Queen's University Belfast

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Housing Led Regeneration

Asset Transfer and Social Housing: Building On Delivery

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TIDES

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Executive overview

- The Housing Executive is a progressive, responsible and responsive leader in housing led regeneration and community asset transfer in Northern Ireland. Policy development is based on extensive experience and expertise and builds on a strong track record of delivery
- The research aims to assist in the development of a community asset transfer policy by the Northern Ireland Housing Executive, especially in a way that secures good relations outcomes, regeneration objectives and value for public money.
- The methodology for the research included: a review of the policy and practice literature; secondary analysis of asset transfers within the Housing Executive; case study analysis of schemes inside and out-with the NIHE; and semi structured interviews mainly with policy stakeholders.

Regeneration and asset led development

- Asset transfer is diverse and made up of three broad categories: small groups or stewards; community development organisations; and social entrepreneurs, the most sophisticated form of asset management.
- The literature makes a clear linkage between effective urban and rural regeneration, asset transfer and building sustainable forms community relations in and between divided communities.
- The policy environment in Britain is characterised by high level strategies, dedicated programme resources and technical assistance with support from agencies including Locality and the Asset Transfer Unit.
- Legislative change, particularly under the Localism Act 2011 has also introduced community rights to *challenge* and *buy* Council run facilities whilst General Disposal Consent enables local authorities to dispose of assets at below best value if it is in the public interest.
- Social finance and skills support are also well developed with bespoke programmes to fund asset transfer at national and regional level.
- The review highlights the importance of effective governance and accountability systems that protect transferred assets from community capture or unrepresentative groups.
- It is important to see asset transfer within a wider understanding of estate regeneration and the role that asset based approaches can play in area planning across the Housing Executive.
- Policy should shift away from needs based approaches that accentuate dependency, toward models that identify and seek to develop local assets. Understanding need and inequality is vital but asset mapping is also an important methodological tool in housing renewal approaches.
- Plugging the leakage of cash and resources can help, even the poorest estates, capitalise their asset based.
- It should be emphasised that emerging Housing Executive initiatives, such as Sustaining Tenancies is developing policy in this direction.

Northern Ireland policy context

- There is an emerging, supportive policy environment especially DSD's proposed Community Asset Transfer policy that should help the Housing Executive and its partners deliver more sustainable programmes.
- The DSD Urban Regeneration Framework consultation document also highlights the importance of community businesses, asset led development and the need to diversify income streams across the voluntary sector.

- Similarly, the Rural Development Programme and the Rural White Paper have also highlighted the importance of social enterprise approaches and the Housing Executive's Rural Action Plan identified the potential of community land trusts as a model of best practice in area based regeneration.
- There is also stronger awareness of the need to strengthen loan instead of grant finance to support asset transfer in Northern Ireland. Here, policies on the social economy have emphasised the need to create more sustainable community businesses to underpin transfer programmes.
- Regeneration is increasingly connected to good relations outcomes and how physical development can underpin sustainable models of interface and contested space renewal. The Housing Executive has led the away in pioneering such practice and there is increasing sophistication in addressing the distinctive challenges of rural segregation and community polarisation 'beyond Belfast'.
- The analysis also helps to identify significant challenges in joining up the range of funding programmes available to support specific projects and programmes. Intermediation to link finance to projects, investment readiness skills and even legislation are important components in developing a more supportive environment for community asset transfer.

Asset transfer in the Housing Executive

- The Housing Executive has an extensive stock of land, commercial property and housing transferred to the community sector.
- There are a range of formats from simple peppercorn rentals, to longer term leases and the sale of mainly surplus land.
- It should be noted that Locality defines full asset transfer as a minimum of a 25 year lease to the respective community.
- Assets deliver a range of social, economic and environmental outcomes that have a high level of impact on equality groups including children and young people, disabled people and women.
- The evidence shows that asset based community development has considerable scope to develop projects into high impact social enterprises.
- Community houses are broadly evenly distributed between Catholic and Protestant disadvantaged wards.
- Only 10% of Community Asset Transfer projects in England are in deprived areas but 54% of community houses are in the top 20% disadvantaged wards in Northern Ireland.

Stewards and asset development

- The Housing Executive has been an important facilitator of small scale asset transfer and has provided essential support in the design and implementation of the project as well as aftercare when the scheme has been completed.
- *Steward* type schemes are vulnerable and rely heavily on external revenue support, which may be especially difficult in the current public sector spending climate.
- The projects support a wide variety of *good relations* initiatives including cross-border contacts, training and sharing ideas and resources with other communities particularly centred on young people.
- New health and safety and fire regulations could affect up to half of the community houses currently transferred by the Housing Executive.
- Whilst some schemes are content to retain their community focus, others have potential and an interest in developing as social enterprises but there are few bespoke mechanisms to facilitate this growth.

- The decline in market values provides an opportunity for asset transfer or even partnering with private sector providers and opens possibilities such as *The Tunnels* in south Belfast that would not have been possible even 5 years ago.
- The Housing Executive is also exploring and undertaking feasibility studies to assess the good relations potential of asset transfer and development. This approach has identified significant possibilities to connect disadvantaged communities to other *assets* in the city.

Community development assets

- One of the key features of *community developers* is the availability of grant aid from the EU, IFI and government. These budgets are declining making it harder for projects to achieve scale and at the same time, strengthening reliance on loan finance.
- The projects also demonstrate a *hybrid* style of development with community groups partnering, for example, housing associations to share risk, lever resources and make projects viable.
- Asset transfer and management also provide ethnic minorities (and other groups) with their own space to meet, provide services, integrate new migrants and contact other ethnic and mainstream groups, demonstrating multiple contributions to *bric* objectives.
- Larger projects serving as *community hubs* have the capacity to offer a social as well as a physical heart to a neighbourhood, especially in rural areas where integrated service provision will be increasingly important as services are rationalised.
- The processes of developing and implementing projects provides a different quality of community contact in which people from a range of religious, ethnic and age backgrounds can take part in the meaningful work on place making. It was noted that a number of asset schemes make effective links to their respective District Council *Good Relations Plans*.
- Larger scale community complexes allow more sophisticated economic development projects, especially around *Intermediate Labour Market* interventions that are critical in the most disadvantaged areas.
- The impact of these larger projects on environmental conditions, recycling, biodiversity schemes and training should not be underestimated.

Entrepreneurial asset transfer

- The Housing Executive has taken the lead in specific schemes and this capacity to be proactive, plan and incentivise asset transfer needs to be a more central part of housing led regeneration.
- Larger schemes are more resilient and capable of absorbing reduction of funding or changes in policy priorities.
- Entrepreneurial projects emphasise the importance of partnership funding to share risk, build scale and maximise impact from a mix of services.
- Loan finance is also used and the skills and readiness to diversify revenue is a priority for larger asset transfer projects.
- Risk sharing will be increasingly important and the community businesses that can raise finance are more likely to attract grant funding in the future.
- Governance arrangements are critical, especially if community relations objectives are to be achieved in places where trust, risk and division are a feature of local development.
- Technical support is also critical and Housing Executive staff have provided essential support in the development, implementation and aftercare in asset transfer.
- Community hubs are a central resource and maximise service provision but it also emphasise the need for statutory authorities to coordinate their facilities to avoid duplication and competition.

Implications for policy development

- A NIHE policy on asset transfer should be developed based on the following objectives: To maximise the responsible use of the asset base to ensure the integrated development of our estate based communities; To achieve social and economic value for money in the use, management and disposal of community assets; To maximise asset transfer approaches to address segregation, interfacing and the potential for sharing on and between our estates; To strengthen the skills and knowledge of communities, Housing Executive staff and our partners in community asset management; To maximise financial investment in community asset transfer in social housing; and To account for the social, economic, environmental and community cohesion benefits of community asset transfer in social housing.
- The Housing Executive already acts in a *wholesaler* function by continuing to hold assets (own and be legally responsible for property) that enables smaller community groups to concentrate on service delivery. It is important to retain this function but projects capable of developing also need to be supported in order to undertake full legal transfer of property or land.
- Clearly, systems will need to be developed to assess development potential but with mainstream, EU and US funds declining, this is likely to be more difficult and loan finance (and the skills to use them) will become more important.
- The knowledge and skills that need to be developed relate to financial planning, land and property law, business and risk management, procurement and contract planning, project planning and organisational governance.
- A strategic unit (say a Housing Asset Transfer Unit, HATU) within *Housing and Regeneration* would take responsibility for the delivery of the objectives, oversee implementation and champion asset transfer across the organisation (in areas such as procurement) and externally with partner agencies, social finance intermediaries and training suppliers.
- Supporting Communities (SCNI) should develop their work on social economy training to create two modules on *Asset Transfer Management* and *Asset Transfer Development*.
- The unit could: build a web-based resource that reflects on best practice experience, policy development and guidance; conduct research; network with practitioners and other public authorities; and lobby to strengthen the enabling environment in skills, finance and legislation.
- Greater understanding is needed of: the different levels of capital investment and revenue funding required; the need to permit groups to build reserves; and to create a more socially calculated notion of risk.
- The Executive could market-test outcome based funding mechanisms for community groups to link support to the delivery of agreed targets on say: void rate; long term voids; arrears; and waiting lists.
- The Housing Executive should consider a three year rolling investment to provide for an *Asset Support Programme* that would allow groups with feasible proposals to access architects, accountants and surveyors in order to develop their ideas.
- The agency could also, in partnership with mainstream funding organisations, seek to develop a Refurbishment Fund for community houses facing closure due to health and safety regulations.
- The Housing Executive asset register should be analysed to identify assets with community transfer potential with each one selected subjected to a *focused analysis* that would look at its financial costs, strategic value, community capacity for takeover, timing, capital and revenue supports and timeframe for delivery.
- The strategy would attract new entrants, consolidate schemes and staircase viable projects.

- A more proactive approach would also see planning strategies including Sectoral Plans and estate based strategies identify and map assets, with actions determined for their development and potential for transfer.
- A number of community and voluntary sector organisations are evaluating the feasibility of an ethical property investment fund and ethical property company and the Housing Executive should assist these initiatives, especially with technical assistance.
- The Housing Executive should consider the development of a broadly based integrated social economy strategy to maximise the impact of asset transfer on estate based regeneration.

1. Introduction

1.1 Housing led regeneration is a pivotal part of policy efforts to address social disadvantage, community division and the creation of sustainable communities in Northern Ireland. Housing Executive estates include the most disadvantaged and polarised neighbourhoods in the region and the agency is playing a leading role in their long term development. Community Asset Transfer has been an important instrument of urban renewal and rural development and this research examines its effects and potential in the context of estate based regeneration in Northern Ireland. In England, the *Quirk Review (2007)* stimulated asset transfer in local government; land reform in Scotland has created significant opportunities for the transfer of large estates; and in Wales, the Big Lottery and the Welsh Assembly Government developed a dedicated asset transfer fund. These have been accompanied by legislation, new forms of social finance, policy development and skills support (JRF, 2011).

1.2 Northern Ireland lacks these types of support making it difficult for the Housing Executive to pursue a policy in the absence of a strong and effective enabling environment. The issue for the agency is how far it should create its own learning, skills, and finance infrastructure and whether it is efficient to do so, not least as DSD is preparing a new *Community Asset Transfer* policy. Other policy developments also affect the Housing Executive's proposed approach:

- A new Urban Regeneration Framework and Rural White Paper that both place an emphasis on social enterprises and asset development as key components in area based regeneration.
- The development of a new *Social Economy Enterprise Strategy* by DETI and a proposed mapping of the social economy, which may be able to plot asset transfer across sectors.
- Significant community based responses such as CFNI's proposed *Ethical Property Investment Fund*, the *Building Change Trust* and Atlantic Philanthropies/Charity Banks *Age Investment Programme*.
- The DUP has pursued Social Impact Bonds and committed to asset transfer but is the only political party to raise the issue in their manifesto.
- The *Social Investment Fund* provides an opportunity to pilot community economic development projects in general and asset transfer in particular.
- With the RPA now re-scheduled under the Programme for Government, a number of Councils, such as Belfast, are revising their community development strategies and the viability of their assets especially recreation centres, community halls and parks.

1.3 This research needs to build on these national and regional initiatives but develops a bespoke policy for the Housing Executive that cuts across housing management, regeneration and good relations objectives. The Terms of Reference are:

- To assess the mechanisms involved in, and evaluate the success of, the Housing Executive's contribution to date in facilitating local community enterprises;
- To investigate financial and other mechanisms and models in the United Kingdom and Internationally for enabling asset-based community regeneration, and assess their impact in promoting community cohesion and good relations;
- To consider those mechanisms/models that would be appropriate to the Housing Executive, given its structure and operational model;

- To recommend, and set out in detail, a mechanism for, or model of, asset-based regeneration for use by the Housing Executive;
- To consider and recommend appropriate regeneration outcomes - in particular those related to cohesion and good relations - that can be delivered by the Housing Executive through such a mechanism/model and how these would be measured; and
- To identify the appropriate skills required by Housing Executive staff in taking forward such initiatives, and how such skills could be secured.

1.4 The methodology consists of a number of inter-linked components including: a review of the literature and comparative policy and practice; an audit of Housing Executive schemes; a series of 21 in-depth interviews with policy makers and practitioners; and 14 case studies of both NIHE and non-Housing Executive schemes.

1.5 The next section sets out a review of the policy literature but makes the point that asset transfer is a *means* to achieving regeneration, community cohesion and housing management outcomes. The concept of asset based development has wider implications for estate based planning within the agency and section 3 describes the wider policy context within Northern Ireland. Section 3 looks at: the types of asset transfer that the Housing Executive has engaged in; its distribution by disadvantage and community background; and its service function by type of transfer. Sections 5, 6 and 7 set out the case studies under the categorisation of the Aiken et al (2010) review: Stewards (small); Community developers (medium); and entrepreneurs (larger) asset transfer schemes. The final section sets out the implications for policy and practice, by the Housing Executive in maximising the economic, social, environmental and good relations impact of asset transfer.

2. Concepts, policies and practice

2.1 This section sets out the policy context and provides definitions and categories of asset transfer. It also highlights the link between asset transfer, good relations and urban regeneration, especially at the estate level and the point emphasised here is that asset transfer is a means to an end (more stable and economically prosperous estates) rather than an end on its own. Finally, it highlights the key issues relevant to the development of the effective policies based on experience, especially in Britain.

Different types of asset transfer

2.2 Part of the problem in developing an organisational policy is the lack of a shared vocabulary about what constitutes asset transfer. The IPPR use the Development Trust Association definition of: 'Local communities' ability to acquire land and buildings, either at market value or at a discount, in order to deliver services that meet local needs. It is seen as one way in which local authorities (in particular) can support the development of social economy organisations, and thereby meet their wider strategies for renewal and improved delivery of local services' (IPPR, 2006, p.6). IPPR also point out that there is a considerable difference in the concept with some projects involving simply a right to use the asset with others transferring the legal title, permitting the organisation to earn an income from its use.

