Sports clubs community rights and community assets guidance
Did you know that there are new community rights that you can use to protect your local sports pitch, sports hall, or swimming pool? Did you know that these rights can also give you the right to bid to buy that facility?

With increasing pressure on local authority spending – which is hitting sports services and facilities hard – it is an opportunity for you to take control.

By listing sports facilities as Asset of Community Value (ACV) you can help protect them from developers by giving the local community the right to bid for them.

By initiating a Right to Bid you can then gain time to put together a bid on behalf of the local community.

You can also transfer sports assets to your club, or a community organisation, without having to go through these stages by agreeing a transfer with your local authority.

Taking control of sports assets can help your club grow, develop new opportunities and secure its future. It can also help you to be more engaged with other local people and organisations, placing your club at the heart of your communities.

This guide is here to help you understand what it is you can do with these new rights, as well as how you can go about getting involved. It also highlights where you can get support, and funding, to help you do this.
Welcome

The purpose of this guide is to:

- Provide a simple step by step guide in plain English so sports clubs know how new legislation might enable them to protect, buy or run local sports facilities
- Outline the new provisions in the Localism Act 2011 for community rights that sports clubs can use to protect, buy or run local sports facilities
- Signpost sports clubs to further advice from Sport England and other agencies as well as to funding and in-kind support that may help them develop proposals under the new rights.

Structure of the guide

The guide is set out in the following sections.

- **What type of organisation?**
  - Protecting your local sports facilities: Listing a sports facility as an 'Asset of Community Value'
  - Your **Community Right to Bid**: Your Right to Bid to buy your local pitch, playing field, pool or place
  - **Transferring Ownership** of Sports Facilities: Community Asset Transfers
  - **Other Community Rights for Sports Clubs**: Right to Challenge, Right to Build and Neighbourhood Plans
  - **Community Finance** for Community Assets: How to fund your bid, asset transfer or build
  - **How are you doing?**: Assessing the impact of your club

Help is at hand: Signposting for further support

Glossary
What type of organisation?

There are many options for sports clubs in terms of choosing what type of organisation is most appropriate. The new rights and opportunities outlined in this guide make choosing the right kind of organisation even more important as some are able to take more advantage of opportunities than others.

For more information on different types of organisation structures, visit our club structures page.
## What type of organisation?

### What different types of club organisation can and can’t do?

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We often do not recognise something until it is under threat, but sometimes by then there is nothing that can be done to save it. A community right has been established to help protect valued sport facilities by allowing local people to list them as an ACV. This might be your local playing field, a sports hall or a swimming pool.

What is it about?

- Do you know of a local sports facility that you think is a valuable asset to your community?
- Do you know of a sports facility that might be under threat of sale, closure or development?
- Do you want to give it official status as of value to your locality?

This is about your ability to do that by listing it as what is called an 'Asset of Community Value'.

Listing your local sports facility as an Asset of Community Value can benefit your club and community by:

- Placing it on a register of local assets by your local authority
- Giving you the right to be told if it is going to be sold or its ownership transferred
- Giving you a period of time to bid for the asset if it is to be sold

Background and context

The Localism Act allows local community groups to nominate land or buildings in their area as valuable assets and ask their local authority to place them on a register. This is called the Asset of Community Value provision.

Local authorities are under increasing financial pressure and many have sought to reduce, rationalise or get rid of their sports facilities. Alongside this, private land or facility owners have sometimes sold sports facilities for development, especially for houses, apartments or offices.

Listing your local sports facility as an ‘ACV’ means that if any of these things happens you have some rights to protect it, including a Community Right to Bid if the asset is ever put up for sale.

Local groups all over the country have been taking up this opportunity. At the time of writing (May 2015) there have been:

- Over 1,800 successful ACV nominations in all types of building and land
- 66 playing fields and 100 other sports facilities listed as ACVs

Most applications are successful – just five playing field applications and 15 other sports facility applications were not successful – a very high success rate.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

What it can and can’t do

An ACV listing CAN:

✓ Mean that you must be informed by the local authority if the facility is to be sold or disposed of. This applies whether it is owned by the local authority, a private company, private individual or another community organisation.

✓ Give any community group a 6 month moratorium period from the date of notification of sale to put together a bid for the facility.

✓ Help you celebrate and get support for the value of the facility to your locality.

✓ Potentially help prevent a change of use by citing the ACV listing to a Planning Authority.

An ACV listing CANNOT:

× Give you an opportunity to buy it if it is not put up for sale or disposed of.

× Give you any guarantee that you can buy even if it is – but it does give you a chance.

× Provide any protection other than for land or buildings – you can’t protect the business attached to the asset.

× Make the listing permanent – you will have to renew the listing after five years.

× Guarantee stopping a change of use – the Local Planning Authority decides if an ACV listing is material evidence.
Protecting your local sports facilities
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Who can do it?

Any community group with a local connection to the asset can make a listing, whether incorporated as a legal entity or unincorporated. The only criteria which the nominating group need to show is a local connection with the area in which the assets resides via the electoral roll (e.g. a sports club could nominate an allotment for ACV listing).

However, if you are an unincorporated club or just a group of interested local people you will need to provide a list of 21 or more people that are on the local electoral register. Please see the club structures page for definitions of an incorporated community body.
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How to list an ACV

Step 1: Defining an ACV
Step 2: Speak to the Local Authority
Step 3: Decide who is best to apply
Step 4: Submitting an application
Step 5: Local Authority response option 1
Step 6: Local Authority response option 2
Step 7: ACV listing

A step by step guide

What is it about?
What it can and can’t do
Who can do it?
How to list an ACV
Top tips
Other things to be aware of
Who has done this?
Help is at hand
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

How to list an ACV

**Step 1: Defining an ACV**
Decide if your asset can be an Asset of Community Value. It:
- Must be a piece of land or a building that has furthered the social well-being, or ‘social interests’ of the local community in the last five years.
- Must be able to provide either social well-being or social interests in the future.

‘Social Interests’ defined within the Localism Act are cultural, recreational or sporting activities.

With regard to the sports assets:
- The sporting use of the asset must be one of the main uses of the site and not ‘ancillary’ or only a minor use.
- It must be reasonably expected that the main sporting use can continue into the future, although other uses which deliver local benefit may also be developed.
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Social interest definition: It can clearly be taken that this would include sports facilities and areas of land that provide sporting opportunities as its main use. For example, if a playing field currently or recently provides opportunities for both formal and informal sports participation and there are no reasons that it cannot do so in the near future, then there is a strong case for an ACV listing. There are some exclusions to these definitions that are important. Residential assets, land with a licence (such as caravan sites) and operational land (such as transport or other statutory use) cannot be listed.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

How to list an ACV

Step 2: Speak to the Local Authority to get guidance
If you are unsure whether your local asset meets this definition, contact your local authority or a specialist organisation who can provide guidance. You should contact your local authority to get specific guidance regarding their application process.

Step 1: Defining an ACV
Step 2: Speak to the Local Authority
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How to list an ACV

**Step 3: Decide who is best to apply and get local support**

If the asset is used for other things than sport, you must refer to this in the application. It may even be that a non-sport community group is better placed to apply. In any case, getting wider community support will help the application.
Protecting your local sports facilities
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How to list an ACV

Step 4: Submitting an application
Nearly all local authorities now have a fairly simple application form to complete and will request some supporting documentation. You can find out here what the application form will include.

A step by step guide

Step 1: Defining an ACV
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Listing a sports facility as an ‘Asset of Community Value’

How to list an ACV

Step 4: Submitting an application
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An ACV application needs to include:
• Information about the nominating group and how it meets the eligibility to nominate
• The name of the site to be nominated, including postcode and often a detailed description of the location
• Name of current occupants of the site plus the leasehold and freehold arrangements
• Information to ‘Make the Case’ – an opportunity will be given to provide detail as to why the site meets the social interests and/or social well-being criteria
• Supporting Information: They will generally request either your constitution (governing document) or the names and address of 21 people that are on the local register that support the bid. If you are a sports clubs you will need to submit your constitution if unincorporated or your governing document if you are incorporated as a Community Entity.
• They may also request you demonstrate the wider support for the application, which can be demonstrated by a petition or letters of support.
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How to list an ACV

**Step 5: Local Authority response to option 1: To list the ACV**
Following the submission of an ACV request the local authority has up to 8 weeks to make a decision to list or reject the application. If successful, the local authority will add the site listed to their register, where it will remain for five years. After five years the community can apply for it to be re-listed.

The owner of the land can appeal against the listing. The appeal process for the owner of the listed site is quite complex.

Further details can be found here. 📜
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Listing a sports facility as an ‘Asset of Community Value’

How to list an ACV

Step 5: Local Authority response to option 1: To list the ACV

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ACV Appeal Process:
• An initial 8 week period for the owner to request the local authority reviews the decision, which includes a right to a hearing where new evidence can be tabled.
• If the decision is changed the local authority will write to the nominating body with an explanation.
• If it is upheld the owner can then lodge an appeal with the First Tier Tribunal, which is essentially a court hearing.
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How to list an ACV

Step 6: Local Authority response to option 2: to reject the ACV listing
If the application is rejected the local authority will write to the nominating body with reasons for their decision, then the site is added to the Unsuccessful Register. Unfortunately there is no right of appeal currently for the community organisation, but the local community can re-apply as many times as they have new information.
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How to list an ACV

If your sports asset is listed as an ACV, if it is ever put up for sale, you have the Right to Bid for it. This process is described in the next section.

Assets of Community Value process

Applications
Community Organisation
Sports Club
Parish Council

Application stage
Applicant nominates land or buildings as Asset of Community Value.
Application made to local authority stating community use and social value.

Local Authority response
Local authority asks landowner for comment (if not the local authority).
Owner response (1): Local authority refuses to list the asset.
Owner response (2): No objection from owner or owner objection unsuccessful
Owner response (1): Owner and objection successful

Outcome
Asset is listed in DCLG list of Unsuccessful Community Nominations
Asset added to List of Community Value and is published in local authority’s list of ACVs
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

Top tips

The do’s: ✓

Before applying:

- Check your sports asset meets the definition:
  - Test it against the definitions provided.
  - Check the sports use is the main use.
  - If the main use is not sport, work with the other users to submit an application.
- Act early – before it is needed. Don’t wait until it is under threat.
- Build local support beyond your club.
- Provide evidence about its local community importance.
  You can find out more here.

The don’ts: ✗

Don’t:

- Attempt to list a site that is exempt.
- Do the application on your own if you can secure wider support.
- Rush the application or do it in isolation – consult and engage as widely as possible.
- Wait until it is under threat.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

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Demonstrating social value: past, present and future

The key to a successful application is demonstrating social interests because social well-being is open to interpretation. To develop your case requires covering all the sporting activities that are or have recently taken place at the site. For example, if it is a playing field providing football, rugby and cricket you should state how many matches are played there each year, how many clubs use the site and how many people participate each year. This information can provide quantifiable evidence that the site delivers social value and is therefore an ACV.

If social interest are the activities that provide instrumental value and social well-being is the outcome of those activities, such as health benefits or the wider social benefits of sport. However try not to be too general and try to keep site specific in your points.

A petition from users and others who are sympathetic to your application can also be helpful. If you can demonstrate that the social interest activities at this site may not occur elsewhere in the locality and there are not alternative locations.

You should state how many years this site has seen the provision of these activities to demonstrate the past social value. It may be helpful to get letters of support from clubs that use this site to evidence your points.

