

**P-06-1112 Help Welsh Communities Buy Community Assets: Implement Part 5 Chapter 3 of the Localism Act 2011, Correspondence – Petitioner to Committee, 09.11.21**

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09/11/2021

Jack Sargeant MS  
Chair - Petitions committee  
Senedd Cymru  
Cardiff Bay  
Cardiff  
CF99 1SN.

Dear Jack,

Whilst the topic of community asset transfers often seems dry and abstract, ultimately it is crucial for ensuring we build strong and resilient communities in Wales and stop the outflow of young people from our country. For this reason, the importance of community assets (or 'anchor institutions') such as sports clubs, chapels, town halls, and so on is cited repeatedly by the Future Generations Commissioner and are also central to the Welsh Government's commitment to a foundational economy.

Community assets are central to improving life in Wales. Thank you for so much again committing to study and discuss this hugely important issue.

I welcome the response of the minister, dated the 21<sup>st</sup> of October, which states that the next steps for the issue will be discussed in a meeting which "will consider what action can be taken as the recommendations rely on the co-operation of a range of stakeholders." I note also the minister's reference to the latest GSR document on the issue, published in March 2021, which will inform this meeting. I would very much appreciate a list of the stakeholders who will be attending the forthcoming meeting if possible.

Whilst I of course welcome the minister's response and appreciate that some research and action is being taken on this hugely important issue, I regret to say that it is clear that there are huge problems with the approach that is being taken by the Welsh Government. In particular, the latest research which underpins their approach to community asset transfers- ['Community asset transfer: research with the third sector, local authorities and community and town councils'](#)- serves only to obfuscate the real problems surrounding CATs, moves responsibility away from the Welsh Government, and recommends complex solutions where very simple steps could instead be taken.

I therefore believe the minister's proposed 'next steps' are wholly inadequate in terms of solving the problems we face regarding the loss of community assets.

The research commissioned and completed in March, whilst empirically strong, was completely superfluous: *we already knew* that the community asset transfer process was byzantine and a barrier to asset transfers, with respondents citing excessive bureaucracy; a lack of understanding and expertise on both sides of the process (i.e., community groups and local authorities); pressure on CATs to be profitable which is frequently at odds with the idea of social capital and the actual reasons that we need assets (e.g., public toilets), etc. Moreover, the latest research found that the CAT process was extremely patchy across Wales, with huge variation between local authorities in terms of their advice to community groups; the rationale behind CATs; the provision of specialized CAT officers, and so on. Again, the report's findings echoed previous research completed in 2012, 2015, and 2018 as well as academic research from across the UK.

What the report *did* succeed in doing however was shifting the focus of CATs almost entirely away from the Welsh Government and onto local authorities and the third sector. Whether this was deliberate or not, it is very interesting because previous research into this field repeatedly stated that *the main barrier to change across Wales is precisely the lack of legislation on this issue*.

Indeed, what is particularly bizarre is that in the latest research, respondents openly cited the lack of legislation in Wales as a huge problem, yet the report then neglects to mention this as a recommendation. On page 66 the report includes this excerpt:

*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]*

It is unclear why the report did not then carry this important finding into its recommendations, which entirely ignored the issue of legislation. The report's focus on local authorities and the third sector completely ignores the elephant in the room, which is a **lack of legislation in this area**.

It is clear that we are heading in the wrong direction yet again on this issue. I refer the minister and the petitions committee to the [2012 Report of the Welsh Co-operative and Mutuals Commission](#), which made a number of very strong recommendations to the Welsh Government regarding ACV, including: 1) that specific legislation be passed, which would include making it compulsory for local authorities to list community assets; 2) that, like in Scotland, communities should have first refusal on ownership; 3) that when making legislation the Welsh Government strongly considers 'asset locking', i.e., measures which would formally prevent community assets being lost or taken away from the communities; and 4), that new financial bodies and specific, ring fenced funding mechanisms be developed to achieve the above aims.

The commission was also hopeful that reflecting Wales' communitarian traditions, the Welsh Government would pass stronger legislation than England and Scotland (46), and specifically include sports clubs as community assets in the forthcoming legislation.

