



## Report to Policy Committee

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**Report of:** Executive Director, Operational Services

**Report to:** Strategy & Resources Committee

**Date of Decision:** 12<sup>th</sup> March 2024

**Subject:** Community Buildings Policy Adoption and  
Associated Pilot Project.

Type of Equality Impact Assessment (EIA) undertaken	Initial <input type="checkbox"/>	Full <input checked="" type="checkbox"/>
Insert EIA reference number and attach EIA	2327	
Has appropriate consultation/engagement taken place?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

### Purpose of Report:

Good quality, well used Community Buildings are the anchors that will support the delivery of our City Goals and the Council Plan, in our communities. They have the potential to bring our diverse communities together and to provide places and assets from which the city can develop our communities and support local people. They can strengthen and empower local groups to create thriving places to live and can aid communities to become more resilient and entrepreneurial.

Whilst community buildings are provided across a range of Voluntary, Community and Faith organisations, Sheffield City Council is the single largest provider of community buildings across the city. Around 100 community buildings are managed and maintained by the Council, with a further large number owned by the Council, but leased to voluntary, community and faith sector groups and organisations.

This report therefore sets out a proposed approach to build a sustainable and asset-based approach to Community Buildings, working closely with stakeholders to do so. It seeks to enable priority work to begin with a number of organisations and community buildings, whilst committing to the longer-term development of the policies, skills and resources we need to deliver into the future.

**Recommendations:**

Strategy and Resources Policy Committee are recommended to:

- Adopt the Community Building Policy at Appendix A.
- Agree a proposal for a Community Building Pilot in the South Local Area Committee area, to inform the development of the revised future Community Buildings Policy .
- Agree the proposal to prioritise the review of 22 Housing Revenue Account funded Community buildings (see Appendix B) across the city as part of the Pilot.
- Agree that the findings of the pilot project will inform a revised Community Buildings Policy which will be developed working closely with voluntary, community and faith sector representatives and submitted to S&R Committee within 12 months.

**Background Papers:**

1. Appendix A - Draft Community Buildings Policy
2. Appendix B - List of Housing Revenue Account Stand-alone Community Buildings to be included as part of the Community Buildings Pilot Project.
3. Appendix C - List of historical Community Transfer enquiries to be considered as part of the Community Buildings Pilot Project.
4. Appendix D – Equality Impact Assessment

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed.	Finance: Jonny Mcquillin
		Legal: David Sellars
		Equalities & Consultation: Ed Sexton
		Climate: Tammy Whitaker
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>SLB member who approved submission:</b>	Ajman Ali
3	<b>Committee Chair consulted:</b>	<i>Councillor Tom Hunt</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Tom Smith	<b>Job Title:</b> Director – Operational Services
	<b>Date:</b> 1 <sup>st</sup> March 2024	

## 1. PROPOSAL

### 1.1 Background – Sheffield City Council’s Community Buildings

1.1.1 The Council owns, manages / maintains around 4,000 properties across the city. Given the scale of funding cuts the Authority has faced over a number of years it cannot afford to continue to maintain & fund them all. This includes iconic and historic buildings such as the Town Hall, large office buildings such as Moorfoot, but also a significant number of community buildings. These buildings need to be properly maintained to ensure that they continue to function as efficiently and effectively as possible in supporting the delivery of a wide range of services and our communities.

1.1.2 The Accommodation Strategic Review, agreed by Finance Sub-Committee in November 2022, set out the roadmap to reduce the size of the estate, and to provide a more financially sustainable approach to the maintenance of the Council’s buildings. A review of Community Buildings was agreed as part of this overall Strategic Review.

