Introduction

Following assessment of a Stage 1 Expression of Interest by a Panel, your organisation may be invited to progress your proposals, setting out in further detail the wider community benefits, provision of services and financial aspects of your proposals that could enable the transfer of the land and/or building currently owned by the City of Edinburgh Council.

This form provides for the following:

* Section 1 - Guidance on the Council’s Asset Transfer Policy and on submitting a request at Stage 2;
* Section 2 - Sources of free and specialist (with a fee) advice and support in progressing a detailed capability and financial plan;
* Section 3 – Completing the Stage 2 Form. This addresses the wider community benefits, proposed provision of services, the costs involved and how you intend to maintain ownership and revenue provision over many years. (The form can be completed and submitted electronically).

**Section 1 - Guidance**

You should read the [Scottish Government Guidance for Community Transfer Bodies](http://www.gov.scot/Topics/People/engage/AssetTransfer)

to ensure that you have included all the information required for this submission to comply as an Asset Transfer request. Specific timescales for submissions apply and you should make yourself familiar with these.

Applicants should also read the Council’s Asset Transfer Policy prior to completing an initial request (Stage 1 – Expression of Interest Form) or the more detailed Stage 2 – Sustainable Business Case.

Question - Why do we need to set out our detailed proposals at Stage 2 for using the asset and how the project is to be funded?

Answer: Your application will be considered by the Council’s Finance and Resources Committee. The Committee needs to know that the proposals contain a number of key factors, for example;

* Is there evidence of strong community support for your proposals for use of the asset and any related impacts taken into account?
* Is there a considered analysis of the market for the use of the asset as this lets Committee know that other services/provision has been examined within the local area and across the City?
* Have the financial aspects of acquiring and using the asset been thoroughly examined to ensure that any risk is minimised and that the prospect of returning to the Council for assistance or for requests for funding is minimal?

Question – What is a Sustainable Business Case, what should be included and how should this be presented?

Answer: A detailed Business Case is required to cover a period of years, setting out how you intend to use and finance the asset.

The sustainability aspects relate to; (i) how you intend to continue long-term ownership, (ii) arrangements for strong governance and intended operations including financial arrangements for long-term growth, (iii) improving community benefit and (iv) minimising any harmful environmental impacts.

In relation to how your plans should be presented, this is a matter for you to decide, so long as your Stage 2 Business Case provides the level of detail required.

Question - What can be included within a sustainable business plan?

Answer: The following is provided for additional guidance only and is not comprehensive because plans for the use of an asset will be different in each case. You may wish to consider some of these elements within your plan which will help make use of the asset a success.

**Part A**

Market and operational environment:

* strategic fit between the business objectives of the community body and the proposed use of the asset;
* impact of taking on the asset based upon current and future capacity and capability;
* the skills of the community body that will enable sound management and productive use of the asset;
* the strength of partnership to take on and make the asset a success, in particular clear identification of the community benefits arising from the transfer of the asset;
* current capacity and what partnership arrangements exist to enhance the prospects for medium and long-term success of the use of the asset;
* is there a clear business growth plan and marketing plan in place in order to maximise the use and income generation prospects;
* why the asset is needed and its intended use - aligned to local policy, strategy and community needs;
* define the economic, social and environmental benefits of the use of the asset and the advantages in this regard of the proposal;
* demonstrate engagement with the wider community in order to ascertain usage and success of the proposal;
* management of risk, accounting for unforeseen circumstances and avoiding putting at risk the core organisation/partners;
* information on the strength of commitments by interested parties;
* the most advantageous delivery model and governance structure to manage the asset during/post transfer.

**Part B**

Financial management - Budget and income, provides evidence of:

* revenue costs are known and plans take these into account;
* repairs and other improvements to the asset are taken into account to reflect the business proposition;
* projected income/expenditure plan for at least five years to identify a range of sustainable income streams;
* financial risks to both the asset and applicant organisation;
* projected utilisation and cash flow forecasts;
* market analysis and mitigation of financial risk for partners and the wider community;
* available funds to invest in the asset.

**Section 2 – Sources of Advice and Support**

In examining the use of an asset for the benefit for the community it may be helpful for you to request specialist help and support. The following organisations\* are independent of the Council and can provide additional support if requested. Dependent upon the nature of the request, some of these will be free and some may apply a fee.