2.3 In an extensive review of asset transfer in the UK Aiken et al (2011) distinguish between three types of transfer projects:

- Stewards – small, mainly volunteer-run groups with a single, long-standing asset (usually a building) used largely for hiring out to local community groups and residents. Such groups had a low income and rarely employed staff. One feature of the survey findings was the high proportion of very small rural organisations operating with few, if any staff.
- Community developers – medium-sized organisations, often with a range of assets, involved in local service delivery and local partnerships. These organisations normally had paid staff and a mix of sources of income.
- Entrepreneurs – organisations running larger, more professionally styled social enterprises. While still community based they had a mix of assets for social and commercial purposes and a business model. These organisations were more likely to have capital-intensive assets (Aiken et al, 2011, p.6).

2.4 It will be seen that most projects fall into the first two sectors although there are significant examples, led by the Housing Executive, of more entrepreneurial models that have developed into social enterprise models.

Good relations, regeneration and asset transfer

2.5 The *bric* approach in general brings together local regeneration and good relations outcomes in innovative and creative ways. Sepulveda et al (2010) examined the relationship between social enterprises and ethnic minorities in the UK and pointed out that in highly territorialised communities, building the necessary scale and customer reach has been a problem. However, Stutt, Murtagh and Goggin (2007) demonstrated that the social economy is an arena to create alliances and networks that cut across the sharp

territorial boundaries in Belfast. In particular, this study showed that the social economy demanded common skills, resources and learning that groups were prepared to share to advance the sector more broadly.

2.6 In an extensive review of the relationship between the social economy and peace building, Morrissey and McIvor (2008) drew on case studies, secondary data and discussions with key actors to highlight where and how the sector might play a role in conflict transformation. These include:

- Political violence had been a powerful drag on the economic development of the region. Accordingly, any programme that accelerated the pace of development could be seen as overcoming the effects of political violence;
- Additional prosperity would also point to the advantages of peace and create a stake in the new society;
- The values underpinning enterprise and economic growth were incompatible with narrow sectarian values – the more Northern Ireland moved to an enterprise culture, the less it would be inhibited by sectarian community cultures – the imperative to make money was religion blind;
- Building economic organisation meant building relations (suppliers, customers etc) with those who were previously strangers. That, in turn, helped build networks of trust - economic development contributed to social capital (Morrisey and McIvor, 2008, p.18).

2.7 The interplay between social economics and social capital, especially where it builds stronger *bridging* relationships between the two communities (as well as other identities) could be a significant outcome from an asset transfer programme. Fasahunsi et al (2000) showed that this type of networking was one of the key outcomes from ethnic-centred enterprise development although New Sector (2008) has warned about over-expecting community cohesion benefits from projects already struggling to deliver profits.

Governance, risk and accountability

2.8 The Northern Ireland Audit Office (NIAO, 2012) recently criticised the Housing Executive's land disposal policy including a scheme transferred to a community organisation and it is necessary to understand and control for the risks that are a part of asset transfer practice. Here, a key issue for the Housing Executive advancing asset transfer in the context of community relations is the accountability and representational capacity of the group controlling the facility. As the case studies demonstrate asset transfer schemes have enabled ex-combatants, on both sides, to engage in transformative community development work but there is a need for robust governance systems in all schemes sponsored by the Executive.

2.9 IPPR, 2006, set out a series of criteria to ensure that the group receiving the asset are accountable including that they should: ensure that they have clearly defined strategic objectives and a method of evaluating and revising their aims; invest in organisational development; undertake regular strategic reviews; and ensure that their Boards are active and independent.

2.10 However, the Housing Executive and other public authorities have a duty to work with groups and the case study evidence show that Executive staff works closely and competently to ensure sustainable transfer projects. IPPR (2006) suggest that community

organisations should consider signing up to the *Code of Good Governance* for asset transfer. Linked to this is *avoiding capture* by community elites or gatekeepers and here IPPR suggest that community organisations should always ensure that their governing board includes community 'connectors', those individuals who have widespread and deep links with all the different aspects of the community. Employing outreach workers, compiling and reporting social accounts to the community public sectors and replacing board members regularly are also (IPPR, 2006, pp19-20).

Hubs and integrated rural services

2.11 A significant advantage of asset transfer is the ability to develop community hubs that offer a range of integrated services at estate level. However, they can be expensive to maintain and we show how the highly successful *Learning Resource Centres* in Bangor have been put under pressure by budgetary constraints in North Down College. Hart (2011) noted that a number of community hubs have been recently abandoned in London because they were financially unsustainable.

2.12 Asset transfer has a particular attraction for rural estates, especially as more dispersed services are harder to maintain and finance. RPL (2006) undertook a review of *Rural Community Buildings (RCB)* and pointed out that the main advantages were that they provide a focal point, bring people together, avoid fragmentation and encourage social interaction. (RPL, 2006, p.10). However, their work also showed that 50%-60% of halls would require major funding (over £50,000) over the next decade and that they need to diversify their programmes to secure more stable forms of income.

Assets and area based regeneration

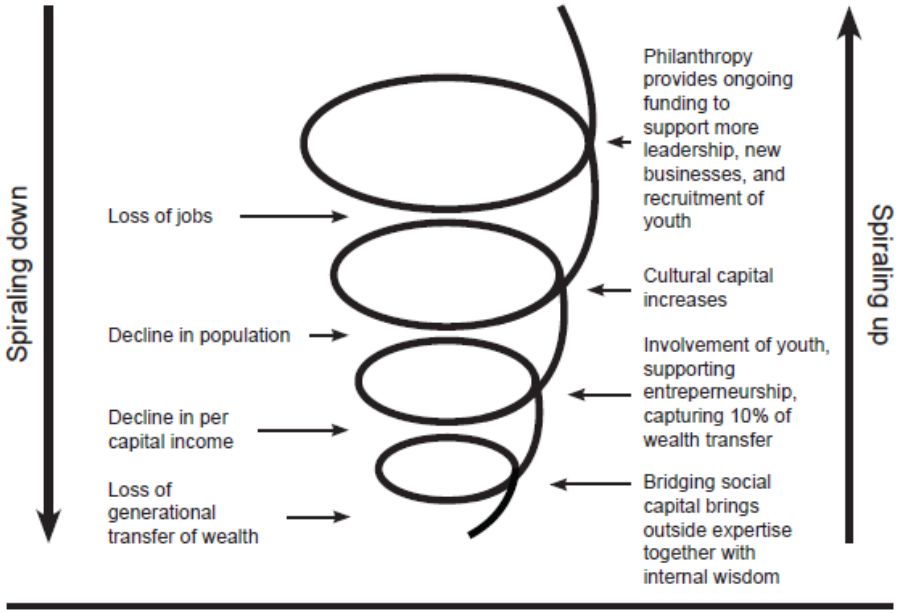
2.13 The Scottish Regeneration Centre (SRC, 2005) points out that asset based regeneration needs a blend of components to be successful. These include:

- People with the confidence to lead the task;
- Experience to share personal experience and transfer learning;
- Resources including longer term financial commitments, especially in the incubation period;
- Structures to ensure the effective management of the asset; and
- Policy mindsets that support enterprise and innovation and do not over regulate community energies.

2.14 O'Leary et al (2011) drew on international research to suggest that built assets are only effectively managed when they are accompanied by six other assets: financial; social (community); human; natural; cultural (good relation) and political. In particular, they suggest that this framework provides an important methodology for evaluating the capacity of a community to undertake effective and sustainable forms of asset transfer. Like Aiken, they argue that the balance between tangible assets (land and buildings) and intangible assets (finance and skills and community support) needs to be right before a community should pursue transfer schemes.

2.15 Emery and Flora (2006) use this type of approach in their *Community Capitals Framework (CCF)* to look at community change from a systems perspective. They argue that bonding and bridging social capital is the critical resource that reverses the downward nature of area decline to an upward spiral of hope, a process they term 'spiraling-up'.

Figure 1 Spiraling up and estate based regeneration



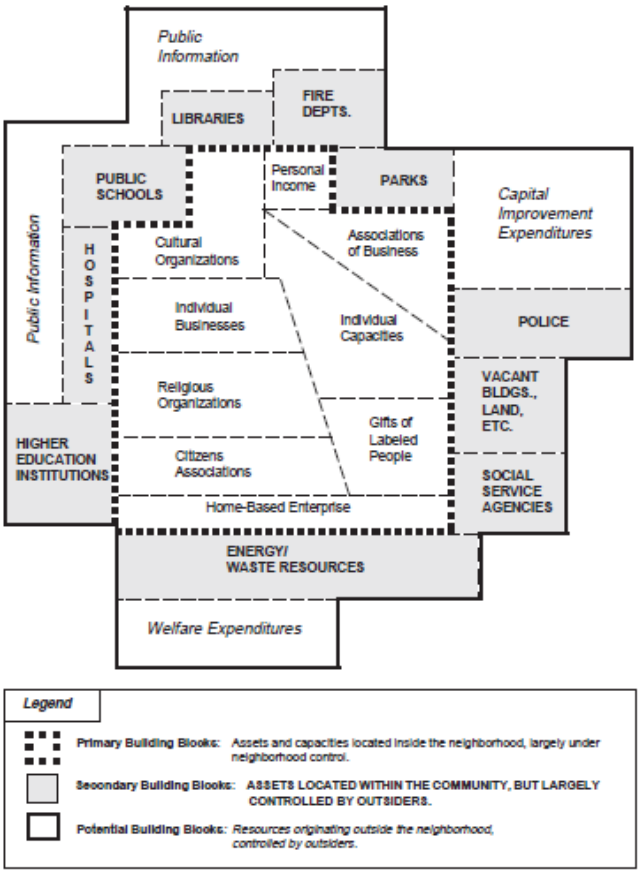
Source: Emery and Flora, 2006, p.22

2.16 They argued that the benefits of the approach adopted were improving the ability to monitor the performance of government; increasing possibilities of co-operative action; and facilitating the diffusion of innovation that allowed new ideas about economic development and entrepreneurship to surface It also reduced the information imperfections to decrease transition costs and facilitate 'deal-making' especially around social enterprises and the types of funding needed to support more ambitious forms of community economic regeneration.

2.17 There is a need to move beyond needs based approaches that invite competition between estates around the level of their poverty and who is lowest on the Noble Index. This has perpetuated a deficit model, a focus on outside help and negative labeling that simply reproduces the unattractiveness of estates to waiting list applicants. An assets led approach places attention on what the neighbourhood possess, how it works together and what can be built upon and we suggest, should form the basis of a refreshed approach to estate based planning.

2.18 McKnight and Kretzmann (1996) called for such an approach in the 1990s in which a profile of say a Housing Executive estate is developed, not from extensive descriptions of Noble based GIS data but on an assessment of what is available to develop in the future. Their approach to asset mapping is shown in the diagram below.

Figure 2 Mapping neighbourhood assets



Source: McKnight and Kretzmann, 1996, p.21

2.19 Syrett and North (2008) highlight the importance of the *local* in addressing the worst effects of spatial disadvantage. They identified the key characteristics of deprived neighbourhoods as: the restricted nature of labour market participation as demonstrated by high levels of unemployment; low levels of employment activity and low levels of both skills and education; low levels of business activity and services; and the degraded physical environment and housing stock. Ultimately, the performance the regional economy will determine the rate of progress but housing estates experience new forms of disconnectedness from housing, labour and education markets that asset transfer can make a contribution to addressing, not least by enabling the resources generated within the neighbourhood to stay there.

Assets and plugging the leaks

2.20 *Assets* cannot therefore be thought of as a standalone policy solution but should be embedded in strategic approaches that address underling area based problems. The New Economics Foundation (2008) recommend a *plugging the leaks* approach, which is built around supporting community-based action towards developing a more sustainable local economy. This involves:

- Diverse range of businesses and enterprises in terms of size, social and private mix, and diversity of goods and services produced.
- Positive local money and resource flows (a high local multiplier and local re-use of waste).

- Strong local asset base including local people's attitudes, skills and knowledge; physical, financial and natural resources.
- Responsive public and business sector which is working to strengthen and invest in the local economy.
- Strong community and civic voice including local activism, leadership, volunteering, and engagement in debate.

2.21 The Housing Executive, via its *Sustaining Tenancies* (NIHE, 2011) acknowledges the range of economic, social and personal supports that are required to stabilise tenancies, prevent churning and make estates more stable. The strategy examines a wide range of instruments needed to ensure that housing management objectives are achieved and these relate to employment, skills and alternative economics. The components of the approach includes: Tenancy support; financial inclusion; home contents insurance; environmental and property management; tackling worklessness; essential skills; digital inclusion; community safety; and Time Banks. Time Banks illustrate the type of innovation that could well with asset transfer projects and build a stronger alterative economy on NIHE estates (Slay, 2011). Here, it is recognised that tenancy breakdown relates to property conditions, rent arrears and anti-social behaviour but the report points out that economic vulnerability and complex social needs are often at the heart of the most disadvantaged communities. Proposals to introduce Tenant Support Assessments and Financial Health Checks can help get tenants the supports they need (NIHE, 2011, Briefing Paper 9).

2.22 One immediate way of realising the potential of asset transfer is to use Meanwhile or pop-up uses, especially on vacant commercial property than could provide temporary or seasonal uses, especially for local groups. Meanwhile uses are:

> Low cost, low commitment space – For community groups with few resources there are obvious benefits of being able to use space for a few months (or even a few years) at low cost and without a commitment to a long term lease. For groups looking to get established or evolving quickly, short term space can be ideal (SQW, 2010, p.1).

Financing asset transfer

2.23 In Britain there are a range of financial measures, grants and soft loan funds tailored to the asset transfer market. For example, the *Communitybuilders Fund* offers primarily capital funding which can be used for: property renovations and refurbishments; property or land purchases (and some related fees such as architects and surveyors); and the purchase of vehicles, IT equipment, fixtures and fittings. The Fund was endowed to Adventure Capital Fund (ACF) a registered charity, by the Department of Communities and Local Government and the purpose of the endowment was to establish a long-term evergreen fund where loan repayments are recycled and can be reinvested in the sector.

2.24 The *Main Investment Fund* is aimed at established community enterprises with the potential to make a major contribution to their communities. The funding is usually a mix of loans and grants totalling £50,000 to £750,000, along with a comprehensive package of support and this can be used to finance the purchase of a capital asset or to refurbish assets. The *Managed Workspace Fund* provides investments in the form of both loans and grants to community enterprises looking to set up a managed workspace facility and as will be seen in the Strathroy example form of development has worked well on Housing

Executive estates. *Charities Aid Foundation (CAF) Venturesome* provides affordable loans to charities, social enterprises and community groups when grants may not be available and access to traditional financial institutions is difficult.