- 1.1.3 Recognising this challenge & opportunity, the Council is undertaking a Community Buildings review. Good quality, well used Community Buildings are the anchors that will support the delivery of our City Goals the Council Plan and provide resilience for our communities if well managed, for the benefit of all. They have the potential to bring our diverse communities together and to provide places and assets from which the city can develop our communities and support local people. They can strengthen and empower local groups to create thriving places to live and can aid communities to become more resilient and entrepreneurial.
- 1.1.4 Whilst community buildings are provided across a range of Voluntary, Community and Faith organisations, Sheffield City Council is the single largest provider of community buildings across the city. Around 100 community buildings are managed and maintained by the Council, with another significant number owned by the Council, but leased to voluntary, community and faith sector groups and organisations.
- 1.1.5 The challenges for Council budgets are well documented and across the Country this is presenting significant challenges for Community Buildings in particular. The Voluntary, Community and Faith Sector have similarly seen reductions in available funding, particular in relation to buildings, where grant funding has not kept pace with inflation and supply chain pressures. Whilst Sheffield City Council is not in as poor a financial position as some other Councils, if we are to protect our Community Assets in the future it is imperative that we have a clear strategy to deliver a sustainable approach to Community Buildings. Whilst this may ultimately result in a reduction in the number of buildings that the Council owns and manages, the sale of buildings is not the only solution to these challenges. The Council is fully committed to explore the full range of options and opportunities to address these challenges.
- 1.1.6 The new City Goals and Council plan (“together we get things done”) clearly set out our ambitions to work with our communities and partners to deliver better quality, more sustainable, assets for Sheffield. The Council is therefore fully committed to work with all of the stakeholders in our communities and to take an inclusive approach to the development of policies and supportive structures to deliver the Community Buildings Review.
- 1.1.7 The Community Buildings review will also seek to support a number of other strategies, including the Heritage Strategy and our ambitions to become an anti-racist city following the Race Equality Review.
- 1.1.8 This report therefore sets out a proposed approach to build a sustainable and asset-based approach to Community Buildings, working closely with stakeholders to do so. It seeks to enable priority work to begin with a number of organisations and community buildings, whilst committing to the longer-term development of the policies, skills and resources we need to deliver into the future.

- 1.1.9 In order to fully engage the wider community and community building users a Community Assets Board is now in place. The Board includes representatives from the Voluntary, Community and Faith sector, alongside Council officers. The proposals below have been developed in collaboration with the Board.
- 1.1.10 The membership of the Community Assets Board includes:
- 4 representatives of the Voluntary Community & Faith Sector (VCFS) in Sheffield
- Plus, officers representing the following Council services:
- Neighbourhood Services
  - Facilities Management
  - Property & Regeneration
  - Commissioning
- All supported by a Project Team.
- 1.1.11 Governance of the pilot will report to the Estates Management Board which, in turn reports to the Council's Strategy & Regeneration Board on such matters.
- 1.1.12 The Pilot will be set up and scoped in consultation with the South LAC and the VCFS, reporting into the Estates Management Board.

Given that, the Council seeks to:

- Agree an initial Community Buildings Policy (incorporating a Community Asset Transfer Policy) which will be in place for a maximum of 12 months.
  - Use this policy to work with a number of existing voluntary, community and faith sector organisations who have requested Community Asset Transfers in the short-term.
  - Work with the Voluntary, Community and Faith Sector over the next 12 months to develop a revised Community Buildings Policy and, importantly, set out the strategy to deliver capacity and partnerships for a sustainable Community Buildings in the future.
  - Work with the South Local Area Committee area to deliver a pilot review of Community buildings to support the development of the above.
- 1.1.12
- Prioritise the delivery of a review of 22 Community Buildings that are maintained through Housing Revenue Account funding, as agreed by Council as part of the overall Housing Budget in February 2024.

A more detailed description of these proposals is set out below.

## 1.2 **Community Building Policy**

- 1.2.1 As set out above, the Council is committed to reviewing its Community

Building Policy with stakeholders to deliver a sustainable approach to Community Buildings in the future. In the meantime, the Council proposes to agree a Community Buildings Policy (see Appendix A) in order to enable work to be progressed around a number of Community Buildings.

- 1.2.2 This policy will allow the Council to work in a consistent and proactive manner, setting out a clear, transparent the management of Community Buildings, including Community Asset Transfer, where appropriate. As part the policy the Council will continue to work with local organisations to ensure that a range of initiatives are in place to support the development of strong and sustainable communities.
- 1.2.3 The policy sets out a framework for elected members, council officers and voluntary, community and faith organisations to provide clarity on the process the management of Sheffield City Council's Community Buildings.
- 1.2.4 In implementing the policy, regard will need to be given to the Council's Corporate Asset Management Plan (the Sheffield Land & Property Plan), the Council's Disposal Framework and other relevant policies and legal duties.