* [Development Trust Association Scotland](http://www.dtascommunityownership.org.uk/content/about-coss)
* [Edinburgh Business Gateway](http://www.bgateway.com/local-offices/edinburgh/)
* [Edinburgh Third Sector Interface](http://www.edinburghcompact.org.uk/who-we-are/edinburgh-third-sector-interface/)
* [Community Shares Scotland](http://www.google.co.uk/url?sa=t&rct=j&q=community%20shares%20scotland&source=web&cd=1&cad=rja&uact=8&ved=0CCEQFjAA&url=http%3A%2F%2Fcommunitysharesscotland.org.uk%2F&ei=sNSOVK7RNsj1UoHvg8AE&usg=AFQjCNG6hH9GFaiHSfg6X4KS0UDt3C1uhA)

Also,

* Council and the Community Learning and Development Service

\*Other support agencies are available and this should not be interpreted as an endorsement from the Council.

Sources of further information and reference\* are also available, some of which are as follows:

[SME Business Planning Toolkit](http://www.smetoolkit.org/smetoolkit/en/content/en/612/The-Business-Plan)

[Starting a Social Enterprise – Business Planning](http://www.socialenterprise.org.uk/uploads/files/2012/04/start_your_social_enterprise.pdf)

[Business planning – 8 critical success factors](http://www.entrepreneurstoolkit.org/index.php?title=Critical_success_factors_-_8_key_elements_for_a_successful_venture)

\*Other sources of information and advice are available and should not be interpreted as an endorsement from the Council.

**Section 3 – Completing the Stage 2 Sustainable Business Case Form**

Assessment Scoring

Question: How will Stage 2 submissions be assessed?

Answer: A scoring matrix will be applied in the assessment of proposals and these will consider the proposed use and financial provisions made for the asset.

The following scoring will apply:

|  |  |
| --- | --- |
| **Score** | **Criteria** |
| 0 = Poor | Little or no response in regards to the submission with ill defined unrealistic ambitions |
| 1 = Weak | The submission contains only minor detail and is not based on robust information |
| 2 = Moderate | The submission provides a level of detail which enables understanding with acceptable projected benefits |
| 3 = Strong | The submission provides sufficient evidence that the issue has been taken into account with sound, sustainable Best Value characteristics |
| 4 = Very Strong | The applicant has included all the issues in the submission and has provided additional information which enables detailed understanding with strong and sustainable Best Value characteristics with robust related project benefits |

Assessing Equality and Rights and Sustainability Impacts

The Council under the Equality Act 2010 and the Climate Change (Scotland) Act 2009 with the related Public Sector Duties is required to assess whether there are any detrimental impacts potentially arising within asset transfer proposals and to identify how these can or should be mitigated. Council officers will assist you in the development of these assessments which are used by the Council in the decision making process. Questions are included within the application form (see part C).

Completing the Stage 2 Form

The key questions in the form below are designed to tell Committee about the governance of your organisation, your detailed plans for the asset, support from the local community and other interested parties, financial plans, current relationship with the Council and other information. Information contained within the application will however be shared with those involved within the decision-making process and data protection and commercial confidentiality arrangements will apply on such occasions.

The Stage 2 Form contains sections for (i) information on the key elements of the Business Case, (ii) information on how the asset relates to Council policy outcomes and/or key public strategies in Edinburgh and (iii) any additional information. Please ensure that if you have a separate Business Case that you attach it to your Stage 2 Form as this will avoid the need for any delays in the assessment of your submission.

Please note that:

* Council officers may require a number of follow-up meetings to discuss your proposals. This is with the aim of better understanding your intentions.
* The minimum timelines, whilst set out in the policy, may be extended for particularly complex submissions, for the briefing of community members and other interested parties including local elected members, or where there is a delay in submitting additional information beyond the control of those involved.

**Finalising your submission and accompanying information**

Please ensure that you answer all of the questions asked throughout the form. Failure to fully respond may delay your request being considered by the Council.