2.25 There are other forms of equity finance but these examples serve to demonstrate the gap in the Northern Ireland market place. The government and agencies such as the Housing Executive need to be cautious about encouraging more sustainable forms of community ownership without putting in place the necessary infrastructure to help with the transition. DSD has operated the Modernisation Fund but this is primarily used to help refurbish buildings, facilitate rationalisation or co-location or re-equip premises and to date there are no dedicated asset transfer funding programmes in Northern Ireland. However, as the comparative analysis shows, policy, legislation and practice also lags well behind the rest of the UK.

2.26 There is a need to better understand and structure the social finance market to support asset transfer. As we note later the Housing Executive have supported small scale management arrangements as well as major land transfers and the type and structure of grant and loan finance each project will need will clearly vary. As it becomes harder to even equip community houses to basic standard, groups will need to look at more diverse forms of debt finance. Clearly, the Housing Executive will be limited in its capacity to enter the social finance market but if the landlord function is reconfigured as a social enterprise the possibility to support housing *plus* type initiatives might develop. In the short term the key priority is to understand the market better, help support groups with on-referrals and lobby government for investment, technical support and new forms of finance. NIHE staff estimate that proposed changes in fire regulation will affect up to 50% of community houses. Making these properties fit for new standards including level access, secure fire escapes and space standards will require short term financing.

2.27 Interestingly in this respect, Iona et al (2011) described the social finance market nationally that have implications for the development of housing asset transfer projects:

- Hard or commercial capital to lend on to or invest in investees;
- Soft, semi-commercial capital to lend on to or invest in investees;
- Capital to fund intermediary capitalisation to allow them to develop and attract more capital/liquidity;
- Capital to fund intermediary overheads especially given high transaction costs given the immaturity of the market;
- Capital to build the capacity of the sector investees especially by improving financial literacy, understanding of alternative financial mechanisms and business planning.
- Capital to build the capacity of the sector-investor market to *catalyse* the investor market, and incentives co-investors to share risk. This it is felt, might attract trusts and foundations who are willing to invest but are cautious about the level of risk.
- Development of new products especially aimed at asset transfers in areas with high growth potential such as renewable energy, child care and social care.

Community right to buy and operate services

2.28 The recently enacted Localism Act (2011) introduced: a *Community Right to Challenge* which will give local authorities and community groups an interest in taking over a local service or facilities; and a *Community Right to Buy* which will require local authorities to maintain a list of assets of community value which groups and individuals will be able to buy for a

community use. Scotland has had a Community Right To Buy particularly linked to land reform and as is shown below there are proposals to extend this to urban areas and make the process simpler. Comparatively few schemes (9) have been brought through the whole process but the legalisation of community property rights is a significant shift to facilitate further transfer projects.

Asset transfer in England

2.29 In an interview as part of this research, Mike Aiken pointed out that in England there are also limited examples of high scale asset transfer enterprises. The major examples of transfer (development trust types) are significant but few in number whilst the smaller examples (community resource/network centres) are more common and more involved in providing community supports than enterprise. The Asset Transfer Unit is run by Locality (a merger of the Development Trust Association and BASSAC in April 2011) in association with Community Matters and the Local Government Association. It is funded by the Communities and Local Government Department and provides a range of advice and guidance to encourage and promote asset transfer. An important instrument available in England that offers some challenge to audit restrictions in procurement and asset disposal is the *General Disposal Consent*. This is set out in Circular (06/03): Local Government Act 1972 general disposal consent (England) 2003 which allows for the disposal of land for *less than the best* consideration that can reasonably be obtained. This has been used extensively to enable community asset transfer without the need for extensive and time consuming justifications for the value determination.

2.30 Voluntary organisations experienced in asset transfer and management are enthusiastic advocates of the new localism policy and *Locality* (which draws much of its membership from this sector) is drawing on the Big Society agenda in this regard. The experience of small and local community organisations and of community developers have had mixed experiences of asset transfer which makes some more cautious. Others are concerned that the sector may be seen as the cheaper option for service delivery (e.g. the debate about the management of local libraries in England). In England, but especially in Northern Ireland the deprecation of assets with falling land and property values is a significant challenge to the sector, particularly those organisations who have taken mortgages or loans at the height of the market (negative equity in the asset transfer sector is likely to be a growing problem).

Scotland [DTAS] Promoting Asset Transfer Programme

2.31 The Scottish Parliament's *Land Reform Act 2003* introduced Community Right to Buy in rural areas, mostly small rural communities and the highland and islands (around wind energy) where groups can register their interest in the land, then offered to them before it would be sold on the open market. As noted, provisions in the Act are very cumbersome around 30-40 groups registered their interest in land and only 9 have actually completed land transfers. Transfers have mostly been on council land and some MoD sites and the Scottish Government's *Community Empowerment Action Plan* recognises that the ownership of assets as a key contributor to empowering communities. In 2009, DTA Scotland received funding from the Scottish Government to deliver a two year *Promoting Asset Transfer programme* and this has involved a series of seminars promoting asset transfer to local authority staff, politicians and councillors.

2.32 The Development Trust Association is able to offer expertise in business planning, facilitation, feasibility studies, identifying risks, provision of case studies, determining viability/ liability and helping to identify and overcome challenges. DTA has offered local authorities three days work where they help develop their strategy for asset transfer and deliver cross departmental training. Five councils now have a strategy or a draft strategy and several local authorities are rationalising their assets with a view to disposal.

2.33 The current environment reinforcing and supporting asset transfer in Scotland includes:

- The Regeneration Policy Review with a new policy expected in 2012 will place an emphasis on community led regeneration and community enterprise models.
- Government has made a commitment to the Community Empowerment and Renewal Bill (within 2 years) examining derelict land, underused assets and preventing land banking.
- The Land Reform Act will be made simpler and will also be extended to towns and other communities.
- The *Community Ownership Support Service*, funded by the Scottish Government and run by DTAS as a follow up to the Promoting Asset Transfer Programme, will be extended, again reflecting the emphasis placed on the enabling environment.

2.34 There are also a number of *demonstration projects* in the Development Trusts Association Scotland Promoting Asset Transfer Final Report (June 2011, Appendix A). Notable examples include South Uist, Outer Hebrides (Croft Island) where an 18 hole championship golf-course has extended the tourist season by two months. The community is now the most important player in tourism development completely changing the power dynamics in the area and they are planning a £10m harbour redevelopment. In Mull, the community operates recycling and composting services; a community abattoir and butcher shop and a community swimming pool made viable by a partnership with a local hotel.

The Welsh experience

2.35 In 2003 the Welsh Assembly Government introduced a new general consent relaxing the powers of local and public authorities to dispose of land or assets to community organisations. This removed the need for consent from the National Assembly where the 'undervalue', difference between the market value and transfer price, of an asset is £2m or less. The use of the general consent is linked to securing the well-being of an area as set out in the relevant community strategy, with an emphasis placed on neighbourhood renewal, social inclusion and community cohesion. Linked to this, the government's *Programme for Improvement* encourages local authorities to examine opportunities for the transfer of underused council owned assets to community ownership.

2.36 The *Social Enterprise Strategy for Wales* (2005) also set out targets for asset transfer and asset refurbishment to social enterprises of £6m during 2005- 2008. In 2011 a new £6m Community Investment Fund was introduced by the National Assembly for Wales, Development Trust Association Wales, Wales Council for Voluntary Action and the Wales Co-operative Centre. The fund provides up to £250,000 of flexible finance to social enterprises and local organisations. These initiaves were also supported by the introduction of additional forms of flexible 'patient finance' for asset development from Finance Wales, Co-operative and Community Finance and the Charity Bank.

2.37 The Welsh Assembly Government (WAG) also established a £13m *Community Asset Transfer Programme (CAT)* in partnership with the Big Lottery. The programme provides both capital and revenue funding in grants of between £300,000 and £800,000. There are some innovative examples of large scale renewable energy transfer schemes in Wales including Talybont on Usk which is home to the first community owned hydro-electric scheme in the country. Money from the sale of the electricity is put back into the community to support energy efficiency and renewable energy schemes. These schemes help to reduce fuel poverty and support Talybont-on-Usk towards becoming the first carbon neutral community in Wales.

2.38 The Fermanagh Trust (2012) argued that communities in Northern Ireland received comparatively less from wind energy farms compared to other places in the UK. Their research showed that in Britain, local communities benefited from: local contracting and jobs; benefits in kind; community funds; and community transfer ownership. In 2002, a community buyout of the Isle of Gigha enabled local people to generate £150,000 pa from electricity generation although part and joint ownership initiatives have also been implemented. None of the 17 wind farms surveyed in Northern Ireland offered any form of community ownership and only 1 surveyed paid more than £2000/MW per annum into a community fund.

Themes from the UK comparisons

2.39 A number of themes emerge from the comparative analysis:

- Asset Transfer mostly involves local authorities, not all of the public sector or government departments.
- Most local authorities have no specific asset transfer policy and like the Housing Executive the approach is informal and flexible.
- Asset transfers are mostly lease based with peppercorn rents.
- Assets which are most commonly transferred include community halls, gardens and greens.
- In the main, it is communities taking the initiative to develop the asset although local authorities are becoming more progressive.
- Asset transfers have been successful where there has been a shared purpose and good working relationships between the local authority and the community.

2.40 There are opportunities as well as risk and the Housing Executive needs to be aware of the time and resource needed to develop effective strategies:

- Time is needed for the process and asset transfer cannot and should not be rushed;
- The process needs to be transparent and fair;
- Asset transfer works best where there is shared interest;
- There needs to be creative approaches to claw-back from grant or transfer investment;
- The policy requires a culture change, especially toward the regulation of small groups and their ability to earn profit; and
- There is a need for considerable support and funding (especially pre-acquisition).

Implications for policy development

- Asset transfer is diverse and made up of three broad categories: small groups or Stewards; community development organisations; and more advanced social entrepreneurs.
- The policy environment in Britain is characterised by high level strategies, dedicated programme resources and technical assistance and support from agencies including Locality and the Asset Transfer Unit.
- Legislative change, particularly under the Localism Act 2011 has also introduced community rights to *challenge* and *buy* Council run facilities whilst General Disposal Consent enables local authorities to dispose of assets at below best value if it is in the public interest.
- Social finance and skills support are also well developed with bespoke programmes to fund asset transfer at national and regional level.
- The review highlights the importance of effective governance and accountability systems that protect transferred assets from community capture or unrepresentative interests.
- It is important to see asset transfer within a wider understanding of estate based regeneration and the role that asset based approaches can play in area planning across the Housing Executive.
- Policy should shift away from needs based approaches that accentuate dependency toward models that identify and seek to develop local assets. Understanding need and inequality is vital but asset mapping is also an important methodological tool in housing renewal approaches.
- Plugging the leakage of cash and resources can help even the poorest estates capitalise their asset based.
- It should be emphasised that Housing Executive policy addresses many of these themes in the context of housing led regeneration and Sustaining Tenancies in particular.

3. Northern Ireland policy context

3.1 Asset transfer is an issue that has attracted considerable policy and even political attention, all of which helps to build a supportive context for the development of housing led regeneration. Most recently, for example, the *British-Irish Council* (2012, p.5) reviewed the role of the community and voluntary sector and suggested that 'consideration should be given to the benefits of capital asset transfer as a means of communities buying into their land/assets, working together, building on their own well being, and moving to cohesion'. This section sets the policy context for housing based asset transfer in Northern Ireland and it emphasises the range of programmes and strategies affecting its growth and development. Three arenas are examined; area based regeneration; social economics; and good relations especially in dealing with the legacy of contested spaces and interfaces. These policies lack coordination and strategic focus but asset transfer has the potential to contribute significantly to all three, especially via implementation at the local level.

Urban regeneration

3.2 There has been recent and important policy development in urban regeneration, rural development and Community Asset Transfer that has the potential to support and be supported by the Housing Executive's approach. For example, the Department for Social Development (DSD, 2012) recently published a new *Urban Regeneration and Community Development Framework*. This places social enterprises and more sustainable models of community development at the heart of the renewal agenda. The Framework stresses the need to retain expenditure within disadvantaged communities and to support projects that develop social finance, investment readiness and labour market inclusion.

3.3 It also stresses the need to address the disconnections and inefficiencies created by interfacing and highlights the importance of community based, physical regeneration in strengthening relationships within and between segregated communities. Finally, the Framework emphasised support for 'local asset ownership and management by communities, to meet their needs and create opportunities for the development of facilities e.g. Community asset Transfer/Development Trusts' (DSD, 2012, p.20).

3.4 DSD is taking this forward through a specific *Community Asset Transfer* policy in a broad ranging review that will explore the coordinating, legal and financial implications of support for the sector. As this cuts across a number of government Departments and agencies, the need for corporate agreement and systems to support effective integration will be required. The Department hopes to publish its proposals in 2013.

Rural development

3.5 In the *Rural Development Programme* DARD (2007) also highlighted the importance of proving basic services, especially where it encourages population stability and the potential of *Village Renewal* to regenerate key centres and their hinterlands. Clearly, there are significant natural 'assets', especially around renewable energy where community groups have developed strong and viable businesses. Wind farming and anaerobic digestion are two areas where harvesting naturally produced resources provide significant sectoral opportunity for community businesses. As noted earlier in the Fermanagh Trust

research, wind farming is not an area where the community sector has developed the full extent of market potential.

3.6 The *Rural White Paper Action Plan* (DARD, 2012) highlights the importance of urban-rural interdependencies and the common challenges facing the most disadvantaged communities. It also stresses the need to develop shared places and address contested spaces in a rural context. The joint RCN-CRC *Beyond Belfast* research highlighted the complexity of ethno-religious segregation in a rural context and the need to mainstream policy in order to build more sustainable models and practices (Bell et al, 2010).

3.7 The White Paper also emphasised the importance of social enterprise approaches and the potential to develop the capacity of the sector to build more resilient and sustainable rural communities. It states that:

- We will continue to work with DARD, rural communities and the social economy sector to promote social economy in rural areas.
- We will continue to work in partnership to organise events to promote available support to rural Social Economy Enterprises (SEEs) and to raise awareness of the importance economic, environmental and social contribution which SEEs make to rural communities.
- Invest NI will continue to offer its Social Entrepreneurship Programme with a focus on groups located in disadvantaged areas or which provide a service to a disadvantaged group including those in rural areas (DARD, 2012, p.30).

