with interest-free or low cost loans from local authorities, which allows groups to purchase the assets and

reap associated benefits (Locality, 2016). It will not always be possible or appropriate for transferors to provide funding for ACVs, however the Auditor General for Wales suggests that they do signpost transferees to ways to access finances (2018).

Type of Transfer

- 2.20 There are multiple ways in which assets can be transferred, the most straightforward being the full transfer of an asset and associated services. Ownership of the asset allows the transferee to borrow against it and build up a financial track record (Rex, 2018; Locality, 2016). A good track record makes transferees more appealing to transferors, providing long term benefits for the transferee.
- 2.21 Given short and medium term budgetary restrictions anticipated by the public sector, it is possible councils may become more enthusiastic about completing full transfers as opposed to leases (Development Trust Association Scotland, 2010). Full transfers may be more successful if the transferor completes any essential repairs in advance of transfer, as it is unlikely community groups will be able to raise enough money to cover a backlog of repairs (My Community, 2016).
- 2.22 Full transfer is not always the most supportive method of CAT, in that once the transfer is complete the transferor is no longer involved and therefore does not acknowledge any future work which may be required (Rex, 2018). Using a lease, however, means that the transferor remains involved with the site post-transfer, and has a duty to step in if the transfer arrangement is in danger of failing (Development Trust Association Scotland, 2010; Sport England, 2017).
- 2.23 Leases can be short term or long term, extending in some cases over 99 years (Development Trust Association Scotland, 2010). Short term leases have the benefit that the transferor does not simply hand over full responsibility for an asset but they continue a dialogue and provide support for the transferees. Short term leases can be problematic, however, because it can be difficult to get funding and grants for something with no secure long-term future (Nichols & Forbes, 2014). Longer leases are more successful in this respect, because they make it possible to get more grant funding, and long-term grants can lead to financial security in provision of services (Hobson, et al., 2019). Repeated bidding for funding can be burdensome on organizations, therefore longer leases with less regular fundraising cycles may also

alleviate pressure on the transferees. Authorities in Scotland reported that transferees told them they preferred longer leases. However, it was unclear whether this is because they think it will benefit the community or because it was easier to secure funding (Development Trust Association Scotland, 2010).

- 2.24 Transfer of management, otherwise known as a license to occupy, has also been shown to be a useful method of transfer. Case studies suggest management arrangements reduce pressure on the transferees to find funding for maintenance and insurance, leaving them with more resources to focus on reviving the asset's function (Rex, 2018). This also facilitates communication, as it shows that the transferors are taking the transferees point of view into account.

Challenges to Successful CAT

- 2.25 Additional to those mentioned above, key challenges to successful CATs also include lack of support, financial challenges and staffing and capacity issues.

Lack of Support

- 2.26 There exist large quantities of guidance for local authorities on how they might successfully perform a CAT. Despite this, research suggests that the advice provided is disjointed, and that due to a limited set of test cases it can be flawed (McMorran, et al., 2018).
- 2.27 Although a lack of support seems an obvious barrier to success, it also appears to exacerbate the negative impacts of CATs on less affluent areas in comparison to their well off counterparts (Hobson, et al., 2019; Nichols & Forbes, 2014; Locality, 2016; McMorran, et al., 2018). The theory behind this is that disadvantaged areas may have lower business rate income; therefore authorities may have higher pressure to transfer ACVs out (Locality, 2016). On top of more ACVs being transferred, it is thought that CATs are only feasible in areas with skilled, confident, committed and empowered people, which is more likely in affluent areas (Hobson, et al., 2019; Nichols & Forbes, 2014). It is thought that support can counter some of this inequality (Nichols & Forbes, 2014); therefore a lack of it can be seen as a disproportionate barrier to less wealthy communities.

Finances

- 2.28 In addition to the aforementioned barriers, it is suggested that disadvantaged communities may have higher financial costs and greater difficulty in acquiring funding for ACVs (McMorran, et al., 2018). These communities may also be affected where the increasing value of land prices communities out or leads to land banking (Locality, 2016). Land banking is a practice whereby transferors hoard their land with the knowledge that it will increase in value over time. Land-banking is problematic because it stops community groups acquiring services. Similarly, some transferors choose to keep unused assets on their books for other reasons, for example the capital value of assets may help to offset transferor finances (Auditor General for Wales, 2018).
- 2.29 Where the transferors are willing to complete a CAT, there are still associated costs for the transferor which can act as barriers. Even when the transferor sees the asset as being transferred for free, there are still associated legal costs for the transferees which can be both prohibitive and difficult to estimate in advance (McMorran, et al., 2018).
- 2.30 Maintenance costs too can be a barrier to the sustainability of CATs, as they are not always accounted for in the financial planning of taking on an asset (Power to Change, 2018). Undertaking robust feasibility studies and reports would mitigate this risk and help facilitate successful transfers, however they require upfront funding (Capacity: The Public Services Lab, 2018), as does the development of business plans and other advance preparation for taking on assets (Locality, 2016). A lack of capital grants means it can be difficult for community groups to get funding before taking on a project, and may also leave them open to losing out to commercial buyers (ibid).
- 2.31 Perhaps the biggest financial barrier to a sustainable CAT is the transfer of financial liabilities as opposed to assets (Locality, 2016). This can be seen where transferors view CATs as a means of cost-saving as opposed to community empowerment, and therefore transfer an ACV with no possibility of generating enough income to fund maintenance, repairs and ongoing costs. In turn, this can financially ruin the transferee and leave the asset in a diminished state.

Staffing

- 2.32 The transfer of ACVs to community bodies tends to rely on the use of volunteers as opposed to paid staff members. This can be problematic as volunteers may lack the training and experience that paid staff may have had, which can lead to concerns about a drop in service quality (Nichols & Forbes, 2014). This may be a greater issue when the ACV is a specialist service, for example in the transfer of museums to community groups, skilled staff members who were accredited in their field were replaced by volunteers without the experience (Rex, 2018). In some instances, accreditation or track record of staff is required in order to keep accreditation of the ACV, therefore in these situations unaccredited volunteers present a barrier to sustaining the ACV.
- 2.33 In order to be sustainable, services need to be able to constantly recruit new volunteers (Nichols & Forbes, 2014), which is suggested to be more difficult in less affluent areas again increasing the disparity in service provision across the country (Hobson, et al., 2019). Transferees appear often to rely on a small group of volunteers which can impact the momentum of the CAT, and can also lead to fatigue and burnout (McMorran, et al., 2018). Even when there are multiple volunteers, they are not always willing. It has been reported that the threat of closure of an ACV may lead to volunteers feeling coerced to take on assets they would otherwise not (Nichols & Forbes, 2014). The expectation alone of paid staff being replaced with volunteers can lead to transferees pulling out of a CAT, as they do not wish to be seen to be endorsing such practices, or to be used as an example of how it is a feasible course of action (Rex, 2018).

Outcomes of CAT

- 2.34 It is useful to explore the outcomes of CATs from the perspective of three users; the transferor, the transferee and the community.

The transferor

- 2.35 The greatest positive outcome for the transferor is the reduction in costs, including for security, maintenance and energy (Community Asset Transfer in Birmingham, 2010). Even if the transferors agree to pay part of the costs the change in ownership means the funding sources available to transferees will provide some financial relief (Nichols & Forbes, 2014). A negative outcome for the transferor is the loss of ability for

strategic planning, for example if an authority had a policy on green spaces it may be hard to enact playing fields have been transferred out. As well as the loss of strategic planning ability, if there is a full transfer (as opposed to a lease) there is a loss of potential future capital (Development Trust Association Scotland, 2010).

The transferee

- 2.36 Although a full transfer can, in this respect, be negative for transferors, it does have the potential for positive outcomes for transferees. Not only does full transfer of ownership help community organisations develop an asset base, it also provides opportunities for growth and stability (Capacity: The Public Services Lab, 2018; Locality, 2016).
- 2.37 For volunteers in community organisations who are retired or unable to work, there is some evidence that the work they do is personally beneficial (Nichols & Forbes, 2014). The same is true for young people who volunteer in ACVs, as it is thought to improve their employability.
- 2.38 The impact on transferees is not wholly positive, however. If the transferor chooses CAT liabilities as opposed to assets this can pose financial difficulties (Locality, 2016). This struggle is in line with the finding from interviews and workshops with transferees who expressed that the CAT process was stressful and challenging (McMorran, et al., 2018). Despite this finding, separate survey research has reported 58% of community groups expressing strengthened relationships with local authorities after completing a CAT (Locality, 2016).

The community

- 2.39 An ACV ought to be important to the community in which it resides, and as closure of assets may lead to community erosion, perhaps the most obvious benefit of a CAT which occurs through necessity is that the asset, service or facility remains open (Nichols & Forbes, 2014; Welsh Government, 2015). Furthermore, the asset may become more responsive to local needs, such as changing opening hours to suit the community (Hobson, et al., 2019). Responsiveness can be driven by two factors: improved links with the community facilitating improved user understanding, and a need to increase income driving a need to better serve the community (Nichols &

Forbes, 2014). Deriving income may also be the driver for an increased range of activities post-transfer, which aim to engage a wider range of community users (Hobson, et al., 2019).

- 2.40 CATs appear to facilitate some delegation of decision making to community levels and allow communities to drive their own objectives (Welsh Government, 2015). They can be a catalyst for community regeneration (Community Asset Transfer in Birmingham, 2010) through methods such as increasing local jobs and skills, thereby contributing to the growth of the community business sector (Power to Change, 2018).
- 2.41 CAT is thought to be empowering for the community, increasing confidence, sense of ownership and emotional attachment (Development Trust Association Scotland, 2010; Hobson, et al., 2019). Empowerment of this type is thought to improve wellbeing through three mechanisms: residents' influencing decisions affecting their neighbourhood; regular contact between neighbours; and when residents can exercise control over local circumstances (Community Asset Transfer in Birmingham, 2010).
- 2.42 However, there have been concerns regarding representativeness and inclusivity as a result of CATs. ACVs ought to benefit the whole community, however the CAT process may lead to community groups excluding those outside their circle (Nichols & Forbes, 2014). This can occur when the community group who takes ownership views the asset as *theirs* as opposed to something they are holding and looking after for the whole community, and therefore is unwilling to share the asset wider than their group (Development Trust Association Scotland, 2010; Nichols & Forbes, 2014).

The Welsh Context

- 2.43 The focus on the collection of data relating to CATs taking place in Wales has been driven by a need to understand how Welsh Government can support transferors and transferees in this process. Existing data on community and town councils' capacity to undertake CATs has been explored in the Community and Town Councils Survey (Welsh Government, 2011), which focused on the profile of staff in community and town councils and their relationship with local and central government, and has been monitored through the election of councilors in the Local Government Candidates

Survey (2012), which collects demographic data on those standing for election. Both data sources highlight the lack of diversity in community and town councils and the need to ensure that those standing for election were more representative of communities they serve (Welsh Government, 2010; Welsh Government, 2012). These findings are pertinent to CAT in that ensuring improved representation in councils would ensure that any CAT would be more likely to have benefits for a larger proportion of the community.

- 2.44 The 2014 update to the Aberystwyth Report highlighted the advantage to community and town councils of being closer to communities than LAs and therefore to be able to effectively facilitate community engagement (Welsh Government, 2018). They are therefore uniquely placed to provide additionality to service provision where they are responsible for doing so (Woods, 2014, in Welsh Government, 2018). This evidence highlights the importance of community councils and other community organisations in delivering local services, however little was known about the experiences of community organisations in receipt of CATs.
- 2.45 The 2018 (Welsh Government) study focused more closely on the CATs that were being made to community and town councils, and the experience of their staff in doing so. This revealed increases in the number and complexity of transfers over time. However, councilors and clerks noted some challenges in capacity available to complete CATs and some challenges in building constructive relationships with LAs. They expressed the need for more guidance in how to approach and complete a transfer. This highlighted the areas in which Welsh Government and supporting organisations may be able to assist with improving the process. However, this study did not explore the experiences of LAs or third sector organisations, who also undertake a significant number of transfers. This research aims to add to that evidence base to provide further detail on which support mechanisms would be most effective.
- 2.46 The following section outlines the methodological approach to the research.

3. Methodology

- 3.1 Following the publication of the 2018 study into the management of services and assets in town and community councils, the IRP was commissioned by the Communities and Third Sector Team to undertake similar research to understand the current capacity and capabilities of the third sector to successfully undertake CATs. This was followed in January 2019 with a separate approach from Ystadau Cymru³ with a request to look at the findings of the 2018 study in more depth, with a particular focus on the difficulties and challenges encountered by the third sector and community and town councils in the process of transferring and maintaining services and assets. Ystadau Cymru were also interested in understanding the span, depth and factors influencing the decisions made by LAs around what and how to transfer and how this process was facilitated.
- 3.2 Due to the considerable overlap in these two requests, it was decided that the needs of both groups would be combined into one piece of research. The research had the potential to broaden understandings of the asset transfer process from multiple perspectives including LAs and third sector organisations, and community and town councils. This research built on the evidence base from the 2018 study, which focussed solely on the experiences of councillors and clerks of community and town councils.
- 3.3 Scoping for the research began with an evidence synthesis of existing data sources pertinent to the CAT process in Wales. This included data from government bodies, support bodies for community and town councils e.g. One Voice Wales and the Society for Local Council Clerks (SLCC), and other organisations such as the Wales Council for Voluntary Action (WCVA) and the Wales Local Government Association (WLGA). Where Wales-specific data were unavailable, UK-level and international data were used where relevant. This was completed alongside consultation with

³ Ystadau Cymru (previously known as the National Assets Working Group) is a pan-public sector group established to enable and influence collaborative asset management across public sector organisations to release efficiency savings and to develop tools to enable and readily facilitate this collaboration to take place. Following the publication of the 2018 study, a joint work stream led by One Voice Wales (OVW) and Wales Council for Voluntary Action (WCVA) was established to take forward the recommendations made.

stakeholders to determine their evidence gaps, and what their data priorities were, in order to develop the research tools.

- 3.4 Following consultation with the steering group⁴, a multi-method approach was adopted for this research, encompassing firstly an online survey of LAs and other public bodies which are known to hold responsibility for initiating CAT, followed by a set of six case studies with LAs, community and town councils and third sector organisations. The survey aimed to;
- Understand whether and to what extent local authorities collect data on CATs;
 - Identify and explore what types of CATs have been undertaken;
 - Help define the scope of and scale of qualitative data collection including gaining information on what types of CATs, CAT recipients and at what stage in the transfer process might be appropriate for purposive sampling.
- 3.5 The survey was administered using Questback, an online survey platform, and was made available to identified contacts to complete for six weeks during May and June 2019. A copy of the survey questions can be found at Annex A. The survey link was administered via email and contacts were prompted periodically to remind them to fill in the survey. Fifteen of the 22 local authorities submitted a response to the survey, but unfortunately no responses were received from any other public bodies.
- 3.6 Following closure of the survey, the IRP presented the headline findings to the steering group in July 2019. The results of the survey helped to refine the focus of the case studies with LAs and recipients of CAT. It was decided that more in-depth data were required on the following;
- Experiences around the asset transfer process, including challenges to completing a CAT, relationships and communication with other involved parties and modifying approaches to CAT based on previous experiences;
 - The capacity and capability of organisations during and post-transfer; exploring the resources of those involved to complete CATs in a timely

⁴ The steering group was formed of policy colleagues from the Communities and Third Sector policy team and Ystadau Cymru, IRP researchers (WG) and representatives from One Voice Wales, WCVA and WLGA.

manner, and the capacity of transferees to manage an asset sustainably post-transfer;

- The availability and types of support available to transferees to complete CATs, namely from CVCs and other third sector support organisations, and;
- Measuring the success of CATs, including understanding what monitoring was undertaken and for what purpose, the benefits of monitoring data and the capacity of LAs and transferees to monitor CATs post-transfer.

3.7 A copy of the interview schedule can be found at Annex B.

3.8 It was originally anticipated that a case study approach would be taken to the qualitative data collection, whereby relevant LA officials would be contacted to participate in an interview. They would then provide contacts of organisations who they were currently undertaking, or had recently completed asset transfers with, and they would be followed up for interview. However, due to concerns about data protection and accessing contact information in a manner compliant with GDPR, it was decided not to adopt a case study approach and opt instead for a set of qualitative interviews. The IRP obtained a list of separate third sector contact details from the Communities and Third Sector policy team. These contacts had already engaged with Welsh Government about their experiences with asset transfer and were aware that their contact details were held. Invitations to participate in an interview were sent directly to these organisations. Invitations to all 22 LAs were distributed via the ACES network, and invitations to all community and town councils were administered via One Voice Wales.

3.9 Responses were received and interviews carried out with eight LA officials, eight community and town councils⁵, and five third sector organisations, including one multi-agency support organisation for CATs. These interviews were transcribed and coded using grounded theory principles in MaxQDA, a qualitative data analysis programme.

3.10 Emerging findings from the qualitative data was shared with the steering group in February 2020 to facilitate discussion around how the findings from this research,

⁵ Clerks were interviewed in all instances.

combined those from the 2018 study could inform policy development around support for CATs in the third sector and for community and town councils.