I would like to remind the minister that in 2015 the then minister Lesley Griffiths [commissioned another consultation on Protecting Community Assets](#). This consultation *again* found very strong support for passing bespoke Welsh legislation. Respondents recommended adopting the localism

act's definition of community assets and adopting the Scottish policy of providing communities with the option of first refusal, as well as the need to raise awareness of the possibility of transferring assets to the community. It also identified the need for greater mentoring and support for community groups to be able to understand the bidding process.

In light of these recommendations, **the then minister accepted that the needs of communities could best be met by implementing the relevant parts of the localism act in Wales:** "In view of the consultation responses favouring local control of asset registers, the legislative framework for establishing a Welsh ACV Scheme could be put in place by commencing Chapter 3 part 5 of the Localism Act 2011 and in subsequent Welsh regulation made under the act. I consider continuing engagement with stakeholders in Wales, in line with Welsh Government's Principles for Working with Communities, will ensure the approach being taken is fully fit for the Welsh context."

She then strongly implied that action would be taken during the 2016-21 Welsh Government: "legislation in relation to this issue, including making a commencement Order to bring into force the relevant provisions of the Localism Act 2011 will take place after the National Assembly for Wales election next year... I believe there is cross-party support for action on this issue."

As previously discussed in my letter dated the 1<sup>st</sup> of February, despite accepting the need for legislation and stating that it would happen, nothing has been done with regards to legislation. I have attached this letter as well as my previously submitted research into the issue which bring together the key findings and recommendations. They can be summarised as:

- 1) There is a need for legislation to ensure that things like asset lists are made, to ensure implementation, and to avoid patchiness across Wales in terms of the CAT process.
- 2) There is a need for specific ring fenced funding to local authorities dedicated to providing capital funding to assist community purchases, subsequent training and mentoring.

I would hope the committee would agree that is surreal that a decade after legislation was passed in England, 20 years after the Scottish Labour Government passed legislation on CATS, and *nearly a decade since the first recommendations were published in Wales*, we are still 'consulting' on this issue despite there being a wealth of empirical evidence- commissioned by the Welsh Government itself- which has repeatedly recommended what needs to be done.

It is unclear why the Welsh Government is not taking action on this issue that would be universally popular, which would actually allow the aims and objectives of the FGA and the foundational economy policy to be met, and which would ultimately tangibly improve the lives of people in Wales. What is the point in passing and promoting the FGA and emphasising our belief in a foundational economy on the one hand whilst refusing to take basic and simple steps to actually enact these principles on the other? Why are we still consulting on an issue where the solutions have been repeatedly stated over the last decade? The Welsh Government seem to be doing everything except what actually needs to be done, i.e., passing the legislation which they promised they would pass in the last Government, and providing local authorities with money and training.

Unless the proper action is taken on this issue, more assets will be lost, and we will be left with a country of unhappy, disconnected and atomized communities. Indeed, the effects of the collapse of our communities is already evident across Wales: violent crime is on the rise, mental health problems are increasing, young people are moving out of their communities, it is increasingly difficult to arrange care in our communities, and so on.

This issue is not about 'old buildings', but what these spaces and places sustain: our communities. Wales is a community of communities, and Welsh culture itself was not something which simply appeared out of thin air, but which was created and then sustained by physical community institutions and assets that the communities themselves built: miner's welfare halls, chapels, sports clubs, libraries, and so on. We all know that these places strengthen communities and improve people's lives. They create connections between people, build friendships, they make people happy.

How can it be right that these community assets are now being sold off to the highest bidder, and our Government, which claims to uphold Wales' noble communitarian traditions, refuses to pass legislation that would instead allow communities to keep and run these assets? It is deeply unfair that communities in Wales, already some of the most disadvantaged in Europe, are further disadvantaged compared to those in England and Scotland in regards to running their own institutions.

Passing this simple legislation- as was promised by the previous minister- could empower communities and help to reverse this decline. I implore the minister and the committee to finally take firm action on this matter.

Thank you and kind regards,

Dr Daniel Evans