3.8 The Housing Executive's (2012) own *Rural Action Plan* also highlights the potential of capital assets, in the context of rural development, especially the potential of Community Land Trusts (CLTs). These are not-for-profit community controlled organisations that acquire and develop assets on behalf of the community and for its benefit. The Housing Executive commissioned legal opinion that suggested that legislative change would be required for CLTs to operate in Northern Ireland, underscoring the nature of obstacles to the operation of asset transfer in the region. It also emphasises the need for the Housing Executive to advocate with government partners for progressive legislation that to further support the sector.

Programme support

3.9 In addition to strategic policy there are a number of operational programmes that support or could sustain housing led community asset transfer. For example, the *Social Investment Fund* aims to reduce poverty, unemployment and physical deterioration through area based interventions, which will be delivered in partnership with communities. The Fund is comprised of £40m capital and £40m revenue over the next four years and has, as one of four priorities, to *end dereliction and promoting investment in the physical regeneration of deprived communities*. Similarly, *Space and Place* is a Northern Ireland-wide programme, funded by the Big Lottery to ensure that 'more people and communities are connected by making use of *underused* or *difficult spaces'*. There is £15m available for capital works that aims to: create or increase access to new high quality local spaces with a range of activities for local community use; reclaim and reuse derelict and neglected land to create more attractive and useable green spaces; promote an integrated approach to sustainable development through commitment to social, economic and environmental outcomes; enable community involvement and skills development resulting in projects that are initiated, designed, managed, and run by the local community; improve community

cohesion and build new relationships within and between communities so that residents can appreciate, gain respect for and support the needs of others; and developing strategies and approaches to enable change for communities that will inform debate and influence policy and practice.

3.10 The *Building Change Trust* was established in 2008 with £10m grant from the Big Lottery to the Community Foundation for Northern Ireland, Community Evaluation Northern Ireland, Business in the Community, Rural Community Network and Volunteer Now. The Trust aims to strengthen the sustainability of the sector and has through Charity Bank invested £1m to create a *Social Loan Fund* for community projects. Around 50 loans and £4.2m worth of lending to social enterprises is planned by 2018 and this will be supported by an *Investment Readiness* skills programme (jointly with the University of Ulster) to strengthen the trading capabilities of the sector. This sector led initiative could provide important support for capacity building and strengthening social finance available to tenants associations thinking about asset transfer. It is noted later that the Housing Executive could use its support for training, especially Supporting Communities Northern Ireland (SCNI), to help groups think through a social enterprise approach.

Regenerating contested space

3.11 The cross-cutting OFMDFM (2011) *Programme for Cohesion, Sharing and Integration* consultation document highlighted the need to address interfacing, promote shared neighbourhoods and eventually eliminate the waste caused by the duplication of segregated services. At a programme level, Priority 2 of the EU PEACE Programme 2007-13 on a *Shared Society* aims to regenerate polarised communities with a view to encouraging increased economic and social cross-border and cross-community engagement. The €122m in the Priority is designed to create 10 shared public environments or improved through cross-community regeneration projects. The Office of the First Minister and Deputy First Minister (OFMdFM) and The Atlantic Philanthropies also fund a programme is to promote cross-community sharing and improve the relations between and across the interfaces and contested spaces.

3.12 The Department of Justice (2012) highlighted the importance of interfaces and contested space in its £20m investment to strengthen community safety in Northern Ireland and it aims to build on initiatives that deal with the wider social and physical effects of peace lines. Here for example, the International Fund for Ireland (IFI) established a *Peace Walls Programme (PWP)* to strengthen dialogue and trust between interface communities with the explicit intention of removing them especially through the creation of economic prosperity. As will be shown in this analysis, some of the most innovative and successful models of interface work have involved asset transfer approaches. This is closely linked to the methods advocated in the Housing Executive's *Good Relations Strategy* which has been established as a leader in regeneration, based community relations in Northern Ireland. In particular, the approach highlights the need to develop sustainable community contacts via physical led renewal that address shared problems, especially around interfaces. These various funding programmes demonstrate the availability of grant finance to support asset based approaches. They can help refurbish and build property, incubate developments and support wider social outcomes from specific projects. Intermediation by the Housing Executive could help link its schemes with a diverse range of finance, grant and programme supports.

Social economy supports

3.13 Successful community asset transfer is highly dependent on the capacity of organisations to sustain the facility and here support for community businesses is especially important. DETI (2010) aims to expand social enterprises, strengthen the enabling environment and develop skills and expertise through its *Social Economy Enterprise* policy. Moreover, the Northern Ireland Executive's (2012) overarching economic policy plans to support 160 social economy start-ups by 2014/15 although its sees investment in social enterprise growth closely linked to strengthening the sustainability of the voluntary and community sector.

3.14 ECORYS (2012) argued that there is a shortage of social finance in Northern Ireland especially patient capital, start up lending and equity finance. Clearly, to pursue housing led regeneration, the NIHE will need to better skilled at accessing social finance and supporting groups to diversify their income streams. One area of potential here is InvestNorthernIreland's (INI) new £50m revolving loan fund, aimed primarily at small businesses with loans of up to £50,000 (at 8%-12% interest). A proportion of the fund (5%, £2.5m) is to be protected for Neighbourhood Renewal Areas and Not in Education Employment or Training (NEETS) related activity, which could help to support estate based regeneration and asset transfer projects in particular.

Implications for policy development

3.15 This analysis highlights a number of issues relevant to the development of housing led asset transfer:

- There is an emerging, supportive policy environment especially DSD's proposed Community Asset Transfer policy that should help the Housing Executive to deliver more sustainable programmes. The draft urban regeneration framework also highlights the importance of community businesses, asset led development and the need to diversify income streams across the voluntary sector.
- Similarly, rural development policy has also highlighted the importance of social enterprise approaches and the Housing Executive's Rural Action Plan identified the potential of community land trusts as a model of best practice in area based regeneration.
- There is also stronger awareness of the need to strengthen loan instead of grant finance to support asset transfer in Northern Ireland. Here, policies on the social economy have emphasised the need to create more sustainable community businesses to underpin transfer programmes.
- Regeneration is increasingly connected to good relations outcomes and how physical development can underpin sustainable models of interface and contested space renewal. The Housing Executive has led the away in pioneering such practice and there is increasing sophistication in addressing the distinctive challenges of rural segregation and community polarisation 'beyond Belfast'.
- The analysis also helps to identify significant challenges in joining up the range of funding programmes available to support specific projects and programmes. Intermediation to link finance to projects, investment readiness skills and even legislation are important components in developing a more supportive environment for community asset transfer.

4. Asset transfer in the Housing Executive

4.1 This section looks at asset transfer within the Housing Executive and in particular the different types of assets that have been transferred to or partnered with the community sector. It makes the distinction between land, commercial property and housing and within community houses looks at the diversity of uses and spatial distribution of the stock by deprivation and community background. It emphasises the importance of asset transfer in the context of housing led regeneration and the development of sustainable models of estate renewal.

Types of community asset transfer

4.2 The Housing Executive has been involved in a range of asset transfer or more appropriately asset *partnership* arrangements as rarely is the asset transferred unencumbered to a third party. The forms of asset transfer include:

1 Housing, usually to community groups and tenants group at peppercorn rent. The stock is often void with comparatively low resale value and with limited opportunity of capitalizing in another way (say sale on the open market).
2 Commercial property, which is more limited and of variable quality but has made a significant contribution on larger area based regeneration schemes.
3 Land transfers, at nil or nominal value and there were, for example, 24 transfers of land of varying sizes at a current price value of £1.79m (with an average value of £74,690).

Commercial facilities

4.3 A total of 34 commercial facilities have been transferred half of which have been for community facilities. However as with land transfers these facilities are also used to deliver multiple social, recreational and economic purposes. Six facilities are used for regeneration purposes across Northern Ireland.

Table 1 Commercial facilities by function

Sector	No	Percentage
Community facility	18	51
Information and advice	2	6
Local enterprise	3	9
Playgroup/crèche	3	9
Health	3	9
Training and education	3	9
Young people	3	9
Total	**34**	**100**

4.4 The table below shows the land transferred by the Housing Executive to community groups. It should be emphasised that the agency has transferred other land, mainly to local authorities for community purposes, play areas and environmental improvement schemes. The table shows the diversity of social and physical activity sponsored by community asset transfer. As shown below, most transfers of land have been to develop a community facility and play areas; although there are a significant number of environmental landscaping initiatives.

Table 2 Land transfers 2000-2008 (at nil or nominal value)

Activity	Number	Percentage
Regeneration	3	13%
Play	4	17%
Landscape	6	25%
Facility	8	33%
Sports	1	4%
Allotments	2	8%
Total	**24**	100%

Community houses distribution and impact

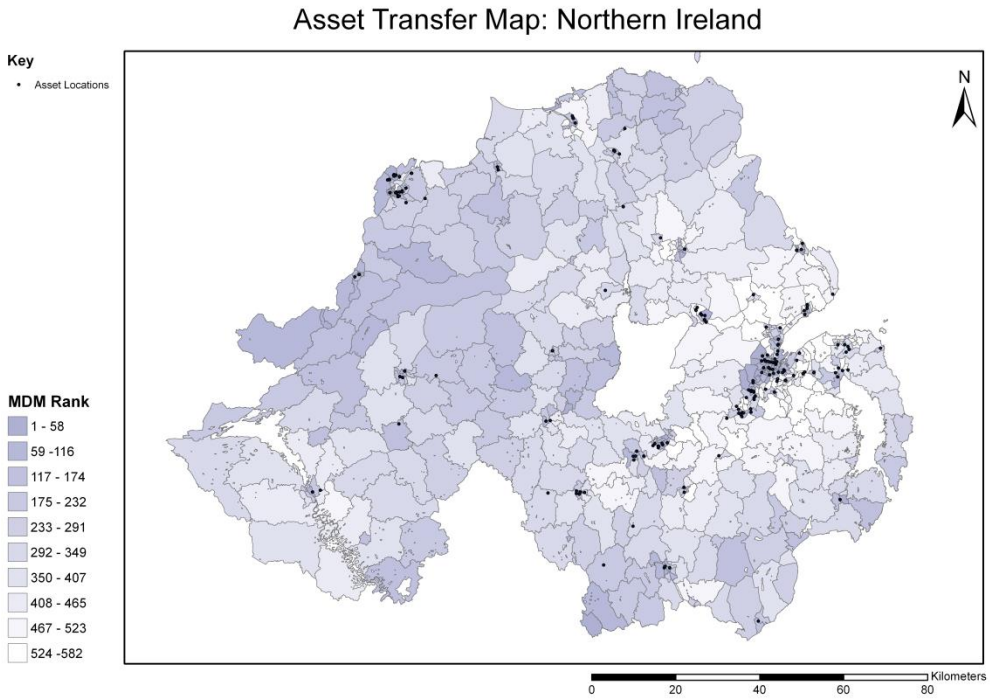
4.5 There are 320 residential *units* transferred for a community use although services on estates use more than one unit, so there are 209 *projects* in total across Northern Ireland. In the spatial analysis we have geo-coded data for 209 but in the table below we first analyse the whole stock by unit whilst the spatial analysis examines the project level distribution. It shows that 8 out of 10 projects are primarily for a community use although rarely is this the exclusive service operated, as indicated later in the case studies. This data, supported by the case studies, show that beneficiaries also cluster around the main equality groups including young people and children, women and ethnic minorities.

Table 3 Main service by community house units

Primary function	No	Percentage
Community development	262	82
Children	17	5
Young people	9	3
Housing	6	2
Health	6	2
Women's group	5	2
Education	5	2
Voluntary	4	1
Religious	2	1
Ethnic minority	2	1
Family support	2	1
Total	**320**	**100%**

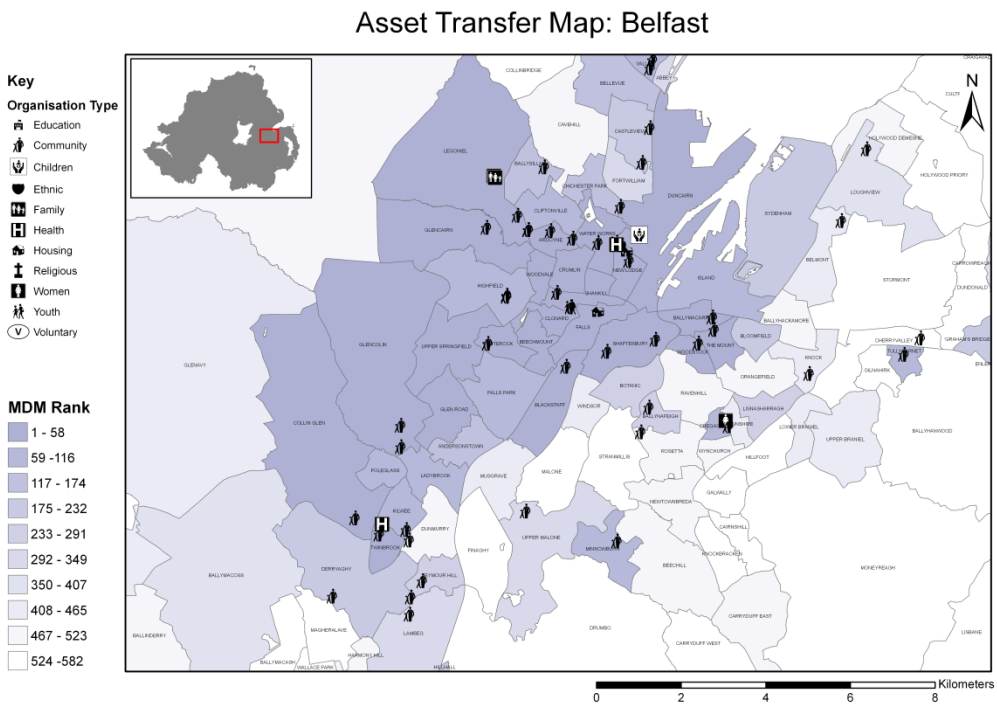
4.6 The diagram below shows the distribution of community houses by area of deprivation across Northern Ireland. It shows the concentration in mainly urban areas with comparatively few schemes in more rural locations. More importantly it demonstrates a strong correlation with areas of disadvantage across the region.