3.11 The following section presents the findings from the survey.

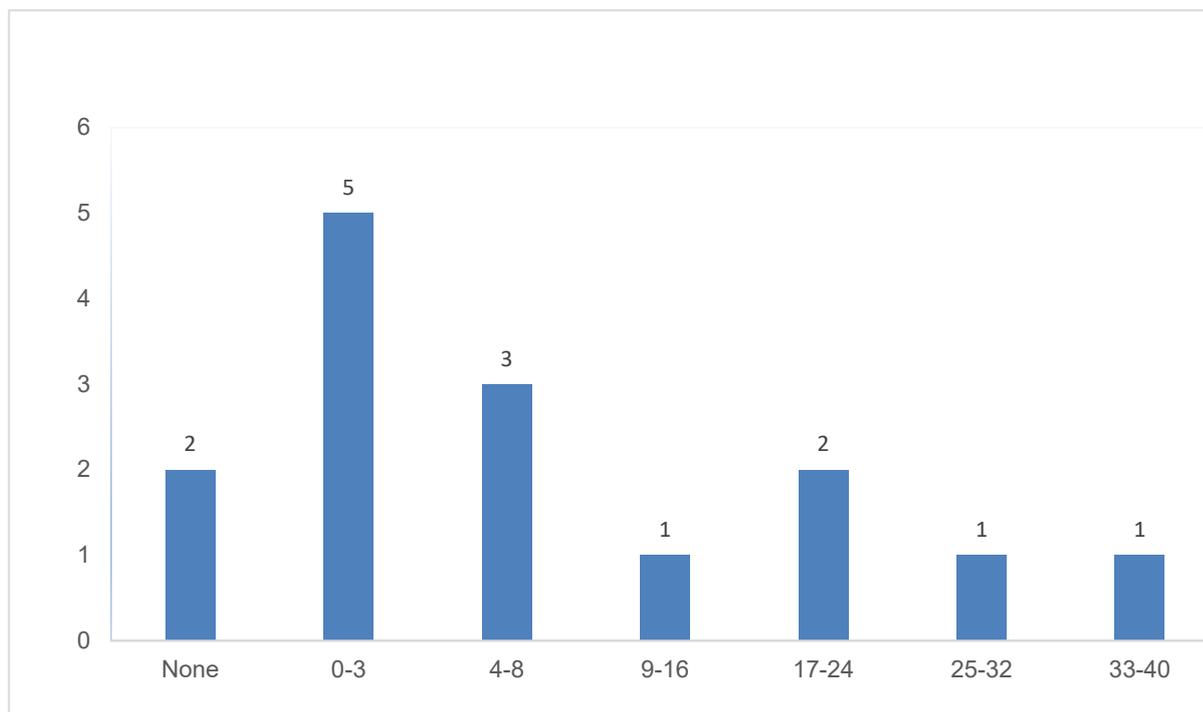
4. Survey of Local Authorities

- 4.1 This section of the report provides the results of the survey administered to local authorities and other public bodies. In total, 15 of the 22 local authorities responded to the survey. We did not receive any responses from any of the public bodies invited to participate.
- 4.2 Where possible, survey results will be discussed alongside the findings from the survey administered to community councils in the 2018 study. Whilst the survey from the 2018 study and the survey administered to local authorities in this research are covering different issues and survey different groups, there are points of convergence which have added to the evidence base, and these will be highlighted where relevant. Responses are reported as numbers of authorities unless otherwise stated.
- 4.3 Respondents were asked about their job role and which department they worked in. The job titles of each respondent varied, but were broadly in the area of estates management, asset management, property management or valuation management. Looking at the job titles, only one respondent was dedicated solely to community asset transfers, the rest undertook this responsibility alongside other tasks. Respondents were generally placed within Property or Estates departments, depending on the specific organisational structure of the local authority.

Resources and capacity to undertake CATs

- 4.4 Eight out of the 15 local authorities spent between 1 and 8 hours per week on CATs, with smaller numbers spending nine hours or more. Although this is a relatively small number of hours per week, it does indicate that CATs take up a considerable amount of time for employees working within estates or property divisions.

Fig 4.1: Approximately how many hours a week do you spend working on CATs?



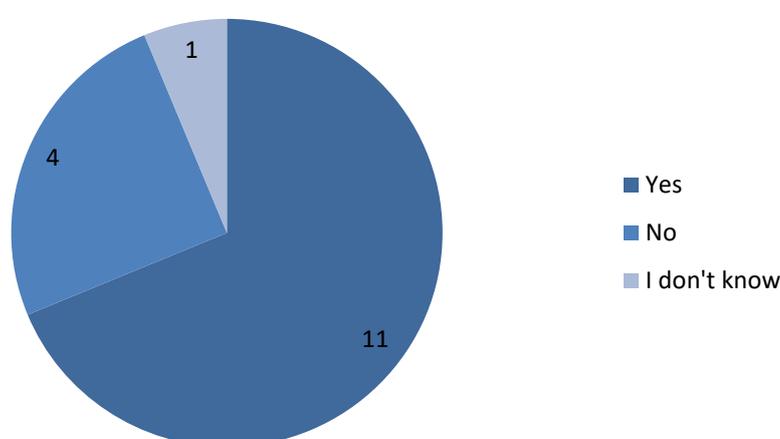
- 4.5 The majority of local authorities (11) had in place a formal CAT policy which laid down a set process and guidance for CAT officers managing an asset transfer. Four authorities did not have a formal policy on undertaking CATs. Issues around the drafting and use of CAT policies is further explored in the qualitative interviews in the following chapter.
- 4.6 Respondents were then asked to provide an open response detailing how many council officials worked on CATs. The majority of authorities (8) had between 1 and 5 members of staff involved with completing CATs whilst two authorities had no members of staff dedicated to completing transfers. In some cases, only the numbers were provided, but where more detail was supplied four authorities reported that CATs were completed by a cross service team which met to discuss individual transfers as and when needed. When asked to describe where in the authority responsibility for CATs rested, eight reported that departments such as Property & Regeneration, Estates and Strategic Assets had principal responsibility, with some individuals such as Corporate Asset Managers or Land and Asset Boards co-ordinated transfers. Four authorities had a lead CAT officer or team and three stated that no specific group or individual had responsibility for CATs. The most common

approach to managing CATs therefore appears to be cross-departmental to allow for varying expertise to contribute to completing a transfer.

4.7 Departments most likely to be involved with asset transfer were finance, legal, and the department in which the asset was managed within the authority e.g. the transfer of a sports centre would involve the Leisure department.

Provision for CATs

Fig 4.2: Does your organisation have a formal policy on CATs?



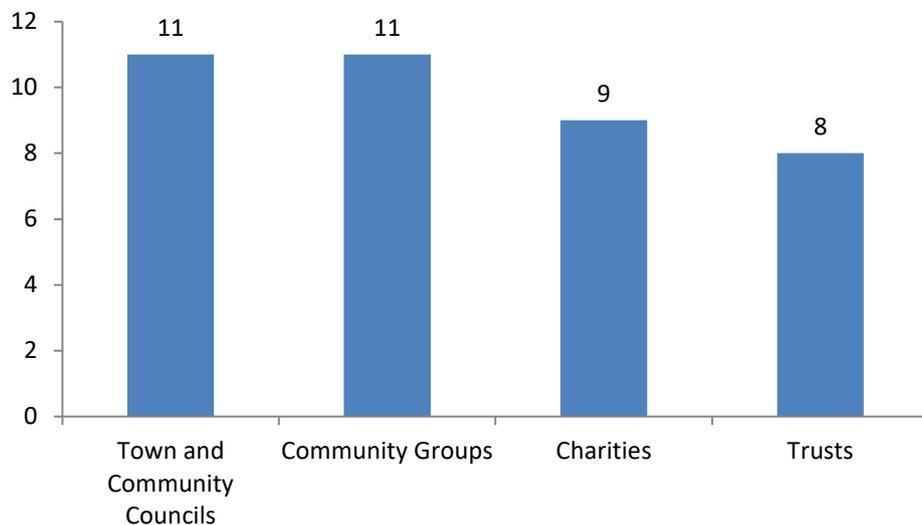
4.8 When asked for more information on the CAT policies in place in each authority, respondents provided varying amounts of detail on how their policies were implemented and their guiding principles. Two authorities reported informal approaches to asset transfer were currently in place, and another two reported that approaches to CATs were nested within Asset Management or Corporate Estates policies, rather than being standalone. The remainder did have formal CAT policies in place, and common features of these policies included;

- Formal agreement of the policy by cabinet members;
- Clear definitions of the criteria under which a CAT can take place, which commonly included the agreement that transferring the asset would result in cost savings for the authority and that community management of the asset would result in increased benefits for the community, as well as empowering communities to run services in a sustainable way;

- Setting out established processes for asset transfer, which commonly came in two stages 1.) Submission of an expression of interest (EoI) by the transferee and 2.) Submission of a full business case once the EoI had been approved;
- Ensuring that CAT policies aligned with other corporate strategies within the authority, particularly Corporate Land and Buildings and Operations Management policies;
- Basing CAT policies on guidance issued by Welsh Government, or using the Assets Cymru Guide (2016).

4.9 The most common transfers undertaken were between authorities and community and town councils or community groups, with 11 authorities reporting this type of transfer. High numbers of transfers with charities (9) and trusts (8) suggest that there are a wide variety of organisations that have successfully undertaken transfers with local authorities, not just community and town councils who are traditionally thought of as the main recipients of services and assets.

Fig 4.3: What type of organisations have you completed CATs with?



Collecting Monitoring Information on CATs

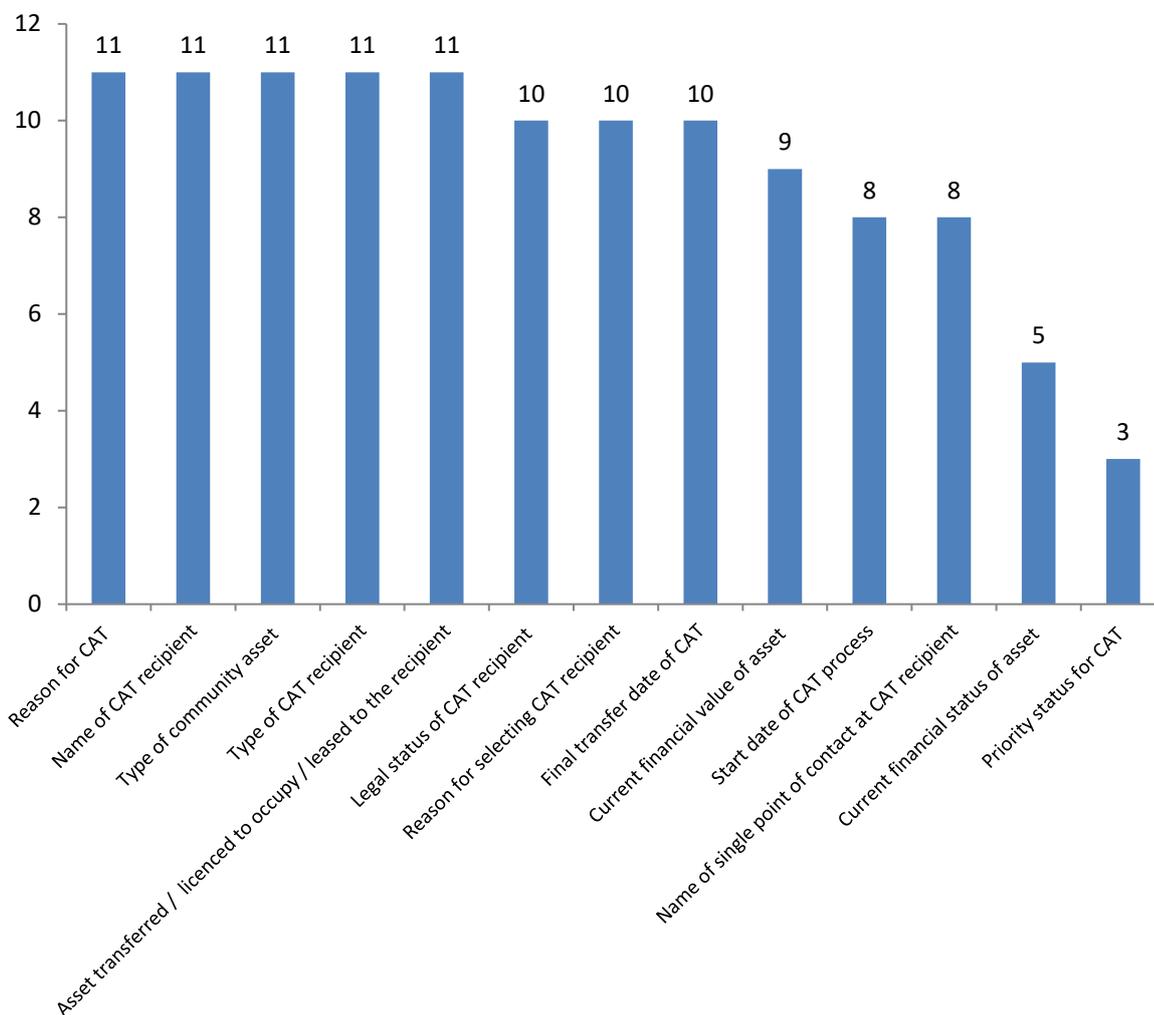
4.10 Twelve of the fifteen authorities collected some form of data on the asset transfers they completed. Of those who did not collect information on CATs, one stated that they did not understand the question and felt that they did not need to collect any information beyond the asset transferred, details of the recipient, the terms of the

transfer and relevant legal documentation. Another authority had only completed one transfer and did not have much information on CATs as a result.

- 4.11 Of those who did collect information, the most commonly collected information included the name of the organisation taking on the asset (11), the type of recipient e.g. community council (11), the type of asset (11), the reason for the transfer (11), and whether the asset was transferred, licensed to occupy or leased (11). Other commonly recorded data included the legal status of the transferee (10), the reason for selecting the transferee to take on the CAT (10), and the final transfer date (10). The data least likely to be collected included the current financial status of the asset (5) and the priority status for the CAT⁶ (3). This indicates that basic details of the asset and the transferee, as well as issues relating to the transfer process are kept, but that details relating to the financial status of the asset are less likely to be recorded. Information on the progress of a transfer process is also less commonly recorded, and therefore the reasons for progress, or lack thereof, of a CAT are also not commonly available.

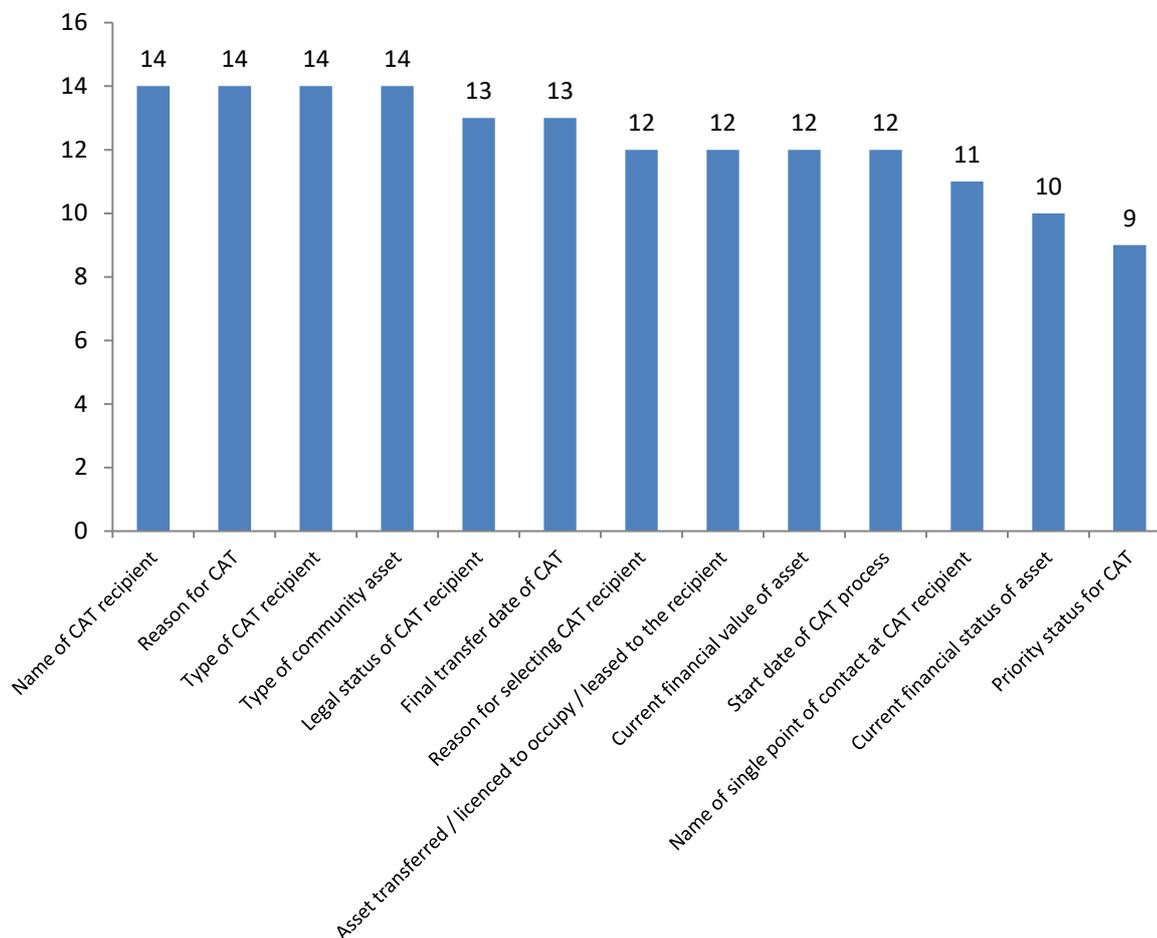
⁶ The priority status of a CAT is a rating given to a transfer process, usually using the RAG system, to denote how well the transfer is progressing.

Fig 4.4: What type of data does your organisation collect?



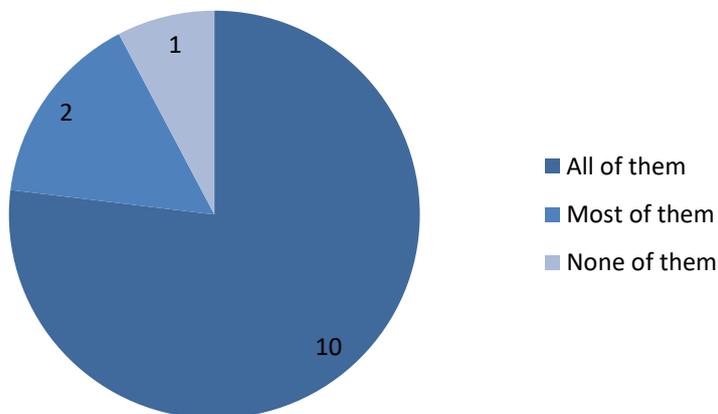
4.12 When asked which data are the most useful for the authority to collect, that which is already commonly collected is considered the most useful i.e. the name of the CAT recipient, the type of recipient, the type of asset and the reason for the transfer. Again, the priority status of the CAT and the financial status of the asset are the least likely to be considered useful to the authority.

Fig 4.5 : Which of the following types of data do you think it would be useful to collect?



4.13 Of those who did collect information about their completed and ongoing CATs (12), the majority (10) reported that information was collected on all transfers that took place, with one authority reporting that they collected no information on the transfers.