### 1.3 **Community Building Management**

- 1.3.1 This policy is intended to ensure that all Community Buildings are effectively managed across the Council for local communities by:
- Supporting the delivery of the Council's corporate aims and objectives.
  - Improving relationships with the local community.
  - Facilities and services which are more responsive to local needs.
  - Provide a catalyst for regeneration of local areas.
  - Improves the economic and environmental wellbeing of the area.
  - Empowering local communities.
  - Encouraging community participation in activities.
  - Revenue income for the Council.
  - Potential revenue and capital spend savings for the Council.
  - Improving management and or maintenance of buildings.
- 1.3.2 Using data stored for the Council's assets, all the Council's Community Buildings will be reviewed. The review will be governed by clear principles in terms of:
- The financial viability of the building in terms of its current condition (including compliance), operating costs, maintenance, investment need, and potential future use.
  - The environmental sustainability of the building in terms of the ability for it to become net zero and the required investment to do so, including its current and future potential energy performance and carbon emissions.

- The current and potential future utilisation of the building and the availability of other similar facilities in the local area. This will also include whether the building is currently fit for purpose in terms of its intended use.
- How the current or future use of the building contributes to the Council's strategic ambitions and those of Sheffield's communities.
- The context of any legal ownership, covenants and restrictions of the building and ensuring appropriate decision making and governance.

1.3.3 A detailed and standardised approach to the evaluation of each Community Building (see '*Community Building Evaluation*' section below) has been developed to ensure consistency in decision-making. This will include consultation with Elected Members, Local Area Committees, building users and key stakeholders. The approach will result in a recommendation for each building to:

- **Invest:** Target investment to improve the quality of the building and deliver better outcomes for our communities.
- **Divest:** Dispose of surplus buildings to create savings, which could be re-invested into the Council's remaining estate. This will also reduce liabilities and risks that cannot be effectively mitigated within reasonable financial and other limits. Any building disposals would be undertaken through the Council's Policy for the Disposal of Council Owned Land and Property.
- **Re-purpose:** Explore options for co-location, repurposing, or asset transfer (see Community Asset Transfer, below) of buildings to deliver better value for communities and maximise usage.

1.3.4 This information will then be used to evaluate the Community Buildings to properly understand the building condition, running costs, current & potential future uses, sustainability, current users / agreements, and legal ownership etc.

## 1.4 **Heritage Assets**

1.4.1 Work has now started on collating details on all the status of all heritage assets from right across the Council's property estate. This will be wide ranging, and these buildings will cross various committees.

1.4.2 It is right that we are having this thorough assessment. This work is not being taken in isolation and will feed into the Council's ongoing Community Building Review and the Heritage Strategy - to ensure a joined-up approach.

1.4.3 As a way forward for the management of heritage buildings is developed, we are committed to ensuring we consult and include the involvement of stakeholders in this process.

## 1.5 **Community Asset Transfer**

- 1.5.1 Community Asset Transfer as a term encompasses activity that the Council has been undertaking for a long time. Community Asset Transfer (CAT) is not new to the Council indeed examples of CAT undertaken by SCC in the past such as Burton Street, have featured as national best practice examples.
- 1.5.2 Whilst every community asset transfer proposal is different, the proposed policy sets out a framework for elected members, council officers and voluntary and community organisations to provide clarity on the process of Community Asset Transfer and how applications will be assessed.
- 1.5.3 Community Asset Transfer is a voluntary process. It involves the transfer of management and/or ownership of public land and/or buildings to a community organisation to achieve an economic, social, or environmental benefit. Community management or ownership of Council assets can take place under different forms of agreement, such as a:
- Management agreement, essentially a licence and an agreement to manage an asset.
  - Licence to occupy (right to use the property for particular uses but not a grant of exclusive rights). This form of agreement can be useful for organisations that wish to support the maintenance of land such as parks and open spaces.
  - Short term lease (less than 7 years with no protected right to renew lease).
  - Long term lease (more than 7 years, usually no longer than 30 years and with no protected right to renew the lease other than in exceptional circumstances).
  - In exceptional consideration may be potentially given to longer term leases (e.g. 99 year / 125 year) depending on the content of the of the associated Business Plan (see Community Asset Transfer Process, below) and specific requirements of funders / grant giving organisations.

## 1.6 **Community Building Pilot**

- 1.6.1 It is proposed that a Pilot will be primarily based on the South Local Area Committee area. This area includes a diverse population and a wide range of Community Groups. There is a strong and experienced voluntary, community and faith sector in the area, with significant knowledge of community buildings, community development and community asset transfer of buildings.
- 1.6.2 It is important that any pilot is seen to be fair and transparent, and the South Local Area Committee area should not be placed in any detriment in terms of Community Buildings through its involvement in the pilot. The Council will ensure that these principles are enshrined within any decisions about buildings as part of the pilot.