Figure 3 Community house complex by use and deprivation in Northern Ireland



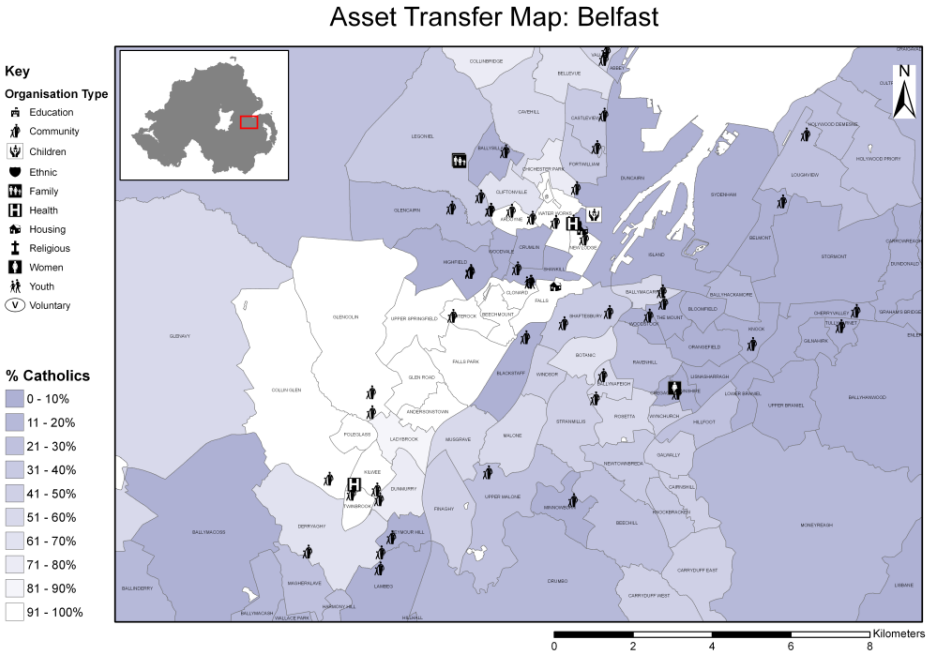
4.7 The maps below plot the spatial distribution of community houses by type and the spread of disadvantage and we have conducted this for Belfast as an illustration of the analysis that can be conducted. It shows a high degree of correlation between the distribution of transfers and the concentration of poverty. Even 'outliers' in east Belfast pick up the location of housing estates in each ward.

Figure 4 Community house complex by use and deprivation in Belfast



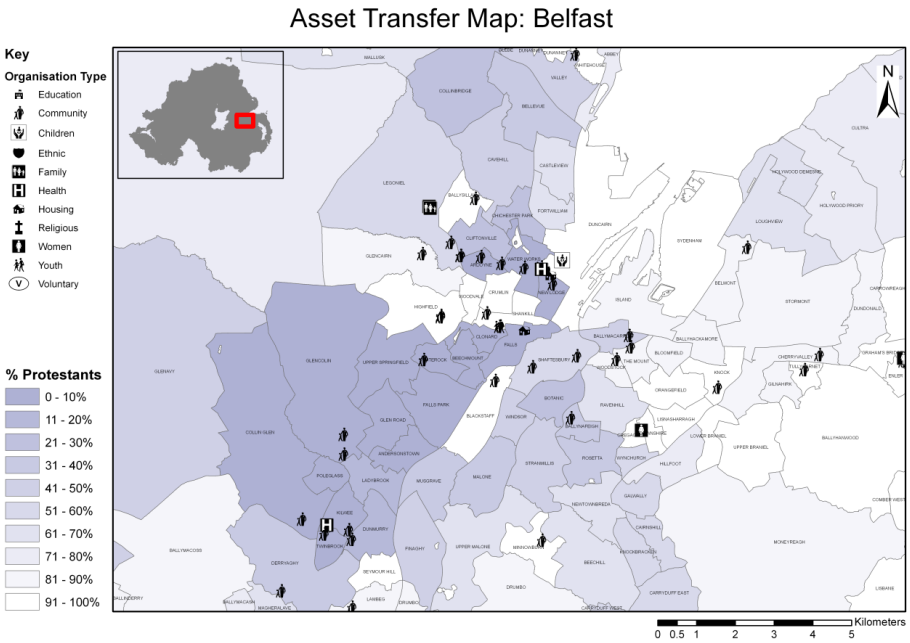
4.8 The plot below looks at the distribution of community houses by Catholic concentrations at ward level. It again illustrates the focus on north and west Belfast but also picks up projects in the lower Ormeau and the Short Strand.

Figure 5 Community house complex by use and distribution of Catholics



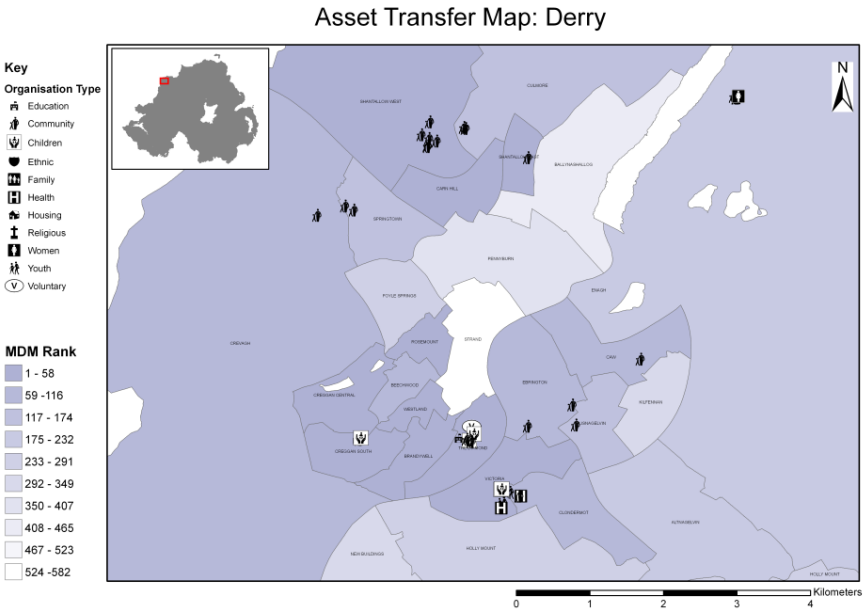
4.9 The distribution by Protestant wards is more dispersed and tends to be associated with individual housing estates, such as in east Belfast. Most tend to be community centres but the map also shows that women, young people and children's services are provided across PUL neighbourhoods.

Figure 6 Community house complex by use and distribution of Protestants



4.10 The final map shows the distribution of community houses in the Derry/Londonderry and again demonstrates the correlation with areas of disadvantage in both the inner city as well in peripheral housing estates.

Figure 7 Community house complex by use and deprivation in Derry/Londonderry



4.11 NCVO (2010) showed that in England only 10% of Community Asset Transfer projects were in deprived areas but as the table below indicates 54% of community houses are in the top 20% disadvantaged wards in Northern Ireland. We noted previously the correlation between housing estates and spatial deprivation and the analysis demonstrates a high degree of penetration into the most excluded communities.

Table 4 Numbers of projects in each 10% band of deprived wards

Deprivation (Most deprived wards 1-58)	Number of asset transfers	%
1 (1-58)	65	31
2 (59-116)	49	23
3 (117-174)	30	14
4 (175-232)	19	9
5 (233-291)	7	3
6 (292-349)	15	7
7 (350-407)	6	3
8 (408-465)	10	5
9 (466-523)	3	1
10 (523-582)	5	2
Total	**209**	**100**

4.12 The statistical distribution of community houses by the Protestant community is set out in the table below. This shows that there are a significant number of projects in Protestants estates with 42% of all transfers in wards where more than 70% of the population is from the Protestant community background. There are a number of initiatives in North Belfast to develop a Development Trust to strengthen regeneration across the religious divide and these developments demonstrate the potential to use asset transfer as a method of cross-community renewal.

Table 5 Numbers of projects 10% band of Protestant CB

Protestant Community Background CB	Number of asset transfers	%
0% – 10% (83)	41	20
11-20 (37)	17	8
21-30 (36)	7	3
31-40 (44)	19	9
41-50 (43)	11	5
51-60 (48)	11	5
61-70 (55)	14	7
71-80 (61)	26	12
81-90 (106)	35	17
91-100 (69)	28	13
Total	**209**	**100**

4.13 The table below shows that there are more assets in mainly Catholic neighbourhoods than in Protestant areas but there are also more concentrations of disadvantaged estates in Catholic wards. Of all Housing Executive community houses, 30% are in Catholic concentrated wards with a population of more than 70%. However, when we correlate the spatial distribution of Catholic and Protestant transfers it produces a correlation coefficient of 0.753 (1.0 would be a perfect fit) indicating a high degree of similarity in the distribution across community area.

Table 6 Numbers of projects in 10% Catholic CB

Catholic Community Background CB	Number of asset transfers	%
0% – 10% (128)	50	24
11-20 (76)	28	13
21-30 (51)	14	7
31-40 (49)	19	9
41-50 (48)	7	3
51-60 (40)	13	6
61-70 (39)	16	8
71-80 (32)	5	2
81-90 (40)	20	10
91-100 (79)	37	18
Total	**209**	**100**

Implications for policy development

- The Housing Executive has an extensive stock of land, commercial property and housing transferred to the community sector and these are a central component of housing led regeneration approaches in Northern Ireland.
- There are a range of formats from simple peppercorn rents and licenses, to longer term leases and sale of land that is surplus to requirements.
- Assets are used to deliver a range of social, economic and environmental impacts that have a high level of impact on equality groups including children and young people, disabled people and women.
- The evidence shows that assets based community development has considerable scope to develop projects into high impact social enterprises.
- Assets are *local* and physical and have made a significant impact on residential segregation, interfacing and shared space; there is considerable potential to expand this activity.
- Community houses are broadly evenly distributed between Catholic and Protestant disadvantaged wards.

- Only 10% of Community Asset Transfer projects were in deprived areas but 54% of community houses are in the top 20% disadvantaged wards in Northern Ireland.

5. Stewards: asset partnership and local development

5.1 This section looks at the practices among smaller scale community asset transfer and illustrates the importance of *stewards* in holding many housing estates together. As we emphasise, these are high impact facilities and many are satisfied to remain small and retain a community focus. Assets do not have to develop to full *entrepreneur* status to make a significant contribution to estate stability, community relations or economic development.

Whitehill Community Association, Bangor

5.2 Whitehill Community Association exemplifies a smaller scale intervention characterised by a more supportive form of asset transfer. The community group responded to problems on the estate around a problematic block of flats, anti-social behaviour and derelict river Glen running along the estate. Initially tenants met in their own homes but only gained real momentum when the Housing Executive allocated a ground floor flat to the group. The apartment was refitted by the Housing Executive but revenue costs, the IT suite and staff times were funded by other agencies. The organisation also rent space to Supporting Communities Northern Ireland but North Down College has withdrawn support for outreach facilities creating problems across the five LRCs in North Down. The group received funding for a fulltime community development worker from the Tudor Trust and has a mix of services and programmes including a highly successful refurbishment of the Glen river, a craft class and community relations scheme. This involved links with Lisnaskea and a cross-border initiative focusing on estate based regeneration.

Community transfer in Cavan council

5.3 The Council used asset transfer to support a number of community initiatives including a community crèche in Ballyjamesduff and to an Active Age group in Ballymaconnell; and a former workhouse and 11 acres of land to a community project. Other transfers planned include buildings and land for a community crèche in Cootehill and land for a community park in Dowra. While there is no formal policy position the council is committed to supporting community initiatives through asset transfer where it has an unused asset (building or land) which would benefit a viable community project. The practice is now 'part of the system' and implementation is flexible and allows the Council to transfer on terms which are most helpful to the development of the project. Thus, the lease term will be set to meet the requirements of any match funding; the rent charged this will be less than market value, small enough not to be a financial burden on the project but large enough to formalise the relationship between council and community group and to encourage the group to remain focused on viability (ten Euros per month has been levied in some cases). The lease will include a clause requiring council approval for a change of project purpose (or asset lock) and the Council will maintain an ongoing working relationship with the group. At the same time there is a clear understanding that responsibility for the asset and associated project lies with the group.

Assets with good relations potential

5.4 It should be emphasised that asset transfer is not just a feature of established projects but is actively pursued by the Housing Executive to address the needs of single identity neighbourhoods. The Tunnels project aims to open under-road tunnels to make a

connection between the Markets in south Belfast and Lanyon Place, a site with significant training, employment and entertainment services. The concept is to create one linkage to Lanyon, the river and the Gasworks as an integrated path and to create 1,400 sq mts of space for social economy enterprises as well as a headquarters for the Markets Development Association. This is especially important with the emphasis given to urban connectivity and ensuring that major sites of investment and employment are open to contiguous disadvantaged neighbourhoods. The proposal includes provision for training as well as health facilities on the site to support employment access in particular. The value of the arches is £266,000 but the cost of creating the accommodation including the site value is £1000 per square metre which compares favourably with other projects primarily because the structure in good order. The heritage value and opportunity to create a distinctive public realm were also emphasised (Urban Innovations, 2011). The total cost of the project is estimated at £1.24m and Belfast City Council has allocated £1m in principle from its current capital investments in the city. The Housing Executive also point out that a capital project of this scale has also energised the community and especially ex-paramilitaries making a progressive contribution to the development of their neighbourhood.

Rathgill Learning and Resource Centre

5.5 Learning and Resource Centres were developed across North Down in order to establish community facilities, especially in the most disadvantaged areas. They operate as a community hub offering meeting space, IT training facilities, child care and a base for environmental projects. The Rathgill estate was built in the 1970s, contains 533 dwellings and received PEACE II, Local Community and SPOD funding under Neighbourhood Renewal. In 2007 the Rathgill Community Association prepared an area based strategy that prioritised crime, drug and alcohol abuse, the environment, the quality of public services and the need for a new centre to locate community activities. The group initially occupied a small ground floor flat but the Housing Executive remodelled two flats to create a more purpose built facility that contains meeting rooms, crèche facilities, an IT suite and group space.

5.6 The group is now managed by two full-time workers with one dedicated to *Rathgill Solutions,* a social enterprise that operates a handy van home improvement service, environmental improvement and car valeting schemes. *Rathgill Solutions* have recently won a contract from Helm housing association for grounds maintenance on the estate. These provide an opportunity for training and placement schemes under their youth

employment initiative, which is part of the government's *Steps to Work* programme. The facility also permits a range of social programmes including parenting classes, youth work and youth justice, which supported a total of 80 young people. The training programmes are accredited by the Open College Network (OCN) and more recently young people have developed a *Youth Action Plan* that prioritised their needs especially around employment, health and good relations. They also operate an extensive community relations programmes with the Short Strand and Nationalist estates in Downpatrick to explore cultural identities, history and young people's common experiences and problems. The estate has been transformed from a difficult to let and stigmatised area to one where there is a waiting list requiring 170 points.