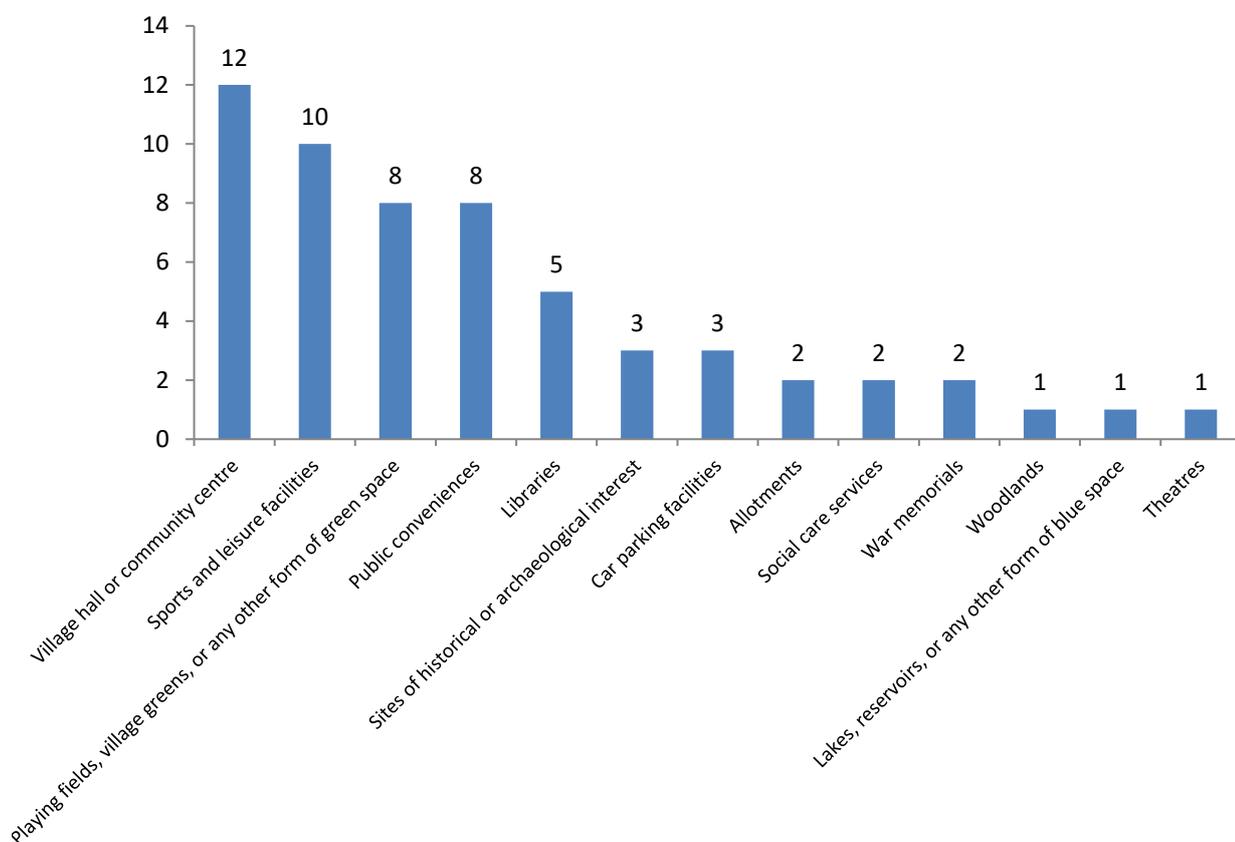
Fig. 4.6: In your opinion, what proportion of CATs does your local authority collect data on?



Current Asset Transfers

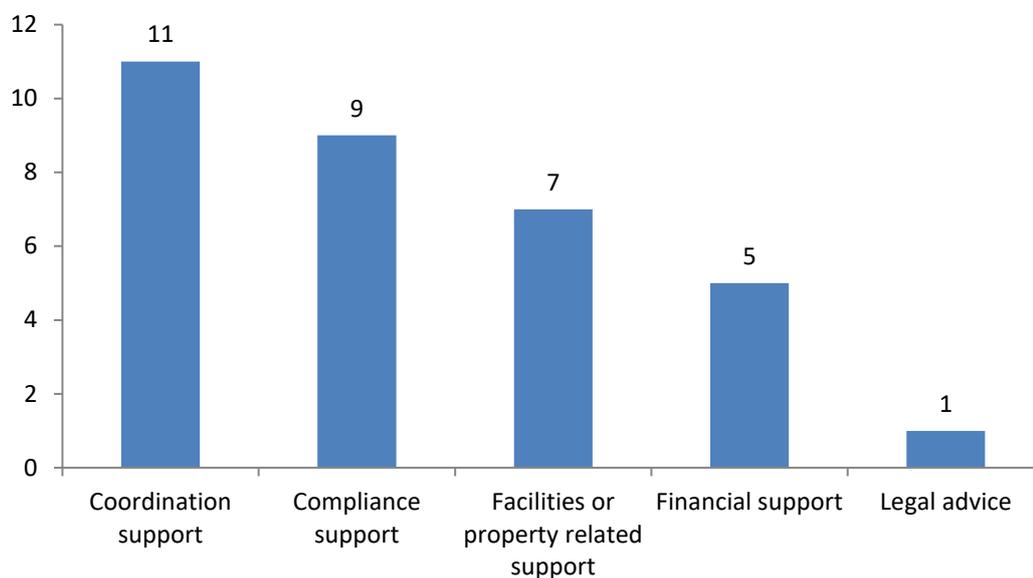
4.14 Thirteen of the fifteen authorities that responded to the survey reported that they were currently undertaking CATs. The most common types of assets transferred were village hall or community centres (12) and sports and leisure facilities (10) with playing field, village greens and other forms of green space (8) and public conveniences (8) also being common transfers. Least likely to be transferred were pieces of land such as woodlands (1) and lakes, reservoirs or other forms of blue space (1). This was also true of specialised services such as theatres (1), social care services (2), community arts facilities/venues (2) and youth services (2), which were much less commonly transferred.

Fig. 4.7: What type of assets or services are currently being transferred?



4.15 Almost all of those currently undertaking CATs (12 out of 13) were providing support or guidance to the organisations that were taking on the asset. This most commonly involved co-ordination support related to the transfer (11) and compliance support e.g. assisting in ensuring the asset conformed to fire or health and safety regulations, and ensuring the transferees were aware of their responsibilities over these issues post-transfer. Few authorities gave legal advice on transfer (1). Upon further enquiry around support in the qualitative interviews, it became apparent that this was because of the inherent conflicts of interest that doing so would cause given they were in the process of asset transfer.

Fig 4.8: What type of support or guidance is this?

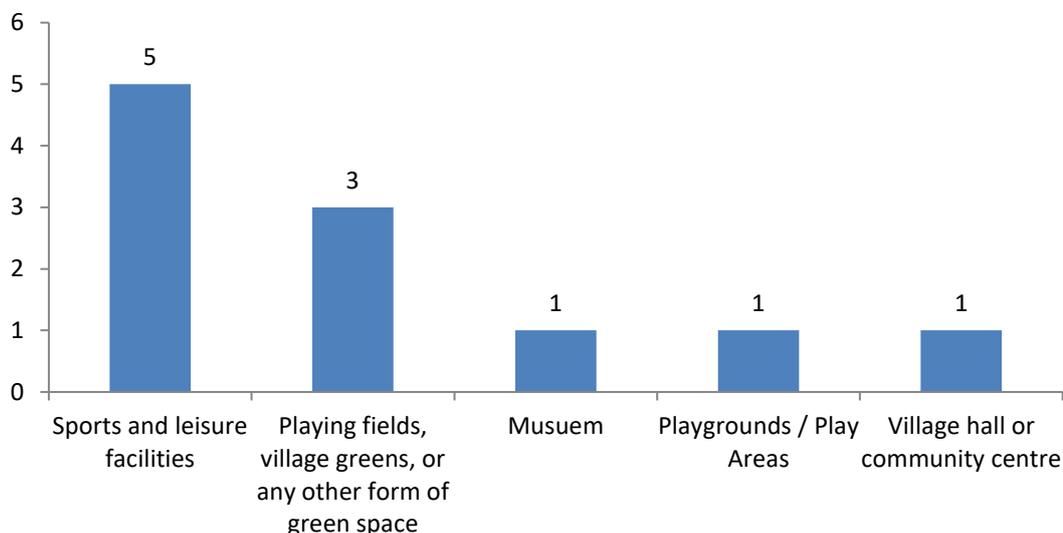


Previous Asset Transfers

4.16 Twelve of the 15 authorities had completed asset transfers in the previous financial year (2018/19). When asked to detail which assets they had transferred, respondents were only able to select one option instead of multiple option, as had been intended. This provides us with a limited picture of the assets transferred⁷. Sports and leisure facilities were the most commonly transferred asset (8). In the 2018 study, sports and leisure facilities were managed by a very small number of community and town councils (Welsh Government, 2018: Annex D) with a number of community councils reporting that the transfer of larger, more specialist services such as sports and leisure facilities was often beyond their capability if the expertise, in the form of existing staff, was not transferred with the asset (2018: 46). The term ‘sports and leisure facilities’ can cover a wide range of services, from relatively low maintenance sports pavilions and playing fields to leisure centres, which require significantly more expertise and resource. This survey did not ask specifically about what type of sports and leisure facilities were transferred, but based on previous research findings it is important to take this into account when undergoing transfers, to determine the resources community councils and organisations will need to run them successfully.

⁷ Due to this error, it is also not possible to compare these data with similar data collected from community and town councils in the 2018 study.

Fig.4.9: What types of assets or services have been transferred during the 2018/19 financial year?



4.17 A small number of authorities (6) provided support to transferees following asset transfer. This was most commonly around compliance support (5) or facilities or property support (5). Again, legal support was also not commonly provided. In general, the levels of follow-up support were lower than support provided to support an ongoing transfer, indicating that the authority have less of a role in support once the transfer is completed. The provision of support post transfer will be explored more fully in the discussion of the qualitative interviews.

Fig. 4.10: As far as you are aware, did you provide any follow-up support to the organisations with which you undertook a CAT during the 2018/19 financial year?

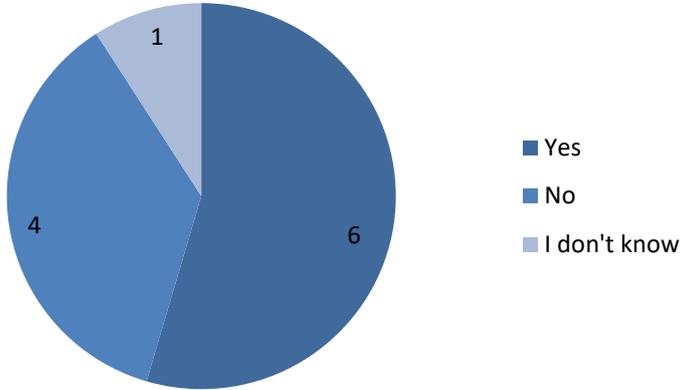
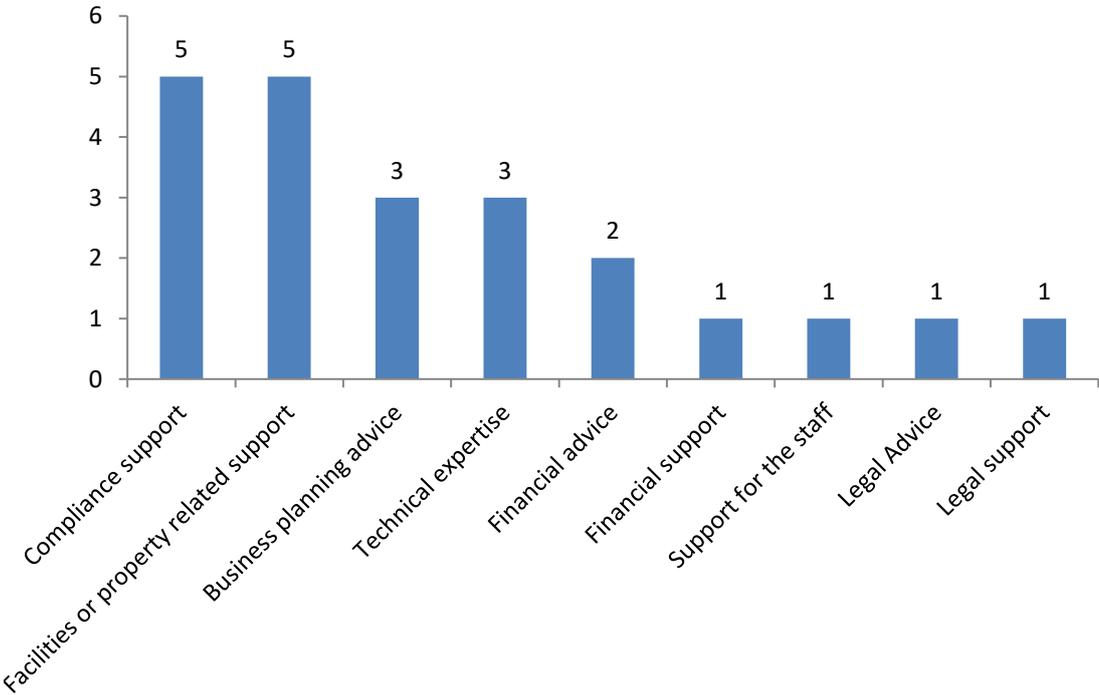


Fig. 4.11: What types of support or guidance did you provide?



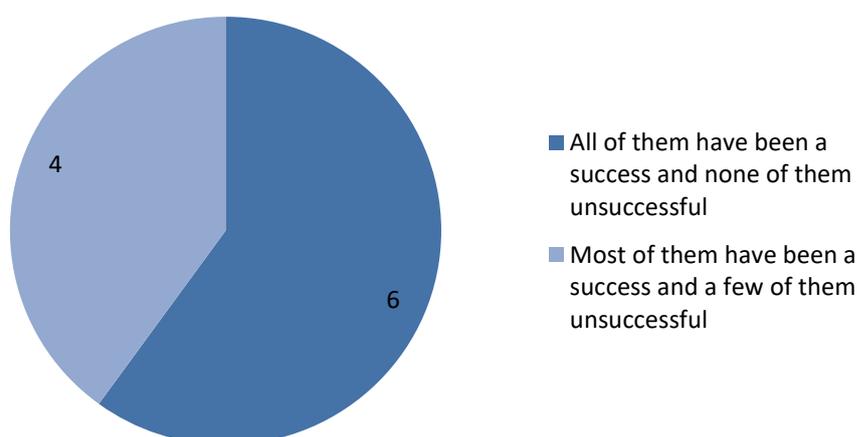
Assessing the Success of Transfers

4.18 When asked to assess the overall success rate of their transfers, those that responded reported either all or most of their transfers were successful. However, the picture on the perceived level of success is limited as four authorities declined to

answer the question. Factors that allow for successful transfers are discussed with authorities and transferees in the analysis of qualitative data in the next chapter of this report.

- 4.19 When asked to discuss why transfers had proven unsuccessful, the most common reasons cited were lack of sufficient capacity on the part of the CAT recipient (3) and a lack of knowledge, skills or expertise on the part of the CAT recipient (3).
- 4.20 The most-commonly cited factors for successful transfer fell into several broad categories⁸. Most commonly cited was ensuring that authorities did their due diligence to ensure transferees were competent and had the capacity to manage the transferred asset (6). Ensuring transferees were financially stable and had a sustainable business model for running the asset was also considered crucial (6). Also considered important was the need for authorities to provide all relevant information to transferees and to maintain regular face to face contact throughout the transfer process (5).⁹

Fig. 4.12: Of the assets and services which your organisation transferred during the 2018/19 financial year, what proportion of these would you describe as being successful?¹⁰

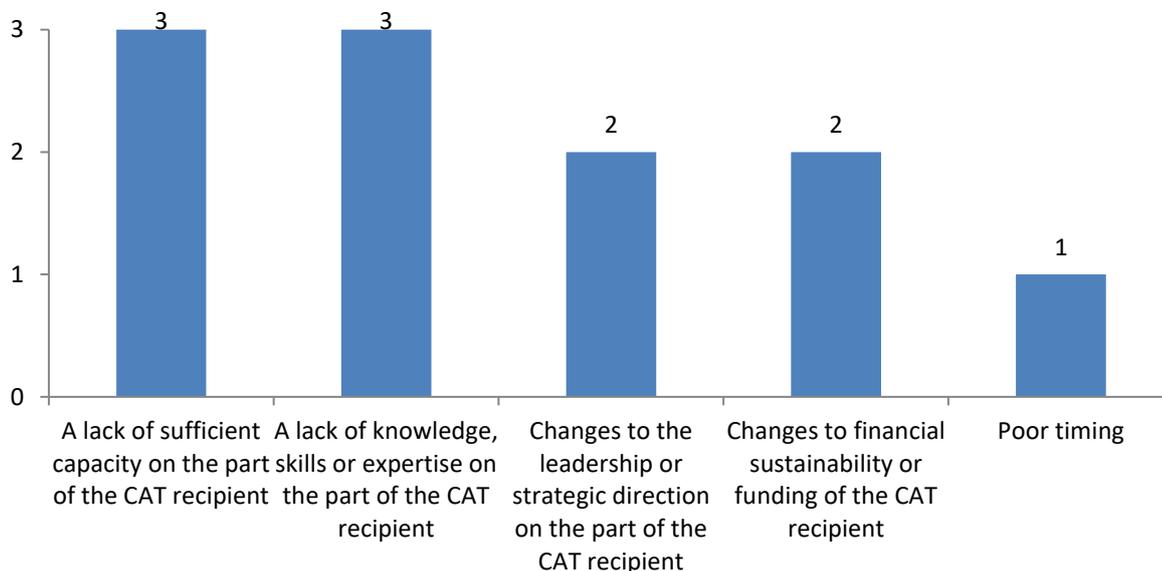


⁸ This question was free response and therefore the responses have been grouped in order to provide a cohesive summary.

⁹ Please see Annex C for a full list of all the responses provided.

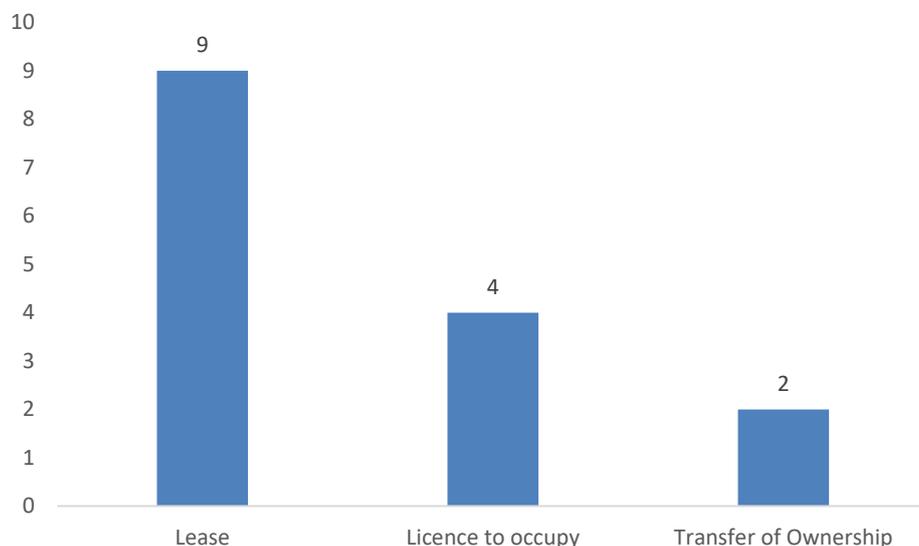
¹⁰ Other possible answers to this question included: Some of them have been a success and some unsuccessful; A few of them have been a success and most of them unsuccessful; None of them have been a success and all of them have been unsuccessful. None of the authorities selected these options.

Fig. 4.13: Of the assets and services which you view as unsuccessful after transfer, why do you think that was?



