

Community Asset Ownership in Towns: A cross-UK learning event

Monday February 24 2020

Youth Hostel Association, York

Background

The Carnegie UK Trust promotes the wellbeing of communities and society. We support the capacity of communities to be involved in sustainable place-making. Community asset ownership is one vehicle for this: it provides an opportunity for increasing communities' influence and repurposing empty spaces in towns and cities for the good of the local population.

In February 2020, we brought together people from across the UK experienced in community land or building asset transfer and ownership to share their learning. At the time we didn't know how important [community, community organising](#) and community organisations would become across the UK, in the following month.

What is a Community Owned Asset?

Power to Change, foremost in supporting the community ownership of assets in England, describe a community asset as '*land, buildings or other large physical structures for which long-term ownership rights are in place – for instance through a freehold or leasehold of 25 years or more – and where this is held by a community or voluntary organisation which operates for the benefit of local people' and 'the decision-making body for the asset is controlled by local residents'*. ([Our Assets, Our Future](#), 2019).

COVID-19 has led to communities being physically separated from one another, and people within communities being isolated in their homes, which has sparked strong collective responses from individuals and community enterprises. Although physically apart, people have come together to give care, food and friendship to neighbours, strangers and friends. We believe that this flowering of community connectedness may build a foundation for long-term change, and community businesses, some of which own community assets, are an important part of it. Just looking at the Twitter feed of [Power to Change](#) - the foremost funder of community businesses in England - you can see the many ways community organisations are mitigating some of the worse effects of the virus and the changes in our lives it has brought.

EXAMPLES OF COMMUNITY BUSINESS SUPPORT DURING THE COVID-19 CRISIS

BAKING BREAD AND DONATING ESSENTIALS TO FOOD BANKS




DELIVERING ESSENTIALS TO LOCALS FROM COMMUNITY SHOPS

SUPPORTING THE COMMUNITY TO GET ONLINE, INCLUDING FACILITATING ONLINE SOCIAL CONNECTION AND ENTERTAINMENT




SIGNING UP TO COMMUNITY BUSINESS COVID-19 MUTUAL AID NETWORK FOR SOLIDARITY, INSPIRATION & PRACTICAL PEER SUPPORT

SOURCE: POWER TO CHANGE

The Community Asset Ownership event we held in February focussed on the opportunities and challenges that community asset ownership raise for place-making in towns across the UK. We heard presentations from [Scotland](#), [Northern Ireland](#) and [England](#), and the Institute of Welsh Affairs and Development Trusts Wales provided insight into the Welsh experience.

This is a short report of the discussions that were held on the day. It starts with some background information on community asset ownership in the four jurisdictions, and focusses on the opportunities community asset ownership brings to towns across the UK. Some of the discussion was on urban ownership, within which towns are a specific subsector that face some of the same challenges for example, lack of knowledge of who owns the high street.

In the recovery phase of the Covid-19 pandemic, the Trust will be thinking about how to continue to bring people together, and how best to bring back life to high streets and public places that have been dormant. One important approach will be enabling community ownership.

Community Asset Ownership

There are several routes to community ownership of local land and property. Community Land Scotland listed those used in Scotland as:

- negotiation between the current owners (often private) and the community, and the majority of land transfer in Scotland has taken place through this route;
- asset transfer, where public sector agencies seek to lease or sell assets; and
- the pre-emptive Community Right to Buy, which most successfully has been used in the transfer of land to rural communities in the Highlands and Islands of Scotland.

Pre-emptive right to buy is less prevalent in other parts of the UK and community ownership, particularly in urban areas, has generally been taken forward through community asset transfer (CAT).

Community Asset Transfer in Scotland

Community land ownership and asset transfer in [Scotland is a movement with strong rural roots and connections](#), grounded in a desire to achieve greater equality in land ownership and rights for people living the Highlands and Islands where land had often laid neglected or unused.

It is enshrined in law through the Land Reform (Scotland) Act 2003 that introduced the Community Right to Buy, and has extended into urban communities through in the [Community Empowerment \(Scotland\) Act 2015](#). The Act encourages greater input and power to communities over local services and assets, and Section 5 is specifically about promoting community asset transfers.

The [Land Reform \(Scotland\) Act 2016](#) extended the Community Right to Buy for the pursuit of a community's sustainable development, and the same year the Scottish Land Fund began to include grants to urban communities.