Implications for policy development

- The Housing Executive has been an important facilitator of small scale asset transfer and has provided essential support in the design and implementation of the project as well as aftercare, when the scheme has been completed.
- *Steward* type schemes are vulnerable and rely heavily on external revenue support, which may be especially difficult in the current public spending climate.
- The projects display a wide variety of *good relations* schemes including cross-border contacts, training and sharing ideas and resources with other communities particularly around young people.
- Whilst some schemes are content to retain their community focus, others have potential and an interest in developing social enterprises but there are few mechanisms to facilitate this growth.
- The decline in market values provides an opportunity for asset transfer or even partnering with private sector providers and opens possibilities such as *The Tunnels* that may not have been possible say 5 years ago.
- The Housing Executive is exploring and undertaking feasibility studies to assess the good relations potential of asset development. This approach has identified significant possibilities to connect disadvantaged communities to other *assets* in the city.

6. Community developers and scaling asset transfer

6.1 This section looks at the next level of asset transfer or what Aiken et al (2011) refer to as *community developers*. These show that despite the emphasis on lower scale asset transfer on community houses, there are significant examples of larger scale business organisation emerging from initially modest transfers, especially on the Housing Executive estates.

Glen complex Lenadoon, west Belfast

6.2 The Glen Community Complex (based in the former Bacon Factory) provided basic accommodation for local community groups in Lenadoon for over 25 years. These included the Community Forum (which leased and managed the complex), residents and environmental groups, women's development support group, IT training, counselling, a crèche and after-schools project, youth group and boxing club. The complex was on the top floor of the three storey building. The ground and first floor was retail and workshop units and the whole building has been in very poor condition for many years. The Apex Housing Association (formerly called North West) purchased the property in 2003 as part of a wider development site for 120 social housing units. The community groups were unable to find any alternative accommodation and had a long standing vision of a purpose build facility on the bacon factory site. In meetings with Apex they stressed that a new facility was needed and that only a partnership approach could work. Following a number of attempts to secure funding and an Economic Appraisal by BRO in January 2007 a successful application for £4m was made by the DSD Belfast Regional Office (West) to the *Creating Shared Public Spaces* Measure administered by the Special European Union Programmes Body. The application was for a new community facility (on the site of the bacon factory) which would be shared by all the groups in the Lenadoon area and with the Protestant Suffolk community. It would be community owned and self-sustaining through rental income from retail units which would be part of the new development. However, two technical conditions applied to the funding which proved difficult to address: (a) the funding under this Programme Measure could only be released to a government body or statutory organisation, such as a local Council (not a community group) and (b) only 10% of the funding could be used for site purchase (valued at £0.5m). Atlantic Philanthropies agreed to fund the site purchase because the new facility would be shared with the Suffolk community as part of the ongoing local peace building by both communities. However the other condition became an obstacle when the DSD solicitors stated that the Department could not build and then transfer the new facility to the community.

6.3 In an effort to overcome the DSD difficulty with asset transfer the community groups asked Belfast City Council to become the project promoter and developer. Following months of discussion the Council decided that it could not do so, in part because it has community centres in the area. As this point, and with the agreement of the Special European Programmes Body, DSD, through BRO (West), approached Apex to be the project promoter and developer. As a DSD approved Housing Association, Apex was in a position to receive the EU funding to develop the new facility and it already owned the old building.

6.4 The terms of the asset transfer are:

(a) Apex will draw down the EU and AP funding and will manage the construction of the new facility, (in partnership with the Department of Finance and Personnel's Central Procurement Directorate), to plans agreed with the community groups. It will retain ownership of the new building.
(b) the new facility will include a variety of spaces and accommodation for local community groups and activities.
(c) returning community groups/services to the building will be via a long-term "peppercorn" lease.
(d) the facility will be manage by a Steering Group composed of representatives of both communities, DSD, Statutory bodies , funders and Apex.
(e) income derived from the ground floor retail units will be used to maintain the building with any surplus retained for additional maintenance or future refurbishment costs.

6.5 The project went on site in 2011 and will transform a dilapidated community building into a new purpose built shared community facility which will accommodate and help to financially support local community development and strengthen good relations between the two communities on the Stewartstown Road interface. It will also greatly improve the built and natural environment by completing the development of this part of Lenadoon and complement new housing and environmental improvements. The lengthy lead-in development process has reinforced and consolidated good relations and joint planning by the Suffolk and Lenadoon communities and this strengthening of working relationships has led to mutual inter-community support for other initiatives:

- improvement and modernisation of soccer playing pitches located in the Suffolk area with an increase in shared use;
- a 'master plan' for the £6.9m development of the former school site (which would include asset transfer – from the education sector) for education and training facilities, a large retail outlet and modern sports provision;
- proposals for a new integrated nursery school (also on the former school site); and
- a partnership proposal for the creation of a shared fishing and leisure park on interface land (at Mallinmore) owned by NIHE (and which the community would like to see transferred).

6.6 Factors which have been critical include:

- Two community forums and community leaders with a track record and commitment to building good relations;
- Demonstrable, real benefits to both communities from current and prior cross-community shared projects;
- Access to skilled officials and community development workers who could help navigate administrative procedures and requirements;
- A suitable funding programme for shared spaces and an agency with a practical interest in and commitment to delivering a new facility; and
- Funding for development support and research to enable proposals to be developed and presented.

Chinese Welfare Association (CWA)

6.7 The Chinese Welfare Association (CWA) was established in 1986 and offers three core services: Community Development; Children and Youth; and Direct Services including

Welfare Rights, Race Relations and Training and Interpretation. The expansion of the organisation necessitated a new headquarters building where a more integrated approach could be taken to service provision. The group had intended to develop land in Donegal Pass but intimidation prevented the scheme from going ahead, highlighting the particular difficulties of identity, territory and asset transfer in Northern Ireland.

6.8 The total cost of the new building was £1.5m with funding sourced from a variety of organisations including, DSD, OFMDFM, Big Lottery Fund as well as private donations from the Chinese community. The land is owned by Belfast City Council (BCC) and is held on a long lease basis of 25 years by CWA at a rent of £1,500 per annum. CWA own and run the building, the BCC have no responsibility for maintenance or running costs and currently the property has a value in the region of £3m. The organisation offers a range of integrated services including: A bilingual community safety advocacy scheme; afterschool clubs; Chinese Language school; Chinese Health and Social services; the Hoi Sum Elderly Group; the Oi Kwan Women's Group; and training, especially on race relations. They also offer clubs for crèche and young people's groups and rent conference facilities at commercial rates. The facility is in a mixed area and through its *Cross Cultural Links* project has made extensive networks into the local community and added significantly to the cultural diversity of the city. The case demonstrates the capacity of asset transfer to contribute to *bric* objectives beyond political identity in Northern Ireland and offer a more cohesive society even in areas where segregation and contested parades has been a feature of community tensions. Operating costs are a significant challenge running at £7,200 per year and the organisation has not been able to develop self-financing streams to cover costs. Core grant still provides the main staffing, service provision and where possible, overhead costs and the centre acknowledge the challenge of developing social enterprises to operate the centre:

> The CWA was set up to serve the Chinese community and becoming a social enterprise is another thing altogether … if our current funding give up more to employ income generators and entrepreneurs then yes we will become less reliant but we don't currently have the skills or the time to be business people … we provide several government services and government officials are not asked to generate any income into the country so I feel it is unfair to ask voluntary organisations to do so (CWA Chief Executive).

6.9 However, the Chief Executive highlights the need for soft support and technical assistance to get projects to full planning and development phase:

> There should be a package to help community based organisations build a business model to help them to do the preparation before transferring the asset. Capacity needs to be built within community based organisations. I pity anyone who joins a voluntary organisation with no experience in business but is expected to build community and business together….I would recommended that a training package be put in place (like a dragons den approach) that would train community workers to build a business plan on how to generate more income after the asset transfer … this would be a good model that would be sustainable for all (CWA Chief Executive).

Grosvenor Community Centre

6.10 The Grosvenor Community Centre is managed by the Roden Street Community Development Group and is situated in the lower Falls/Grosvenor Road area of West Belfast. The former Belfast City Council facility faced closure during the early 1990s due to financial losses but Roden Street Community Development Group had operated from the centre, shared office space with Council staff and used it as a local hub to on-refer to other Council and statutory services. The community asset transfer process started in 1995 and involved the development of a business plan with projected revenue streams and the risks involved in asset management. In 1999 the group secured an initial lease for the management of the building for 5 years, which has now been extended to a 20 year lease with an option to renew. The Council worked closely with the community to help in the transition process, shadow staff and provide technical assistance, especially in areas such as insurance and maintenance. Whilst the Council saw clear community benefit from the transfer their motives were also financial. The centre now employees 12 full time paid staff, all of whom are local residents and they have been able to attract grant aid from the Big Lottery Fund for the development of the 3G outdoor football pitch (£634,000) and a further £139,000 from Belfast City Council. According to Centre data approximately 70% of the users of the facility are local residents but it has also developed a niche market with ethnic minorities. The *Afterschools* club is used by over 70 children a day and the *Playgroup* by approximately 24 children a day, with approximately 20 parents involved in a training scheme.

Lower Castledawson Community Association (LCCA)

6.11 The *Riverside* area in lower Castledawson had experienced a range of complex problems including sectarian and racial tensions, solvent and alcohol abuse, high unemployment and benefits dependency and low educational attainment. The estate was traditionally Protestant but increased numbers of Catholic residents moving into the village created sectarian tensions. Riverside was ranked as one of the top 40 most disadvantaged housing estates on the Nobel index and has an approximately 30 voids out of 120 properties at any given time (25% recurrent void rate). The Lower Castledawson Community Association (LCCA) was established in 2003 with the help of Supporting Communities NI and prioritised environmental problems as an issue where immediate progress could be made. The Housing Executive then developed a £1.5m regeneration strategy in 2004 that aimed to design out crime, improve living conditions and make the estate more attractive to waiting list applicants. The strategy also included refurbishing properties as well as the removal of graffiti, *ally-gating* and the demolition of 16 derelict and vandalised properties. LCCA subsequently undertook an extensive campaign to clean up the local river that attracted walkers, anglers and encouraged visitors from

outside to experience the estate. In 2008, with the help of the NIHE, LCCA opened a purpose built, fully furnished Community House for the use of the local community and a year later the estate was featured on BBC2's *Breathing Places* (hosted by Bill Oddie). LCCA identified a derelict site on the estate and residents, together with the programme workers, transformed the area into a nature park garden pictures of which can be seen below.

6.12 The organisation built on this environmental experience to develop community allotments (opened in November 2011) with land donated by the Housing Executive on a long lease at peppercorn rent, as well as development funding from Magherafelt Council, Peace III and the Public Health Agency. The 24 allotments are 100% organic and almost fully bio-diverse. Again, the case illustrates the role of the Housing Executive as a catalyst for the development, linking with other funding and continuing its role in developing new ideas including transferring land for the allotment scheme.

6.13 The Riverside area was selected for the *Shared Neighbourhood Programme*, and LCCA worked with the Housing Executive to prepare a 'Good Relations Plan' aimed at developing the progress that had been made on cross-community work within and between estate residents and the rest of the town. This supported intergenerational work on the estate, visits for older people and good relations training, especially around the needs of young people. LCCA have secured funding from the IFI and matched funding

from the Community Relations Council to run the Community Leadership Programme and Youth Development Programme for three years.

I have never thought of leaving my home, even through the bad times, but I can say now that it is a real pleasure to live in Riverside (Resident aged 72).

Upper Andersonstown Community Forum (UACF)

6.14 The Upper Andersonstown Community Forum (UACF) was established in 1995 following a planning day facilitated by Community Technical Aid (now Community Places) and their priority was a new community centre where services and training could take place. The *Tullymore Centre* had been a community centre but had been used as a social club for many years and during the Troubles had become an illegal drinking den. The group approached the Housing Executive with a view of taking control of the building and attracted PEACE I funding to build community capacity and prepare feasibility work on its long term redevelopment. Funding was secured to refurbish it to a standard that allowed a number of services to be provided including: a youth club; after schools club; a crèche and a 'Back to Work' employment access scheme financed by the Department of Employment and Learning. There was an ongoing campaign to take control of the land from the Housing Executive in order to permit a full extension and refurbishment to extend programmes, comply with building standards and professionalise the quality of service delivery.

6.15 The land was leased in 1998 to the Upper Andersonstown Community Forum on a 999 year lease and the new building was opened in 2000. Staff from the Housing Executive supported the group throughout the planning, commissioning and implementation of the building works and the organisation currently funds a community liaison worker. Again, there was extensive capital and revenue grant funding available, in this case from the EU PEACE II Programme and the International Fund for Ireland. As well as ICT facilities, the Centre now offers a range of youth programmes reaching 192 people last year and new programmes for students leaving school with no formal qualifications. An Intermediary Labour Market initiative provided 44 people with secure employment and new child care facilities serves 110 children including those with learning disabilities. The director explains the value of the centre to the wider regeneration of the area: "The building was a key milestone; once it opened then we could offer the services. But there are long-term embedded problems that are not solved over night and we need to continue to work on these which will require long term support from relevant government departments" (project co-ordinator). The child care service is a social enterprise that currently employs 15 part time trained staff and is commercially profitable but the Forum would not be financially viable without grant support: "Our main concern is to make a social profit and to draw the attention of social services so we can deliver training and integrated services at a local level … to make a profit in the business sense would be next to impossible for us" (Project Co-ordinator).


Upper Andersonstown Community Forum
NEWS
MARCH 2006
TULLYMORE COMMUNITY CENTRE NEWSLETTER
DIGITAL COMMUNITIES
Bringing computer excellence and training to West Belfast


COMMUNITY focu
Upper Andersonstown Community Fo

Hanwood Centre, East Belfast

6.16 The Hanwood Centre is located in the Tullycarnet estate in East Belfast and emerged in response to the Castlereagh EU PEACE II *Local Strategy Partnership* that identified the small concentrations of deprivation as a priority for the Borough. Hanwood has developed in three phases to date and a fourth phase is planned with the land transferred by the Housing Executive through the Castlereagh Borough Council at an estimated value of £6m for approximately six acres. The land was previously waste derelict land used for bonfires and blighted the whole area.

6.17 Phase 1 included the development of office space, meeting rooms and a 24 station IT suite. The building houses Tullycarnet Credit Union, helping to integrate locally provided affordable banking and it is powered by solar panels to reduce running costs. Phase 2 involved the development of the Hanwood Business Park with 25 self-contained business units offering office, retail and light industrial uses. The Park is currently fully occupied, employs 88 people with the majority of the lessees from the Tullycarnet area and most are new start-up businesses (paying a rent in the region of £5.86 per sq ft per annum). Phase 3 included the development of 3G, floodlit pitches and a further extension to the Hanwood Centre for a community gym. The final phase (4) aims to develop a filling station, minimarket and four retail units.

6.18 It is estimated by the Trust that on completion of phase four, the total cost of the development will be in the region of £10-12m with the Sports NI, Castlereagh Council and the IFI providing most of the revenue funding. The scheme is managed by a board of 12 directors including 4 community representatives and 4 local councillors as well as

statutory and business representatives. The centre currently employs 11 permanent staff and there are 20-30 casual staff members that are employed as and when required.