4.21 When asked what methods of transfer they had used in 2018/19, the most common was the use of lease arrangements to transfer management of assets to community councils or community organisations (9). Full legal transfer of ownership was the least likely method to be used, and the reasons for this are elaborated on by local authorities in the interviews discussed in the following chapter. Two authorities reported that they had used all three methods of transfer in 2018/19.

Fig. 4.14: Which of the following methods have you used in the 2018/19 financial year?¹¹



Forthcoming Asset Transfers

4.22 When looking to the financial year in which the survey took place (2019/20), the majority of authorities (13) stated that they did intend to transfer further assets, with two authorities as yet unsure. The most commonly anticipated transfers were sports and leisure facilities (9), village halls and community centres and playing fields (8), village greens and other forms of green space (6). These most commonly cited transfers are the same top three as those currently being undertaken, and indicate a long-term programme of transfer of these assets across a number of local authorities. The 2018 study also included playing fields, village greens and other forms of green space and village halls and community centres as among the top three most commonly transferred services and assets to community and town councils (Coates et al, 2018: 28).

¹¹ Total respondents to this question: 12

Fig. 4.15: Looking ahead to the 2019/20 financial year, are there any further assets or services which your organisation intends to transfer?

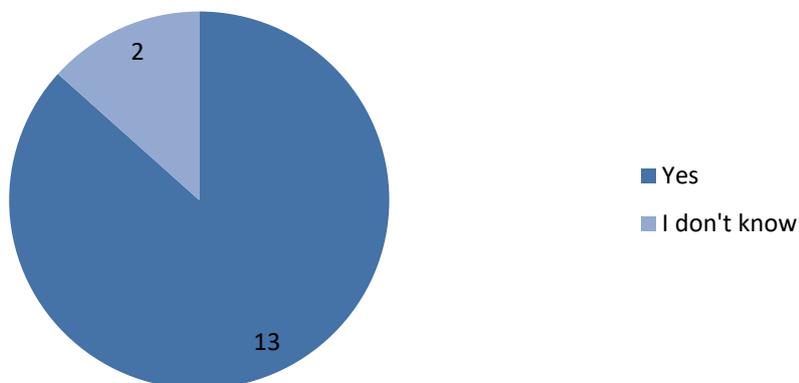
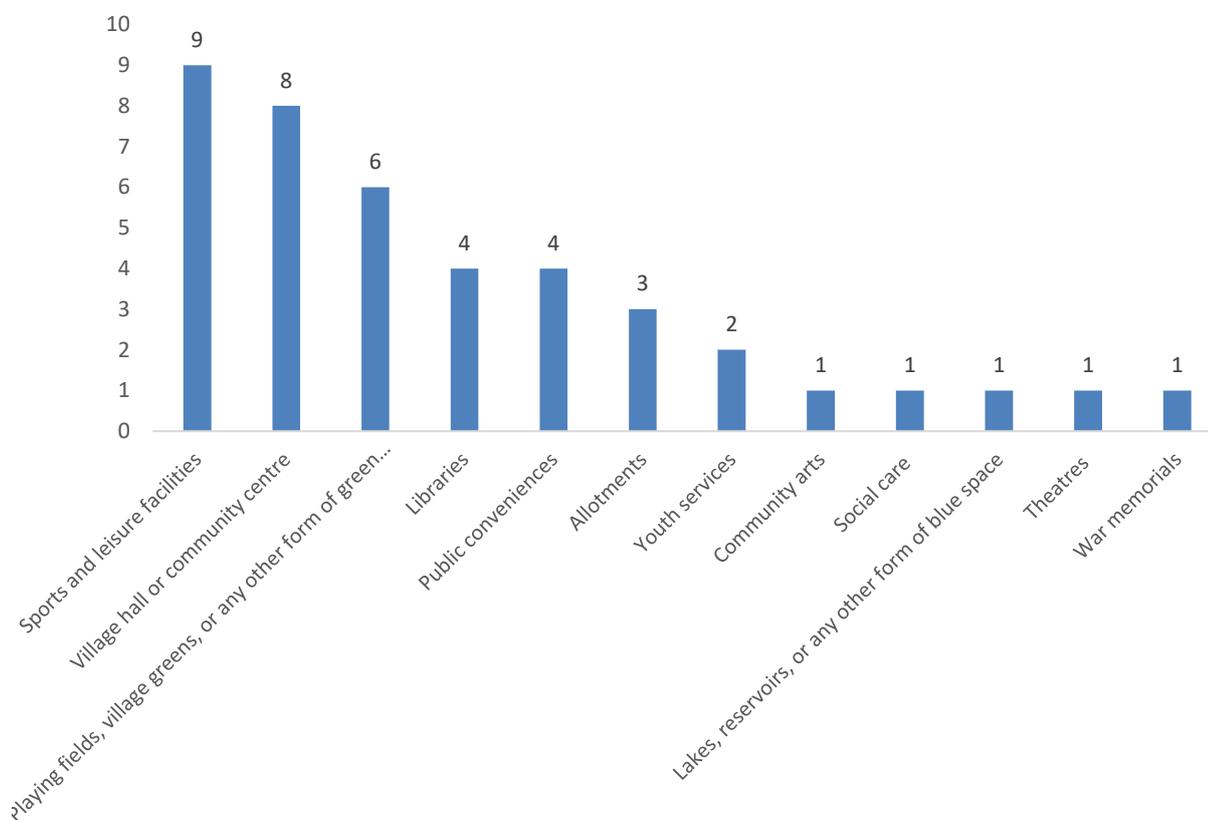
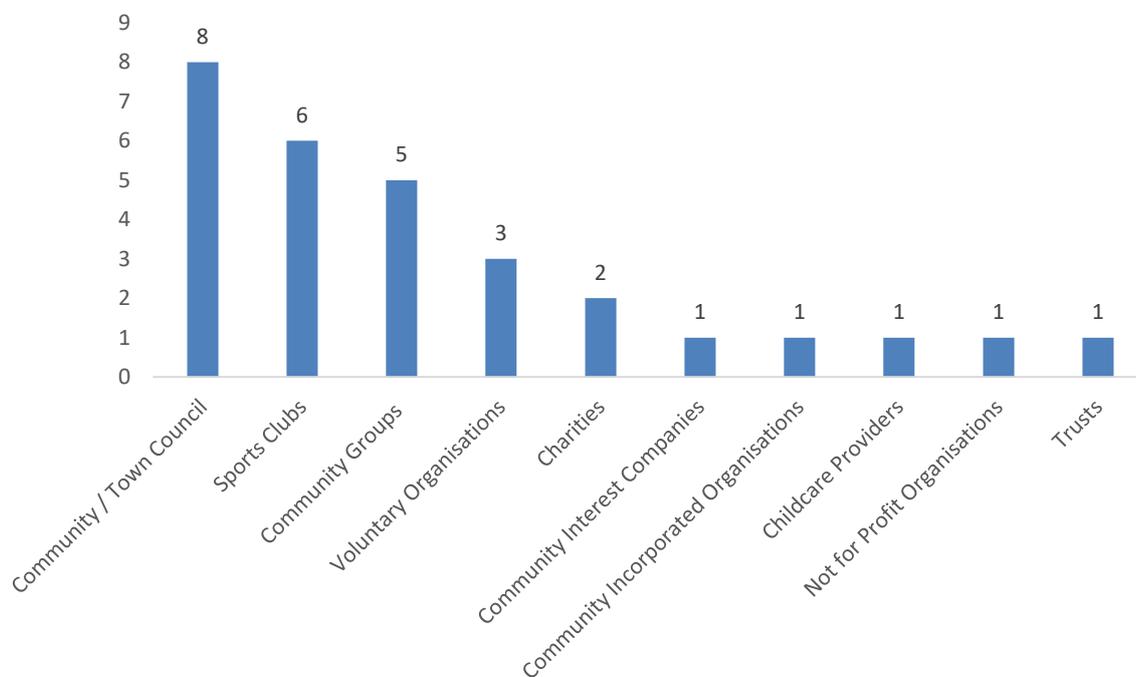


Fig. 4.16: And what types of assets or services are these?



4.23 The most common recipients of transfers in local authorities were reported to be community and town councils (8), sports clubs (6) and community groups (5).

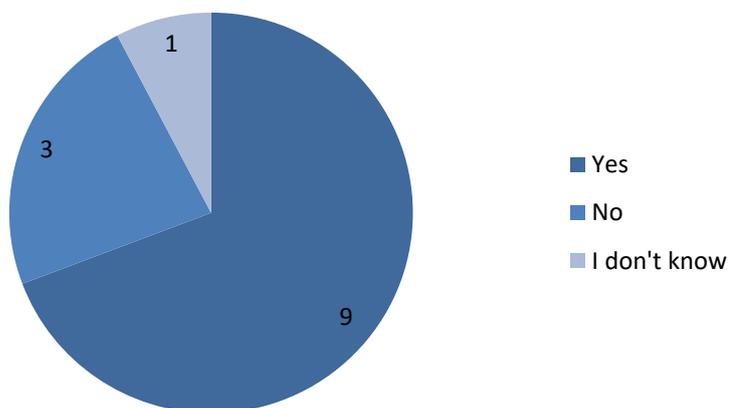
Fig. 4.17: Which types of organisations are likely to receive these CATs?¹²



4.24 In terms of providing support, nine authorities reported that they would be providing support to organisations receiving CATs in 2019/20, with three not providing support. The exact form and timing of support from local authorities is discussed in further depth in the findings from the qualitative data in the following section.

¹² This was an open response question. The results have been summarised quantitatively. Total responses: 12

Fig. 4.18: As far as you are aware, is your organisation providing any support to the organisations that are expected to receive a CAT during the 2019/20 financial year?¹³



4.25 The following section, summarising the findings of the qualitative interviews with local authorities, third sector organisations and community and town councils, explores these issues in more depth.

¹³ Total responses: 13

5. Qualitative Interviews - Findings

- 5.1 This section provides a summary of the findings of the qualitative interviews conducted with local authority officials involved in completing CATs, third sector organisations who have received asset transfers, and community councils. The findings will focus on the stages of asset transfer and the associated challenges experienced by all involved parties. This section will also reflect on how each group define successful transfers and how success can be measured and evaluated to improve both the transfer process and the sustainability of asset management by third sector organisations and community councils in the long term.
- 5.2 The findings are presented thematically, and the perspectives of each of the three parties will be compared to reveal points of convergence and disagreement.

Initiating Asset Transfer

- 5.3 There were a number of reasons for initiating a transfer reported by third sector organisations and community and town councils, but predominantly the context for doing so was the need of the local authority to reduce their costs each financial year; a legacy of the austerity policies implemented following the 2008 financial crash.

Some of the local authority, they put out a statement 24 months ago that due to austerity, we were struggling for money and other services that they were going to cut, obviously they were cutting everything as we know but one of the services that was going to have a visual impact was simple things like grass, maintenance and ground, maintenance and litter. [Third sector Org]

In terms of asset transfer, it would involve, discussing with, in our case [local authority] [...] over the years we've said 'Are you up for any asset transfer' and they've come back and basically said 'no' and the last time we asked them they came back and said 'oh yes, what would you like' because [local authority] are under significant pressure to transfer all sorts of things because of the budget cuts. [Community council]

- 5.4 Most local authorities also acknowledged that austerity was one of the main reasons for initiating a CAT;

We haven't pursued a policy of community asset transfers for its own sake. They have generally come about because of an environment of cuts and such. [LA]

Community Asset Transfers have been quite a prominent thing up here for the last two or three years, driven by expenditure cuts [LA]

- 5.5 Transferors and transferees also reported that the decision to transfer a CAT also lay solely with the local authority. Rarely was there any dialogue with potential transferees on whether certain assets should be transferred.

It's...our decision [to transfer] is final kind of thing at the end of the day. They're our assets and we need to make sure that we're doing the right thing for the people of [county]. [LA]

- 5.6 This practice is consistent with that reported by councillors and clerks in community councils in the 2018 study. That study highlighted the wish of community councils to have a say in the decision-making process undertaken by the local authority over asset transfer. These attitudes were also present in these data;

Interviewee: Again, there was no consult. I appreciate it's their budget to set and their money to do with as they will but there was no sort of 'Oh, we're thinking of withdrawing it, how is that going to sit with you, will you be able to manage?' It was just a letter saying that from 1st April there would be no funding to help us run the public toilets.

Interviewer: So it's more of a one where...

Interviewee: Very, very one-sided. [Community Council]

- 5.7 One of the main advantages of undertaking a transfer from a transferee perspective was the opportunity to take control of local spaces and to foster community empowerment by creating services that served those community's needs;

We are providing a service that they could not do in the community and I think that that is the benefit to them, or that they'll see it as that benefit [Third Sector Org]

because I think it's important that people understand, yes it was, this whole CAT thing was driven by monetary things and I think grounds makers had to make something like a £350K saving on their budget for this year and that's why all these properties had to go but it's also, the upside of that is that you are empowering people to, and in the long term for some of that, there is going to be this opportunity for training, for potential employment[...][Third sector support org]

I think everybody is beginning to get a sense of, that it's better for local people, community council and volunteer groups, whoever, better that local people

look after their local environment than have some big amorphous council try and do it [Community council]

- 5.8 Community empowerment, defined as local organisations becoming able to provide sustainable services for that community, is viewed by local authorities and transferees alike as one of the main long term benefits of CAT. The view with both authorities and transferees is that local groups have a better grassroots understanding of the needs of a community, and can draw in community support by virtue of being part of that community. Transferees felt that they could provide a better service than the local authority were currently providing;

On the better management side, there's little bits of grass, like you can see if you can look out this window, there's a sort of verge type grass which [the local authority] cut every 6 weeks or so. Because they now only cut it every 6 weeks or so with fairly big mowers, and don't take the clippings away, it leaves a sort of nasty, mushy sort of silage-ey mess which the public don't like looking at, whereas if we did it, we would do it every couple of weeks, it would be a much tidier, closer cut. [Third Sector Org]

- 5.9 However, several transferees stated that many transferred 'assets' in fact felt like liabilities when taking into account the costs involved in running certain assets and the associated challenges with raising funding to continue running the assets in question.

[Community] councils have [...] got themselves into difficulty in the past when they've been bounced into agreeing to something because their unitary authority has said 'Hey, if you guys don't take on the public loo's, the library, the football pitch, whatever it is then it's going.' There's a sort of local panic causing them to go 'Okay, we'll do it' and then they find out the liability that they've actually taken on, the money it's going to cost, the expertise it'll need to run, etc, etc, and a community and town, or long-time local funds are now in a sticky position. [Community Council]

- 5.10 The 2018 study also highlighted the view of community councils that assets were in fact liabilities and that little consideration was given in the transfer process to how an asset would be funded in the long-term to ensure it was financially sustainable. Community councils identified the need for support to ensure this happened, both in this research and in the 2018 study. The key to achieving this was considering sustainability during the transfer process.

The Transfer Process

- 5.11 The process for transferring assets to community councils or third sector groups can encompass several activities and can take varying lengths of time, depending on the type of asset, the level of interest in taking it on, and the capacity of either party to complete the transfer. This can involve several stages and multiple individuals, and no two transfers are the same. When identifying factors that lead to a successful transfer, local authorities reported that early and continuous engagement with transferees is important to initiate and maintain momentum in the process. This is key to outlining the responsibilities involved in taking on the asset and fostering feelings of empowerment within community groups;

So you're trying to work with the ones who seem like they can make a go at it, and it is about encouraging them, supporting them, accepting because people go 'Why are you having another meeting?' and the meetings are covering a lot of the same, you're taking tiny steps forward [towards asset transfer]. I don't see any other way how to. [LA]

Yeah, they, yes they do. They just, I think, yeah, that initial stage is very important that they've, you try to get through to them about what the responsibilities will be and get [asset transfers] set up [LA]

We have a little project called community delivery and we appointed somebody and he's been going out and actively encouraging town and community councils to take on playgrounds and play spaces and things like that... [LA]

- 5.12 This initial engagement was also useful in identifying the community groups that use, or could potentially use, the transferred assets. Local authorities are keen for different groups, e.g. sports clubs, to bid collaboratively for one asset e.g. a sports field or building in order that the asset is used as widely as possible by the community it serves. This approach can also bring in more expertise and resources from different groups that is beneficial to managing the asset into the future.

Well, like I said, we initially have meetings with all the users on a site, and we get them all round the table, [...] we prefer people to work together because it's, it means the costs of running the facility are shared, but also the responsibility because if you have one or two very keen people from three individual organisations, that means you then have six, not two. [LA]

What we also found was that if you had a big park with clubs not speaking with each other, we got them on board as well and in some instances, formed a sports association where you, I go to some of these, I'm still in contact with a lot of associations, with town and community councils and they're thriving, they're getting along. They've realised that 'hold on, instead of buying a mower each, let's invest in one good mower and share it amongst the different teams' [LA]

I'm quite keen to try and get like a same bowling clubs and tennis courts to kind of pull together and take those on as a community rather than[...] So that clubhouse could be being used by another [sports club] during the winter. [...] They could probably do something collectively and earn themselves some money from the community doing slimming world and brownies or whatever these groups who don't have somewhere to go. [LA]

- 5.13 Although the benefits of collaborative bids are numerous, there are also issues around encouraging different groups to work together, and this can become a blocker to a successful CAT;

However, whilst on paper [a collaborative bid] would seem the best thing to do, the reality is that due to, sometimes it seems personal things, sometimes historic things, two rugby clubs hate each other but no-one can actually remember why because it's been lost to the mists of time.[LA]

- 5.14 Overcoming these rivalries and co-ordinating a collaborative bid is seen by the local authority as key to ensuring that a CAT is successful and sustainable, and authorities recognise their role in promoting this approach for the wider benefit of the community.

- 5.15 Whilst austerity has driven a lot of the decision making by authorities around CATs, one authority is taking a more strategic approach to deciding which assets are transferred and what purpose assets would serve once they were being managed within the community. This has been achieved through undertaking a review of service needs in small areas of one LA to determine which assets can address service needs in that area.

Obviously there's a big drive in terms of the, sort of, looking at the Wellbeing of Future Generations and Social Services Wellbeing Act especially around some of those care services so anything that's sort of early in, dementia or preventative around community engagement or community wellbeing [and] reducing social isolation or loneliness.[LA]

- 5.16 The purpose of this approach is to ensure that their approach aligns with national-level strategy, is coherent in its objectives and accountable to legislative commitments. This was an innovative approach, with the majority of authorities maintaining an approach based on cost-saving.
- 5.17 The survey revealed that 11 of the 15 authorities that responded had formal CAT policies. These policies detailed what the local authority would transfer and the process for doing so, in most cases this included submitting an initial expression of interest, the community organisation would then be invited to provide a full business case if the authority deemed the proposal viable. Most of these had been in place for a number of years and some authorities were in the process of refining their policies based on experiences with previous transfers.