If the site is no longer used for sport than it is vital you demonstrate how it can provide value in the future. It may be quite simply that it has been a sports facility in the past and has the potential to do so in the future. However, specialist guidance maybe required in this situation.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

**Other things to be aware of:**

- [Community Right to Bid](#)
- [Community Asset Transfer](#)
- Leasing obligations – such as restrictions on what the site can be used for.
- Statutory asset protection – such as listing of buildings and the protection this may and may not give.
- Fields in Trust, a charity that safeguards recreational spaces and can offer protection of playing fields through a Deed of Declaration, a protection that can only be applied for by the landowner.
- Other methods of protection such as covenants.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

Who has done this?
66 playing fields and 100 other sports facilities listed as ACVs. Two examples are provided on the following page – one which was successful and one which was not, both of which provide useful lessons.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

Case Study 1 (successful listing):
Wells Town Tennis Club, North Norfolk District Council (NNDC)

The club was established in 1947, operating from the same site and currently have over 100 members. The freehold of the site was owned by the council (NNDC), with the club having 14 years to run on a 21 year lease. The club found out about the right to list it as an Asset of Community Value from a district councillor and decided that it would be a positive action for the club to take for three reasons:

1. If it were ever put up for sale it would give them an opportunity to submit a Right to bid.
2. It helps secure the longer term future of the club.
3. It raises local awareness of the importance of the asset.

Although there was no risk at that time to the club’s home it has been a positive action to take, as it provides some protection for the future and would give them the chance to secure a longer lease or the freehold if they were ever made available.

The club found the process very straightforward and recommend that other clubs take the same action. The listing is a great example of a club not reacting to a crisis but recognising that their home was key to their future and that ACV protection is a method of helping to protect this key community sports asset.

Case Study 2 (unsuccessful listing):
Chester & District Football League (C&DFL)

When the Clifton Drive Playing Fields, Cheshire West and Chester Council were lost to community sport the C&DFL applied to get the site listed as an ACV. The fields had been providing recreational sport since the 1940’s. However, the application was rejected as the new tenants had been given a 999 year lease that restricted the usage of the fields to the tenant only. Therefore it was decided that there was no realistic chance that it could meet the social interests or well-being test.

The key point that led to this application being rejected was that it was considered there was no realistic change of the asset providing social well-being or social interests in the future due to the restricted nature of the lease.

A key learning point would be that the applicant was not aware of the ACV Right until the threat was real, by this point the landlord had already restricted wider usage of the facility.
Protecting your local sports facilities
Listing a sports facility as an ‘Asset of Community Value’

Help is at hand

There are several available resources that provide guidance for listing Assets of Community Value.

The most important first source of information if your club is considering the listing of a sports facility as an ACV is your Local Authority for guidance on their own process as these differ between authorities.

The My Community website run by Locality and funded by DCLG provides information on the specialist support for listings as Assets of Community Value. Locality will also provide advice and support.

Supporters Direct, the umbrella organisation promoting community ownership in sport has produced a guide to listing sports stadia as Assets of Community Value, alongside the Community Right to Bid.

You can also look at how communities in other sectors have listed local amenities as ACVs. For instance, the Campaign for Real Ale (CAMRA) has produced guidance on listing your pub as an Asset of Community Value.
What is it about?

- Do you know that you can get the opportunity to bid for your local sports asset – pitch, playing field or pool or hall – if it came up for sale or was being closed?
- Do you know that you can get a six month period to bid for it?
- Do you know that help is available to support your attempt to purchase your local sports facility?

This section is about your opportunity to launch a Community Right to Bid for your local sports facilities, whether owned privately or by the local authority.

The Purpose of the Community Right to Bid

If a sports facility is successfully listed as an ACV and then put up for sale, any community group, such as a sports club, can trigger a Community Right to Bid. This provides a 6 month ‘window’ or moratorium for the group to put a bid together and if it beats other bids, conclude a deal to purchase the asset. A purchase can be either the freehold or a lease of 25 years or longer.

This can benefit your sports club and community in the following ways:
- Provide long term security for the asset and your club by taking ownership.
- Enable your club to improve local sports facilities.
- Gain greater control of your club’s future enabling it to grow and develop new sporting activities.
- Develop new revenues at the site and become a community enterprise.

Background and Context

One of the community rights established by the Localism Act is the Community Right to Bid. This is closely associated to the ACV right outlined in Section 1. If a community asset – such as a sports facility – that has been listed as an ACV is ever put up for sale or the owners seek to transfer its ownership, any local community group, including a sports clubs, can trigger a period totalling 6 months to launch a bid for the asset.

The Right to Bid is designed to help protect local community facilities, rather than being sold off for another use. In sport, many facilities are publicly owned. However financial pressures on local authorities, mean that many local authorities are looking to dispose of sports facilities. The Right to Bid can provide a way to ensure they remain available to current and future generations.
What it can and can’t do

The Community Right to Bid CAN:

✓ Provide a community group or sports club with a 6 month window to put a bid together, if an asset that has been previously listed as an ACV is put up for sale or ownership transfer.

✓ Give the community group an initial 6 week window to register an expression of interest to bid for the asset; and then a further period up to a total of 6 months to bid and conclude a deal.

✓ Be a method of saving valuable sports assets being lost for use by the community, by preventing a change of use from sport or its possible closure.

✓ Be an alternative to public ownership of sports assets during a period of public sector budget constraints, where they would otherwise be lost.

✓ Provide financial sustainability and help clubs grow, by having an asset that can generate revenue, be improved and create new opportunities.

A Community Right to Bid CANNOT:

✗ Provide a Right to Buy. It is only a Right to Bid. Although it creates a window of opportunity to put a bid together, the owner can sell to someone else. This can happen even if a community sports club raises the market value in finance and even if that is higher than another bidder, there are no guarantees.

✗ Force the sale of a sports asset. The Right to Bid is only triggered if it is put up for sale or ownership transfer.

✗ Provide a longer window than six months to submit a bid and conclude a deal.

✗ Overcome the various exemptions to the Right to Bid. Find out about exemptions here:


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- Provide a longer window than six months to submit a bid and conclude a deal.
- Overcome the various exemptions to the Right to Bid. Find out about exemptions here:

  Community Right to Bid exemptions:
  • Sales or transfers within families – if privately owned, an owner can transfer ownership to another family member without triggering the Right to Bid.
  • Sale of the asset as a going business concern – a sports facility that is sold as part of a business which continues to trade as the same type of business.
  • A sale when the asset is part of a business in financial insolvency.
  • A sale which is part of a larger estate being sold – you cannot trigger a Right to Bid for just one part of a larger property, even if that part is listed as an ACV.
  • If the sale is a Compulsory Purchase Order.
Who can do it?

To trigger the six month moratorium period the community group must be incorporated, which means it must be legally established. As a result, a sports club that is just a members’ association with a constitution, cannot trigger the bid. Please see the club structures page for definitions of an incorporated community body.
Your Community Right to Bid: 
Your Right to *Bid to Buy* your local sports facility

**How do you do it?**

1. **Step 1:** Receive notice of sale
2. **Step 2:** Trigger the right to bid
3. **Step 3:** Full moratorium period
4. **Step 4:** When the moratorium period ends
5. **Step 5:** What next exchange of contracts

**A step by step guide**
Your Community Right to Bid:
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**How do you do it?**

**Preliminary steps:**
The asset must be listed as an ACV – see the previous section. You must also be an incorporated organisation.

**A step by step guide**

- **Step 1:** Receive notice of sale
- **Step 2:** Trigger the right to bid
- **Step 3:** Full moratorium period
- **Step 4:** When the moratorium period ends
- **Step 5:** What next exchange of contracts
Your Community Right to Bid: Your Right to *Bid to Buy* your local sports facility

**How do you do it?**

### Step 1: Receive notice of sale
If you have successfully listed the asset as an ACV, you must be informed by the local authority if it is to be sold or transferred even if it is in private hands. The sale will also be notified on the local authority website.
Your Community Right to Bid: Your Right to *Bid to Buy* your local sports facility

How do you do it?

**Step 2: Trigger the right to bid**

Once you have been informed of a sale, you must lodge a non-binding expression of interest within 6 weeks. Once done, this provides you with a further period totalling six months to bid and conclude a deal with the owner.
Your Community Right to Bid:
Your Right to *Bid to Buy* your local sports facility

**How do you do it?**

**Step 3: Full moratorium period**
During the moratorium period the owner can negotiate with whoever they wish, but can only agree to a sale (exchange contracts) to an eligible community group during this period. It is possible for more than one community organisation to bid for the same asset, although this is rare. It is also possible for any eligible community group to buy the asset in this period – it does not have to be either the group that listed it as an ACV or the group that trigger the Full Moratorium Period. For example, it is possible that a sports club lists an asset as an ACV and/or trigger the Right to Bid, but another group also bids and wins – and vice versa.

During the Full Moratorium Period a bidding group must finalise all its own requirements to bid for the asset.
Your Community Right to Bid:
Your Right to Bid to Buy your local sports facility

How do you do it?

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During the Full Moratorium Period a bidding group must finalise all its own requirements to bid for the asset.

Your bid requirements will probably include:
- Raising all required funding to meet the owner’s price
- Have a robust business plan that provides confidence of the long term financial sustainability of ownership
- Have the appropriate operations, governance and financial management in place.
- Ensure that all liabilities and likely costs about the asset are known and accounted for — such as annual maintenance.
- Guidance is provided in Section 4 ‘Raising Finance’ on ways to raise finance. There is also detailed advice on developing the appropriate infrastructure and procedures for a sports asset available in the Sport England’s Community Asset Transfer Toolkit.
Your Community Right to Bid:
Your Right to Bid to Buy your local sports facility

How do you do it?

Step 4: When the moratorium period ends
If a sale to an eligible community group has not occurred during the Moratorium Period, the owner can sell the asset to whoever they wish. It may be a sports club if they have put a bid together and satisfied the owner's demand – but it could be someone else.

It should be noted that unless the owner selling the land is a public authority, the owner can sell to whoever they wish to (often, but not always, the highest bidder). For example, recently the owner of a mountain, Blencathra, in the Lake District, sold to private individual despite a community group, Friends of Blencathra applying for it to be an ACV (see more here).

If the seller is a public authority then they will have to follow legal requirements for disposing of land, which include best value and value for money.
Your Community Right to Bid:
Your Right to *Bid to Buy* your local sports facility

How do you do it?

**Step 5: What next: Exchange of contracts**
If the Community Right to Bid is successful the next stage is the exchange of contracts leading to the change of ownership to the community organisation/sports club. Following this, you must prepare to run the facility – the [Sport England Community Asset Transfer Toolkit](http://www.sportengland.org) has useful guidance on what this will involve.

Click here to see the Right to Bid process chart.
Your Community Right to Bid: Your Right to *Bid to Buy* your local sports facility

**How do you do it?**

<table>
<thead>
<tr>
<th>Right to Bid process</th>
<th>Possible Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Decision to sell Asset of Community Value</strong></td>
<td><strong>Owner response (1):</strong> Owner does not sell to community group and sells to whoever they want after <strong>Interim Moratorium Period</strong> (i.e. after 6 weeks).</td>
</tr>
<tr>
<td>Owner of land or building listed as an ACV decides to sell. Informs local authority</td>
<td><strong>Owner response (2):</strong> Owner chooses not to sell to community group and sells to whoever they want after <strong>Full Moratorium Period</strong> (i.e. after 6 months).</td>
</tr>
<tr>
<td><strong>Announcement of Sale</strong></td>
<td><strong>Owner response (3):</strong> Owner sells to community group.</td>
</tr>
<tr>
<td>Local authority informs the organisation that nominated the ACV and publicises the sale to the community.</td>
<td></td>
</tr>
<tr>
<td><strong>Community Group/Sports Club response</strong></td>
<td></td>
</tr>
<tr>
<td>No community groups express interest</td>
<td></td>
</tr>
<tr>
<td>Community group submits Expression of Interest in buying the asset.</td>
<td></td>
</tr>
<tr>
<td><strong>Community group</strong> prepares business plan</td>
<td></td>
</tr>
</tbody>
</table>

**Initial Moratorium Period**

**Starts:**
When owner tells local authority of sale

**Ends:**
When a community group submits an EOI, or maximum of 6 weeks.

**Purpose:**
To give community group time to submit an Expression of Interest in buying the ACV.

**Possible Outcomes:**
1) No EOI submitted within 6 weeks and owner is free to sell.
2) An EOI is submitted and **Full Moratorium Period** begins.