Please also ensure that:

1. You attach the required documents as identified at the end of the form,
2. Three people from your organisation sign off the application. This is to ensure that the Board of Directors/Management Group are aware of and support the submission.

Please return the form to:

Property and Facilities Management

G4 Waverley Court

4 East Market Street

Edinburgh

EH8 8BG

**APPLICATION FOR THE TRANSFER OF AN ASSET**

**CURRENTLY OWNED BY THE CITY OF EDINBURGH COUNCIL**

**Request to the Council**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | |  |  |  | | --- | --- | --- | | **Is this application being made under Part 5 of the Community Empowerment (Scotland) Act 2015?** | **NO** | **YES** | | |
| 1. | **Are you requesting the transfer of a building that is owned or leased by the City of Edinburgh Council**  YES/NO (Please delete as necessary) | |
| **Are you requesting the transfer of a piece of land that is owned or leased by the City of Edinburgh Council**  YES/NO (Please delete as necessary) | |
| 2 | **Please identify the building and/or piece of land that is the subject of your request:**  NAME:  ADDRESS:  POSTCODE:  MAP REFERENCE: (please attach a map indicating the location of the building/land – this is in order that all parties are clear on the nature of the request) | |
| **2a** | **Please state whether this is an application to purchase or to lease the property or if the request is for other rights to use the property:** | |
| 2b | VALUE  **Have you sought an independent financial assessment of the value for the building/land?** If so please identify the source and the estimated value (Note: because your request concerns a public asset, references to the source(s) and value(s) may be referenced in reports to council committee(s) in reference to your submission: | |
|  | Source: | Estimated value (£) |
|  |  |  |
|  |  |  |
|  |  |  |
| 3 | **Please detail below the nature of the request to the Council** (please complete one section only): | |
| 3a | Total transfer by sale or lease of the building/land identified in Section 2 above: :  YES/NO (Please delete as necessary) | |
| 3b | Gradual transfer by sale or lease of the building/land identified in Section 2 above:  YES/NO (Please delete as necessary) | |
| 3c | A transfer of just a part of a larger building or part of a larger area of land:  YES/NO (Please delete as necessary) | |
| 3d | If the request is for other property rights (ie not a sale or a lease) to make use of a property please specify the nature and extent of the rights sought: | |
|  |  | |
| 4 | **Please indicate below the purchase price, rental or other payment being offered for the asset (please complete one section only)** | |
| 4a | Where a purchase is being requested please state the price that you are prepared to pay for the building/land that you have identified in Section 2 above:  £ | |
| 4b | Where a lease is being requested please specify:   1. The annual rent that you are prepared to pay: 2. The duration of the lease requested: 3. Any other special lease terms required: | |
| 4c | Where another form of occupancy (not a sale or lease) is being requested please state the price that you are prepared to offer for such rights to use the property: | |
| 5 | **Please summarise below the reasons for making the Asset Transfer request, any special terms and conditions applicable to the request, how you intend to use the Council building/land and any related timescales:** | |
| 6 | **Date of Submission to the Council:** | |

**PART A – About your organisation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **A1.1** | **Organisation Name, Location and geographic areas of current operation:** | | | |
|  | | | |
| **A1.2** | **Organisation postal address:** | | | |
|  | | | |
| **A1.3** | **Organisation Contact details for this request:** | | | |
| **Name** |  | | |
| **E-mail** |  | **Tel. Number** |  |
| **A1.4** | **Organisational Governance –** State the type of organisation you are, for example a registered charity or a registered company. If your agency is not a registered charity or company, please state if you have a **Constitution / Statement of Aims / Memorandum and Articles** (relevant documents must be supplied on request) | | | |
|  | | | |
| **A1.5** | **OSCR Registration** Number (if your organisation is a charity registered in the UK and/or Scotland): | | | |
|  | | | |
| **A1.6** | **Companies House Registration Number** if applicable | | | |
|  | | | |

**PART B – Your proposal for use of the asset**

In summary, please answer the following questions relating to your proposal (please ensure that you attach your full Business Plans as this will provide further detail)