So we've tweaked [the policy] over time and the major changes to that one that were approved last July were because there was a lot of pressure on a lot of sports facilities and it was recognised, if you were taking on a theatre, you needed quite a comprehensive business plan as you can do a number of things.[LA]

I have been asked to review it, having gone through the procedure with the parks and playgrounds, sort of update it with more realistic timeframes, etc. having now experienced how long it does take, it's longer than a few months, it could take a few years. [LA]

- 5.18 In many cases, policies were refined to account for transferring different kinds of assets, as well as revising timescales for transfer to make them more realistic. However, CAT policy was often considered secondary to other property or estates policies that would favour renting or selling off the asset in order for the local authority to obtain income for assets at market value.

With the schools and the bigger buildings and anything that has genuine value, then there is a decision that has to be made as to whether the authorities are willing to transfer for less than market value. When that happens there needs to be a justification [...] how is your proposed use for this building going to provide economic or social benefits? It'll generally be quite a robust business plan. [LA]

[...]it made it very difficult for me as an officer to go back to unsuccessful candidates and say why because sometimes it wasn't just a case of their proposal, it was also the type of building, and it was, well, you know, if this

was a building in a prime location, why would we community asset transfer it you know? [LA]

- 5.19 This had the effect of undermining the CAT policy in instances where assets could be sold to boost local authority finances, and CATs appeared therefore to be the fall-back option where sale or rental was not possible. This made it appear as though the local authority priority was to sell or rent as opposed to transfer.
- 5.20 Other significant issues around CAT policy included the difficulty of some organisations to access their LA's policy on CAT and the problems that posed in initiating a transfer process. The lack of transparency was found to be a barrier to understanding what the LA were willing to transfer, and an established process for doing so.

[...] they have now actually removed [the CAT policy] from public consumption. That document doesn't exist anymore in [local authority]. It's frustrating. So they don't currently have a community asset transfer process on the outside to the community that asks for it. [Third Sector Org]

Challenges in the CAT Process

- 5.21 Both LAs and community organisations cited a number of significant challenges to the transfer process. Both parties highlighted the need to ensure all due diligence was carried out. This included establishing the state of the asset, whether maintenance needed to be carried out, and agreeing who would be paying to carry out the work to bring the asset up to standard.

They still have to go through those steps and teams like mine still have to go through our steps, and it's terribly important that those steps take place because people [...] if they're entering into [...] a lease arrangement then they're taking on something they can't get out of and that's it. Once they've signed up to the dotted line [to accept the transfer], that's it, whatever it is - 5 years, 7 years, 21 years, 99 years...[LA]

Before transfer, we were offering, we'd have an annual inspection report for that, say, playground. If there were any medium or high risk objects identified in that report as being unsafe, a swing, something loose on a swing would be immediate risk. We were saying we would carry out that work before transfer so that all medium and high risk items were carried out so that you would be taking it on from day 1, hopefully without any issues.[LA]

So we will sit them down, we'll have a talk and essentially we will do, sort of, maintenance to prevent damage I suppose. Water egress and, you know, something like that. We'll do that. We won't do anything, yeah. We'll do whatever is required to maintain it in the reasonable condition it was in when it closed. [LA]

- 5.22 In some cases, when the LA was not willing to pay for the transfer of an asset in a 'reasonable condition', an agreement to split the costs between LA and transferee was made. However, this could take time.

So we said to the council that alright, we'll still pursue it. At this point in time, they had, the council, we said 'look, we'll put £20K of the town councils money towards refurbishment' and that was the carrot that enabled [the LA] to have second thoughts. So they now decided that they will do the update of the building, in house, they had a budget [...]. So they found the money. [Community Council]

- 5.23 Who was taking responsibility for particular costs, including maintenance and utility bills, was also important to establish during the transfer process. Advisory bodies were in place to provide impartial advice to transferees, but in some cases this advice had been incorrect and had lengthened the process whilst these issues were resolved.

The only thing I have to say is that if we have any help from people who aren't property, haven't got the property knowledge, it's very easy for them to get carried away and start giving the groups [incorrect] property information and then that's caused a problem. [LA]

- 5.24 Time taken to complete a transfer was a common frustration for both LAs and transferees. Transferees felt that what should be relatively quick processes were in fact taking many months, even years. The reasons for this were often unclear to transferees, and problems arising from delays were compounded by a lack of communication from the LA on the reason for the hold-up in the process, as one community council discussed in relation to a transfer process that's been ongoing for four years.

So we don't actually know where we are a lot of the time with dealing with [LA] as to when an asset transfer may take place, this financial year, next financial year, the following financial year. So we're in limbo a lot of the time. [Community Council]

5.25 This has implications for transferees whose funding is dependent on the transfer being completed, and can mean that they miss out on funding as a result of delays.

[...]in the end, I went direct with them to the local authority as well just to move it forwards because if you put funding, obviously there's time frames, if you don't meet the time frames, you don't get the funding. [Third Sector Org]

5.26 Protracted transfer process were not desirable for LAs either; delays to transfer meant that they continued to incur costs for running the asset. Another common delay in the transfer process came from discovering that parcels of land had previously not been legally transferred to the authority, and that this needed to be done prior to completing the transfer.

So it seems quite often that we're dragging things out a long time for stuff that I never thought would happen. So that's always been difficult, what we do in the interim, we're stuck with the building, with whatever costs, that is particularly difficult [LA]

[but] then what we found then is that we had to go to the fields and trust to ask their consent to be able to transfer it to a town council. That also delayed matters and also caused issues in terms of, they wanted us to cover their legal fees in dealing with it, their surveying fees, paying for these different bits of paperwork to get the consent. [...] it was a legal process to go through, but it's cost us a lot of money to go through that process. [LA]

5.27 LAs were revising their CAT policies as a result, so as to build in time for these circumstances to be dealt with should they arise, and to not create unrealistic expectations from transferees regarding how long a transfer would take in the future.

5.28 Many community organisations were new to taking on assets and therefore unfamiliar with the transfer process. This could potentially lead to pitfalls in agreeing the terms of the transfer, or with regard to misunderstandings of their responsibilities in law.

But if you don't know the sector, you don't know the organisations, you don't know the funders, you know. It's a big ask of some organisations to actually coordinate all of that, to get resources together, to actually find advice on governance, the legalities of it all etcetera, etcetera.[Third sector support org]

5.29 Support organisations such as the one quoted above were invaluable to organisations in resolving issues around how they should constitute their

organisation, how to manage the transfer and providing guidance in managing and sustaining themselves post-transfer, although the capacity of support organisations was also limited.

Local authorities are expecting all the agencies, as they describe them, [support organisation x], [support organisation y], social firms [...] all of them, [...] to actually come to their aid, [...] when you identify an asset that could be transferred. And what we're saying is that if all the local authorities are transferring at the same rate at the same time, the capacity in the system in Wales just isn't there to deal with them. [Third sector support org]

- 5.30 Community organisations often reported the large amount of bureaucracy involved in the LA's processes for completing a transfer, and the delays in getting decisions signed-off. This was a particular issue if multiple departments in the LA were involved, and legal issues especially took long periods of time to resolve.

The main encounter is, the principal authority are keen to offload parks, pavilions and I really have tried throughout this whole process because we're taking on our bits of land under the council and the legal department are dealing with that. It's taken nearly 18 months to do two small pieces of land. So it's very frustrating from my perspective and myself, only being a one man band, it doesn't help when I'm getting these sort of problems because the council, our council, is firmly committed to taking these over as soon as possible. The inherently lays within the principal authority in moving forwards. [Community Council]

It's the legal department, they won't be rushed. [...] So [LA's] legal [department] is causing a lot of problems and you know, for us it's very frustrating, because our budget, we set it for one year to another. So we don't actually know where we are a lot of the time with dealing with [LA] as to when an asset transfer may take place, this financial year, next financial year, the following financial year. So we're in limbo a lot of the time. [Community Council]

- 5.31 These delays were sometimes compounded by a lack of communication from the LA in explaining why there was a delay. Some community organisations also highlighted that the lack of agreement over the transfer process and timescales can cause confusion over responsibilities for completing paperwork and therefore prolong the process. This can also carry risks for the viability of projects that are dependent on a transfer being completed.

It's just getting the, somewhat bureaucracy of [Local Authority] to respond and see the benefit, you know, I've just done a long letter as I was mentioning to [interviewer] about the discretionary rate relief and I had to go through everything, what we are, what we do and what it's all about but that's just to one department, the other departments won't know. [Third Sector Org]

Yeah, and I'm not saying [the LA] don't care. Perhaps some in the legal team don't really care because it's not their job, the officers certainly care. I worry about the implications. There's not a lot of projects that can sit around for 12 months not doing anything, ours luckily is part of a bigger thing so we're doing more things than we actually have time for. At some point, we may lose that land transfer because we can't, we need to spend capital money. [Third sector org]

- 5.32 As well as ensuring they understood their legal and management responsibilities in taking on the asset, community organisations also needed to ensure that the asset remained sustainable post-transfer. Organisations quickly needed to become familiar with sources of funding and how to apply for them, and how to generate income from the asset to achieve this objective. Organisations sometimes found it difficult to access support to do this, either from the LA or elsewhere.

Interviewer: So some independent advice on how we should do [funding] applications and be successful then?

Interviewee: Well, they don't necessarily need to be independent but some advice and some hand holding for that really. The only other thing would really be some sort of toolkit to analyse these applications or some sort of framework somewhere. [LA]

We're also working with Social Business Wales with regard to the work project in the main stream because there is very little substantial guidance out there for organisations about that side of Community Asset Transfers. [Third sector org]

Sometimes the local authorities do recognise that gap I've just described, and often what they can do is they'll give them a grant. A one-off grant. Say 'look, we'll give you a ten thousand pound grant, sign on the dotted line, take over the asset, we'll give you a grant'. That gives them a bit of revenue funding, then that gives them a little bit of time to actually try and generate their own income going forward. [Third sector support org]

- 5.33 Local authorities on the whole did recognise that it can be difficult for community organisations to find their feet when taking on assets if they are inexperienced, and

as a result feel that additional support from other organisations, whether it be a voluntary support agency or organisations such as Social Business Wales to support them in those early stages. Alternatively, some LAs have provided one-off grants of £10,000 to community organisations to assist them in their first year and reduce the risk of the organisation folding. Although both approaches are beneficial, it was felt by LAs and transferees that more support to ensure sustainability was needed.

So for me, there's around, resourcing, appropriate training and skills building for certain groups and at the moment we're just lucky that we've got some voluntary sector support partners who can provide some low level training but we probably don't meet half the need that's presented. [LA]

What we're saying is that if all the local authorities are transferring at the same rate at the same time, the capacity in the system in Wales just isn't there to deal with them. It just isn't there. [Third sector support org]

This is why we need a paid person in, because, and also, we're a group of trustees, we're a group of local people and not everyone has a background in education or in anything. So, it's difficult then to get them to realise exactly how much is involved in running a project... [Third sector org]

- 5.34 Another dimension to sustainability was ensuring that 'assets' that were transferred from the LA were not in fact liabilities, and that community organisations would not be in a position where the maintenance of assets ate into their budgets. Many transferees felt that past transfers had led to them losing money maintaining an asset and that this meant that resources could not be used to pursue more sustainable community initiatives.

...the unitary authorities are not always that open, or have not been in the past about the liabilities because they're just looking to shift things. / Shifting when it comes to public buildings. / Yeah, which is where the risk is. If we take our land, the risk to us is fairly minimal in terms of what can go wrong with the land, that we can then end up being liable for, but if we take on a building of any kind, who knows what hidden problems there might be. [Community Council]

We've been assuming that these are all asset transfers, that the communities have been doing really well with them, but actually, you've got to be careful of handing over liabilities. [...]What are the long term impacts? How will this impact you, as a community group or personally? [Third sector org]

Post Transfer – Challenges

5.35 Both LAs and transferees found that there were challenges both during and post transfer that prevented a smooth start to community organisations managing an asset effectively. The first of these challenges was ensuring that they were financially able to run the asset. Community organisations came up against a number of financial challenges, including being able to pay bills and rates. This often has to come out of the precept or other existing sources of income. Without an income stream, this is a steady drain on finances.

It does, [running the asset] is the biggest single cost. If we were to take it over and we had to pay the rates, it's the one thing that makes us think that actually, we're going to have to find that in the precept because there's no way of avoiding it. [Community Council]

People take on public loos because people don't want to lose them but they haven't thought through who's going to clean them, who's going to open them in the morning, who's going to lock them at night and all that. [...] It's one of those silly things that sounds trivial but is actually quite difficult in terms of running it and is actually quite expensive. [Community Council]

5.36 For both LAs and transferees, another significant post-transfer challenge was ensuring that community organisations had within their staff and volunteers the right training and experience to manage the asset. Although some LAs have capacity to provide some training on basic management responsibilities, health and safety and financial issues such as rates, billing and insurance, this is limited and may not be adequate for all transferees, particularly those organisations which are newly formed.

[...] you might have some organisations which are run on a voluntary basis, come to us and they're very good at delivering a particular service whether that's childcare or working with children with autism. What they're not so good at is managing a building and all the statutory requirements that go along with that. [LA]

We will be able to work with them plus the third sector to point them in directions where they can seek grant aid or external funding or they know if they can raise money through their own resources. Those are the sorts of things they should be invested in to bring their bills down. [LA]

5.37 Community organisations faced further challenges beyond the need to broaden their expertise. Due to the preference of many LAs to transfer on leasehold arrangements as opposed to freehold, this placed constraints over how the land or building could be used. This created problems in that any significant changes that the transferee wanted to make had to be approved by the LA. Community organisations then entered into another protracted set of discussions to agree to the changes to use or modifications to the asset. Some community organisations felt this wasted valuable time that they could use to push forward with their plans, and that the community subsequently could not enjoy these changes as soon as they would like.

...obviously there's a vast difference in ownership and assets between a freehold and lease hold. 99 years is a good lease and actually, none of us around here still have wholly ownership and control over that land. The processes are in the lease with things we can do, things we can't do, etc, etc. [Third sector org]

JC: Are there conditions on the leasehold then, in terms of what you can do?

TCC: Yes. They are aren't they, because we can't not have public toilets in the public toilets without asking them? It's an odd example but the main one that we have I suppose. So we wouldn't be able to do anything, I think, even to the level of if we decided we wanted an electronic advertisement board or something, we can't do that without asking them, and those are relatively little things really. If you're running a building you should be able to do that without having to ask all the time, especially if it was an actual asset transfer which we'd prefer but [LA] will no longer do. [Community Council]

5.38 This links to previous points made around the limitations of leasehold transfer. Community organisations and their support bodies have frequently criticised LAs for transferring a lease, arguing that it is not in fact a true asset transfer if transferees need to seek approval to adapt the asset. The reasons for LAs retaining ownership are valid; to ensure that assets could be retained for public use if the community organisation were to fold. However, this was considered a significant barrier to ensuring assets held by community organisations could be sustainable into the future, and transferees commonly felt that they were custodians of liabilities rather than adapting assets to be used for maximum community benefit.

5.39 The ability to adapt a transferred asset was linked in some instances to the ability of transferees to derive income from the asset. This ensured that the asset could remain open for community use, and that the management of the asset became sustainable, eliminating the need for over-reliance on grants or loans. However, some LAs found the idea of making profit from assets problematic, and some community organisations felt that there was a fundamental misunderstanding from LAs about the benefits of taking this approach.

Organisations have to make profit, we can't survive without making money somehow, but not for private gain, absolutely fine, completely understand not to line our pockets with but if an entity doesn't make money, they can't run a resource and that isn't understood in the main, by local authorities particularly. [Third sector org]

I mean people assume that a social enterprise is not for profit, and this term 'not for profit' as I say ...it is bandied around and [...] we changed the culture from that not for profit to 'profit making' but not 'profit taking'. Once you accept that, and it's what we then do with those profits and we're limited anyway, we can't distribute them to anybody other than give them to local charities and other community groups... [Third sector org]

5.40 Community organisations felt that a barrier to ensuring the success of transfers was LAs' erroneous belief that profit making transfers were unethical, and that a re-orientation in the LA's view on this was important in ensuring transferees were able to generate income from assets without resistance.

[...] definitely if organisations write a business plan that starts to show money, then there's an attached price to that asset [...] [the LA] should be saying yes [to transferees making money] but that that money must be reinvested back into that community and that resource and that's fine. [Third sector org]

Post Transfer – Sources of Support

5.41 Both LAs and transferees identified a number of sources of post transfer support for community organisations. LAs felt that they had a role immediately post transfer in providing some limited training in managing the asset and statutory compliance, providing small amounts of financial assistance in the first year post transfer, and signposting transferees to specialist training or expertise to suit their particular needs.

We will be able to work with [transferees] plus the third sector to point them in directions where they can seek grant aid or external funding or they know if they can raise money through their own resources. [LA]

[...] but another thing is that they need support from the other voluntary sectors, you know. [...] We've got to help them so far but they will need to get help from other organisations. [LA]

- 5.42 Transferees' views on how supportive LAs were during the transfer process and afterwards varied considerably. However, where transferees had one point of contact, a dedicated CAT officer or equivalent, relationships were generally reported as being more positive.

Well, there's one, the CAT office, as I mentioned at the offset, the CAT office was really helpful. There's a designated CAT officer in [LA]. I envy his job because he's aware of everything and anything which has been going on and he's trying to argue in our corner then in the appropriate channels. [Community Council]

[CAT Officer] has been completely supportive throughout this process. [...] She was always like, so responsible in terms of like getting information back to us and getting information and you could ask for more information, like a specials report, surveys and things like that. So it was really, really quick and then she kept us informed right through the process [...] [Third sector org]

- 5.43 Whilst there were positive relationships and support from LAs, in the long term LAs felt that they did not have the capacity to support the varied needs of transferees. Community organisations recognised this lack of capacity with regard to accessing expertise, and that this was something they had to do for themselves.

Well, that's all of, I mean, just going back to that support, we've very much had to go out and find it. It wasn't saying 'okay, now you need to do this, now you need to do that, you've got to get some advice on that'. We've had to go out and find it for ourselves. [Third sector org]

- 5.44 CVCs and other support organisations' roles were to provide direction for community organisations obtaining expert advice and advice on accessing grant funding. But one support organisation in particular felt that the amount of work required for a community organisation to establish themselves immediately post-transfer was greater than the capacity to support that process.

I mean with the...where's the money from the front-end to pay the bills, y'know, deal with maybe, y'know, employment issues, TUPE, and all sorts of

things. Massive agenda, really. Is the support out there for this at the minute? No. Y'know, there's support out there, but it's not sufficient to meet all those demands. [Third sector support org]

5.45 Both support organisations and transferees felt that there was not enough capacity to meet demand, particularly if a LA was undertaking a large programme of asset transfer, leading to a surge in demand for support from CVCs once transfers was complete. Transferees cited training to run specialist services as particularly in demand, and this chimes with the findings from the 2018 study, in which community and town councils felt they were in need of the same support as LAs sought to transfer increasingly complex and demanding assets, such as sports and leisure facilities.