**Full Moratorium Period.**

**Starts:**
When community group submits EOI.

**Ends:**
6 months after initial announcement of sale (i.e. including Interim Period).

**Purpose:**
To give community group time to put together bid, time to put together bid, business plan and finance.

**Possible Outcomes:**
1) Owner sells within 6 months to community group.
2) Owner sells after 6 month period to another buyer.
Your Community Right to Bid:
Your Right to *Bid to Buy* your local sports facility

**Top tips**

**The do’s:**

**Speak to the owner**

The first thing to do is to approach the owner (local authority or private) to discuss:

- Whether they are interested or have any intention of selling.
- Whether they would be interested in selling the asset to you and in discussing a deal.

There are many cases where a local authority is reviewing and rationalising its assets in response to financial pressures and a growing appreciation of what can be achieved through CAT. Approaching them in a cooperative manner to see if there is a mutually beneficial solution is likely to be smoother, less costly and quicker:

- Even if you know of a sports asset that a local authority wants to dispose of, it is best to contact them first to ask about it than launch straight into a Right to Bid process.
- Even if a facility listed as an ACV has is a private owner, it is worth contacting them to understand their future intentions.

**Be positive and constructive**

Even when a moratorium period has been triggered, in most cases you should contact the owner privately to begin negotiations and to explain why selling to them is the best option for the local community and them. If you antagonise the owner by a negative campaign it may reduce your chances of a successful Community Right to Bid.

**Be prepared: Be bid ready**

In many cases six months is not long enough to get everything in place, particularly finance for a successful bid. There will be many costs that are required during both the preparation stage and the moratorium period and you will need some initial fundraising to provide these initial funds if your sports club does not already have it in reserves. This can also help raise awareness and support. There is more information about fundraising in Section 5. Additional information here:

If your sports club is not a legally incorporated body, in other words, your club operates purely from a constitution you should convert into an eligible community body in advance, if possible. Please see the Organisation Structures page and the Appendix for definitions of different incorporated organisations.
Your Community Right to Bid:
Your Right to Bid to Buy your local sports facility

Top tips

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Additional information on being bid ready:

If you are going to use a method to raise finance such as Community Shares, bank loan or even member loans you will need to provide them with confidence that even if you can raise the required money to buy the asset that you can offer long term financial sustainability and security. At the minimum this will require a robust business plan that provides reassurance by providing financial forecasts for at least 3 years, appropriate operations and governance structures, the financial skills in your club to manage it. It all takes time. Specialist support is available (see Section 7. Signposting) with possible grants to cover the development costs but the key is to be ready for if and when the ACV in question is put up for sale.
Your Community Right to Bid:
Your Right to Bid to Buy your local sports facility

Top tips

The do’s:

**Conduct due diligence**
If you are purchasing a building you need to know its condition. You don’t want to buy a facility you cannot fund the required maintenance due to its condition. It is recommended you undertake a condition survey. You should also understand the running costs, every facility is different. For example, does it cost a lot to heat? All this helps produce a strong business plan with reliable financial forecasts.

**Get organised: Be asset ready**
If you are taking on an asset, especially for the first time, you need to prepare the necessary business plans, operational plans, policies and responsibilities. You need to develop a strong and committed project team and ensure you have the necessary skills for the Right to Bid process and preferably for if and when you own the facility.

**Build partnerships and community support**
Although your immediate support may come from your membership, you need to engage local people, community organisations and other partners. This is important to help raise finance, bring in skills, avoid other local competition, and get new users and uses of the facility lined up. The more you communicate and consult externally the better your chances of raising the finance to purchase, improving the future revenue of the asset and generating local support for your bid.
Your Community Right to Bid:
Your Right to *Bid to Buy* your local sports facility

**Top tips**

**The don’ts:**

*Wait until the asset is put up for sale*

For the very reasons that you should prepare by not doing the development and business planning work in advance you will leave a short space of time to develop and submit an appropriate bid.

*Take too many risks*

Don’t take on a risky that proposition where the feasibility work suggests it is going to be a liability rather than an asset. You need to be hard headed about this – most local authorities will discuss the potential risks, costs and pitfalls with you.

**Other things to be aware of:**

Restrictions on future developments

- It may be that you wish to develop the facility to improve the financial sustainability. With that in mind you need to check there are no restrictive clauses that may prohibit your proposal. There other restrictions to be aware of in terms of statutory protection – for instance the building may be listed which will mean you have to undertake specialist maintenance or it restricts your ability to develop it; there may be charitable covenants; or the area may be subject to protection that limits development such as an Area of Natural Beauty.

**Funding available**

- There are pots of funding available to help communities take advantage of the Community Right to Bid by supporting them in the preparation stage leading into the moratorium period.
- There may be public funding available (grants and loan) to help with the purchase and potential development of the facility.
Your Community Right to Bid: 
Your Right to Bid to Buy your local sports facility

Who has done this

Due to the short time since the Community Right to Bid has been available and the requirement for the asset first to be listed as an ACV, then to be put up for sale, there are not many examples although there are several in the pipeline.

Case Study 3:
The Ivy House Pub, Nunhead, London

The Ivy House was at risk of demolition and conversion into flats when the community associated with the pub got it listed by Southwark Council as an ACV. The listing prevented its demolition and conversion.

When it was put up for sale the Community activated the moratorium period to raise the required £810,000. In addition, they needed some funding to improve the pub helping to make it financially sustainable. A very successful local campaign was launched to support the attempts to raise the money and secured £550,000 from the Architectural Heritage Fund, which included £50,000 for their pre-purchase development costs. They secured remaining shortfall from a £450,000 grant from the Social Investment Business (SIB) and £140,000 from a Community Share Offer. The combined funding was enough to purchase and to make the necessary improvements.

The Ivy House Pub became the first successful purchase under the Community Right to Bid and re-opened in August 2013. 
Your Community Right to Bid:
Your Right to *Bid to Buy* your local sports facility

**Help is at hand**

Locality provide additional advice and have provided a short guide on the Community Right to Bid.

The My Community website is a good place to access further information and for signposting to potential financial support.
Transferring ownership of sports facilities: Community Asset Transfers

What is this about?
Community Asset Transfers (CATs) are a means by which local authorities can transfer the management and operation of facilities to local community groups in the Voluntary and Community sector or statutory bodies. Unlike the Community Right to Buy, there is no bidding process and no need to have the facility listed as an Asset of Community Value.

Sport England has produced a specific Community Asset Transfer Toolkit which provides much greater detail and a thorough step-by-step process. This section is a summary only. You can access the toolkit here.

The purpose of Community Asset Transfers (CAT)
CATs allow a change in or ownership of land or buildings from public bodies to communities. The spectrum of transfer options can range widely, but could be a freehold, a long lease, a shorter lease or a licence to occupy. ‘Community Asset Transfer’ is usually taken to mean a lease of at least 25 years, or a freehold.

Background and Context
Although transfers of ownership of public assets have happened for a very long time, CATs received additional impetus recently. The Quirk Review in 2007 said that a careful increase in the community’s stake in an asset can bring a wide range of additional benefits.

For local authorities, budget cuts have meant that some sports venues can no longer be subsidised and some have also sought to dispose of sports venues as part of wider sports and leisure strategy changes.

For clubs a CAT can be an opportunity to generate participation from local communities; make the asset owners more accountable; give a facility a longer term commitment; and help clubs shape communities in which they live.
Transferring ownership of sports facilities: Community Asset Transfers

What it can and can’t do

A Community Asset Transfer CAN:

- Help local authorities transfer ownership or management of sports facilities to community sports organisations.
- Transfer assets below market value without a tender process but it must improve the economic, social or environmental well-being of an area.
- Protect sports assets that might otherwise be closed by local authorities by allowing clubs and community organisations to run or own them.
- Give sports clubs the ability to get new investment into facilities, increase utilisation and expand the role of the club helping them become more financially sustainable.

A Community Asset Transfer CANNOT:

- Guarantee that you will be able to run the facility sustainably. Local authorities are often disposing of facilities that may be in poor condition or which they can no longer support financially. So you will have to do a lot of preparation and do things differently to make them sustainable.

Transferring ownership of sports facilities:
Community Asset Transfers

Who can do it?

A local authority’s facilities can be transferred to a range of different types of organisation. However, the organisation needs to meet some specific criteria which can be seen here: 

![Image of yellow helmets on a rack]
Who can do it?

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Community Asset Transfer criteria:

Have pre-existing roots and links to the relevant community that they can tap into.

Where this does not exist, relationships should be forged with community and voluntary sector groups in the area. Often sports clubs become part of a wider community organisation to demonstrate broader appeal, get more support and help create a viable business.

A CAT can only happen to an incorporated body, whether it is a club or a community organisation.

Forms of business include: Company Limited by guarantee; Community interest Company; Community Benefit Society, a charity, a Community Amateur Sports Club (CASC) or another form of social enterprise. There are a number of places you can advice about the right legal structure, such as the Club Matters club structures section.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

A step by step guide

- Step 1: Is it needed?
- Step 2: Define the purpose of the CAT
- Step 3: Have the right skills
- Step 4: Feasibility
- Step 5: Build the business case
- Step 6: The business plan
- Step 7: Securing finance
- Step 8: A short term ‘test period’?
- Step 9: Take the plunge!

Further guidance on Premises Management is provided in the Sport England CAT Toolkit.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

Preliminary step: When to do it

A Community Asset Transfer can come about through a community organisation asking a local authority if it is willing to make a transfer of a facility; or it can be in response to a local authority seeking to close, or dispose of a facility.

Local authorities need to have regard as to how transferring the facility fits with its broader aims and strategies, what community benefits will be realised. Sports clubs should ensure that they have the resources to do it, that there is community support and that other local people and organisations are involved.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

**Step 1: Is it needed?**
You should have evidence of the need for the CAT and some community support then approach the local authority. The first approach should explore mutual aims and plans for the facility and how a CAT might deliver benefits for everyone.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

**Step 2: Define the purpose of the CAT**

The land or building being transferred should be chosen for a specific reason, rather than starting with an asset and attempting to find a purpose for it. It must meet identified needs.
**Transferring ownership of sports facilities: Community Asset Transfers**

### How do you do it?

**Step 3: Have the right skills**

You need to know that you can call on the right skills and expertise to develop your proposal. CATs can be complex affairs that take time and you may need financial, legal, architectural and facility management expertise.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

**Step 4: Feasibility**
The feasibility stage should be about really getting to know your asset. This can include site appraisal, the potential, and your organisational structure and capacity. There is more detail about this stage here: [link]

Further guidance on Premises Management is provided in the Sport England CAT Toolkit.

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Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

**Step 4: Feasibility**
The feasibility stage should be about really getting to know your asset. This can include site appraisal, the potential, and your organisational structure and capacity. There is more detail about this stage here.