Community land ownership is measured in Scotland's National Performance Framework, which lays out the outcomes the Scottish Government seeks to achieve. One of those outcomes is 'we live in communities that are inclusive, empowered, resilient and safe' and the number of assets that are community owned contributes to measuring the success of this aspiration. [593 assets were in community ownership](#) in 2018.

Community land ownership in Scotland has support through Development Trusts Association Scotland, which runs the Community Ownership Support Service (Scottish Government funded), and Community Land Scotland, a membership body supporting community land owners, and the Scottish Land Fund. These bodies are increasingly providing support to communities in towns and urban areas, as the legislation has become more favourable, and there is growing realisation of the shared challenges towns and rural areas face around declining services and empty land or buildings.

Community Asset Transfer in Town

Community Land Scotland outlined their experience of the challenges around community asset transfer in towns.

1. There is low awareness about community rights and the potential of asset transfers.
2. Rural communities seeking assets were defined on a geographic basis, and the Scottish Land Fund gives out grants to geographic communities. But, many urban groups looking to be owners are communities of interest rather than geography.
3. It is difficult to draw people together to agree a shared project and vision for an asset in urban areas, because a lot of people involved may not know each other. The Community Right to Buy requires 50% of the local population to agree to it, which is difficult to arrange when the users of a facility like a shop or a pub may live outside the immediate area¹.
4. Assets in towns and cities may be relatively costly, with the owners unwilling to sell them for less than they paid for them, but there are limited funding sources for the purchase, or renovation of a building.
5. Urban communities have less intelligence about the sale of a place they'd like buy than rural communities. When the sale does occur, there may be several potential buyers for an asset, and the sale may complete quickly. In that case, the community is at risk of losing out because it takes time for the community to organise and find suitable funding.

The benefits of resources in community asset transfer is that it is building for the future. The experience in Scotland and England is that communities need support to come together to plan, buy and utilise a local asset, but that support develops stronger community groups, as well as social spaces that meet local needs.

¹ The Scottish Government is proposing to introduce the next Community Right to Buy Land for Further Sustainable Development soon, when communities will be able to identify land or developments for asset transfer cases. It is hoped this will help urban communities with pre-emptive purchases.

Community Asset Transfer in England

In England, as in Scotland, community asset ownership is growing.

Ailbhe McNabola of Power to Change² gave a [presentation](#) on the role of community asset ownership in England and on the High Street? In 2019, they commissioned (with the Ministry of Housing, Communities and Local Government) [research](#) into community asset ownership in England.

The legislative context in England for community land ownership and asset transfer is less developed than in Scotland, for example with no Community Right to Buy. The Localism Act (2011) created opportunities for direct community participation and included a Community Right to Bid. When an asset is listed as an Asset of Community Value (ACV) and put up for sale within the five-year listing period, the community can bid for it. However, the 2019 research indicated that the Right to Bid is relatively unknown and the process of transferring an asset is complex. These challenges of lack of awareness and what are complex and lengthy processes for purchase are similar to those faced in other parts of the UK.

The 2019 research revealed, despite this, in England there are at least 6,325 assets in community ownership - most having come from a private source (41 per cent) and around 30 per cent from public bodies. The sector contributes nearly £220 million GVA to the UK economy every year, and 56p in every £1 stays in the local economy. Community asset businesses were found to be in good financial health, but not to have much money in reserve. This situation is of concern when the COVID-19 pandemic has led to community businesses closing, for an undetermined length of time.

² Power to Change is an independent trust that has invested £70m to support 1,000 community businesses, the vast majority (over 85% in the main programmes) of which own and manage assets.

Community Assets and the High Street

Community buildings on the high street are used for many different purposes, and community assets in towns include markets, libraries, post offices, shops, transport, hubs, pubs and leisure centres.

For several years, we have realised that the future of the high street lies in this diversification, moving away from streets that have been dominated by shops, and often chain-stores, towards the range of services and infrastructure that community ownership can provide.³ It's too early to tell what will be the outcome of the pandemic's effects, but it seems likely that diversification will be more important than ever, as towns across the UK look for assets on which they can build futures.