5.46 Training in other skills such as business planning and networking with organisations in similar positions was noted as being potentially beneficial. Mentoring by community organisations for others in need of those skills was mentioned by a couple of transferees as being a potentially effective way of passing on knowledge of delivering specialist services.

Interviewee: I mean, we had a bit of luck in the process. The world heritage site coming along did help us. After that, [the LA] did become interested in [the asset]. [...] Like I said, the only skill we didn't have was refurbishing the site but there was a guy in the local community who volunteered to come and help us. So, but you've got to work. You've got to put the work in. It's not a holiday camp. / I did find the occasional meetings of fellow CAT companies, businesses useful.

Interviewer: Okay, so others who have done similar or on similar assets.

Interviewee: Yeah, because we can compare notes. 'Oh, you did that. Oh, we did it this way.' So, that's always useful. [Third sector org]

5.47 These methods, although valuable, were usually obtained by community organisations spending time seeking these out for themselves. This, alongside resources for putting funding bids together, was time-consuming, and some community organisations suggested alternatives to streamline these processes. This included the creation of a centralised community asset transfer fund and a way to simplify the process of obtaining specialist support.

[...] but I think that it would be encouraging if there was a specific community asset transfer fund because it is incredibly expensive to do, what we're doing is expensive and although we are very, yeah, we are an organisation with its head screwed on, that would be good. [Third sector org]

So yes, there are some good skills out there and if you had to go privately for some of it, you could spend heaps of money, so yeah, working out what support can be given, centrally still is really key I think, if the whole community asset transfer is to try and continue. [Third sector org]

Post Transfer – Sustainability

5.48 Interview discussions revealed that there were a number of facets to sustainability; the first and often most important being the ability of transferees to ensure that assets became financially sustainable long-term. There were some notable barriers to achieving this, the first of which being the lack of sustainability around transferring assets which are really considered liabilities, and the subsequent drain on the financial reserves of community organisations. Community organisations felt that there should be more scrutiny of which assets are transferred, and a risk assessment be made as whether a community organisation can manage these assets long term, or whether they are too great a financial risk.

So obviously, if the business plan doesn't stack up, then the asset shouldn't be transferred, but actually if the local authority needs to be rid of it, it may very well be transferred and [...] what we are seeing the first rounds of some of these asset transfers really struggling now. Some are failing and that could be pubs, could be shops, could be whatever. Certainly toilets are a hot topic. Pretty much every public toilet block is costing the community £20K a year and that's not sustainable for a small parish community. [Third sector org]

5.49 Where there is a financial risk to the viability of community organisations, it is suggested that the transfer either does not go ahead, or mitigation is used to ease the burden on transferees to incur all costs relating to the asset.

5.50 Where financial assistance is provided, either by LAs or Welsh Government, amounts can often be inadequate. Some transferees reported receiving up to £10,000 in their first year of managing an asset, but some grants can be much less than this, and not always enough for the transferees' needs or considered worth the effort to obtain given the amount of bureaucracy that they have to work through to obtain it.

Interviewee 1: You have to make an application, and the amount we got was small [...] £3,200 for the year, [...] For £3,200 I think that's fantastic value for money but the amount of effort to apply for knowledge and for the council to give £3K, is sometimes more than you want it.

Interviewee 2: That's got to include our finance officer. A clerk has to manage her, our finance officer has to pay her and if you really set down the cost of all that, you would have used up all that money wouldn't you? And we've only got it for a year. This isn't sustainable, these grants aren't sustainable, and that's the real problem with community asset transfer. [Community Council]

- 5.51 Another difficulty identified by the LA concerned the sustainability of clusters of transfers in one locality. Often, if a number of transferees were seeking to derive income in the same way i.e. from sessional room hire, this created competition between transferees and some assets' long term sustainability could be threatened.

A lot of [transferees] will be overly reliant on room income or sessional room hire and the minute you stop replicating that across communities, how many groups, how much need is there for sessional room hire when suddenly you have a plethora of asset transfers [...] you don't want to set groups up to fail when you can clearly see that there's 10 buildings in that area and all of them are underutilised so why should you take this on? [LA]

- 5.52 As a result, any LAs felt that selling some buildings off on the open market was the best option if there was a risk this situation could occur.

- 5.53 Both LAs and community organisations cited the importance of assets becoming fully sustainable within the first one to two years post-transfer, and that access to funding and support in these initial years was crucial. Support organisations, such as CVCs, were used by a number of community organisations in order to seek advice, including where and how to access grant funding. However, the capacity of these organisations was limited, and often could not meet the expectations of the LA in plugging their capacity gaps.

Local authorities are expecting all the agencies, as they describe them, [CVC], [...] social firms [...] all of them, [...] to actually come to their aid [...] when you identify an asset that could be transferred. And what we're saying is that if all the local authorities are transferring at the same rate at the same time, the capacity in the system in Wales just isn't there to deal with them. It just isn't there. [Third sector support org]

5.54 Key problems with capacity were highlighted when LAs undertook co-ordinated programmes of asset transfer, with CVCs and other support organisations often unable to support the sharp increase in transferees that resulted. This study draws from only one support organisation, however, therefore wider consultation is needed with support organisations about where their capacity gaps are and where resource could be most usefully directed.

5.55 Capacity to manage assets post transfer within community organisations was also an issue. As in the 2018 study, the survey and qualitative data highlighted that most clerks in community and town councils worked part-time, often working a small number of hours per week. Given this, it was recognised that managing assets was a big commitment on top of their existing workload. Staff turnover could also be high, meaning that time and resource would be required to train staff in the skills needed for effective asset management.

What you have to appreciate as well about a lot of the town and community council Clerks as well in the area only work part-time. Some of them only work 2-3 hours a week so they can't then attend, outside their normal work and not expect to be paid. That's a consideration that needs to be met, the fact that I work, technically I work full-time but I've got flexibility with it, but there's, I'm perhaps unique in this particular area in that I do work full-time as there's quite a few of them with defined hours on specific days. [Community Council]

[...] so there's an expectation that if our sector is going to take over assets, that someone like me has that range of knowledge which frankly we don't have, and so it puts a tremendous strain on the smaller, on the community and town council officers, as well as members to be able to manage assets, which will come from a bigger authority where there will be professionally trained people who know how to do it. [Community Council]

5.56 LAs and community organisations also felt that they needed to reinvigorate their approach to recruiting volunteers and staff, and helping organisations improve their resilience to increase retention of skills and expertise. One suggestion in achieving this was to engage younger members of the community to improve community representation, and ensure that there were individuals who could take responsibility for asset management in the long term.

They haven't got enough time, it's a difficult one to be honest because we're all getting older but there's no-one younger going 'I'd like to come and join you' if you know what I mean. [Third sector org]

you're generally dealing with 2 or 3 people who are the stalwarts of the club or the community centre and, there's no denying that they do a very effective job, however they tend to be of an age where they can devote time, because they tend to be either retired or semi-retired and the fear is that in the future, they may get frustrated, they may lose interest, they may sadly pass away and it's how do you build up [...] that resilience within an organisation and I think that that's something me and [colleague] are going to explore in the next year or so. [LA]

I don't know how long they can carry on and that's a shame because [...] the older [members] love it but they haven't got the, they just want to play bowls, they didn't really want to take on a building but they don't want to lose it. So it's getting the younger people involved I think. [LA]

- 5.57 These capacity issues meant that sustainability in the long-term was by no means guaranteed, and that a comprehensive package of financial support and adequate capacity to manage an asset was essential to success. Transferees often felt that there needed to be more realistic expectations around financial independence and sustainability with the current support on offer.

Modifying Approaches to Asset Transfer

- 5.58 Where significant issues with asset transfer were identified, solutions for improving past experiences were suggested. Some LAs had attempted to trial the sustainability of a transfer through granting short term licenses to community organisations. This would enable transferees to manage the asset and understand their commitments, with the option of the LA taking back control of the asset after a short period of time if the transfer proved not to be sustainable. This enabled transferees to undertake full management with an opt-out clause to reduce the impact of financial strain or if capacity pressures within the community organisation were too great.

One of them came forwards and said it was wonderful about the 125 years but that wasn't what they wanted. We put in here other forms we would consider. A management agreement, a licence to occupy on a short term lease. So they don't have to take the 125 year lease. They can do it on that basis and then like I said, if they took a short term lease and then it works out for us, we can

then grant them the new lease. There's no problem with that. We're very flexible on the terms. [LA]

So it will drag and closing it off is difficult. So what we have done more recently is collect these properties, certainly when we've got community councils involved, collect them from the community councils on short-ish term leases so they hold them whilst their grant application is being considered or whatever else they do to develop the transfer. So they're offered on contract down leases with options for us to terminate. [LA]

5.59 License agreements were also useful if a transfer process was taking longer than anticipated, and was preventing community organisations developing the asset for community use. A temporary license enabled transferees to take up their grant funding without the threat of losing their offer, a common problem when delays are experienced.

5.60 Efforts had also been made to adapt the process for different types of transfers and to move away from a one size fits all approach. Implementing less stringent processes for transfers of smaller and less complex assets meant there was less burden on transferees. This reduced the amount of bureaucracy and time taken to complete less complex transfers.

If you were taking on a theatre, you needed quite a comprehensive business plan as you can do a number of things. If you're just taking on a sports field or a changing room, you're fairly limited so expecting people to produce a great big wedge is, so we simplified the process and just made it a one stage process. [LA]

5.61 Some transferees felt it was important to take time to scrutinise the legalities of the transfer agreement and push for changes that protected transferees. This would avoid problems arising post-transfer that transferees often had to resolve on their own, with little or no legal experience upon which to draw.

What we would try and do is write in some sort of asset block or asset clause into some of it so that it reverts back still into community ownership, with a very likeminded entity behind it so it doesn't just go out to private gain, which is fine. [Third sector org]

5.62 Some transferees felt that an agreed, consistent approach to transfer was needed from LAs. Whilst recognising that the details of each transfer are different, it was felt that a standard process and an indication of how long each stage took, with agreed

approaches to communication between LAs and community organisations was vital to ensuring timely transfers and good relationships.

The original one didn't have any guidance on timeframes at all and none of the local authority ones do either, it's really frustrating. So there could be some tidying up if that style of guidance is to be written. Or if there's, it would be amazing if there was some policy, some strong policy which said 'this should happen, this is why, these are the facts.'[Third sector org]

Interviewee: Well, I'm not, correct me if I'm wrong but I think that the actual CAT transfer process is up to each individual authority to decide how they do it. I think if legislation could make them do it, that could make things better instead.

Interviewer: Okay, something that could compel authorities?

Interviewee: Correct, I think it's wide open at the moment, that it's down to individual authorities to decide yay or nay on the issues but if there was any legislation empowerment on the issues, that would certainly be an asset because a lot of local authorities only work quicker if there's a legislative requirement to work quicker. [Community Council]

- 5.63 LA officials had found it helpful to draw upon the support of their equivalent officers in other authorities in improving their approach to transfers, and links between LAs for sharing experiences appeared to be strong.

In the last couple of years, there's this group which has been chaired by [LA official], [...] I've been to a couple of the meetings and I have found them quite useful. You do sit round a table and you just talk about what you've done, what problems you've come across and it's been nice, not nice but sitting there hearing the same sort of issues. [LA]

Measuring the Success of a CAT

- 5.64 The success of an asset transfer was defined differently by LAs and transferees and depending on the type of asset transfer undertaken. LAs defined a successful transfer in two ways; financial sustainability i.e. via the precept or grant funding and that the transferee delivers on the aims and objectives of the transfer set out in the business plan.

They've managed to sustain themselves financially and deliver what they set out to deliver within their general business plan which involves, without getting into anything else, any other sort of business area, I would, and I suppose to

have generated some of these economic, social and other environmental benefits. [LA]

I suppose for us it's just a sustainable, you know, us not having to have the asset back, that's what our definition of success is, you know, being able to deliver this sustainable plan. If they can do that from our point of view then it's a success. [LA]

- 5.65 For authorities, often the completed transfer alone was enough to consider it a success and they did not monitor success formally post-transfer. This primarily was due to their limited capacity to do so.

No, there isn't anything agreed, it isn't something that we monitor. At least, certainly not in an official capacity. I suppose our success kicks in the moment they ask for the transfer to be complete [...] [LA]

[Post-transfer monitoring is] not documented properly. I think, in my head, the more I dealt with them and had seen what we did have, and now what's on site, you just think, wow, they definitely succeeded or improved the asset, but at the time of transfer, I guess we, no we didn't as long as it was being maintained as it was or to a better standard [...] [LA]

- 5.66 LAs did recognise the importance of understanding more about the sustainability of asset transfers, not least so they could identify problems and provide assistance to struggling groups. LAs were more likely to be interested in monitoring success of more complex transfers that had the potential to create jobs or expand their offer through generating grant funding.

So, I think, going forwards we don't want to rely on the fact that we think they're all okay. We want to put something in place so we can monitor, not overly monitor them but just make sure that what they say they're going to do, they're doing and that they're not struggling, you know, it's far better to see if we can intercept at an earlier stage than get to a stage where they fail and hand it back [...]

[...] the monitoring is more, this is what you said you were going to do, you said you were going to create this many jobs, you said you were going to make the hall available 10 weeks of the year to this group or whatever. Are these things you actually did, and if not, why not? That sort of thing. If they say they had more people than they expected, do they know why that happened? So we can learn from it [...] [LA]

- 5.67 Other authorities had begun to develop more sophisticated approaches to monitoring outcomes of their CATs through using data to estimate the social value

of future asset transfers to the community, and to determine how much to invest in a transfer to ensure it reaches its full potential.

Also, but what we are trying to do now is, as soon as we've become comfortable with the package is providing projected social value figures for any potential community asset transfers, [...] that can help some of our other internal process which is around market concessions or funding or you know, if we're going to invest 10K in this, because the social value of the project is 100K a year, it makes sense for us to invest the resources. [LA]

- 5.68 Transferees were understandably more interested in defining success and monitoring based on set criteria. If they were in receipt of grant funding, there was an obligation to do so and many discussed the monitoring of numbers of beneficiaries / visits, jobs created, income generation, economic value of the asset to the community and the social impacts of the transfer. However, for those who were not obligated to collect these data to satisfy their funders, they often cited a lack of resources to collect and use data to inform their development of the asset beyond ensuring that they remained financially sustainable. Whilst the value of doing so was recognised, it was often a secondary consideration that they did not have the capacity or expertise to undertake.

[...] we do reviews of the [initiative], so it's a document. We have actual documents of those things. [...] This is why we need a paid person in [to monitor], because, and also, we're a group of trustees, we're a group of local people and not everyone has a background in education or in anything. [Third sector org]

Yeah, and in fact, we've been too busy worrying about all the other stuff to yet worry about how we are monitoring properly. So we're capturing data but that's all we're doing. We're not necessarily evaluating it yet and we're not necessarily capturing the right data as we haven't worked out how we're going to evaluate it. [Third sector org]

- 5.69 The final section of this report draws together the findings from the surveys and the qualitative interviews and presents some recommendations around improving asset transfer processes and monitoring of assets post-transfer.

6. Data Monitoring and Indicators

- 6.1 As outlined in the research specification, this research sought to make suggestions for improving data collection and monitoring CATs based on the findings of the survey and qualitative interviews. The conclusions suggest that this would be useful not only for the CAT process itself, but also the immediate post-transfer period. This is potentially useful for understanding how CATs ensure sustainability in the first few years and can highlight what factors determine the success of CATs.
- 6.2 This section outlines possible success indicators for CATs and suggestions for data that can be collected to assess success by both transferors and transferees. This is by no means an exhaustive list. Equally, it may not be possible or useful to collect all data listed here. It is intended to provide a guide to what may be useful and possible to collect. Where data are listed for both transferors and transferees, it may be useful to have a unified approach to monitoring by involved parties, so as not to duplicate effort.

Table 6.1: Indicators and Monitoring Data for Transferors

Indicator	Monitoring data
<i>CAT Process</i>	
Ensuring data on ongoing and completed CATs is up to date	<ul style="list-style-type: none"> • Name of CAT • Type of asset • Type of recipient • Type of transfer • Reason for the CAT • Reason for choosing recipient to manage the CAT • Legal status of recipient • Transfer start date • Transfer completion date • Financial status of the asset
Success rates of CATs	<ul style="list-style-type: none"> • Number of completed transfers per financial year. • Number of expected CATs not completed. • Number of assets returned per FY to the LA. • Reason for the return of assets

Ensuring adequate capacity to complete a CAT	<ul style="list-style-type: none"> • Number of LA staff working on CATs in each department. • Number of hours each member of staff dedicates to CAT per week
Ensuring clear communication throughout the CAT process	<ul style="list-style-type: none"> • LA has a publicly available CAT policy • Agreed timetable for the CAT process in place • Agreed business plan • LA has single point of contact for completing a CAT
Assessing quality of engagement through the CAT process	<ul style="list-style-type: none"> • Feedback from LA and transferee staff about their experience (post transfer)
<i>Post Transfer</i>	
Assessing capacity to support transferees post completion of CAT	<ul style="list-style-type: none"> • Number of grants given to transferees. • Value of grants given to transferees • Other support provided • Support deficit i.e. support requested that could not be provided
Ensuring long-term sustainability of the CAT	<ul style="list-style-type: none"> • CAT delivers on the aims and objectives set out in the business plan. • CAT becomes financially self-sustaining by year 3 (TBC) • Calculation of social value of CAT

Table 6.2: Indicators and Monitoring Data for Transferees

Indicator	Monitoring Data
<i>CAT Process</i>	
Ensuring data on ongoing and completed CATs is up to date	<ul style="list-style-type: none"> • Name of asset • Name of transferor • Type of asset • Type of transfer (e.g. licence to occupy, freehold, leasehold etc) • Reason for the CAT • Start date of CAT • Completion date of CAT • Value of asset
Ensuring adequate capacity to complete a CAT	<ul style="list-style-type: none"> • Number of staff/volunteers working on CATs

	<ul style="list-style-type: none"> • Hours per week each staff member/volunteer member spends on CATs • Training needs of staff member/volunteer working on CATs • Training completed by staff member/volunteer relevant to CAT
Ensuring clear communication throughout the CAT process	<ul style="list-style-type: none"> • Agreed timetable for the CAT process in place • Agreed business plan • LA has single point of contact for completing CAT
Assessing the quality of engagement through the CAT process	<ul style="list-style-type: none"> • Feedback from LA and transferee staff/volunteers about their experience (post transfer)
<i>Post Transfer</i>	
Assessing capacity and expertise to manage CATs post transfer	<ul style="list-style-type: none"> • Name of funder • Value of grant funding • Type of follow-up support provided by LA • Value of grant funding provided by LA • Other support provided
Ensuring long-term sustainability of the CAT	<ul style="list-style-type: none"> • CAT financially self-sustaining by year 3 (TBC) • Profit of CAT per FY • Number of visits • Jobs created • Assets returned to the LA • Reason for termination of CAT

7. Conclusions and Recommendations

- 7.1 The findings of both the survey and the qualitative interviews have provided much needed insight into the current state of CATs and some of the main challenges facing LAs and transferees both during and after the transfer process. Presented here are a summary of the main findings and some recommendations for Welsh Government policy makers, LAs and transferees to address some of the most pressing issues raised. Potential next steps are also discussed at the end of this section.
- 7.2 As with the 2018 study, the most common reason cited by LAs for undertaking an asset transfer was the need to reduce their costs as a result of ongoing austerity policies. The LA determined which assets were transferred and when, and it was sometimes expressed by transferees that it would be more beneficial for them if it were a two-way dialogue, so as to open up a more long-term discussion around asset transfer and to enable them to plan financially for upcoming transfers.
- 7.3 The survey revealed that most of those who responded had CAT policies in place, and some were in the process of reviewing their policies at the time of interview to take into account learning from previous transfers. However, some transferees had mentioned that CAT policies were sometimes not available to them, and that the availability of the policy would be useful to better understand the process and what they were required to do and when. CATs were often managed within LAs by officials in many different departments, and in the survey only four out of fifteen LAs reported that they had a dedicated CAT officer.
- 7.4 Survey responses revealed that CATs were most commonly made to community and town councils, with charities and trusts also being recipients of assets. Most LAs were engaged in an ongoing programme of asset transfer and had a significant role in providing support to transferees (with the exception of legal support) during the transfer process. The most common types of support were co-ordination support and compliance support. A much smaller proportion of LAs provided post-transfer support; this was most commonly compliance support and facilities or property related support.