**Community Asset transfer feasibility:**
- Site appraisal: What is the condition of building? What is access and transport like? Are there any restrictions on use? What are the possibilities to expand and develop? The Sport England CAT Toolkit has a useful checklist. Looking at the liabilities of the asset: What are maintenance costs? Does it need low level, medium or high levels of refurbishment?
- Looking at the potential of the asset: Is there unfulfilled local need? Is it viable in the long term – especially important if that the local authority has not been able to run it sustainably?
- Your current structure, whether you need to change that and whether it would be better to form a new organisation with other people/organisations locally.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

**Step 5: Build the case**

It is important to understand what the strategic fit of the asset is – you need to be able to show how it contributes to wider agendas, can deliver public benefit and get the support of other bodies. You also need to involve the community and build partnerships for support, new users and new activities. You also need to outline who will use the facility working with other sports organisations to help do this, including your local NGB representative and County Sports Partnership.
Transferring ownership of sports facilities:
Community Asset Transfers

How do you do it?

Step 6: The business plan
This is a vital stage and should be able to inform you about whether the proposed asset transfer is viable or not. This needs to examine all costs – upfront and ongoing – as well as revenue projections over a number of years. Sport England’s CAT Toolkit has a handy Business Plan Template to help you do this. Club Matters also offers a variety of support on developing a business plan, such as our Business Planning workshop or dedicated club Planning Section.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

**Step 7: Securing finance**

Many sports facilities that are the subject of CATs have had minimal recent investment and owning an asset can be a big jump in organisational capacity for a sports club. So it is likely you will need to raise some capital finance. See Section 5 – Community Finance. You will need to look at new legal structures, liabilities, and organisational capacity.

Further guidance on Premises Management is provided in the Sport England CAT Toolkit.
Transferring ownership of sports facilities: Community Asset Transfers

How do you do it?

Step 8: A short term ‘test period’?
Some local authorities may advise providing a short term lease to you before going ahead with a full asset transfer. This can provide you with a ‘test period’ to see if your expectations about running the facility and its use are right. This can also act as a period where you can try out operational systems, property management approaches and maintenance.
Transferring ownership of sports facilities:
Community Asset Transfers

How do you do it?

**Step 9: Take the plunge**
Before a full CAT takes place you will have to have:
- An operational plan to show how you will deliver the business plan.
- A property development plan.
- Detailed information and a full understanding of options and risks at all stages.
- A property management plan.
- An Ownership and Management Agreement between you and the local authority.

Further guidance on *Premises Management* is provided in the Sport England CAT Toolkit.
Transferring ownership of sports facilities: Community Asset Transfers

Top tips

The do’s: ✓

- Conduct a proper feasibility exercise as soon as you can which explores all the risks.
- Understand the obligations that the asset will place on your organisation, both financially as well as in terms of other resources. Proper due diligence is essential.
- Identify the added value that your ownership of the facility will bring – financial, sporting or wider community. For local authorities, a viable business plan may be most important.
- Understand the competition – is the local authority building new facilities or are there new private providers in the area?
- Broaden the community partnership that underpins the project. Sports clubs can sometimes be focused on the development of their own sport and it is advisable to take a wider view of local need, participation and activities possible at the facility. This could involve forming a new community organisation of which your club and/or members are a part. You should also contact your local County Sports Partnership for help.
- Have the right type of organisation – a structure that will help get people involved and one that will be able to raise the type of finance you need, whilst protecting those that run it from undue liabilities.
- Have a campaign and lobbying plan – you need to win the support of key decision-makers who will ultimately decide whether a particular asset transfer proposal should proceed.
Transferring ownership of sports facilities: Community Asset Transfers

Top tips

The don’ts: X

- Take on a facility for sentimental reasons – such as if it is a favourite old building. Although architectural and historical appeal can be of value, old buildings are also likely to cost more – up-front and ongoing.

- Try to do it all yourself – there is help available, especially in feasibility stages – and you need to take on help from the local community where there may be important skills you can tap into.

- Just focus on what your club wants or needs: you need to work with the wider community and show how other people can benefit from the transfer.

- Avoid scope creep by taking on too much facility work in one go – prioritise and phase works into those that are essential (such as roof repairs to achieve water tight asset) above those that are desirable (redecorating).

- Pursue a CAT without fully understanding the liabilities – of the facility and for your organisation.
Transferring ownership of sports facilities: Community Asset Transfers

Other things to be aware of

When investigating or undertaking a CAT, you also need to be aware of:

- Whether transferring the asset will be subject to State Aid rules. This is unlikely, but you need to discuss this with your local authority.
- Whether the facility is listed as an ACV.
- Whether there are any charitable covenants on the asset that restrict its use or sale – this is probably more likely in the case of playing fields, but the disposal or transfer of an asset held on charitable trust is subject to the charity law framework. The Charity Commission provides guidance on the disposal of charity land and Trustees' responsibilities.

Community Asset Transfer process

Preliminary stage

Initial enquiries
- Community organisation asks local authority about transfer of a facility
- Local authority seeks to close/ dispose of a facility

Is the facility needed – for your organisation and the community?
- Identify the need for the asset transfer
- Mutual aims with the LA
- Define the future purpose

Development stage

Identify/Develop Club Capacity
- Skills – financial, legal, architectural and facility management
- Adopt appropriate club/corporate structure
- Board and membership development

Is the facility needed – for your organisation and the community?
- Identify the need for the asset transfer
- Mutual aims with the LA
- Define the future purpose

Build the case
- Local support/partners
- Strategic fit – local community development, NGB, sport
- Identify public benefit to be delivered
- Business plan
- Finance package

Transfer stage

Interim option
- Take on a shorter term lease in partnership with the local authority as a 'test period'.

Take the plunge
- Operational plan
- Property development and management plans
- Transfer of facility
Transferring ownership of sports facilities: Community Asset Transfers

Who has done this?

Case Study 4:
East Lancashire Football Development Association (ELFDA)
Examining the feasibility of an asset transfer

ELFDA are working with their local authority on an innovative CAT to take ownership of local playing fields that provide multi pitch sites for football. The objective is to ensure a long term financially sustainable method of maintaining community owned pitches as available public funding reduces.

The project has received Feasibility Funding from SIB for the initial development of the business case, which resulted in the business plan being accepted by their local authority. They have now progressed to raising the required £600,000 to restore these fields back into use as community football hubs. To help them with increasing their capacity and securing the required funding they have received a development grant from Big Potential. Part of the funding mix includes a Community Share Offer, which the Big Potential grant will fund all the costs associated with this offer. The remainder of the funding will be from capital grants and fundraising.

Without the external financial and specialist support and the partnership work with Blackburn with Darwen the project would have struggled to progress at the rate and ELFDA may have struggled to fund the project from its own resources. The project is potentially the first step to a more comprehensive CAT of other playing fields within the authority to ELFDA and could well be replicated elsewhere.
## Transferring ownership of sports facilities: Community Asset Transfers

### Who has done this?

**Case Study 5:**

**Broadway Leisure Centre, Moston, Manchester**

**From short term lease with a view to a longer asset transfer**

When Manchester City Council adopted a new strategy for swimming pools in the city – which involved some closing and the building of new ones – Broadway Leisure Centre was one of those identified for closure. A local campaign began to save the centre led by Broadway Swimming Club who also considered a Right to Challenge.

Two things changed this approach, which provide valuable lessons for other clubs:

i) On one hand the club realised that it would be in a much stronger position if it was part of a broader community configuration and formed the Broadway Community Development Group, a charity, with other local people. This gave them more credibility as it demonstrated it was not just about the club’s interests, but those of the wider community. It also enabled them to bring in people with skills that the club didn’t have, other volunteers and other agencies such as housing associations and the local college, which would have been more difficult if it had just been a swimming club.

ii) On the other hand, the group began talking to the local authority and began discussing how they might cooperate to find a solution, rather than take the more antagonistic route of a Right to Challenge. Given that swimming pools are costly and difficult to maintain – especially so if, like Broadway, they are old buildings – the council’s primary concern was whether the group had the resources to run it sustainably.

In one respect this reflected a concern with practical issues such as maintenance; in another respect it was concern that a previously subsidised facility could operate profitably.

Both parties recognised that it wasn’t in anyone’s interest for the project to fail and this has resulted in the group being given a short, two year lease to run the centre. This allows the group to get experience of running the facility, to establish themselves and to ensure that they have the practical and financial resources, before taking on a longer term commitment and liability. At the end of that period all parties will take stock and look at options, including a longer term asset transfer.

In the first six months they have been outperforming their business plan and key to success is:

- Focusing on the key objective of protecting the service for the local community
- Being prudent in terms of business planning
- Having volunteers on board who can look after the maintenance issues, leaving staff to manage the business
- Having a small group of volunteers who dedicate a lot of time to steering its success
Transferring ownership of sports facilities:
Community Asset Transfers

Who has done this?

Case Study 6:
The Fox and Hounds, Denmead
From ACV to Community Asset

The Fox and Hounds is a country pub on the outskirts of Denmead, Hampshire overlooking farmland and the Forest of Bere. It has served the local community since the 1870’s when it was set up as a beer house serving the local farm workers. Up until 2000 it was run well and patronised by many of the villagers until a change of publican precipitated a decline. The owner then decided he could make more money by knocking it down and redeveloping the site, closing the pub in April 2012. The local community started a campaign to protect, restore and re-open the pub and formed The Fox and Hounds (Denmead) Community Co-operative Ltd.

Under the Localism Act the group applied to Winchester County Council to have the pub listed as an Asset of Community Value. The first attempt failed – as a new law at the time the local authority had little experience of ACVs. The group applied again with support from the Parish Council and in April 2013 it was registered as an ACV.

The organisation spent time lobbying local councillors, their MP developing support from our local newspaper and prevented the publican obtaining planning permission for new developments. Eventually he agreed to sell the pub to the organisation for £300,000. However, due to poor maintenance the group are now looking to raise £200,000 to repair and restore the building.
Help is at hand

- The main guide for Community Asset Transfers in sport is Sport England’s Community Asset Transfer Toolkit.
- Locality’s Asset Transfer Unit (ATU) promotes and supports community asset transfers.
- Further information on where support may be available can be found in the Signposting Section, or you may wish to consider getting a Club Matter’s mentor – who are sports loving, business minded individuals who can help you work through this process.
Other community rights for sports clubs: Right to Challenge, Right to Build and Neighbourhood Plans

The Localism Act and other legislation have also provided some additional Community Rights that can be used by sports clubs or applied to help develop community sports. This section provides a short introduction to them.

Community Right to Challenge

Did you know if you feel a public service could be better run by your sports club or local community then you can bid to run the service instead?

The Purpose of the Community Right to Challenge

The Community right to challenge is another right that was enshrined in the Localism Act. Its purpose is to provide communities with an opportunity to bid to run local services if they feel they could manage it better. Services could include running local parks, sports development, sports facilities and youth services. Potentially all services provided by local authorities can be challenged unless they are exempt (such as education and health).

What it can do

It enables eligible groups to submit an Expression of Interest to run the service in question. If the Expression of Interest is accepted by the relevant authority then they will carry out a procurement exercise in which the community organisation can bid to run the service.

Who can do it?

Any community sports club will be eligible to bid to run a service using the Community Right to Challenge. However, some services – such as a local authority’s sports development or youth service – will require a lot of resources to run and you may be in competition against some established organisations.
Other community rights for sports clubs: Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

**Step 1:** Identify the service

**Step 2:** Submit an Expression of Interest

**Step 3:** Submit bid to run the service
**Other community rights for sports clubs:**
Right to Challenge, Right to Build and Neighbourhood Plans

**How do you do it?**

**Step 1: Identify the service**
- Identify how you can run the service better than the local authority and what improvements you could make – as well as whether you can do this.
- Check if the authority has set periods for Expression of Interests.
- Expression of Interests must supply certain information such as financial, capacity, information about the service in question, proposed outcomes and any social, economic or environmental benefits that will result.
- Check any guidance provided by the authority.
Other community rights for sports clubs:  
Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

**Step 2: Submit an expression of interest**

- The submission will need to be in writing and meet all the stated requirements provided by the authority.
Other community rights for sports clubs:
Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

Step 3: Submit bid to run the service

- If your Expression of Interest is successful the authority will then put the service out to tender where you will be able to bid. It should be noted it will be a competitive process. The tender will follow procurement law, so this will need to be understood and complied with. It means that even if you get the authority to undertake a procurement exercise there are no guarantees that you will win that tender.
**Other community rights for sports clubs:**
Right to Challenge, Right to Build and Neighbourhood Plans

### Application in sport?

In general there have only been a few successful Community Right to Challenges and none of these have been in sport. There are some quite understandable reasons why this is the case. Find out more here. However, if you feel a service or facility still managed by a public authority can be better delivered by the community this right should still be considered. An alternative may be that you contact the authority to discuss how improvements can be made and how you can work together in the management and delivery of sports services.