6.19 A specific cross-community project was implemented in 2011 called *Sport Us Together* aimed at helping young people understand other cultures. The project was funded by the NIHE *Community Cohesion Unit* and brought together 30 young people from Tullycarnet, Lower Ormeau (Shaftsbury Centre) and Seacourt in Larne to develop a greater understanding and acceptance of different religions and communities through the medium of sport, education and peace and reconciliation workshops. Children from different backgrounds were also able to participate in sports which they may not otherwise have experienced including gaelic football, rugby and soccer. The centre also provides an arena for conflict transformation initiatives, especially with Loyalist paramilitaries and Tullycarnet was one of the first estates in Belfast to remove paramilitary murals.

Implications for policy development

- One of the key features of these case studies is the availability of grant aid from the EU, IFI and government. These budgets are declining rapidly making it harder for projects to achieve scale and at the same time, strengthening reliance on loan finance.
- The projects demonstrate the legal, institutional and ownership problems with even establishing, let alone implementing asset transfer schemes.
- Some projects also demonstrate a *hybrid* style of development with community groups partnering, for example, housing associations to share risk, lever resources and make projects viable.
- Asset transfer and management also provide ethnic minorities (and other groups) with their own space to meet, provide services, integrate migrants and contact other ethnic and mainstream groups.
- Larger projects serving as *community hubs* have the capacity to offer a social as well as a physical heart to a neighbourhood, especially in rural areas where integrated service provision will be increasingly important as services are rationalised.
- The processes of developing and implementing projects provides a different quality of community contact in which people from different backgrounds engage in the meaningful work-based community relations and place making. It was noted that a number of asset schemes make effective links to their District Council *Good Relations Plans.*
- Larger scale community complexes allow more sophisticated economic development projects to be implemented, especially around Intermediate Labour Market interventions that are critical in the most disadvantaged areas.
- The impact of these larger projects on environmental conditions, recycling, biodiversity schemes and training should not be underestimated.

7. Asset transfer entrepreneurs

7.1 The final set of cases we examined fall under the most advanced type of asset transfer and they demonstrate the development potential of social enterprises when the asset is fully transferred to the community group. As we noted earlier, they tend to be the least developed of the JRF typology in Northern Ireland and there should not be a policy assumption that all transfers should reach this level. However, regeneration benefits and housing management objectives are maximised when assets are capitalised in this way. It also shows that the Housing Executive has been leaders in this type of approach, especially in its land transfers.

Stewartstown Road Regeneration Project Limited (SRRP)

7.2 The Stewartstown Road Regeneration Project (SRRP) is an inter-community social economy company established in 2000. The £1.5m redevelopment scheme transformed a rundown and derelict site located on the interface between the two housing estates of Suffolk (a Protestant/ Unionist area with a population of 700), and Lenadoon (a Catholic/ Nationalist community area with a population of 10,000) in West Belfast. The area is characterised by high levels of multiple deprivation, community division, territoriality and anti-social behaviour. In 1996 the Housing Executive approached the Suffolk Community Forum with a challenge to develop a proposal for the regeneration of several run down terraced houses and a block of flats fronting onto the Stewartstown Road. The Suffolk community were keen to relocate a number of existing community services to the site and approached the International Fund for Ireland (IFI) for financial support to refurbish the existing building. The IFI viewed the project proposal as unsustainable given the condition of the building and the population of the Suffolk community and suggested that they consider working with the adjacent Lenadoon community.

7.3 The Suffolk community considered this request and after debate and consultation with the community, and in the face of strong opposition from paramilitary groupings, approached and presented a case to the Lenadoon Community Forum. A public meeting was then held in Lenadoon where a number of concerns and apprehensions were expressed by the community. Both communities continued to have reservations: in Suffolk the community was effectively being asked to give up sole ownership of 'territory'; and the Lenadoon community was being asked to work with the 'other' community despite real concerns over safe access to the existing services located on the Stewartstown Road.

7.4 A number of assurances were advanced to their respective communities. Firstly, they emphasised that if the communities did not endorse the partnership the community would have less control over the redevelopment of the site. Second, the Suffolk community were reassured that Lenadoon were not seeking to encroach onto their land or territory. Thirdly, both communities were asked to trust their respective community forums who would be accountable and not at this stage the 'other' community. Several mutual advantages were advanced to both communities to gain endorsement for the project, with an emphasis placed on potential mutual benefits:

- The redevelopment would help to ensure the longer term sustainability of the Suffolk community and a survey with teenagers showed that the majority of young people planned to leave the estate as soon as they could;

- The redevelopment would secure existing services (a grocery store and post-office) and provide much needed new services;
- Job opportunities and investment would result from the redevelopment of the site; and
- Community ownership and gain so that any profits generated from the social enterprises would be reinvested equally between the company and each community forum.

7.5 The community forums continued to work to gain support and after a year of sensitive negotiations both communities jointly endorsed the two forums working together to redevelop the site.

- The Northern Ireland Housing Executive (NIHE) gifted the land to the SRRP and prepared the site for redevelopment.
- Funding was secured from the International Fund for Ireland (475K), Belfast European Partnership Board for Peace and Reconciliation (£260K) and Belfast Regeneration Office (167.5K).
- A regeneration committee was established in 1998 to take the project forward, which later evolved into the Stewartstown Road Regeneration Project Limited.
- A Management Board of 12 Directors was established: 4 representatives from each community and 4 independent directors. Crucially, both communities have equal representation on the Board regardless of population size. This is an important governance arrangement and is essential to building trust, relationships, shared ownership and minimising perceived risk.
- The types of commercial uses which are permitted are tightly controlled. For example, uses which might attract or enable anti social behaviour such as off licences or fast food premises are not permissible and the premises cannot be used for political purposes and no flags or emblems are to be displayed.
- The design of the building was sensitively planned with two entrances enabling safe access to services for both communities.
- The project is entirely community owned and led tailoring a grass roots response to the specific needs of the area.

7.6 The project focused on addressing deprivation in the area through the regeneration of the Stewartstown Road with the aim of improving the social, physical, economic and cultural conditions of the area, while also providing safe and shared services. The first phase of the project opened in 2002 and comprised of a mix of commercial, retail and community uses: 4 shop units including a Post-Office, Convenience Store, Pharmacy and Restaurant and Tea Shop; Health and Social Service Trust provision including Childcare and Counselling services; and affordable community meeting space.

7.7 Funding was secured from the International Fund for Ireland, DSD and PEACE II monies to take forward a second phase which was completed in 2008. This comprised of: additional retail and commercial units; additional office space; and purpose built child care facility 'Sparkles', a separate social economy business. In 2010 the project generated a profit of £100,000 this was shared equally between SRRP and the Suffolk and Lenadoon community forums enabling each forum to support a range of smaller scale local projects.

7.8 The two communities continue to work together with a view to developing new regeneration projects which would meet local needs and attract investment. This

includes proposals for the following potential opportunity sites: the Co-op site, Stewartstown Road; Woodbourne Police Station, on the junction of the Suffolk and Stewartstown Road; and former Suffolk Primary School site, Blacks Road. Development will focus on continuing to provide shared services and securing local community gain through redevelopment.

7.9 The critical success factors for the project:

- Support from statutory partners and funders who understand and share the project's vision.
- Consultation with the community from the outset.
- Time to build trust and relationships.
- Providing and securing services which are needed; it is not just about creating something that is 'shared'.
- Location of land/services developed on the border of the Suffolk and Lenadoon communities which made it more achievable.
- Strong community fora underpinned by a community development ethos.
- Local champions with courage and competence are vital but they are not always present. In 2003 the project received a BURA award for community inspired regeneration. It has also received the Community Relations Practitioner of the Year award and is held as a good practice example of interface regeneration and peace building.

Strathroy Community Enterprise Ltd (SCE)

7.10 Strathroy Community Enterprise Ltd (SCE) was set up as a subsidiary of Strathroy Community Association (SCA) in 2000 as a social enterprise consisting of 7 self contained units let to the market. The units opened in March 2003 and have experienced considerable success in terms of stable occupancy levels and a consistent revenue stream back to the core charity. The Strathroy Community Association was established in 1974 but gathered momentum in the mid-1990s as problems intensified, especially around the level of dereliction in the area. In particular, a disused NIHE maintenance depot had become derelict, dangerous and a target for antisocial behaviour. The units are fully let and the rental income supports a range of social programmes including an IT suite, a recycling service, childcare, youth facilities and women's programmes. The refurbishment of the building cost approximately £200,000 of which £180,000 came from DSD and £20,000 from Omagh District Council. The land was gifted by the Housing Executive and it is estimated that the land was worth approximately £20,000 at the time of the transfer in the late 1990's. The land is let on a leasehold term of 99 years at a peppercorn rent from NIHE. Strathroy Enterprise Ltd. received an award from the British Urban Regeneration Association (BURA) and continues to sustain the estate which has a strong waiting list in Omagh:

> The main benefit of controlling the community asset is really down to cost. It is much cheaper for volunteers in the community to run it than the council with the added benefit of the community knowing what the community need and want and being able to respond to that need ... with low running cost there is more profit available to be pumped back into other projects (SCE Chairman).

McSweeney Centre (Ashton Trust)

7.11 The 1,400 sq mt centre was developed as a new building and is managed by the Ashton Community Trust in Henry Street, north Belfast. It was officially opened in June 2009 and provides: childcare; training and conference facilities; and retail and office units. The childcare facility is one of three day care facilities managed by the Trust as KinderKids Day Care. The three facilities provide for 220 children between 6 months and 12 years and are open from 8.00am to 6.00pm each weekday and it employs 69 people. The lead funder for the Centre was the EU URBAN II Programme, which provided approximately £770,000. The International Fund for Ireland provided £670,000 and the Ashton Trust contributed £300,000 of their own reserves demonstrating the potential of larger social enterprises to support asset transfer.

7.12 The Henry Place site was owned by the Department for Social Development who agreed to sell it to the Ashton Community Trust at a market value, determined by the Valuation and Lands Agency (VLA). The VLA valuation was in excess of £200,000 and also in excess of the project budget and the Trust was unable to secure additional funding to meet this cost. The Department's position was that it could not transfer the asset at *no* cost and that the only option open to it was to sell it to the Trust. However on advice from Community Places the Trust requested a re-evaluation on a 'for community use only' basis. The Department agreed to this approach on condition that the site would be protected for community use. The VLA was asked to re-evaluate the site on this new basis. The revised valuation was £65,000 which enabled the Trust to draw on its own funds to purchase the site thus unlocking the URBAN II and IFI funding and enabling the project to go forward.

Fermanagh House: Service Hub

7.13 Fermanagh House is owned by local grant making charity the Fermanagh Trust. It is a social enterprise resource centre for community and voluntary groups that provides conference, training and meeting rooms and accommodation for six voluntary organisations including: the CAB advice service; Bryson Energy's energy advice programme; Volunteer Now; Mencap and Liveability. The facility was opened in 2007 and income from the facility helps the Trust in its grant making support to community and voluntary projects in Fermanagh. In the main these are for the benefit of small isolated communities and marginalised neighbourhoods. The Trust also supports cross-community initiatives by schools to build mutual understanding, sharing of resources and facilities and community cohesion. The idea for the facility arose out of a Community Audit (*The Way It Is: 1998*) and the key priority was the need for greater co-ordination of advice and support for local community groups. An Economic Appraisal in 2002

confirmed the need for and benefits of the proposal and capital costs of £750,000. The preferred location was on a site close to Enniskillen town centre which was in the ownership of Fermanagh Council. Following a series of meetings with councillors and officers the Council agreed to transfer the site to Fermanagh Trust on a 99 year lease at a peppercorn rent. (The site was valued at £225,000). The track record of the Trust and the aims of the proposed facility were important in securing the support of local councillors for the transfer. This included the beneficial impact the facility would have for all communities across the whole Council area and the commitment of so many voluntary organisations servicing these communities to come together in the proposed facility.

LaganView Enterprises, Lisburn

7.14 LaganView is a not for profit *community anchor organisation* and is a focal point for the Old Warren area in Lisburn by providing up to date and affordable space to local groups and residents. The organisation provides workshop, retail and office units to attract, support and develop businesses and strengthen investment in the area. The project started with the transfer of land from the Housing Executive to the group who were supported by a mix of funding including the International Fund for Ireland to develop the facility. The early stages of the development have enabled the provision of a range of community based services for older people and ethnic minorities in Old Warren. All the industrial units are currently let for a mix of commercial and community uses, most recently for Lisburn PSP, a community development support organisation who developed the *Lisburn South Streets Ahead Project* aimed at increasing the personal and social development of marginalised young people. The programme focuses on health, education and self-esteem and started in April 2011. However, the asset and the experience gained in its management have enabled the organisation to develop a new property based project, Lisburn Community Self Build. This is training ex-prisoners in a range of construction skills and provides housing for local people and generates surpluses for reinvestment in social programmes. Last year the self-build scheme was awarded the *Queen's Award for Voluntary Service*.

Implications for policy development

- The Housing Executive has taken the lead in some asset developments and this capacity to be proactive, plan and incentivise asset transfer needs to be a more central part of policy delivery.
- Larger schemes are more resilient and capable of absorbing shocks such as the reduction of funding, changes in contracts or shifts in policy priorities.
- These projects emphasise the importance of partnership funding to share risk, build scale and maximise impact from a mix of services.
- Loan finance is also used and the skills and readiness to diversify revenue is a priority for larger asset transfer programmes.
- Risk sharing will be increasingly important and the community businesses that can raise finance are more likely to attract grant funding in the future.
- Governance arrangements are critical, especially if community relations objectives are to be achieved in places where trust, risk and division are a feature of local development.
- Technical support is also critical and Housing Executive staff have provided essential support in the development, implementation and aftercare in asset transfer.
- Community hubs are a vital resource and maximise service provision but it also emphasises the need for statutory authorities to coordinate their facilities to avoid duplication and competition.

8. Asset Transfer and Social Housing: Building On Delivery

8.1 The Housing Executive delivers housing led regeneration through a range of programmes that develop communities, improve the environment and strengthen local economies. The organisation's corporate objective 3 aims to *foster urban and rural regeneration* and objective 5 aims to *build a stronger community* and the agency supports regeneration in four ways: by intervening directly; by acting as a catalyst; by facilitating and enabling; and by working in an agency and partnership role. Asset transfer has and has the potential to further achieve a range of social, physical and economic outcomes as one of a number of instruments to sustain its estates.

8.2 It is important that public assets achieve value for money whether they are sold, transferred or remain underutilised. There is a real cost to *doing nothing* and it vital that audit calculations properly account for the financial benefits of transfer; in England General Disposal Consent has legislated to recognise and enable this.