- 7.5 The survey revealed that leasehold transfers were much more common than freehold transfers. Whilst this allowed the LA to reclaim the asset for public use if the CAT proved unsustainable, it also presented problems when approval needed to be sought from the LA to make changes to the asset for the benefit of the community. Transferees often felt frustrated at this process, which could be lengthy and would not always end with an approval. Some felt that freehold transfers would allow true autonomy over how the asset was used.
- 7.6 LAs responding to the survey felt that the most important success factors for a CAT were ensuring all due diligence was completed and transferees were competent in managing the asset, ensuring community organisations were financially secure, that the business plan put forward by transferees was sustainable and that the LA should provide all relevant information to potential transferees to ensure they were fully informed as to their responsibilities. The importance of regular and ongoing communication was emphasised by LA officials in the interviews, as were the benefits of encouraging collaborative bids for asset management in order that land and buildings be used to maximum possible community benefit. One LA was developing a strategic approach to CAT which was based upon transferring assets for specific purposes according to the needs of the community. This allowed them to address gaps in public services whilst supporting transferees to run assets sustainably.
- 7.7 Transferees revealed that the primary benefits of CATs from their perspective were the opportunity to take ownership of assets for community benefit, and the associated feelings of community empowerment this fostered. They felt that community organisations were better placed to provide these services than already-stretched LAs. However, both LAs and transferees encountered a number of challenges in the transfer process. The most commonly cited problems for both parties in interview discussions included the lengthy process of transfers and the associated lack of communication during the transfer process. This had the potential to negatively impact secured grant funding and the long term sustainability of the transfer. LAs also reported that incorrect advice given to transferees also lengthened the time taken to move through the transfer process, as misunderstandings had to be resolved. Transferees reported that excessive

bureaucracy in LAs also held up the process, as did patchy communication as to what needed to happen to progress the transfer. The third sector support organisation also highlighted the need for specialist training for community organisations for the asset they were managing prior to the transfer being completed, to maximise the sustainability of the CAT.

- 7.8 Ensuring community organisations had access to training was also important post-transfer, when support from the LA was reduced. Other challenges cited by transferees included the need for the asset to be financially sustainable and the difficulties in achieving this if the asset was not income-generating e.g. public toilets. These assets were considered liabilities by transferees and were often a drain on their finances. Money could not therefore be put towards other community initiatives. Another frequently cited issue was the need of transferees to make profit, but a misunderstanding by the LA of how that profit would be used. Many transferees emphasised that profit was reinvested in delivering additional benefits for the community, and that that needed to be accepted by LAs as a positive outcome, which was not always the case.
- 7.9 There were a number of barriers to ensuring CATs were sustainable, these included the transfer of non-income-generating assets, competition with other assets for income generation i.e. through sessional room-hire, and low capacity within community organisations and their support bodies. Support bodies, such as CVCs, were particularly overwhelmed with requests for support if there had been a large programme of asset transfer undertaken in one particular authority. Transferees often highlighted that their employed staff and volunteers were part-time and generally older. There was a need to engage younger people in these organisations to secure their sustainability into the future.
- 7.10 There were some avenues of support available to community organisations post transfer. LAs provided grants up to the value of £10,000 to transferees in the first year, and these were cited as beneficial. Other transferees reported that having a dedicated CAT officer had made the transfer process and the post-transfer period easier. They had also drawn support from CVCs, but had pointed out the lack of capacity they had to provide all the support needed with regard to training and

seeking grant funding opportunities. Other support, such as mentoring on asset transfer, specialist training e.g. in business planning and networking opportunities were considered useful but were not currently available.

- 7.11 In the qualitative interviews, LAs discussed ways in which they were modifying their approach to CATs to address some of the challenges encountered. The first of which was to use short-term licensing agreements. These were useful in trialling a CAT to see if a community organisation could run the asset sustainably. It also provided a temporary solution if a transfer process was taking longer than expected, and the receipt of a grant funding offer was threatened. A couple of community organisations had taken the step of scrutinising the legalities of a transfer in more depth and to argue for changes to protect transferees from incurring unnecessary costs post-transfer that might threaten their financial sustainability.
- 7.12 LAs drew upon others' experience of asset transfer through established networks such as ACES. These networks were beneficial for sharing challenges relating to CATs and discussing solutions. This was particularly helpful for those LAs who were in the early stages of undertaking CATs.
- 7.13 LAs' interest in measuring the success of transfers was limited to collecting basic monitoring data on the details of the transfer itself, as detailed in the survey. The interview accounts with LA officials supported this, although LA staff acknowledged the potential benefits of monitoring the assets post transfer to gain a better understanding of financial sustainability, delivery on the objectives of the business plan and the community benefits of CATs over the long term. LAs cited lack of capacity as one of the main reasons why they did not monitor transfers. However, one authority was developing a strategic approach to asset transfer that included estimating the social value of future transfers in order to make decisions on where to invest in services delivered from transferred assets. There are early indications that harnessing data from existing transfers can help inform what type of transfers should be undertaken in the future and where to direct additional resources to maximise the benefit to the community.
- 7.14 For transferees, collecting monitoring data was often a condition of grant funding and a practice they were familiar with. However, there was a lack of capacity or

expertise to be able to do this if it was not required, although many expressed an interest in understanding the short and long-term impacts of a CAT.

Recommendations

7.15 Outlined below is a set of recommendations for LAs, transferees and support organisations to consider based on the findings of this report. The recommendations are presented as a set of strategic headings, with subsequent practical actions linked to these headings and aimed at particular stakeholders.

1. **LAs should adopt a more strategic approach to CAT which places the needs of the community front and centre.** It is suggested that LAs should re-orientate their approach to CAT in a way that places community need as the primary driver for decisions around asset transfer as opposed to the need to cut costs within the LA. This approach has already been adopted by a small number of LAs in Wales and the following actions are proposed to test the feasibility of this approach and share learning between stakeholders.
 - a. **LAs that are taking a community needs-based approach to CAT should be provided with a platform to discuss their approach, share learning with others,** and where possible, assist others to establish this approach in other LAs.
 - b. **Welsh Government should work with LAs, transferees and WCVA to set up a programme of knowledge sharing for successful transfers,** particularly in authorities taking a community needs-based approach. This could take the form of short sessions where LAs and transferees reflect on a particular transfer process and discuss how the strategic approach informed the transfer, key challenges and how they were resolved, and steps being taken to establish success indicators and the data used to evidence this.

2. **LAs should develop a more formalised approach to engaging with transferees at every stage of the CAT process.** The research revealed that engagement between transferors and transferees could be patchy, with lapses in communication causing delays to the transfer process at important stages. A formalised approach to communication during a CAT, adopting the following actions, may help to reduce delays and misunderstandings.

- a. **LAs are advised to undertake a programme of engagement at the start of the transfer process**, particularly when a large programme of CAT is proposed. This would outline the LAs objectives for asset transfer, the process and key stages, clear information about what should be included in a business case, and how financial sustainability of the CAT will be assessed prior to transfer. Engagement should take place at least annually and in time to inform transferees' decisions on setting the precept (for community councils) or other sources of income so as to ensure transferees are prepared for any proposed CATs.
- b. **Formal CAT policies should be produced by all local authorities and made publicly available.** Publication of each LA CAT policy has several benefits for potential transferees. Firstly, it helps understand the key principles and processes of CAT, and helps transferees decide whether they have the capacity to undertake a transfer. It also acts as a roadmap in resolving delays in the transfer process. It is recommended that CAT policies should be available on the LAs website in the interests of openness and transparency.
- c. **A nominated LA official should be responsible for day-to-day contact with transferees.** Transferees reported positive relationships with designated CAT officers. It is suggested that having one point of contact for transferees would make raising and resolving issues easier, and enable potential risks and delays to be quickly identified and addressed.
- d. **LAs and transferees should consider making a communications agreement for each transfer process.** This could take the form of a memorandum of understanding to outline who the key contacts are, how delays are avoided, a checklist of actions to be completed, stating who is responsible for completing them.

3. LAs, support organisations and transferees should work together to understand the support that is required for effective asset transfer and post-transfer management, what the support gaps are, and how those gaps can be addressed.

The research reported gaps in knowledge, expertise and capacity in LAs, community organisations and CVCs, both with regard to the transfer process and post-transfer. It is

advised that gaps in the provision of support be identified holistically and proposals for addressing these gaps proposed strategically via the following actions.

- a. **Transferees should undertake an audit of gaps in their expertise and training needs to understand where support is required during and post-transfer.** This would enable support organisations such as One Voice Wales, WCVA, and others to match their resources and capacity to address those skills gaps with training, or seek alternatives where necessary.
- b. **Further engagement is required with CVCs to understand their capacity and capabilities to support community organisations in their locality,** and specifically where demand for support is outstripping capacity. This would inform any potential increase in capacity to CVCs.
- c. **Data should be gathered on the uptake of grants and other forms of financial assistance to transferees,** what they were used for, and whether they were sufficient for their needs post-transfer. These data would help build a picture of how financially sustainable a CAT has been and whether current offers of financial support from LAs and other organisations are sufficient to help achieve financial sustainability post-transfer. This could then feed into wider monitoring for evaluation purposes.

4. Transferees and LAs should ensure due diligence procedures regarding CAT and post-transfer arrangements are clear. In addition to developing effective communication between LA and transferee, it is also necessary to ensure that certain aspects of the CAT process identified in the research as problematic are addressed. The main issues for transferees included difficulty ensuring that the asset transferred would be financially sustainable post-transfer, and agreeing the terms of the transfer agreement, specifically the extent to which assets could be modified for community use. The following actions are proposed;

- a. **Undertake a risk assessment of each CAT to ensure community organisations can sustainably manage the asset, and to prevent financial risk to transferees before the transfer process is complete.** Some transferees highlighted the issues they encountered around managing assets which could not generate income. These assets were in fact considered liabilities and were a

considerable financial drain on the community organisation. Additional scrutiny of financial risk to transferees could enable a more sustainable transfer and reduce the risk of the asset being returned to the LA. License agreements, where assets are transferred on a trial basis to assess whether the transferee can manage them, are a tool that could be more widely used. Where non-income-generating assets are transferred e.g. public toilets, an accompanying asset that is income-generating could also be included to offset any financial losses.

- b. **Proposals around modifying the asset post-transfer should be discussed and agreed during the transfer process.** This would allow any potential modifications to an asset under a leasehold agreement to be agreed upfront and would reduce the need for further negotiations which may negatively affect the management of the asset.

5. All parties should implement formal monitoring and evaluation approaches to both the CAT process and post-transfer period. The research revealed that different parties in the CAT process have different definitions of success and have different levels of interest in the outcomes of a CAT post-transfer. It is argued that it is in the interests of all parties to measure the outcomes of a transfer, both to assess the benefits to the community and to improve CAT processes in the future. The proposed actions are;

- a. **The steering group for this research should consider the proposed indicators and data sources provided in Tables 6.1 and 6.2 of this report and engage with transferors, transferees and support organisations as to what data are obtainable and practical to use as evidence of impact.** It is advised that indicators and associated data that could be collected against agreed-upon indicators be collected by both transferors and transferees to improve the CAT process, but also to ensure the sustainability of assets once transferred and that they continue to provide a valuable service to the community.
- b. **Knowledge sharing sessions should be used to share new approaches to monitoring and evaluation approaches.** This would allow stakeholders to assess whether these approaches could be used in transfers they are involved with.

- c. **Training for community organisations in the key principles and benefits of monitoring and evaluation should be considered.** Building expertise within community organisations would enable them to undertake their own monitoring, and more importantly they would be able to recognise the benefits of doing so for highlighting their successes and challenges. This would potentially be useful in leveraging future funding and undertaking long-term planning and development of transferred assets.

Next Steps

- 7.16 This research built upon the 2018 study and extended the evidence base to understand the experiences of LAs and third sector organisations in the CAT process and immediately post transfer. There is now a strong evidence base around CAT from multiple perspectives, and the two publications have drawn very similar conclusions in particular areas. Recommendations 2(a), 3(b) and 2(d) in particular echo recommendations 2, 3 and 1 respectively in the 2018 study. This suggests that the need to establish clear roles and responsibilities for LAs and transferees, encouraging a collaborative decision-making approach to CATs and the gaps in training provisions are significant and have remained so since the 2018 report was published. We suggest there is now strong evidence for addressing these challenges as well as the others identified in this report.
- 7.17 This research was undertaken prior to the Covid19 pandemic as such no reference is made to it in the data or the recommendations. However, its implications for stakeholders are significant and it is therefore important to put these findings in context of the measures taken to support local authorities and community organisations since March 2020.
- 7.18 Work to take these recommendations forward will focus on taking a unified approach to CAT that includes LAs, community organisations, CVCs and the national bodies that support these organisations i.e. the WLGA and the WCVA. It will seek to identify where partnership working arrangements are patchy and to improve these arrangements through the piloting of new approaches.

Packages of financial support have been made available to LAs and community organisations to enable them to cope with the additional pressures that Covid19 has brought. LAs and community organisations have had to develop new ways of working in order to deliver vital services, and the importance of community organisations and the role they have in fostering community resilience has been highlighted as a result. Welsh Government, with stakeholders, are exploring how these new ways of collaborating can be retained and applied to business as usual activity, including CATs. This activity will be built into the proposed programme of knowledge sharing outlined in recommendation 1 (b).

8. References

- Auditor General for Wales, 2018. Provision of local government services to rural communities: Community asset transfer, Cardiff: Wales Audit Office.
- Capacity: The Public Services Lab, 2018. Community asset transfer: The role of intermediation across Liverpool city region, s.l.: Power to Change.
- Community Asset Transfer in Birmingham, 2010. *Measuring the social value and impact of asset transfer: Final report*, Birmingham: Birmingham City Council.
- Cooperative Councils Innovation Network, n.d. *Community Asset Transfer: Case Studies*. [Online]
Available at: <https://www.councils.coop/?s=community+asset+transfer>
[Accessed 23 April 2019].
- Development Trust Association Scotland, 2010. *Public asset transfer empowering communities: Policy and practice across Scotland*, s.l.: Development Trust Association Scotland.
- Hobson, J., Lynch, K., Roberts, H. & Payne, B., 2019. Community Ownership of Local Assets: conditions for sustainable success. *Journal of Rural Studies*, Volume 65, pp. 116-125.
- Lent, A. & Studdert, J., 2019. *The community paradigm: Why public services need radical change and how it can be achieved*, London: NLGN.
- Localism Act, 2011. Part 5 Chapter 3: Assets of community value. s.l.:s.n.
- Local Government Act 1972 : General Disposal Consent (Wales) , 2003. s.l.:s.n.
- Locality, 2016. Places and spaces: The future of community asset ownership, London: Locality.
- McMorran, R. et al., 2018. Review of the effectiveness of current community ownership mechanisms and of options for supporting the expansion of community ownership in Scotland, s.l.: Scottish Land Commission
- My Community, 2016. Multiple asset transfers of community buildings: Lessons and recommendations from four projects, s.l.: My Community.
- Nichols, G. & Forbes, D., 2014. The transfer of public leisure facilities towards volunteer delivery, s.l.: CIMSPA.
- Power to Change, 2018. Learning from the Power to Change Research Institute 2016-17, s.l.: Power to Change.

- Rex, B., 2018. Local Authority Museums after the Cuts: A Study of Other-than-Public Forms of Management , Newcastle: Newcastle University.
- Sport England, 2017. East Lancashire football development association: Community asset case study, London: Sports England .
- Tjoa, P., 2018. Rebalancing the power: Five principles for a successful relationship between councils and communities, London: NLGN.
- Varady, D. P., Kleinhans, R. & van Ham, M., 2015. The potential of community entrepreneurship for neighbourhood revitalization in the United Kingdom and the United States. *Journal for Enterprising Communities: People and Places in the Global Economy*, 9(3), pp. 253-276.
- Welsh Government, 2011. Community and Town Councils Survey 2010. Cardiff: Welsh Government
- Welsh Government, 2013. Local Government Candidates Survey 2012. Cardiff: Welsh Government
- Welsh Government, 2014. Developing a comprehensive understanding of community and town councils in Wales. Cardiff: Welsh Government.
- Welsh Government, 2015. White paper: Reforming local government: Power to local people. Cardiff: Welsh Government
- Welsh Government, 2018. Management and delivery of services and assets in community and town councils: Research with the sector. Cardiff: Welsh Government

9. Annexes

Annex A: Survey Questions

Community Asset Transfers Survey

This survey has been designed to capture information which will help Welsh Government understand your experience of community asset transfers (CATs). Community asset transfers are when a local authority or other public body passes on the ownership or running of an asset or service to another organisation. You have been flagged a someone who might be involved with CATs, if you feel this does not apply to you please let us know or pass this survey onto the person in your organisation who is in the best place to answer.

We would like to thank you for taking the time to complete this survey because your responses will be valuable in developing a 'Made in Wales' approach to CATs, and will help others who undergo CATs in the future. All responses will be treated in the strictest confidence, and any findings which are reported will be anonymised so neither yourself nor your service can be identified.

We will ask you to note which local authority or organisation you are responding on behalf of and your role and department. This information will allow us to design the next phase of our research, and enable us to understand how CAT work is resourced. Please note, however, that this information on your role and the department in which you are based will not be made public.

Your identity will be hidden.