In sport, one important issue is that a great many sports and leisure services as well as sports facilities owned by public authorities are already delivered by external organisations, such as leisure trusts. As such, these are already subject to periodic tender processes. Also, some sports and leisure services and facilities have been disposed of by local authorities as a result of budget cuts. Even where there may have been an Expression of Interest submitted for a sports service, newly formed community groups or community sports organisations may not have been able to meet the requirements of running what may be a large undertaking.

An additional reason may be that sports organisations have found that a better approach is to speak to the local authority and work in partnership with them, rather than take out a Community Right to Challenge, which can be seen as quite adversarial.

### Help:
Locality has provided a guide for the **Right to Challenge**.
Neighbourhood plans

Do you know that your community can influence what future local facilities and services are provided?

The Purpose of Neighbourhood Plans

Neighbourhood Plans are a means by which local communities can develop and vote upon plans for future local developments. They can enable local communities to have more influence over new developments in their area and over services that will affect their lives and neighbourhoods. They can also reduce the need for planning permission for small, local developments.

What it can do

A Neighbourhood Plan can lead to:

✓ Neighbourhood Development Orders that allow the Community to provide planning permission for new developments such as housing or a sports centre.

✓ Community to Build Orders that provide planning permission for small, site specific developments that are community led.

✓ A Parish with a Neighbourhood Plan can receive 25% of Community Infrastructure Levies from developments rather than 15%.

Who can do it

Neighbourhood Plans are usually led by the Parish or Town Council. If there is no Parish or Town Council they are led by Neighbourhood Forums.
How do you do it?

**Step 1:** Identify the area to be covered by the plan

**Step 2:** Understand the area

**Step 3:** Consult and engage

**Step 4:** Get the plan approved

**Step 5:** Local referendum

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**Community right to challenge**

**Neighbourhood plans**

**Community right to build**

**Our place!**

**The right to reclaim land**
Other community rights for sports clubs: Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

**Step 1: Identify the area to be covered by the plan**

Your local Planning Authority will need to approve the identified area, they often cover a Parish but it could be a smaller, specific area.
**Other community rights for sports clubs:**
Right to Challenge, Right to Build and Neighbourhood Plans

**How do you do it?**

**Step 2: Understand the area – what it has and what is needed**

You need to match needs and solutions with supporting evidence.

You need to outline the benefits – e.g. more jobs or better health.
Other community rights for sports clubs: Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

**Step 3: Consult and engage**

You need to have local support – all plans need to be approved by a majority vote, so get local people’s views and opinions to develop a relevant and effective plan.
Other community rights for sports clubs: 
Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

Step 4: Get the plan approved
The local planning authority will provide an independent examiner to assess your plan. It will need to satisfy some criteria and meet the needs of the wider area, such as Local Infrastructure Plans and Housing Needs.
Other community rights for sports clubs: Right to Challenge, Right to Build and Neighbourhood Plans

How do you do it?

**Step 5: Local referendum**

Your council will organise and manage the vote to ensure that only eligible people can vote. If it is approved, it can then help inform and determine planning applications in the stated area.
Other community rights for sports clubs:
Right to Challenge, Right to Build and Neighbourhood Plans

Application in sport?

For Neighbourhood Plans to be relevant to sports clubs they will need to partner up with other local community groups, and in most cases their Parish or Town Council. A partnership approach will enable the needs of local sport to be heard as part of a coherent, wider plan to help influence future developments.

It could offer an excellent method of sports clubs extending their contacts, reach and influence beyond its members and existing participants, helping to ensure the needs of local sport are part of wider strategic plans and local developments. If a Neighbourhood Plan does not involve local sports clubs the risks are the opposite, sport being left out of future developments.

Help:
My Community website provides further guidance and signposting to potential grants and specialist support.
Community Right to Build

The Community Right to Build is also part of the Localism Act and is focused on housing needs – but it could apply to sports facilities. A successful Community Right to Build Order can overcome the need for Planning Permission to be secured. However, any development delivered in this way would be small, site specific and community led.

Community Right to Build Orders can be derived from successful Neighbourhood Plans but can also be developed separately. To be successful, a Community Right to Build Order must:

- Have the support of 50% or more of the people who voted in a local referendum.
- Meet National Planning Policies and strategically fit with other local authority plans.

The community body leading the development would need to be legally incorporated and would take responsibility for the development including securing the finance and delivery.
Other community rights for sports clubs:
Right to Challenge, Right to Build and Neighbourhood Plans

Application in sport?

If a sports club or community identified a project that would be eligible then they could pursue a Community Right to Build Order. To be successful they would need to successfully get at least 50% of a local vote plus have all the skills and finance to deliver the proposed facility. In many ways this is a simpler process then developing a Neighbourhood Plan that would have to include more than sport and require a partnership based approach. However, partner and wider local community support would also be helpful for a Community Right to Build but the key would be local support and the ability to deliver. Some feasibility and development funding is available.

Help:
My Community website provides further guidance and signposting to potential grants and specialist support.
Other community rights for sports clubs:
Right to Challenge, Right to Build and Neighbourhood Plans

Our Place!

Our Place! can help local communities to work with local authorities, other service providers and businesses to improve services and solve any local problems. It can be used to address anti-social behaviour, health issues, plus other issues that sport may have a role. The establishment of new youth services and after school clubs could all benefit from the involvement of local sports clubs.

The outcome of Our Place! is an operational plan that details how the community can help transform a specific local service. The plans will be developed in partnership by all relevant local stakeholders.

Application in sport?

Our Place! offers an opportunity for sports clubs to raise their profile, develop new activities that may receive some funding and greatly increase their social impact, which will benefit their own development as well as their local communities. Some feasibility and development funding is available.
Other community rights for sports clubs: Right to Challenge, Right to Build and Neighbourhood Plans

The Right to Reclaim Land

If a local community organisation, such as a sports club, identifies an area of derelict or underused land that it feels it could productively use, then the Right to Reclaim Land could help. The Community Right to Reclaim Land provides a method to request land owned by public authorities be brought back into use and can also enable a purchase to be made.

To do this, the local group has to make a request to the Secretary of State for Communities and Local Government. The request should set out why it is underused and why and how it should be brought back into use. If the assessment agrees it is underused with no clear plans as to how this will be addressed a request will be made that the authority disposes of the land. The site in question would then be sold on the open market.

Application in sport?

There is no reason why an underused site could not be transformed into a new sports facility or space through the Community Right to Build. However, it will require a great deal of development work and any sports club that activated this right would also need the resources, both human and financial, to successfully transform the site and bring it back into worthwhile usage.

Help: Further information is available from the government’s website and Locality’s guidance on Community Assets includes a section on this right.
No matter whether you are bidding to buy an asset, undertaking an asset transfer, building a facility or looking to take over a local sports service, you will need finance to do it. For sports facilities, this could be for a purchase of the asset, or to renovate and improve it, or to build a new one. For services it could be capital to help you get started and provide initial finance to run the business.

The Club Matters Club Finances Section on the website provides guidance on budgeting, generating income and managing your costs. The Understanding your Club Finances workshop also provides you with lots of hints and tips to help you get to grips with your club accounts.

This section outlines some of the ways which you can raise different forms of finance as well as some of the preparations you will need to make in order to get that finance. It does not cover grant funding – although some links to current development grants are provided in Section 6, Signposting.

This section also does not cover ‘traditional’ forms of commercial finance, such as bank loans, as information on those varies hugely and is available from commercial providers, although the preparations to access those forms of finance will be similar in terms of having a robust business plan.

Rather this section focuses on what has become known as ‘community finance’, including:

- Community Shares
- Community bonds and loans
- Crowdfunding
Community Finance for Community Assets: 
How to fund your bid, asset transfer or build

**Being finance ready**
No matter which form of finance you seek, you will need to be ready to ask for it. This means you will need certain things in place to help persuade people to invest, loan, or give you money. Further guidance on these is available as part of Sport England’s Community Asset Transfer Toolkit. However, in brief you need to make sure that you have the following.

**The proposition:** You need to be able to succinctly describe:
- What it is you want to do – e.g. buy a facility that the local authority is disposing of
- Why you want to do it – e.g. to keep a sports facility in a local community
- What benefit this will bring – e.g. sustaining or increasing opportunities to play sport
- How you will do it – e.g. via a Right to Bid, or a Community Asset Transfer

**The finance case:** You need to say how you will pay for the initial cost of the asset, such as purchasing it. This could include a combination of different forms of finance, such as:
- ‘Community’ equity or shares
- Donations and ‘traditional’ fundraising
- ‘Newer’ forms of fundraising such as Crowdfunding
- Grants
- Loans and borrowing
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

The business case: You need to provide an outline (and in time a detailed plan) of how you will run the facility on a sound financial footing. Sport England’s Community Asset Transfer Toolkit has a handy Business Plan template to help you do this.

Also find out more here:
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

**The business case:** You need to provide an outline (and in time a detailed plan) of how you will run the facility on a sound financial footing. Sport England’s Community Asset Transfer Toolkit has a handy [Business Plan template](#) to help you do this.

Also find out more here: [Community Finance for Community Assets: How to fund your bid, asset transfer or build](#)

**What the Business Plan will need to show:**

- What capital expenditure is needed up front (e.g. to purchase, renovate, extend or build)
- What capital expenditure is foreseen over the first few years (e.g. replacing old equipment or machinery or annual maintenance)
- What the running costs of the business are, year to year, which needs to include staffing, overheads (such as energy use), marketing etc.
- What finance you will need to repay (such as withdrawal of shares or repaying loans).
- What revenue you can expect from the business – including any increases in usage, or new users of the facility that will increase revenue.
Community Finance for Community Assets:
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The timeline: You need to be able to say:
- What the current situation is.
- How long you think the process will take and what the stages are.
- What the next short and medium term steps are.

The people, skills and experience: You need to convince those you are asking for money from that you have the relevant experience and skills to do what you are proposing. This could include:
- People in the club itself (on its board or in its membership).
- People you can get to help from outside – which could include people in your local community who are prepared to help for free, or at low cost.
- Expert services (such as lawyers) that you are likely to have to pay for.
- Partner organisations, community support, other funds you have raised.

It will help if you can also show that you have a track record – either in running a similar asset, or in successfully running your club over a number of years.

The governance structure: You will need to show people how the club, or community organisation, is run. For some forms of finance you will need to adopt a particular corporate structure – for instance to raise Community Shares you need to be a Community Benefit Society (CBS). However, whatever form of finance you are looking for, you will need to show that you are properly run, properly constituted for the project (and the finance) you are proposing and that the money you will take for the project will be properly accounted for.

Different providers of finance or even donors may require more or less information, but all of them are likely to need to see basic information in all of the above categories.
**Community Finance for Community Assets:**
How to fund your bid, asset transfer or build

**Types of finance**

There are a number of different forms of finance available. The three main ones are:

**Grants:**

These are non-refundable monies provided for projects. Some grants will be for specific types of organisation (such as a charity, or community business) and some are for specific purposes or aims (such as increasing sport participation or improving health). You will also find some grants:

- For actually building facilities – what are called ‘capital grants’ (e.g. Sport England, your NGB or even things like Landfill Communities Fund grants)

For helping you develop projects and plans (a list of some of these relating to these rights is provided in Section 6: Signposting).