- 1.6.3 The Council owns 47 Community Buildings in the South Local Area Committee area. 21 of these are maintained by the Council, with the remainder (26) being managed through a lease or other arrangements.
- 1.6.4 In addition to the above, a number of historic enquiries for Community Asset Transfer, or similar have been delayed because of the current lack of a policy (see Appendix C). The Council is keen to progress these buildings within the life of the pilot, working with stakeholders. It is considered that the progression of these cases will also add value to informing the development of a new Community Buildings Policy. Additional Community Buildings will only be added to this list by exception to ensure the pilot remains manageable in size.
- 1.6.5 In February 2024, Council agreed to the review of 22 Community Buildings across the city that are funded from the Housing Revenue Account as part of the budget setting process (see Appendix B). It is proposed that this review is delivered alongside the pilot process above, again helping to inform the development of our approaches and our future policy. It is important to stress that the review of these buildings does not assume that a decision will be made to dispose of them in order to deliver the necessary budget savings. The Council will work with stakeholders in these buildings and others, to assess all of the possible options and opportunities.
- 1.6.6 The pilot will give the Council the opportunity to learn from wider consultation, community requirements, and lessons learnt in order to develop a final Community Buildings Policy to be brought back to Committee for approval.
- 1.6.7 It is expected that the Pilot will run for a maximum of 12 months. However, a report with the final policy will be brought back to Committee sooner if the Community Assets Board agrees that this appropriate.
- 1.7 **Community Right to Buy**
- 1.7.1 Community Asset Transfer should not be confused with Assets of Community Value which relate to the 'community right to bid,' the provisions for which are set out in the [Localism Act 2011](#). The pilot will allow the Council to reflect on the Community Right to Buy initiative and give the opportunity to assess it as part of the pilot process.
- 1.8 **Payments**
- 1.8.1 Land and Property is not a free resource and Council Members and officers have a fiduciary duty to ensure that property is effectively financially managed in terms appropriately managing the property and the resources required to provide that facility. These Community Buildings are local government assets involving taxpayer's money.
- 1.8.2 A standard charging policy / pricing methodology will be put in place to ensure that users are charged consistently across the Community

Building portfolio. This will consider the following:

- The size of the building / space used.
- Facilities available, to the user, in the building.
- Concessionary letting or more formal agreement.
- Hire period (time).
- Frequency of hire.
- Sheffield City Council / Tenant responsibilities.

Where a formal agreement is in place for the use of Community Buildings the payment rates / schedule will be set out in the agreement.

In the case of ad-hoc rental of Community Buildings the 'hire-rate' will be set annually, formally as part of the Council's fees & charges setting process.

No new agreements will be made with existing users who have existing / outstanding debts with the Council.

## **1.9 Resource Requirements**

- 1.9.1 Funding for resources to support the Pilot Project have been approved from within existing budgets. This will include gathering data on Community Buildings, reviewing and understanding existing agreements, and continuing consultation with the Community.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 Sheffield's communities and people are at the heart of what we do and as a Council we support people, communities, and businesses to take more control over their neighbourhoods, to deliver services and become more self-reliant, so they can take more control over improving their own neighbourhoods and deliver their own solutions to meet local needs. As part of this, the Council is committed to using its land and property assets to effect positive change and noticeable benefits to local communities.

- 2.2 Community Buildings are a tool which can be used to support communities and form part of a wider strategy to help local communities. Community use of buildings can make a major contribution towards strengthening and empowering local groups to create thriving places to live and can aid communities to become resilient, entrepreneurial; and thrive in a climate where the capacity for Councils to continue to deliver services in the traditional manner becomes challenging.

## **3. CONSULTATION**

- 3.1 Consultation has taken place with representatives of the Voluntary Community and Faith Sector who have joined officers on a newly formed Community Assets Board, in order to assist driving forward this

Community Buildings Pilot and develop the final Policy.

#### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

##### **4.1 Equality Implications**

4.1.1 A full comprehensive EIA has been carried out and identified that the Community Buildings and Community Asset Transfer Policies will have cross-cutting impacts for all customers across the whole of Sheffield because these Community Buildings could be accessed by the whole of the Sheffield population. The impact of the policies should be positive impact ensuring that all diverse groups could use these facilities.