When hidden identity is used in surveys, no identifiable information, such as browser type and version, internet IP address, operating system, or e-mail address, will be stored with the answer. This is to protect the respondent's identity.

In order to properly understand your experience, we would first like to ask you a few questions about you and your role.

1) On behalf of which local authority are you completing this survey?

- Blaenau Gwent County Borough Council
- Bridgend County Borough Council
- Caerphilly County Borough Council
- Cardiff Council

- Carmarthenshire County Council
- Ceredigion County Council
- Conwy County Borough Council
- Denbighshire County Council
- Flintshire County Council
- Gwynedd Council
- Isle of Anglesey County Council
- Merthyr Tydfil County Borough Council
- Monmouthshire County Council
- Neath Port Talbot County Borough Council
- Newport City Council
- Pembrokeshire County Council
- Powys County Council
- Rhondda Cynon Taf County Borough Council
- City and County of Swansea
- Torfaen County Borough Council
- Vale of Glamorgan Council
- Wrexham County Borough Council
- I am responding on behalf of another organisation (please specify)

2) What is your role within the local authority or organisation?

3) In what department or part of the local authority or organisation is your role based?

4) Approximately how many hours a week do you spend working on CATs?

- None
- 0-3
- 4-8
- 9-16
- 17-24
- 25-32
- 33-40
- More than 40

We would now like to ask you a few questions about the CAT provision in your local authority.

5) Approximately how many individuals in your local authority work on CATs?

6) Of these individuals, is there a designated person or group of individuals with responsibility for coordinating or facilitating work on CATs? How would you describe this role?

7) What other parts of your organisation contribute to work on CATs (for example people in legal, finance, estates, community development, sports and leisure etc.)

8) Does your organisation have a formal policy on CATs?

- Yes
- No
- I don't know

9) Please provide some brief information below about your organisation's policy on CATs (for example does it form part of the estates strategy, is it an informal arrangement etc.?)

10) What type of organisations have you completed CATs with? Please select all that apply.

- Town and Community Councils
- Community Groups
- Charities
- Trusts
- Other (please specify)

11) As far as you are aware, does your organisation collect any information on the CATs it undertakes?

- Yes
- No

12) In your opinion, what is the main reason for not collecting information on CATs?

13) What type of data does your organisation collect? Please select all that apply

- Type of community asset (for example leisure centre, playing field etc.)
- Name of CAT recipient
- Name of single point of contact at CAT recipient
- Type of CAT recipient (for example community group, charity, trust etc.)
- Legal status of CAT recipient (for example community interest company etc.)
- Reason for CAT
- Reason for selecting CAT recipient
- Whether the asset was transferred, licenced to occupy or leased to the recipient
- Current financial status of asset (for example profitable, in deficit etc.)
- Current financial value of asset (the value of the asset in its current state)
- Priority status for CAT (for example the RAG -red, amber, green- status)
- Start date of CAT process
- Final transfer date of CAT
- Other (please specify)

14) Which of the following types of data do you think it would be useful to collect?

- Type of community asset (for example leisure centre, playing field etc.)
- Name of CAT recipient
- Name of single point of contact at CAT recipient
- Type of CAT recipient (for example community group, charity, trust etc.)
- Legal status of CAT recipient (for example community interest company etc.,)
- Reason for CAT
- Reason for selecting CAT recipient
- Whether the asset was transferred, licenced to occupy or leased to the recipient
- Current financial status of asset (for example profitable, in deficit etc.)
- Current financial value of asset (the value of the asset in its current state)
- Priority status for CAT (for example the RAG -red, amber, green- status)
- Start date of CAT process
- Final transfer date of CAT
- Other (please specify)

15) In your opinion, what proportion of CATs does your local authority collect data on?

- All of them
- Most of them

- Some of them
- A few of them
- None of them

The following questions will be about CATs in your local authority. These will be about **current, past and present** CATs, so please read the questions carefully.

16) Is your local authority currently undertaking any CATs?

- Yes
- No
- I don't know

17) What types of assets or services are currently being transferred? Please select all that apply

- Allotments
- Bus shelters
- CCTV
- Cemeteries or churchyards
- Christmas lights
- Community events
- Grants
- Litter or waste bins
- Noticeboards
- Playing fields, village greens, or any other form of green space
- Woodlands
- Lakes, reservoirs, or any other form of blue space
- Sites of historical or archaeological interest
- Theatres
- Public conveniences
- Public footpaths
- Recycling facilities or skips
- Seating
- Street lighting
- Village hall or community centre
- War memorials

- Car parking facilities
- Youth services
- Libraries
- Community arts facilities or venue
- Sports and leisure facilities
- Social care services
- Other (please specify)

18) Are you providing any support or guidance to the organisations which you are currently undergoing a CAT with?

- Yes
- No
- I don't know

19) What type of support or guidance is this? Please select all that apply.

- Financial support
- Compliance support (for example health and safety, fire regulations)
- Facilities or property related support
- Legal advice
- Coordination support
- Other (please specify)

20) Thinking back now over the 2018/19 financial year, did your organisation undertake any CATs?

- Yes
- No
- I don't know

21) What types of assets or services have been transferred during the 2018/19 financial year? Please select all that apply.

- Allotments
- Bus shelters
- CCTV

- Cemeteries or churchyards
- Christmas lights
- Community events
- Grants
- Litter or waste bins
- Noticeboards
- Playing fields, village greens, or any other form of green space
- Woodlands
- Lakes, reservoirs, or any other form of blue space
- Sites of historical or archaeological interest
- Theatres
- Public conveniences
- Public footpaths
- Recycling facilities or skips
- Seating
- Street lighting
- Village hall or community centre
- War memorials
- Car parking facilities
- Youth services
- Libraries
- Community arts
- Sports and leisure facilities
- Social care
- Other (please specify)

22) As far as you are aware, did you provide any follow-up support to the organisations with which you undertook a CAT during the 2018/19 financial year?

- Yes
- No
- I don't know

23) What type of support or guidance did you provide? Please select all that apply.

- Legal Advice
- Legal support

- Technical expertise
- Staff
- Financial advice
- Financial support
- Support for the staff
- Compliance support
- Facilities or property related support
- Business planning advice
- Other (please specify)

24) Of the assets and services which your organisation transferred during the 2018/19 financial year, what proportion of these would you describe as being successful?

- All of them have been a success and none of them unsuccessful
- Most of them have been a success and a few of them unsuccessful
- Some of them have been a success and some unsuccessful
- A few of them have been a success and most of them unsuccessful
- None of them have been a success and all of them have been unsuccessful

25) Of the assets and services which you view as unsuccessful after transfer, why do you think this was? Please select all that apply.

- A lack of sufficient capacity on the part of the CAT recipient
- A lack of knowledge, skills or expertise on the part of the CAT recipient
- Changes to the leadership or strategic direction on the part of the CAT recipient
- Changes to financial sustainability or funding of the CAT recipient
- Insufficient information provided by the transferor
- Insufficient support provided by the transferor
- Insufficient engagement on behalf of the transferor
- Poor timing
- Other (please specify)

26) Of the assets and services which you view as successful after transfer, what would you say are the three most important factors influencing their overall success?

1

2

27) Which of the following methods have you used in the 2018/19 financial year?

- Licence to occupy
- Lease
- Transfer of ownership
- Other (please specify)

28) Looking ahead to the 2019/20 financial year, are there any further assets or services which your organisation intends to transfer?

- Yes
- No
- I don't know

29) And what types of assets or services are these? Please select all that apply.

- Allotments
- Bus shelters
- CCTV
- Cemeteries or churchyards
- Christmas lights
- Community events
- Grants
- Litter or waste bins
- Noticeboards
- Playing fields, village greens, or any other form of green space
- Woodlands
- Lakes, reservoirs, or any other form of blue space
- Sites of historical or archaeological interest
- Theatres
- Public conveniences
- Public footpaths
- Recycling facilities or skips
- Seating

- Street lighting
- Village hall or community centre
- War memorials
- Car parking facilities
- Youth services
- Libraries
- Community arts
- Sports and leisure facilities
- Social care
- Other (please specify)

30) What type of organisations are likely to receive these CATs?

31) As far as you are aware, is your organisation providing any support to the organisations that are expected to receive a CAT during the 2019/20 financial year?

- Yes
- No
- I don't know

32) What type of support is this, and for what purpose?

Thank you for providing us with this information on community asset transfers. If you have any questions about this survey or about how your data will be stored, please get in contact with us at RhYF.IRP@gov.wales.

33) If there is anything else you would like us to know about CATs, please tell us below.

Annex B: Interview Schedule

Checklist for Discussion groups / interviews	<ul style="list-style-type: none"> • Privacy notices • Participant information form • Dictaphone • Topic guide • Contact: name, phone number, address of meeting • Scrap paper • Pen (for writing notes) 		
Moderator Principles	<ul style="list-style-type: none"> • Ask open, balanced and non-leading questions • Explore comments fully by asking: why, anything else • Try to say as little as possible - probes only apply if they are not spontaneously brought up • Never ask more than one question at one time • If participants go off on a tangent, discuss the areas as necessary but if irrelevant then bring back to probes • Avoid answering participant queries, answer at the end or ask others to answer unless it is necessary to prevent irrelevant diversions or misconceptions • Fully explore concerns or doubts • Keep an eye on the time - there is a lot to cover 		
0. Preparation at venue	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; text-align: center;">0:00 (pre interview)</td> <td> <ul style="list-style-type: none"> • Provide privacy notice and participant information form to interviewee. • Find somewhere for the dictaphone to go that means it can catch the conversation </td> </tr> </table>	0:00 (pre interview)	<ul style="list-style-type: none"> • Provide privacy notice and participant information form to interviewee. • Find somewhere for the dictaphone to go that means it can catch the conversation
0:00 (pre interview)	<ul style="list-style-type: none"> • Provide privacy notice and participant information form to interviewee. • Find somewhere for the dictaphone to go that means it can catch the conversation 		
1. Introduction	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; text-align: center;">0:05</td> <td> <ul style="list-style-type: none"> • Thank you for participating • Introduce interviewer and job role • Introduce aims: <ul style="list-style-type: none"> ➢ Conducting research on behalf of the Community and Third Sector Policy Team and Ystadau Cymru, as well as other stakeholders who form the steering group. ➢ Aim to build upon research with town and community councils (2018) about their experiences in taking on services and assets. ➢ The focus of this research is on expanding our understanding of the transfer process from the perspective of local authorities and 3rd sector organisations. This includes details of the process itself, capacity and capability to complete CATs, challenges and barriers to completing CATs and how transferors and transferees can be supported to improve the CAT process. ➢ Although we are researchers from Welsh Government, we work separately from those developing the policy, and are therefore conducting this interview from an impartial standpoint. • Introduce today: </td> </tr> </table>	0:05	<ul style="list-style-type: none"> • Thank you for participating • Introduce interviewer and job role • Introduce aims: <ul style="list-style-type: none"> ➢ Conducting research on behalf of the Community and Third Sector Policy Team and Ystadau Cymru, as well as other stakeholders who form the steering group. ➢ Aim to build upon research with town and community councils (2018) about their experiences in taking on services and assets. ➢ The focus of this research is on expanding our understanding of the transfer process from the perspective of local authorities and 3rd sector organisations. This includes details of the process itself, capacity and capability to complete CATs, challenges and barriers to completing CATs and how transferors and transferees can be supported to improve the CAT process. ➢ Although we are researchers from Welsh Government, we work separately from those developing the policy, and are therefore conducting this interview from an impartial standpoint. • Introduce today:
0:05	<ul style="list-style-type: none"> • Thank you for participating • Introduce interviewer and job role • Introduce aims: <ul style="list-style-type: none"> ➢ Conducting research on behalf of the Community and Third Sector Policy Team and Ystadau Cymru, as well as other stakeholders who form the steering group. ➢ Aim to build upon research with town and community councils (2018) about their experiences in taking on services and assets. ➢ The focus of this research is on expanding our understanding of the transfer process from the perspective of local authorities and 3rd sector organisations. This includes details of the process itself, capacity and capability to complete CATs, challenges and barriers to completing CATs and how transferors and transferees can be supported to improve the CAT process. ➢ Although we are researchers from Welsh Government, we work separately from those developing the policy, and are therefore conducting this interview from an impartial standpoint. • Introduce today: 		

		<ul style="list-style-type: none"> ➤ We want to ask you a few questions about your experiences of transferring / receiving assets. ➤ The interview will last approx. one hour. ➤ All data will be anonymised in the reporting of findings, and your data will be held securely. Please refer to the privacy notice for more information. ➤ We would like to record the discussion so that we can listen back and transcribe within the team. The transcript will only be available to a small team and will be kept confidential. Once the discussion has been transcribed, the recording will be deleted. <ul style="list-style-type: none"> • Any questions?
--	--	---

Begin recording

Types of CATs	10 mins	<p>For LAs</p> <ul style="list-style-type: none"> • Can you tell me about the sorts of community asset transfers (CATs) that you have been involved with in the past 12 months? <ul style="list-style-type: none"> ➤ What was your role in the process? ➤ How varied are the types of transfers that you are involved with? ➤ Have the types of transfers being made changed over time? ➤ What were the reasons for transferring these assets? • Does your LA have a policy for transferring assets? <ul style="list-style-type: none"> ➤ What are the key principles / aims of the policy? ➤ To what extent has the policy assisted you in your role? 	<p>For 3rd sector / TCCs</p> <ul style="list-style-type: none"> • Tell me a bit about [organisation] and your role? • Can you tell me about the circumstances in which you came to manage this particular asset(s)? <ul style="list-style-type: none"> ➤ What was your role in the process? ➤ How often have to undertaken a transfer from a LA? ➤ How varied are the types of transfers that you are involved with? ➤ What were the reason(s) for taking on these assets? • Does your organisation have a policy / set of criteria for taking on assets? <ul style="list-style-type: none"> ➤ What are the key aims / criteria?
----------------------	----------------	---	---

<p>The process</p>	<p>15 -20 mins</p>	<ul style="list-style-type: none"> • How is the decision to transfer a service/asset made?* <ul style="list-style-type: none"> ➢ Who makes the decision? ➢ When in the financial year is the decision made and why? • Who typically initiates a transfer process? <ul style="list-style-type: none"> ➢ What engagement and planning takes place prior to starting a CAT? • Do you draw on other departments in [organisation] to assist you in completing a CAT? <ul style="list-style-type: none"> ➢ How do you work together? • What are the key challenges to successful completion of a CAT? <ul style="list-style-type: none"> ➢ At which points in the process do challenges typically arise? ➢ How have these challenges been addressed in recent transfers? <p>If multiple transfers have been attempted/completed;</p> <ul style="list-style-type: none"> • Have there been instances where a CAT was not successful? <ul style="list-style-type: none"> ➢ What were the reasons for this? ➢ How have these experiences changed, if at all, the way your organisation now approaches CATs? • Have you modified the approach to completing CATs over time? <ul style="list-style-type: none"> ➢ What were the reasons for these changes? ➢ What impact have these changes had on the CAT process? <p><i>*The wording of these questions will differ according to whether the LA/organisation has engaged in one or multiple transfers.</i></p>
<p>Capacity and Capability</p>	<p>10 mins</p>	<ul style="list-style-type: none"> • Do the resources available to you enable you to start and complete transfers adequately? <ul style="list-style-type: none"> ➢ IF YES: What are the key resources that enable successful transfer [if not already covered]? ➢ IF NO: What are the resource issues you encounter? ➢ How do they prevent successful initiation/completion of transfers?
<p>Support to complete CATs</p>	<p>10-15 mins</p>	<ul style="list-style-type: none"> • What support do you currently receive from external organisations to initiate and complete a transfer? <ul style="list-style-type: none"> ➢ What are the benefits of this support? ➢ Is there any form of support you feel you need that is currently unavailable?

		<ul style="list-style-type: none"> ➤ What kind of support would you like to see available to improve the CAT process? <p>LAs only;</p> <ul style="list-style-type: none"> • Do you provide any support to transferees following completion of a CAT? <ul style="list-style-type: none"> ➤ At what points in the transfer process is this support provided? ➤ What are the outcomes of this support?
Measuring long term success of transfers	<p>For LAs;</p> <ul style="list-style-type: none"> • How would you define long term success of an asset transfer? <ul style="list-style-type: none"> ➤ What, if any, indicators you use? ➤ What are the indicator data used for? • Have you been involved in managing an asset again after it has been transferred? <ul style="list-style-type: none"> ➤ What were the circumstances? • Have you used alternative models of asset transfer e.g. trial periods before a full transfer? 	<p>For 3rd Sector / TCCs</p> <ul style="list-style-type: none"> • How would you define long term success of an asset transfer? <ul style="list-style-type: none"> ➤ Do you have any indicators/criteria for success with regards to asset transfer? ➤ How would you feel about collecting monitoring information on the asset transferred? ➤ What are the data used for? • How do you monitor and assess the management of an asset after it has been transferred? <ul style="list-style-type: none"> ➤ How would you feel about collecting monitoring information on the asset transferred? • Have you ever required assistance to manage an asset after it has been transferred? <ul style="list-style-type: none"> ➤ What were the circumstances and outcome of this? ➤ What support did you draw upon?
Reflecting on an unsuccessful transfer (if applicable)		<ul style="list-style-type: none"> • Reflecting on your experience, what do you feel you needed/would need in the future to undertake a successful CAT? COVER: <ul style="list-style-type: none"> ○ Process & planning

			<ul style="list-style-type: none"> ○ Support received / needed ○ Resources available
4. Wrap up		<ul style="list-style-type: none"> ● Those are all the questions I have. Is there anything else you would like to tell me or would like to ask before we finish? ● Thank you so much for your time ● If you think of anything else you would like to say, you have our e-mail address and we will be more than happy to speak to you about it. ● The information you have provided will be used to better understand how those engaging in asset transfer can be better supported in the process and management of transferred assets. ● Thank you 	

Annex C: Responses to open questions (survey)

26) Of the assets and services which you view as successful after transfer, what would you say are the three most important factors influencing their overall success?

Response No.	Success Factor 1	Success Factor 2	Success Factor 3
1	Regular meetings with Council prior to transfer - hand holding	Building up a good rapport and trust with groups	Continuation of support - being main contact
2	Sustainable model	Comprehensive competencies	Availability to funding
3	Calibre of the leadership	Financial stability	Cohesiveness within the community group and with its stakeholders
4	Providing all relevant background information on the asset they are taking on	Ensuring robust group with enthusiasm for taking on the asset	Buying in by the local community
5	Governance	Business knowledge	Building management
6	Carry out detailed due diligence on the ability of the organisation to run the CAT sustainably into the future	-	-
7	Transferring to capable, knowledgeable transferees	Choosing the right tenure	Ensuring transferees are adequately funded
8	Skill and experience and CAT leadership (from the applicant)	Sound business plan	Capacity of the CAT organisation
9	Well organised, led and right volunteers with the right skills and time to invest in the project	Sustainable	Being realistic about what they are taking on

Response rate: 9/16.