NOTE: the term ‘the asset or asset’ means the Council-owned asset which is the focus of your submission

|  |  |
| --- | --- |
|  | Assessment of the operational and market environment |
|  |  |
| B1 | **Please summarise below any history that your organisation has for; (i) delivering good quality services, (ii) meeting the needs of your community and (ii) enabling sustainable growth of your organisation?** |
|  | Answer: |
| B2 | **Is there a strong business-fit between the core objectives of your organisation and the proposed use of the asset?** |
|  | Answer: |
| B3 | **How will your organisation’s current operational capacity and financial turnover be affected by taking forward your proposals for the asset?** |
|  | Answer: |
| B4 | **Please evidence below, the strength of leadership and skills of the Board and staff of your organisation to maximise the prospects of the asset? If the skills are not currently in place, please describe how you intend to address this.** |
|  | Answer: |
| B5 | **Please detail how you intend to evidence long-term community benefit arising as a result of the proposed asset transfer?** |
|  | Answer: |
| B6 | N/A |
|  | N/A |
| B7 | **Please summarise below the partners involved in your proposal, describing the current and future strength of partnership work in the context of the submission and if so, is this influencing the operational arrangements for the asset?** |
|  | Answer: |
| B8 | **Please describe the governance arrangements which will oversee the operations of the asset.** If this is to be separate to arrangements for your organisation, please provide further description and include diagrams if necessary. Please also describe how accountability for the asset will be provided for. |
|  | Answer: |
| B9 | **Please evidence how you know that your proposals for the use of the asset are supported by and meet the needs of the wider community and City. You should describe the level and nature of support for the request from the community.** |
|  | Answer: |
| B10 | **Where applicable, please detail how your proposals for use of the asset will enhance the existing use of the building/land** |
|  | Answer: |
| B11 | **Please outline how your proposals take account of the influence of local and city market forces and (i) if so are there plans in place to ensure that your proposals for the use of the asset are competitive in order to sustain the asset, (ii) if not please explain why.** |
|  | Answer: |
| B12 | **If suitable, is there marketing and development plan in place for the asset for the next five years?** If so, please provide further details in relation to your approach |
|  | Answer: |
| B13 | **Please detail evidence of support from the appropriate** [**Neighbourhood Partnership**](http://www.edinburghnp.org.uk/)**, Councillors, other community leaders and other relevant interests?** |
|  | Answer: |
| B14 | **Are there any objections to your proposals for the asset that you are aware of? If yes please detail these and how your organizations is dealing with these, if no then please detail how you would handle any concerns should these develop in the future.** |
|  | Answer: |

|  |  |
| --- | --- |
|  | Financial Management |
|  |  |
| B15 | **In relation to your plans for the asset, is the proposed income dependent upon; (i) a single income source, (ii) a dominant income source or (iii) multiple, but inter-dependent sources of income?** Please detail below. |
|  | Answer: |
| B16 | **In relation to your plans for the asset, are the sources of income sustainable, i.e.; likely to persist over the next few years, or are short-term, or will there be a need for subsidy from another source for example the parent organisation or public funds?** |
|  | Answer: |
| B17 | **In relation to your plans for the asset, please evidence any trading and other efforts to generate income.** Please include any anticipation of bidding for public sector grants/contracts or other funding? |
|  | Answer: |
| B18 | **Please describe below the financial relationship between your organisation and your plans for use of the asset.** Please include details about implications that there may be for your organization and the asset and how you will manage any risks identified. |
|  | Answer: |
| B19 | **Has your organisation ever been investigated on the basis of poor financial management or failure to demonstrate good organisational governance?** |
|  | Answer: |
| B20 | **Does your organisation currently have operational capital, if yes is this being applied as part of the request, if no, will the proposed asset provide for a financial asset or liability?** |
|  | Answer: |
| B21 | **Is the request for asset transfer being made in order to add to an existing property asset portfolio for the purposes of continued trading?** |
|  | Answer: |
| B22 | **Please indicate with an example where the financial aspects of your proposal have been successfully applied elsewhere?** |
|  | Answer: |
| B23 | **Please identify if; (i) your proposals for impacts upon the finances of your organisation and (ii) plans for mitigation if negative issues arise concerning cash-flow, liquidity or financial capacity issues that may impact upon the request?** |
|  | Answer: |
| B24 | **How do you intend to continue to operate should any income related to the proposed building/land not be generated as planned?** Have you plans for alternative forms of income and/or alternative business model should income streams not continue? |
|  | Answer: |
| B25 | **What are your plans for the proposed asset should your organisation incur operational difficulties or cease to trade?** |
|  | Answer: |
| B26 | **How have you factored in the impact of the total ‘on-costs’ for the asset for your organisation, i.e. repair, maintenance, insurance, energy requirements?** |
|  | Answer: |
| B27 | **Please summarise below how you have factored in the following in regards to your proposals for use of the asset; market awareness, sales and other income generation opportunities.** |
|  | Answer: |
|  |