The Northern Ireland Context

In May 2014, the then Northern Ireland Executive – recently reconvened after a three year gap due to the political implications of the Renewable Heat Incentive scandal – published a framework aimed at enabling and supporting community ownership and management of public assets⁴. In the Northern Ireland context, community asset transfer is defined as '*a change in management and/or ownership of land or buildings, from public bodies to communities.*' The definition used is less specific than its other UK counterparts, and ranges from management agreements to leases, to full ownership.

At the event, we heard from Development Trusts NI, who outlined how the framework has been used in practice and some of the key challenges to community asset transfer since its development. Building on a series of case studies - such as the [Market Tunnels project](#) and the community campaign to support [Bangor Court House/Open House Festival](#) – we learnt about some of the potential opportunities that community asset transfer could provide; from partnership working to its impact on social isolation and employment.

³ See [Take Back the High Street: Putting Communities in Charge of their Own Town Centre](#), [The High Street Task Force](#), [the Grimsey Review](#) and [Carnegie UK Trust Turnaround Towns](#).

⁴ See [Community Asset Transfer Policy Framework](#)

Yet, there are a number of challenges to the process for community asset transfer in Northern Ireland, which have been further hindered by the political situation, and the lack of Community Rights which are acting as a barrier for the community and voluntary sector. With no ability to buy the land; rights to appeal decisions made; or legislation that supports community ownership, there has been a lack of progress in this area.

The newly established Northern Ireland Executive offers a renewed opportunity. The 'New Decade, New Approach' deal – developed in January 2020 - outlines intentions to give people and communities greater opportunities - through co-design and citizen engagement – to shape the future of Northern Ireland.

A recent Strategic Insight Lab⁵ hosted by the Department for Communities brought together a number of stakeholders including representatives from the community and voluntary sector, civil servants, academics, representatives of local government and service users to help collectively develop recommendations that will help inform the future strategic direction for community asset transfer in Northern Ireland. The Insight Lab report made 32 recommendations for the future of CAT. DTNI highlight several priorities around legislation, funding, social value and availability of information on social assets.

Conclusions

At the event, we concluded that community asset transfer can be a driving force in supporting a town or community to come together and flourish. The experience of many in the room was that successful asset transfers involve developing a vision for that asset, and often this is a vision for the asset within its place. Despite some transfers having begun from the desire to save places or buildings at risk of over development or decline, the process is forward looking. It is one mechanism for building the future of places, which is going to be even more important during the recovery from the COVID-19 pandemic.

The collaborations we are seeing emerge within communities now may be an opportunity to support more community asset transfer going forward. But this optimism is tempered by the uncertain future for many small businesses across the country, including community owned businesses.

The suggestions for support for community businesses that were discussed at the event in February are listed on the following page. Many of these, such as greater power and greater access to capital remain pertinent, and now are more important than ever to communities across the UK.



⁵ See [Community Asset Transfer: Strategic Insight Lab](#)

Our recommendations

Based on our discussions at the event, we have compiled a short list of asks for various sectors to support the growth of community asset transfer in the longer term.

Funders and national and local governments should recognise and plan for:

1. More support to build the capacity of communities to buy and manage local assets in towns and urban areas: to establish inclusive groups, develop a vision for the future and create a business plan. Ownership is only one part of the picture: there is a requirement to help communities engage in community asset transfer, to identify sites for ownership and the purpose of the building and/or land.
2. Communities to be informed and updated about who owns their local high street, so that they are aware when an asset becomes available or changes hands.

National legislators should consider:

3. Communities interested in buying local assets need more power and legislative support to do so. For example, changes in the Right to Buy legislation in Scotland, the introduction and implementation of Community Rights legislation in Northern Ireland and extending the Right to Bid into a Right to Buy in England, taking into account the learning from the Scottish experience.

The voluntary sector, and local government should support:

4. Communities to capture and identify their towns' local stories, to help them to build a vision: and answer together the question, 'what's unique about this place?'
5. Mechanisms to enable communities to learn from each other.