**Equity:**

Equity finance is money invested in an organisation in return for shares in that organisation. In ‘normal companies’, this would be shares in a Company Limited by Shares – i.e. a private company. However this form will not be appropriate for many sports clubs, and would stop you taking advantage of many of the rights outlined in this document as you would not be an eligible community group (such as a right to bid or an asset transfer). However, there are other forms of equity finance which are becoming increasingly popular and do allow you to take advantage of new rights, most notably Community Shares, which are outlined below.

**Loans:**

Loans are funds given to an organisation for a particular, set period, and usually for a rate of return. You will most likely have to repay both the loan amount (capital) and the return (interest) which is usually annual. There are many forms of loan – including from commercial banks as well as banks specifically for charitable and community businesses. Some forms of community loan – and new tax benefits associated with them – are outlined below.
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

Community Shares
A growing number of community organisations are raising finance via something called ‘Community Shares’.

What are Community Shares?
Although not technically legally defined, ‘Community Shares’ refers to withdrawable shares issued by an Industrial and Provident Society, most usually a CBS. Community Shares cannot be issued in other forms of company such as a Company Limited by Shares or a Community Interest Company (CIC).

As such, to develop a Community Shares scheme, your club or community organisation would have to be formed in this way.
Community Finance for Community Assets: How to fund your bid, asset transfer or build

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Why are Community Shares different?
Community shares are different to normal company shares in that they:

- Operate under the one-member-one-vote principle, rather than one-share-one-vote – no matter how many shares you own you have just one vote.
- Prioritise the delivery of community benefit (which could include sports) over financial return for the shareholder.
- Limit interest or dividend payments to that ‘sufficient to attract and retain the investment’ which is normally taken to be a ‘building society’-type rate.
- Cannot be traded, sold or transferred to someone else’s ownership; but they are withdrawable. This means that the organisation that sells the shares must be able to pay the money back to the individual if they need or want to sell their shares. Normally, this is done under specific conditions, such as a limit on the percentage of all shares in any one year.
- Are not subject to onerous and costly regulation that applies to shares in other forms of companies.

Withdrawable shares are only available to members of that organisation – such as your club – and carry no voting rights.
Who has delivered Community Shares schemes?

Lots of community organisations have done this, including shops, food producers, pubs, wind farms – and sports clubs. Since 2009:

- Over 300 new industrial and provident societies have been established in order to develop community shares.
- There have been 120 successful community share offers, raising more than £20m from over 20,000 members.
- The biggest schemes in sport are in football: FC United of Manchester raised £2m this way to build a new stadium and community facilities; and Lewes CFC has raised £221,000 for the development of community sports facilities. Other clubs (Wrexham, Portsmouth) have also raised significant amounts to keep their clubs part of their local communities.
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

How do you do it?

A step by step guide

- Step 1: Define
- Step 2: Ensure
- Step 3: Consider
- Step 4: Write
- Step 5: Set up
- Step 6: Apply
- Step 7: Issue document
- Step 8: Issue shares

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Community loans
Crowdfunding and fundraising
Other finance
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How do you do it?

Step 1: Define the purpose of the community share offer

You must state clearly what the shares are for. This must include the community benefit of the project. For example, if the purpose is to buy a sports facility asset, then it needs to say why this is of benefit to its members and more importantly, local communities.
Community Finance for Community Assets: How to fund your bid, asset transfer or build

How do you do it?

**Step 2: Ensure that the society has the appropriate rules**

In order to issue community shares, you must be an appropriate organisation and have the appropriate rules in your constitution. These rules must empower the board to issue shares in the society.
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

How do you do it?

**Step 3: Consider an Asset Lock**

At the same time as enacting rule changes it is important to consider putting in place an Asset Lock. An asset lock in a community benefit society is a legally binding way to prevent the organisation from selling the asset and distributing the proceeds to its members for private gain. This ensures to potential investors that you are not going to buy or develop a facility and then sell it for members’ benefit. The *Community Shares Handbook* explains more about Asset Locks.
Community Finance for Community Assets: How to fund your bid, asset transfer or build

How do you do it?

**Step 4: Write an Offer Document**

The board of the club or community organisation need to write and issue an Offer Document to outline the share offer, its purpose and conditions. This is one area where expert professional advice is definitely advisable. The Offer Document needs to set out: the purpose; number of shares; how long the offer is open for; what the maximum and minimum number of shares anyone can buy; how people who buy shares can get their money back; interest rates; and what the milestones are for the share offer to become ‘live’. 
How do you do it?

**Step 5: Set up an Escrow Account**

With most community share offers, there will be a period when it is not known if enough capital has been raised for the project to go ahead and purpose to be achieved. As such there will be a time lag between some people buying shares and those shares actually being issued. To accommodate this and provide reassurance to those buying shares you should establish an ‘escrow’ account which allows money to be held securely in trust until such time as the appropriate levels of share sales have been reached.
How do you do it?

**Step 6: Apply to HMRC for SITR or EIS Tax Relief**

Some share issues will be eligible for **Social Investment Tax Relief** and possibly **Enterprise Investment Tax Relief** (which are explained further below). If they are, you should approach HMRC and apply for ‘advance assurance’ that the scheme will qualify. This will help you market the shares.
Community Finance for Community Assets: How to fund your bid, asset transfer or build

How do you do it?

**Step 7: Issue and Promote the Offer Document**

Once the Offer Document is finalised and approved by the board, the share offer can be made publicly available. However, because community share offers are not regulated as other share issues are by the Financial Conduct Authority, the board must be satisfied that it is not misrepresenting the offer in any way and professional guidance on this is strongly advised. It is important to promote the offer to different markets of people who might buy them, such as existing members, other clubs, local communities, residents etc.
How do you do it?

**Step 8: Issue Shares**

Once the target is reached and ‘project’ can go ahead, the club needs to:
Issue share certificates or a record of shares bought to those who have bought shares.
Transfer the money from the escrow account into the club account, or special purpose account.
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

Community Shares process

**Preliminary stage**

- **Define the purpose of the community share offer**
  - What is it for?
  - What community benefit will it deliver?
  - Rules that allow the board to issue shares

- **Ensure that the club has the appropriate rules**
  - Be a Community Benefit Society?
  - Rules that allow the board to issue shares
  - Speak to Community Shares Unit for advice and support.

**Option – Put asset lock in rules?**

- Legally binding rule to stop asset being sold for private member gain
- Legal advice on wording

**Development stage**

- **Option: Set Up an Escrow Account**
  - To ‘hold’ money whilst target being met
  - To provide reassurance and security to members/investors whilst target is being met

- **Write an Offer Document**
  - Conditions of the offer
  - Expert professional and legal advice

- **Option: Social Investment Tax Relief and/or Enterprise Investment Scheme Relief**
  - Apply to HMRC for SITR and/or EIS ‘advanced assurance missing’
  - To provide additional incentive to potential purchasers

**Live stage**

- **Issue and Promote the Offer Document**
  - Get professional/legal sign off to provide board security
  - Promote the offer to members, local community and wider markets
  - Meet target for share sales

- **Issue Shares**
  - Once the target is reached issue share certificates and transfer money from escrow account.
What are the other benefits of a Community share scheme?

**a) Tax benefits**

Community Share Scheme can (under conditions) qualify for two forms of tax relief. These can be absolutely vital in encouraging people to buy shares as they provide tax relief from HMRC for amounts of shares bought, at no cost to the organisation issuing the shares.

**Social Investment Tax Relief**: SITR was introduced in 2014 and provides tax relief to those buying some forms of shares — including Community Shares — and/or those lending some forms of finance to community organisations. SITR will provide 30% of the sum bought or lent back against that person’s tax liability. You can find more out here.

**Enterprise Investment Scheme**

Some share schemes also qualify for the Enterprise Investment Scheme (EIS) which, like SITR, means those that buy shares may claim 30% of the sum invested in tax relief. EIS is designed to help smaller higher-risk trading companies to raise finance by offering a range of tax reliefs to investors who purchase new shares in those companies. You can find out more here.

**b) Help**

There is a lot of help out there if you want to develop a scheme. The Community Shares Unit (CSU) was launched in October 2012 backed by the government and Coops UK. The CSU has online resources, such as the Community Shares Handbook which will help you understand more about these schemes, as well as advice and help they can provide to develop schemes.

**c) Leverage**

Community Shares are generally seen as a highly effective way of raising community finance because of the leverage it provides over other sources of finance. This means that raising money from Community Shares can be used to ‘match’ other finance, including borrowing and grants. Lenders prefer to lend money to enterprises with significant levels of shareholder equity, and public grant giving bodies see successful Community Share offers as strong evidence of public support and community engagement.
Community Loans

What are Community Loans?
Community organisations can also raise finance through loans or bonds issued by the organisation to individuals and/or other organisations. These are sometimes called ‘Loan Notes’ or ‘Loan Stock’; and can be called ‘bonds’.

This form of borrowing is like any other in that there will be a fixed date at which the capital is repaid as well as a set, annual rate of interest (although this is sometimes optional for investors).

Community Loans are also normally a form of ‘unsecured debt’ – in which the person or organisation loaning the money cannot have a claim over your asset if you cannot repay it.

Who has issued Community Loans?
AFC Wimbledon was the pioneer of this form of finance in community sport. In 2004 the Dons Trust launched a 4 year bond with a discretionary interest rate of up to 4%. Approximately 60 people purchased bonds, which in total raised about £300,000 and many opted to take lower rates, or even no, interest.

Who can do Community Loans?
Any form of company can issue a community loan or bond. However, if a bond or loan note is offered by a sports club formed as a Company Limited by Shares or a CIC, they will be regulated by the FCA. If it is issued by a club formed as a CBS it will be exempt from that regulation as long as it is being used for community benefit. Also, only loans offered by a CBS, a CIC or a charity can qualify for tax relief on their loan offer.

What are the advantages of Community loans?
Community loans are unsecured, so you won’t be putting your asset at risk by issuing them. They can also generate finance for community sports organisations at much lower (and in some cases no) interest than is possible elsewhere.

However, they do have set repayment dates, so you will need to have a clear and sustainable business plan showing how the interest as well as capital repayments can be made. Although the loans are unsecured, the loan holder will be a creditor.

Like Community Shares, some forms of Community Loan agreements by a charity, CIC or CBS will qualify for Social Investment Tax Relief, provided that they meet the criteria. As with shares, this mean that the person making the loan can claim 30% of the total value of the loan back against their tax liability. Given this attractive return, this can mean that they may opt not to take interest from the organisation itself. The first sports organisation to qualify for SITR on a Loan Stock offer was FC United of Manchester who raised £275,000 in three months, half of which was provided interest free.
Crowdfunding and fundraising

Most sports clubs will be familiar with traditional forms of fund raising: events, raffles, gala dinners, sponsored runs and such like. Whatever other forms of finance are pursued, these remain vitally important as they can provide important cash to develop ideas, bids and other finance.

If you are thinking of undertaking any of the rights outlined in this document, you will need this ‘development finance’ to get going. Initial work in facility scheme can be as much as 10% of the total capital required and much of that money will be spent on non-recoverable expenses, such as professional fees. A guide outlining some forms of fundraising is available in a paper on community finance by Supporters Direct.

Crowdfunding is a more recently developed phenomenon which is:

- An internet based way of raising funds
- Based on the principle of attracting large numbers of contributing small amounts of money for a project
- Usually based around a specific project or project element (such as raising funds for fixtures and fittings of a facility).