**PART C - Sustainability Impacts**

|  |  |
| --- | --- |
| C1 | **In considering your proposals it is important that the impacts of proposals for use of the asset on the City’s economy, community-wellbeing and environment are identified.**  Please detail below the impacts upon the following: |
|  |  |
|  |  |
| C2 | **Please detail below what you think are the benefits to the Edinburgh economy, please outline both positive and negative benefits that you think may occur:** |
|  | Answer: |
| C3 | **Please detail below what you think are the benefits to the community outlining both positive and negative benefits that you think may occur: for example; what the impacts on the local community will be:** |
|  | Answer: |
| C4 | **Please detail below what you think are the benefits to the City environment – please outline both positive and negative benefits that you think may occur:** |
|  | Answer: |

**PART D – Summary Budget Information**

|  |  |  |  |
| --- | --- | --- | --- |
| D1 | **If appropriate, please summarise the budget arrangements for the requested building/land:** | | |
|  |  | Income | Expenditure |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
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|  |

**PART E - Other Issues relating to your request**

Current financial and other support from the City of Edinburgh Council

|  |  |  |  |
| --- | --- | --- | --- |
| E1 | Please identify below any investment that your organisation currently receives from the Council: | | |
|  |  | £sum | Purpose |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| E2 | Please identify below any investment that your organisation has attracted from the Council in regards to the proposed transfer of the building/land identified in item 2 above: | | |
|  |  | £sum | Purpose |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| E3 | Please identify below any investment in kind that your organisation currently receives from the Council in regards to the proposed transfer of the building/land identified in item 2 above: | | |
|  |  | £sum or equivalent value | Purpose |
|  |  |  |  |
|  |  |  |  |
| E4 | If receiving investment or other financial support as above, is it anticipated that this will continue for the future and be of benefit in regards to your proposals for the building/land? | | |
|  |  | | |
|  |

Added Social Value

|  |  |  |  |
| --- | --- | --- | --- |
| E4 | Please summarise below any additional social added value that your proposals may generate (for example; this may include volunteering, new services, improved trading or other initiatives) | *Please identify any equivalent social added value (£m)* | |
|  |  |  |  |
|  |  |  |  |

Submission Checklist

|  |  |  |  |
| --- | --- | --- | --- |
|  | Please check that you have included the following as part of the accompanying information to your stage 2 submission: | | |
|  |  | Yes | No |
|  | Full Business Plan (including financial plans) for the use of the Council-owned building or land |  |  |
|  | Most recent Full Year Accounts for your organisation |  |  |
|  | Articles of Association/ Constitution/Governance Document for your organisation |  |  |
|  | Supporting material from community members or other interests |  |  |
|  | Have you read the Council Policy on Asset Transfers? |  |  |
|  | Have you read the Guidance for completing the application? |  |  |
|  | Have you read the Scottish Government Guidance for Community Transfer Bodies? |  |  |
|  | Are you able to prepare public briefing material on your proposal and present at committee |  |  |

Signing Off

|  |  |  |
| --- | --- | --- |
|  | Please get the following to sign-off your application\*: | |
|  |  | Signature |
|  | Chairperson of your organisation  NAME:  DATE: |  |
|  |
|  |
|  | Senior Director/Committee Member  NAME/POSITION:  DATE: |  |
|  |
|  |
|  | Name of person submitting the application:  NAME/POSITION:  DATE: |  |
|  |
|  |

\* Signatories in signing the above assess that the information contained within the application form is accurate at the time of submission. In addition, should their request be successful, conditions of transfer will be the subject of separate legal agreement(s) with the Council.