Achieving housing led regeneration

8.3 The Housing Executive's policy thus needs to have a clear understanding of the policy outcome and how building estate *assets* achieve multiple organisational aims. It was noted at the start of the analysis that the housing estate is increasingly the focus for poverty and exclusion from the labour and housing markets and that *Sustaining Tenancies* links regeneration activities to specific housing outcomes. A successful community asset transfer policy will:

- Help to stabilise estates where change of tenancy and rapid churning creates a financial costs.
- Make estates more popular by reducing voids and increasing demand reflected in waiting list preferences.
- Removing blight, vacant and derelict properties and making the best use of underused commercial facilities. *Doing nothing* with assets is more expensive than transferring them at below best value.
- Develop stronger communities by offering a *stake* in the development of the estate.
- Creating new economic assets and services to address education, training, employment and new businesses.
- Help to develop a range of services that keeps the economy local, prevents leakage and recycling expenditure.
- Create opportunities to address ethno-religious division, segregation and develop shared services and facilities.
- Provide services, close to the customer and engage hard to reach groups in a way that statutory services often cannot.

Rural development

8.4 The analysis also demonstrates the potential of community asset transfer in specific rural circumstances. Here, there is considerable potential to help make more effective use of community hubs located in rural areas and ensure that services and facilities are delivered in an efficient and more sustainable way. There are also considerable natural resource *assets* including land, wind, water and waste matter that could be exploited in more socially inclusive ways. It has been shown that there are legal obstacles to land trusts,

wind farming is highly privatised and there are entry barriers to the development of expensive plant involved in hydro or anaerobic power generation.

8.5 There is an important role for intermediaries to skill practitioners, broaden access to finance (and especially social lending) and work with partners to strengthened legal support for asset transfer (specifically around Community Land Trusts). There are also viable social enterprises that support community transport and ensure the viability of public services and community facilities. Clearly, there are a number of opportunities to develop specific projects as well as to strengthen social enterprises and asset transfer in a rural context and here RDC, in particular, has an opportunity to create a more supportive enabling environment.

The contribution of asset transfer to *bric* objectives

8.6 As the geo-data and case study analysis show, the link between asset transfer and good relations outcomes are varied and include:

- Capital assets have the potential to make inter-community contact more engaged as there is a specific financial and physical resource for both communities to plan, develop and manage. Whilst asset control and management may be too ambitious for some communities it tends to move linkages beyond superficial levels of contact and agreement.
- The processes of project development and agreement create the opportunities for trust and reciprocation central to effective peace-building although it should be stressed that these are not always a feature of asset transfer.
- They also offer physical spaces for sharing and mixing and facilities that enable safe, and mutually supportive exchanges between divided communities.
- The facilities that have been developed across neighbourhoods provide a range of services to local people, often on sites that had been derelict or contested in the past.
- A number of asset transfer initiatives have brought former combatants into progressive community development approaches and groups have shared experiences across the divide. Contact shames involving young people, mutual visits and even cross border links have all been supported via asset transfer schemes.
- It is also possible to *imagine* alternatives to interfacing and segregation by showing how and where things can be done differently. Asset transfer has not removed peace lines but it has enabled communities to show what is possible with different methods and thinking.

Policy objectives

8.7 The Housing Executive already acts in a *wholesaler* function by continuing to hold assets (own and be legally responsible for property) that enables smaller community groups to concentrate on service delivery. It is important to retain this function but it is also vital that projects capable of growing are supported to do so, including the full transfer of property to groups who can feasibly scale their work. Clearly, systems will need to be developed to assess development potential but with mainstream, EU and international funds declining, this is likely to be more difficult and loan finance and the skills to use them, will become more important. The objectives of the Housing Executive's transfer policy should be:

1. To maximise the responsible use of the asset base to ensure the integrated development of our estate based communities;
2. To achieve social and economic value for money in the use, management and disposal of community assets;
3. To maximise asset transfer approaches to address segregation, interfacing and the potential for sharing on estates and between communities;
4. To strengthen the skills and knowledge of communities, Housing Executive staff and our partners in community asset management;
5. To maximise financial investment in community asset transfer in social housing; and
6. To account for the social, economic, environmental and community cohesion benefits of community asset transfer in social housing.

Structures and strategic relationships

8.8 At a strategic level a dedicated unit (say termed a Housing Asset Transfer Unit, HATU) within *Housing and Regeneration* would take responsibility for the delivery of these objectives, oversee implementation and champion asset transfer across the organisation (in areas such as procurement, housing management and research) and externally with partner organisations, social finance intermediaries and training suppliers. Clearly, the Housing Executive is undergoing a process of reorganisation but given the scale, impact and potential of asset transfer it is important that an organisational focus is placed on delivery.

8.9 Critical in this respect is the need to coordinate stakeholders within the organisation between regeneration, housing management, community development and community cohesion. These work effectively together but if asset transfer is to up-scale and up-skill then more appropriate forms of coordination are needed. There also needs to be clear contractual agreement with support agencies funded by the Housing Executive, especially *Supporting Communities Northern Ireland*. The proposed strategic unit would ensure a stronger alignment with the policy outcomes and the activities of internal and arms lengths bodies.

Skills, knowledge and learning

8.10 One of the key obstacles to the development of asset transfer is the lack of skills, especially around investment readiness in the Housing Executive but more widely in the sector. Again, in Britain training is part of the wider enabling infrastructure but is missing from Northern Ireland and was identified as a need for the social economy in 2004. There needs to be a broadly based knowledge and skills programme that concentrates on the needs across sectors on financial planning, land and property law, business and risk management, procurement and contract planning, project planning and organisational governance. The University of Ulster has developed an *Advanced Diploma in Sustainable Investment for the Third Sector* with modules in: Strategic and Business Planning; Sources of Finance; Financial and Social Impact Measurement; Risk Management; Financial Stakeholder Marketing; The Procurement Process; Embedding the Plan; and Advocacy. This is the type of training that NIHE staff and leading practitioners should undertake moving forward.

8.11 This is at a higher level and more aimed at *community developers and entrepreneurs* in the asset transfer market. In order to support *stewards* SCNI should develop their work on social economy training to create two modules on *Asset Transfer Management* and *Asset Transfer Development*. The first would help groups get the best from the asset they currently

manage and would be mandatory for the lead individual in each community house (unless they have or accessing other skills programmes). The second would also be a mandatory part of the transfer agreement but would aim to ensure that groups, who wish to, can develop their project especially in order to attract revenue funding. In this way, the Housing Executive is also taking appropriate measures to manage risk and maximise the potential of the asset. It will take time for the 200 or so projects to be trained but in the interim the Housing Executive could explore the potential of a skills support strategy with other agencies, especially the local authorities, to purchase appropriate skills training.

8.12 The proposed strategic unit could also build a web based resource that reflects on best practice experience, policy development and policy guidance. It could also work with DSD and government to build social finance and skills infrastructure and network with other organisations involved in asset transfer. A stronger practitioner network would help to grow the learning culture, share practice and offer the value of the Housing Executives experience as a leader in asset transfer. It could also help to develop links across the sectors, with the universities, the national policy community and international experts.

8.13 Skills and networking are only part of the work and a cultural change is required to develop progressive forms of community ownership. This is notoriously difficult to change, not least in the current financial and audit climate. Greater understanding is required of the different levels of capital investment and revenue funding, the need to permit groups to build reserves and to create a more socially calculated notion of risk.

Valuing asset transfer and funding innovation

8.14 One issue that might help here is more appropriate systems of measurement and accounting for social value. A narrative running through the Housing Executive based case studies is the financial impact if asset transfer on the reduction in voids, maintenance and change of tenancy costs. Waiting lists have increased and places have become more stable and popular. The organisation should standardise *Social Return On Investment (SROI)* methodologies to evaluate all its community houses performance and this could be undertaken by the proposed strategic unit (HATU) over time (see the Cabinet Office, 2009). The Research Unit could support a pilot programme that could test SROI methods on a series of asset transfer schemes, say taking one from each of the three development categories to assess its value and provide additional guidance and how to interpret results.

8.15 The Executive could also *market test* a new outcome based funding mechanisms for community groups (possibly in partnership with a Council or DSD Neighbourhood Renewal). Here, a group such as Rathgill would be paid on a performance basis not unlike a Social Impact Bond, to achieve agreed targets on say: void rate; long term voids; arrears; and waiting list. The better the performance the more they are allocated over say a three year period. Moreover, the payment would be unrestricted to allow the organisation to build reserves or in the case of Rathgill to support its social enterprise.

Risk and social finance

8.16 The review highlighted the financial and social risk of doing nothing and by looking at social value, the considerable cost advantages of asset transfer can better understood. As with skills, the lack of social finance is an obstacle to the development of asset transfer.

There is a good supply of finance but there is a need for *patient capital* that allows for long repayment periods, minimum interest rates, repayment holidays and technical support. The development of stronger social finance funding, partnerships between governments and ethical property investment to share the risk between stakeholders could be developed in the short term.

8.17 This policy is engaging with the difficult, costly and high risk problems of contested space and segregation. The various case studies, especially on Housing Executive estates have demonstrated the potential of asset transfer to stimulate new approaches to interfacing and the creation of shared spaces. The impact of these projects on good relations, the reduction of violence, savings to essential services and the development of transformative community processes needs to be understood beyond a *housing* issue. It also needs to be supported accordingly and whilst a range of organisations and funding programmes have made asset transfers viable there is still an absence of a central resource, especially linked to the broad objectives of Cohesion, Sharing and Integration. Programmes such as the Social Investment Fund, but also Neighbourhood Renewal and the Rural Development Programme need to dedicate finance in order to properly account for the multiple outcomes from asset transfer in Northern Ireland.

8.18 There is a definable gap in technical support to market test ideas, develop scheme drawings, undertake feasibility studies and prepare business plans which may not be recoverable if a scheme does not proceed. (A healthy outcome form such investigative processes might be to terminate a project). The Housing Executive should consider a three year rolling investment of say £300,000 to provide for an *Asset Support Programme* that would allow groups with feasible proposals to access architects, accountants and surveyors to develop their ideas and could aim at say 8-10 grants over three years. Only projects formally trained on the SCNI programme would be eligible for the grant. Ultimately, this could become a *Regeneration Outcome Agreement* to tie funding to community development, good relations, housing management and regeneration *outcomes* at estate level.

8.19 Procurement has been identified as an area where social clauses have potential and this clearly needs to be considered in greater detail and at a more corporate level, not least given audit reports across central and local government criticising the disposal of public assets (including surplus land). General Disposal Consent is not available in Northern Ireland but represents an area where the Housing Executive could lobby for its transfer in order to give protection for a more socially progressive procurement approach. This is clearly a complex area, involving EU *State-Aid* regulations and criticisms have made public officials understandably anxious about value for money in procurement and disposal decisions. A cultural change is ultimately required, supported by the appropriate legislation, to ensure asset transfer is implemented to its full effect. It is important that asset transfer proposals are tested for State Aid compliance and although most schemes have a local community benefit and will not be affected by the regulation, it is important that the Housing Executive comply with these provisions.

Asset register and community transfer

8.20 The Housing Executive holds good records and information systems on land transfers, community houses and commercial lettings and is in the process of developing a comprehensive asset register. This should be audited to identify assets with community transfer potential with each one selected subject to a *focused analysis* that would look at its

financial costs, strategic value, community capacity for takeover, timing, capital and revenue supports and timeframe for delivery. The assessment could grade the assets into four: asset has immediate potential and requires focused analysis; asset is a longer-term prospect but capacity development work is needed; asset might be transferred to another statutory agency to achieve social outcome; no potential (although the register could be periodically revaluated).

8.21 A more proactive approach would also see planning strategies including Sectoral Plans and estate based strategies identify and map assets, with actions determined for their development and potential for transfer. As assets based approach to local development would ensure that the physical (as well as the social, economic and community) capital in an area is used and rationalised in appropriate ways, particularly where other agencies provide *buildings* such as youth and community centres. The proposed strategic unit could provide further guidance on how this might be delivered but attitudinal surveys, needs analysis and NINIS data could be balanced with a more positive approach to developing the existing (especially physical) assets present on estates across Northern Ireland.

8.22 The strategy should work to bring new entrants into the sector via the focused analysis, help consolidate existing community houses (especially given revenue funding problems) and staircase projects that have the potential and willingness to grow. Here, the Housing Executive could perform a strong intermediation role by linking groups to sources of grant funding, loan finance, skills, partners and market opportunities.

8.23 The Housing Executive should also consider the development of a broadly based integrated social economy strategy to maximise the impact of asset transfer on estate based regeneration. This would be a central element of housing led regeneration and could include assessing the feasibility of non-monetised trading, Time Banks, Community Shares, social enterprises and new forms of local social finance. Asset transfer makes an important start in thinking through the collection of instruments that can sustain estates, prevent financial leakage and develop community resources.

8.24 There is a need for learn from the Time Bank initiative the Housing Executive is currently involved in with *Volunteer Now* in order to extend practice especially where it is linked to effective models of asset transfer. Moreover, in order to maximise the potential of asset transfer the Housing Executive could develop a support programme on Meanwhile or *pop-up* uses especially in vacant commercial property owned by the agency where lease terms could be easily negotiated.

Ten points

8.25 In taking the implications of the research forward, ten actions are important:

1. There needs to be a clear policy framework to support community asset transfer advancing housing led regeneration that stimulates its growth to contribute to housing, estate renewal, good relations and value for money outcomes.

2. A strategic unit within Housing and Regeneration would champion the policy, coordinate and integrate action and ensure value for money in the use of NIHE's asset base.

3. The agency should evaluate the asset register to examine the potential for community transfer, especially where it meets multiple housing, financial, community and good relations objectives.

4. There needs to be a knowledge, skills and learning framework to support more sustainable forms of regeneration on Housing Executive estates.

5. SCNI could upscale their current social enterprise training specifically on asset transfer management and development.

6. Appropriate monitoring and evaluation systems need to be in place, especially Social Return On Investment, to ensure that the impact of asset transfer is understood and accounted for.

7. The experiences of asset transfer needs to be shared more fully inside and outside the Housing Executive, particularly where these have contributed to good relations, rural development and housing renewal objectives.

8. There is a need for short term finance to refit community houses and longer term capital to support sustainable forms of asset transfer. The Housing Executive could champion the need for patient capital and equity finance in partnership with DSD, DETI and InvestNorthernIreland.

9. Innovation with, for example, *Meanwhile Spaces* could help to make effective use of empty, derelict and underused commercial facilities.

10. This type of initiative highlights the need to link asset transfer within housing led regeneration framework that stimulates the social economy as a central part of housing renewal, community development and the attainment of good relations outcomes.

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