4.1.2 Data in respect of the profile of the buildings, the building users and their diversity is still to be developed. This will be done as part of the data gathering throughout the pilot and the subsequent policy implementation.

##### **4.2 Financial and Commercial Implications**

4.2.1 Following a full review of usage and technical property data for Community Buildings it will be necessary to review budgetary requirements for the continuing management of these buildings. This will include:

- Capital budget for any major / significant improvements that are deemed necessary.
- Revenue budget for ongoing repairs, maintenance & compliancy regime.
- Revenue Budget to dispose of surplus sites.
- Capital receipts for any surplus sites which have disposed of.
- Revenue budget for staff resource to provide support to the VCS to assist effective processing, e.g., bids for 3<sup>rd</sup> party funding to ensure Community Asset Transfer projects are successful.

##### **4.3 Legal Implications**

4.3.1 There is no legal requirement for the Council to adopt a Community Building Policy. As it is intended to calculated to facilitate and be conducive or incidental to the discharge of the Council functions it is permitted by the subsidiary power under s111 Local Government Act 1972

4.3.2 Proper formal agreements will need to be put into place for all different types of users / transferees.

There are several different types of agreement which will be applicable for using Community Buildings:

- Ad-hoc rental of parts of a building / room – Concessionary letting – not a regular requirement.
- Formalised rental of community building (whole / part / room) –

more regular provision, by formal agreement, up to 7 years.

- Community Asset Transfer (longer term agreements) – 7 years and above
- Consideration may be potentially given to longer term leases (e.g. 99 year / 125 year) depending on the content of the of the associated Business Plan (see Community Asset Transfer Process, below) and specific requirements of funders / grant giving organisations.

4.3.3 Prior to hiring out or letting any Community Building, for which the Council retain legal building compliancy agreements (less than a 7-year agreement) the Council will ensure that it meets building compliancy requirements, these will include:

- Gas Safety Certificate
- Fixed Wire Certificate (Electricity)
- Fire Safety Plan
- Asbestos Management Plan
- Legionella Safety Plan

4.3.4 Other legal implications, particularly around the Community Asset Transfer are included in this report and the relevant appendix.

#### 4.4 **Climate Implications**

4.4.1 Following a Climate Change Impact Assessment, it has been ascertained that the implementation of the Community Buildings and Community Asset Transfer policies will result in a similar to moderate decreases on CO<sub>2</sub> emissions compared to before. This is primarily because the most inefficient buildings or those which cannot be improved are most likely to be disposed of. Also, those that will be retained will have investment to make them more energy efficient / improve their 'green' credentials.

#### 4.5 **Other Implications**

4.5.1 As properties are reviewed the process will identify any works required to properties, which will remain the responsibility of the Council (most likely because the building will remain part of its portfolio for ongoing use and management).

4.5.2 The review will also identify properties that require to be disposed as they are:

- Uneconomic to bring up to required standards.
- Building surplus as not required by Community Groups
- Too many similar buildings in locality,
- Building uneconomic / inefficient in use.

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 **Do nothing.**  
Continue to manage and deliver Community Buildings as per the current provision.
- 5.1.1 As part of the Council's Accommodation Review, its Community Buildings / Assets have been considered. As well as these being managed in an inconsistent way across the Council, it is also important that they provide good quality facilities in the locations that the local community need them and that they are in a good serviceable condition and Health and Safety compliant (building safety), all within an affordable financial model.
- 5.1.2 To ensure that these requirements can be met, and the community effectively supported through Community Building provision new Community Building and Community Asset Transfer Policies need to be implemented.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 The interim Community Buildings Policy will allow the Council to work in a consistent and proactive manner, setting out a clear, transparent the management of Community Buildings. It will enable the Council to make decisions on a number of historic Community Asset transfers that have not been able to progress given the current lack of a policy. As part of these policies the Council will continue to work with local organisations to ensure that a range of initiatives are in place to support the development of strong and sustainable communities.
- 6.2 The policy set out a framework for elected members, council officers and voluntary and community organisations to provide clarity on the process the management of Sheffield City Council's Community Buildings
- 6.3 The proposed Community Buildings Pilot will fully inform a revised Policy which will ensure that full consultation takes place with the community supported by the Voluntary, Community and Faith Sector. The development of a revised policy, working with stakeholders, will deliver a better quality, and more sustainable approach to our Community Buildings in the future.

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