Some research commissioned by NESTA identifies four main types of crowdfunding:

- ‘Reward’ crowdfunding, where people provide funds in return for incentives – which for a sports club could be a meal at the club, a day meeting team members, or a club shirt.
- ‘Crowdfunded lending’ in which people lend small amounts of money to an organisation.
- ‘Equity’ crowdfunding in which shares are offered on crowdfunding websites (such as Microgenius).

Crowdfunding can be a useful tool for sports clubs to raise some of the finance they need because it is relatively easy and cheap to set up and can help generate wider awareness of your project. However, you need to back it up with publicity to generate interest.

Help:

Crowdfunder.co.uk is one of the largest platforms for crowdfunding in the UK and is supported by Nesta.

The UK Crowdfunding Association was formed in 2012 by fourteen crowdfunding businesses and has a best practice guide.
Other finance

Parish Council Grants
It is possible for Parish Councils to borrow money at preferential rates, which they can then invest in community enterprises. Under the Localism Act 2011, parish councils were given a ‘power of competence’. This means that it can borrow money for some purposes – such as funding a local project – from the Public Works Loan Board (PWLB), which lends to local authorities at low interest rates.

The Parish Council does not have to take ownership of the asset in question, but if it does not, it cannot lend the community organisation (such as a sports club) the money, it must provide it as a grant. Because the Parish Council takes the risk on the loan, it is essential that widespread community support for the project is demonstrated. An example of this is the Scholes MUGA in Holmfirth. A guide to such loans is available from the Plunkett Foundation.

Local Authorities
Although most local authorities are facing severe financial restraints, some are still able to use capital funds to assist facility development. Furthermore your local authority may be able to:

- Help you access other grants by providing support for the proposal (some grant support will require this)
- Provide valuable other help and advice
- Use money borrowed from the Public Works Loan Board (PWLB)
- Provide favourable, low cost lease terms (e.g. in a CAT).

Other Grants
There are a large number of other grants that can be applied for to support both project development and capital projects – too many to list here. Some of these are not sport specific, such as ENTRUST which is the regulator of the Landfill Communities Fund, a tax scheme that enables Landfill Operators to contribute money to good causes within their catchment. The ENTRUST website can direct you to any Landfill Operators that may fund projects in your area.
Help is at hand

- Community Shares Unit
- The CSU have produced a Community Shares Handbook
- Sport England’s CAT Toolkit has further advice on funding.
- Club Matters has information on getting to grips with your club finances and also offers a free Club Finances workshop.
Community Finance for Community Assets: How to fund your bid, asset transfer or build

Case Study 7: FC United of Manchester

FC United of Manchester are a supporter owned club formed in 2005. They were the first sports organisation to undertake a Community Share Scheme. The £2m raised in the scheme – which is part of the funding for a new stadium and community sports facilities, Broadhurst Park in Moston, North Manchester – makes it one of the largest community shares schemes in the country. Crucial to its success has been:

- The unlocking of significant grant funding (from Sport England, Football Foundation and Social Investment Business)
- Qualifying for Enterprise Investment Scheme (EIS) tax relief meaning that those buying shares could claim 30% of what they bought back against their tax
- Mobilising their membership to not only buy shares but help market them beyond the club.

Due to delays and increased costs the club also launched a Loan Stock scheme where people could lend the £10,000 or more for four years. The scheme raised £275,000 in three months and lenders could also select whether or not to take an optional 2% interest. The scheme was just the second in the country to take advantage of Social Investment Tax Relief (SITR) which, like EIS, gives those who bought loan stock 30% back against their tax – something which promoted 50% of lenders to forgo the optional 2% interest, saving the club thousands of pounds.
Community Finance for Community Assets:
How to fund your bid, asset transfer or build

Case Study 8:
Lewes Community FC: Community Asset Transfer and 3G Facility Development

Lewes CFC is a community owned football club formed as a CBS with over 1000 member/owners. The club runs both male and female teams with associated development teams and have a good community programme for a club of their size.

As part of the re-development of their Dripping Pan Stadium, they successfully took ownership with a 125 year lease from an adjacent school. In return the school gets 15 hours free use of the 3G pitch a week during term time.

In order to do this, the club needed to undertake a lot of development work – including finance raising, business plan, sport development plan, design and the planning application. They took advantage of several opportunities to support this work, including a Feasibility Grant from SIB (£63,000) which covered specialist support from Sporting Assets and developing a community share offer.

Due to the SIB Feasibility support Lewes CFC were able to take the project through to construction in just over 12 months. The project funding package included grants which were dependent on Lewes raising 'match' funding themselves. Lewes CFC did this through a Community Share Offer that raised over £220,000, helped by securing Enterprise Investment Scheme approval. This meant that those buying more than £500 of shares (which was 'locked' for 3 years) could receive 30% tax relief on the sum they invested in the offer.

As a result the club and wider community now has a much needed 3G pitch that provides both community benefit and a new revenue stream for Lewes CFC.
How are you doing?
Assessing the impact of your club

What is this about?
Whatever your club wishes to or does undertake, it is highly likely that it will need to report on the performance and impact you make.

If you are listing an asset as an ACV you need to identify that it furthers the social well-being or ‘social interests’ of the community: if you wish to renew its ACV listing after 5 years you will need to say how it has continued to deliver those benefits.

If you are undertaking a Right to Bid for an ACV that is being sold or disposed of, you will need to say how you will enhance the ‘social interests’ it delivers – and once you have bought it, you will need to demonstrate that your are enhancing those interests.

If you are involved in a tender process for a sports service in the Right to Challenge, you will need to say how you will meet the council’s required delivery of social and financial performance as part of the tender process – and demonstrate those once you are delivering the service.

If you have taken on a facility in a Community Asset Transfer, you will to show that you are meeting the terms of the lease which may include community benefits such as sports participation.

For all types of funding and finance you have for your project, you will need to demonstrate to those buying shares, loaning money or providing grants that you are meeting the conditions set out in those agreements.

Regardless of these ‘external’ reporting requirements, you should be monitoring and evaluating what you are doing anyway, to inform your own staff, board and members about how you are doing – and what you can do better.

The Community Rights outlined in this document highlight the ‘added value’ that having a community organisation running a facility, or delivering a service, can provide. It is up to those organisations taking on those assets or services to demonstrate that – and that includes sports clubs!
How are you doing?
Assessing the impact of your club

Definition of monitoring and evaluation

**Monitoring:**
Monitoring seeks to check progress of delivery against planned targets and seeks to account for outputs or the delivery of projects, happens as it is planned to – it is accounting for the actions you have planned to take.

**Evaluation:**
Evaluation is more about assessing what has worked and not worked and making a judgement about how things can be improved – it is focused on whether you have achieved the *intended aims* of what you do, not just whether you have done the things you said you would do.
How are you doing?
Assessing the impact of your club

Guide to evaluation

Step 1: Identify what you are trying to achieve

Step 2: Demonstrating that you are doing these things

Step 3: Providing Evidence

Step 4: Reporting Evidence

A step by step guide
How are you doing?
Assessing the impact of your club

Guide to evaluation

Step 1: Identify what you are trying to achieve

Any monitoring or evaluation process needs to start with what it is you want to achieve. This might be as simple as provide a space for people to play a particular sport. However, in relation to community assets it is likely that it will involve some other things too, such as:

- Increasing the numbers of people playing sport
- Providing more than one sport
- Involving local people in the club or community organisation
- Maintaining an asset sustainably
- Running the organisation properly

For some organisations, it might even go further, such as use sport to address some particular social problems – like youth inactivity, anti-social behaviour or helping older people be less isolated.

You need to agree what the aims are together and summarise these.

You then need to say how it is that you will achieve them. Again, this could be as simple as take over a community asset, such as a sports hall or playing field so that people have a place to play sport.

However, it may be more detailed than that – for instance saying how you will get more people to take up sport (e.g. more sessions, new teams, better marketing); how it is you will involve more people in the club (e.g. open days, taster sessions); how you can improve your facility (e.g. improvement projects).
How are you doing?
Assessing the impact of your club

Guide to evaluation

Step 2: Demonstrating that you are doing these things
From that point you can then start to say how you will measure and prove that you are doing these things. These can involve both short term outcomes – interim steps – as well as longer term outcomes.

• Short term outcomes could be doing the preparation work to buy an asset
• Longer term outcomes might be hitting your target for community share sales and other finance.

You need to set these outcomes for all of the aims you have identified in Step 1.
How are you doing?
Assessing the impact of your club

Guide to evaluation

**Step 3: Providing evidence**

Once you have set your aims and decided what the short and long term outcomes are, you need to decide how you can demonstrate this.

Again, this could be very simple: If you want to show that you have more people using the asset than when you took over, or year on year, you need to keep a record of all those who use it. Likewise if you need to show that you have raised the amount you need in crowdfunding or community shares, you need to have a record of the number of people and what they have put in. That’s quite easy to do.

However, you need to show that you are meeting more complex aims, it might be more involved. For instance:

If you want to show that by owning the facility you will have more young people playing sport, you need to keep age details of those using the facility and show that they are not just using your facility instead of somebody else’s.

If you want to show that more local people are involved in your organisation, you might need to record numbers of members, where they live and to what extent they are involved in your organisation (such as volunteer hours, or attendance at meetings).
How are you doing?
Assessing the impact of your club

Guide to evaluation

Step 4: Reporting evidence
Once you have collected all this evidence, you need to report it. In some areas, such as numbers of people using the facility, this could be simple reports to the management committee or board every quarter. For other elements, such as the value of volunteering input, it might be better done on an annual basis.

Those who have provided grants will have their own reporting requirements which you will need to meet. If you have Community Shares, community loans or other initiatives such as Crowdfunding you will need to show those who have put money in how you are delivering the social benefits they have invested in.

It is also important to communicate with people and organisations in the local community, which can be done by electronic newsletters, leaflets or even annual reports. These can be produced cheaply if done online, but can be very important in showing local people what you are achieving now that you are running the community asset or service.
How are you doing?
Assessing the impact of your club

Again, you need to identify what evidence you need to collect, for each of the aims and outcomes you have specified.

You should not be put off by this. Much of the evidence you will need you will be collecting anyway. It is simply matter of organising that.