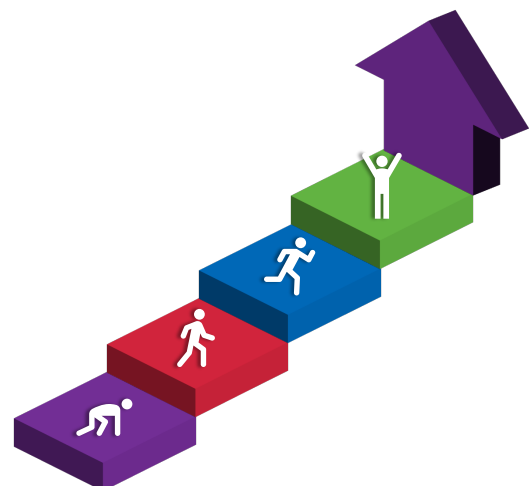
Funders can support these actions above, alongside researchers and the third and community and voluntary sector. **In addition, funders and governments should:**

6. Provide greater access to funding for the purchase and renovation of local assets. In England, Power to Change has suggested that £250m from the Towns Fund is earmarked for the transfer of high street assets of community value.
7. Recognise current funding arrangements that demand a focus on outcomes within a short period of time prevent engagement with the whole community. Sustainable funding arrangements and creative finance systems that have realistic timescales and which have a longer-term vision need to be developed alongside the community. Sustainable funding needs to include post-acquisition funding, which is essential to get properties up and running.
8. As the Midsteeples Quarter case study⁶ highlights, the creative industries play a huge part in the growth of communities and in asset transfer, yet they are often left out. Arts Councils should use their powers more effectively to support these groups act as place-making catalysts.

6 See Carnegie UK Trust [Midsteeples Quarter](#) case study

Appendix 1.

Name	Organisation
Peter Williams	Development Trusts Association Wales
Pippa Coutts	Carnegie UK Trust
Auriol Miller	IWA
Jess Steele	Heart of Hastings Community Land Trust
Matt Baker	The Stove Network
Hannah Ormston	Carnegie UK Trust
Ruth Breidenbach-Roe	Locality
Ailbhe McNabola	Power to Change
Andy Regan	IWA
Helen Power	Centre for Local Economic Strategies
Rachel Laurence	New Economics Foundation
Hazel Johnson	Historic Environment Scotland
Stephanie Lake	Beyond Housing
Lindsay Chalmers	Community Land Scotland
Ella Smyth	Co-op Foundation
Kathleen Kelly	Esme Fairbairn
Allan Farmer	Corra Foundation
Frances Northrop	New Economics Foundation
Mike Staples	Dumfries and Galloway Small Communities Housing Trust
Joanna Hammond	ATCM
Samantha Jones	Community Led Homes
Sharon Mullarkey	The Rank Foundation
Kathleen Smyth	Development Trusts NI
Margaret Craig	Development Trusts NI
Kristina Nitsolova	Community Land Scotland



Appendix 2.

Please use the following links to access the presentations: :

[Scotland](#): Urban Community Ownership in Scotland (Kristina Nitsolova, Community Land Scotland)

[England](#): Community ownership and its role on the high street (Ailbhe McNabola, Power to Change)

[Northern Ireland](#): Community Asset Transfer and Asset Trusts (Margaret Craig and Kathleen Smyth, Development Trusts NI)

Appendix 3.

Scotland

Carnegie UK Trust: Dumfries -The Stove & Midsteeples Quarter: <https://www.carnegieuktrust.org.uk/publications/dumfries-the-stove-and-midsteeples-quarter/>

Community Empowerment (Scotland) Act 2015: asset transfer guidance for authorities: <https://www.gov.scot/publications/asset-transfer-under-community-empowerment-scotland-act-2015-guidance-relevant-9781786527493/>

England

Locality: Community Asset Transfer: <https://locality.org.uk/services-tools/support-for-councils-service-providers/community-asset-transfer/>

The Economics of Community Asset Transfer: <https://www.powertochange.org.uk/research/economics-community-asset-transfers/>

Northern Ireland

Community Asset Transfer policy framework: <https://www.communities-ni.gov.uk/publications/community-asset-transfer-policy-framework>

New Decade, New Approach: <https://www.gov.uk/government/news/deal-to-see-restored-government-in-northern-ireland-tomorrow>

Wales

Asset Transfer, Good Practice Wales: <https://www.goodpractice.wales/asset-transfer>

Development Trust Association Wales
Introduction to Assets: <http://assetsportal.dtawales.org.uk/introduction/>

Development Trust Association Wales Asset Portal: <https://dtawales.org.uk/asset-portal/>

Welsh Government, Community Asset Transfer: <https://gov.wales/sites/default/files/publications/2019-10/cat%20guide.pdf>



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