The table on the next page shows some examples of how different elements of what you do might be recorded.
How are you doing?
Assessing the impact of your club

Example evaluation structure

<table>
<thead>
<tr>
<th>Element</th>
<th>Potential Indicator/Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Club Structure</td>
<td>Do we have an appropriate governance structure enshrining community benefit?</td>
</tr>
<tr>
<td></td>
<td>Governing document and board records.</td>
</tr>
<tr>
<td>Are we financially sound?</td>
<td>Annual accounts</td>
</tr>
<tr>
<td>Are we owned or run by local people?</td>
<td>Ownership records.</td>
</tr>
<tr>
<td>Do local people take part in the club?</td>
<td>Meeting and voting records. Volunteer records.</td>
</tr>
<tr>
<td>Are we a good employer?</td>
<td>Records showing staff training and development; low staff injury and absenteeism.</td>
</tr>
<tr>
<td>2. Stadium/Facility Development</td>
<td>Are the local community involved in planning and design</td>
</tr>
<tr>
<td></td>
<td>Evidence of consultation and involvement and its impact on eventual designs.</td>
</tr>
<tr>
<td>Are local people involved in the in facility management?</td>
<td>Resident and community organisation involvement in operational aspects and consultation.</td>
</tr>
<tr>
<td></td>
<td>Records of public forums and complaints procedures.</td>
</tr>
<tr>
<td>3. Performance</td>
<td>Are we delivering the service we said we would?</td>
</tr>
<tr>
<td>Who is using the facility?</td>
<td>Evidence of the range of sports and activities provided and the volume of work undertaken.</td>
</tr>
<tr>
<td></td>
<td>Accurate records of participants, including some demographic details (age, gender, ethnicity, where they live etc.).</td>
</tr>
<tr>
<td>What is the impact on users?</td>
<td>Evidence of increased levels of participation; or other outcomes such as coaching qualifications achieved.</td>
</tr>
<tr>
<td>What do the organisations we work with think of us?</td>
<td>Undertake simple stakeholder surveys. Also survey local residents to see if by running the facility you are a ‘good neighbour’.</td>
</tr>
<tr>
<td>Are we doing new things – innovating?</td>
<td>Show examples of new things that you have done since taking over the facility – such as better management of traffic and promotion of public transport to your facility</td>
</tr>
<tr>
<td>4. Local Benefit</td>
<td>What is the local economic contribution of you running the facility?</td>
</tr>
<tr>
<td></td>
<td>Keep records of invoices paid to local firms.</td>
</tr>
<tr>
<td>Are you having a good impact on the environment?</td>
<td>Records of improvements to the facility that make it more ‘green’ and energy efficient. Keep records of the volume of waste recycled.</td>
</tr>
<tr>
<td></td>
<td>Ask your members and facility users about how they have travelled to it to show public transport use.</td>
</tr>
<tr>
<td>Are you involving more volunteers and getting a greater contribution from them?</td>
<td>Record the numbers of volunteers and the amount of hours they do. You can then multiply those by the Living Wage to provide an economic value of this.</td>
</tr>
<tr>
<td>Are you helping other local organisations?</td>
<td>Keep records of work with local schools, youth organisations, charities or other social enterprises.</td>
</tr>
<tr>
<td>Are you helping particular groups, such as young people?</td>
<td>If you employ young people, keep records of numbers. If you have employment, internship or apprentice schemes, keep records of them.</td>
</tr>
</tbody>
</table>
How are you doing?
Assessing the impact of your club

Help is at hand
There are a large number of different tools and systems which can help you do all of this and make life easier for you in demonstrating your impact.

- The Sport England Community Asset Transfer Toolkit has a section on Measuring Impacts.
- Club Matters also has a Club Improvement section including a feedback tool called Club Views.
- The Inspiring Impact website and project, which is government funded, has produced a one stop shop for community and voluntary organisations identify which systems might be best for them. The Impact Hub allows you to select what it is you want to measure and then find those who provide systems to help you do this. Inspiring Impact also has a code of Code of Good Practice for assessing impact.
How are you doing?
Assessing the impact of your club

Case study
Brentford FC: Making the Case Through Evaluation

Evaluation is not just important once you have taken over or started running an asset: it can help make the case for you to get there in the first place.

When Brentford FC were developing plans for their new stadium at Lionel Road they needed to demonstrate to local authorities and local communities how the facility would be of benefit to people and groups in the area. This involved not just showing a robust track record of what they had achieved in previous years, but how the facility would have an increased impact locally over and above what they currently did from their existing location at Griffin Park.

Using the Views impact measurement tool and the Sportworks impact valuing tool, the club worked with Substance to demonstrate:

- Levels of participation in community programmes and increased community use in the new stadium
- The location of beneficiaries
- How their work delivered against key local targets in education, employment, community cohesion and youth development.

Critically, by recording and reporting their work and the outcomes it delivered over a number of years, Brentford were able to show the financial value of the cost saving that this work delivered locally – and the increased value that the local area would benefit by once they took occupancy of their new ground.

This work was central in securing planning permission and in reducing Section 106 obligations. It goes to show you can never start your evaluation too early!

You can read the Brentford Community Value report here.
Help is at hand: Signposting for further support

There is now a lot of help for sports clubs and community groups who want to explore and possibly take advantage of some of the new rights on offer. If you want to look into transferring a community asset, listing a facility as an Asset of Community Value, or bid for a facility or service, there is a lot of advice out there. There is also specific advice and help if you need to raise funds to do any of these things.

The support can be categorised as:

- Support to help you explore the feasibility of pursuing any of these rights (pre-feasibility and feasibility).
- Support in developing proposals, business plans, building your capacity and getting asset and funding ready.
- Support to help you get the finance you need.

These are a mixture of advice resources, professional help, grants and loans. The following list is not a comprehensive list but provides an introductory outline and signposting for where more information can be found.
Help is at hand:
Signposting for further support

Exploring feasibility — advice on Community Rights

Locality

Locality is a national organisation that works with local communities and groups to help them develop in the following areas; enterprise and asset ownership. It offers membership to community groups, which opens up more support from their officers and knowledge base. They currently have over 700 members.

Locality also run the My Community website. This is part funded by the Department for Communities and Local Government and is one of the main sources of advice about the new community rights. My Community is a portal where you can download guides to the various community rights, get advice and get information on funding.

The following links provide some clear advice about aspects of community assets:
- Community Assets Transfer
- Community Assets pre-feasibility Funding
- Right to Build
- Community Run Services
- Neighbourhood Planning.

Cooperatives UK

Cooperatives UK represents all cooperatives in the UK. It also offers advice on setting up an organisation. Members can access specialist support in establishing a new form of organisation.

Sport National Governing Bodies (NGBs)

If you are a sports club you should be aware of the support available from your NGB. They tend to have varying levels of understanding of the Community Rights. If you are considering using one of the rights it is probably worthwhile at least notifying your NGB to see if any support is available or at the very least so they are aware of the work of their member clubs so they can identify any patters developing.

The FA with Locality has produced an excellent Guide to Community Asset Transfers. The guidance is for football clubs can largely be applied to other sports.

The Amateur Swimming Association (ASA) has produced guidance with Locality on the Community Ownership and Management of Swimming Pools. It provides case studies and the technical requirements. The focus is very much on the requirements for swimming pools but much of it can be transferred to other sports.
Help is at hand: Signposting for further support

Finance

General

Community Shares Unit

The Community Shares Unit is the UK’s specialist organisation to advise you on Community Share issues. It is supported by DCLG and is delivered by Coops UK and Locality. They can advise you on whether a community share scheme is appropriate, help you set it up and even give you access to a web based share selling site.

Social Investment Business

The Social Investment Business helps community businesses raise capital to achieve the maximum possible social impact in the UK. SIB works to provide simple finance for charities and social enterprises in the form of loans, grants and other investment products.

Grants: Land and Buildings

Community Assets Direct Support

£1.5m is available to support 50 local partnerships looking to develop innovative asset transfer project or multiple asset transfers. The fund offers consultancy support of up to 16 days to explore the feasibility and to develop the partnership.

Community Buildings Project Support Grant

Grants between £5,000 and £40,000 are available for the next stage of the project’s development taking it to submitting the Community Right to Build.

Grants: Local Service Delivery and Neighbourhood Planning

If you are interested in taking on the delivery of a local service such as a sports facility or shaping your local community future buildings and developments then the following funds can provide support by grant aid and other means.
Help is at hand: Signposting for further support

First Step Grants
The First Step fund is to help 115 community groups develop plans to improve their neighbourhood. The plans will produce short, medium and long term objectives to help shape and improve local communities. It is envisaged that any sports organisation would work in partners with other community groups to shape a common vision for improving their local community.

Our Place!
Our Place! offers grants up to £8,000 to help communities take more control over their local services and budgets. It could mean after school sports programmes or other sport related activity. The closing date for 2015 is 15 May.

Neighbourhood Planning Technical Support
Consultancy support is available to help local community groups develop policy, engage stakeholders in the development of a Neighbourhood Plan.

Neighbourhood Planning Grants
Grants of up to £8,000 for the costs associated with developing a neighbourhood plan. Costs could include website development, training, surveys and developing the evidence base for a Neighbourhood Plan.
Help is at hand: Signposting for further support

### Investment Funds

The majority of these funds provide finance by loans and equity (shares). The equity investment is often by means of Community Shares. The vast majority do not provide grants although occasionally grants are part of the mix.

Before proceeding you should ensure you have a business plan that can demonstrate the ability to repay any loan finance. It is also should be recognised that high street banks can also offer social enterprises loan finances and sometimes at competitive rates. These funds tend to fill the space where the investment provides social impact as well as being repayable but are often felt as too risky for banks. The following list of potential funds is not comprehensive but demonstrates the range of investment support available.

#### Community Investment Fund

The Community Investment Fund can invest between £250,000 and £1m in local charities and social enterprises, which would include community sport. The fund offers loans and equity investments in organisations that enhance local economies and provide social impact.

The fund is managed by Social and Sustainable Capital and the Social Investment Business.

#### Third Sector Loan Fund

The fund can provide loans between £250,000 and £3m in community based social enterprises and charities that benefit the local economy, have a social mission with clear social impact. The Third Sector Loan fund is managed by Social and Sustainable Capital.

#### Cooperative and Community Finance

Cooperative and Community Finance can provide loan finance between £10,000 and £75,000 but can also access other funds to offer up to £150,000.

#### Key Fund

Key Fund operates across Northern England distributing funds to help community organisations grow by growing their asset base or business activity. They tend to offer loan finance but occasionally can offer grants or equity investment.

#### Resonance

Resonance works with social enterprises by providing an underwriting service for community share offers. They will cover up to 50% of the amount to be raised, therefore encouraging other investors as it enhances the credibility of the offer and its chances of success. There are other providers of this kind of service in England, but this fund demonstrates the range of support available for community groups wishing to grow their activities and asset base.
Help is at hand: Signposting for further support

Social Investment Development Support – Developing Your Organisation

If you have a project that will look to secure social investment, which is repayable investment such as loans or equity, there are funds that can help you develop and deliver the project – including Community Asset Transfers, Right to Bid etc. These funds can also often help social enterprises seeking to secure contracts, including in the public sector.

They tend to offer grants to pay for expert support a social enterprise needs and other costs such as legal advice. To get ready for bids and funding, you can also get advice from those organisations mentioned above – Locality and Coops UK in particular – as well as the following.

Big Potential

Big Potential is a £10m fund managed by the Social Investment Business (SIB) to support social enterprises that are preparing to secure social investment. There are two types of grants available; preliminary (£20,000 – £30,000) and Investment Plan (£40,000 – £50,000). The support is provided by expert organisations that are approved by SIB.

Big Potential Advance (opens Summer 2015)

SIB will be opening a new fund that will offer a similar service to Big Potential but intended for social enterprises that are seeking to secure over £500,000 of social investment or over £1m in contracts.

Investment and Contract Readiness Fund

The Investment and Contract Readiness fund is currently closed but could offer grants between £50,000 and £150,000 for social enterprises that were attempting to secure over £500,000 of social investment and/or over £1 million of contracts.
### Glossary

#### Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ancillary Use</td>
<td>&quot;Ancillary use&quot; is any uses of a community asset that are not its main use. See Section 1 on Assets of Community value.</td>
</tr>
<tr>
<td>Community Rights</td>
<td>Community Rights are methods derived from the Localism Act to empower communities to have more say and influence over what happens in their local neighbourhood. They include the right to nominate and asset as an Asset of Community Value, the Right to Bid, the Right to Challenge and the Right to Build.</td>
</tr>
<tr>
<td>Community Shares</td>
<td>Community Shares are a means by which Community Benefit Societies can raise capital by issuing shares that carry no voting power with them, and which are repayable under certain conditions.</td>
</tr>
<tr>
<td>Compulsory Purchase Order</td>
<td>A Compulsory Purchase Order is the legal power to allow certain public bodies which need to obtain land or property to do so without the consent of the owner.</td>
</tr>
<tr>
<td>Condition Survey</td>
<td>A Condition Survey is an assessment to completely understand the condition of a building (usually undertaken prior to purchase or asset transfer) and to help develop a maintenance/refurbishment plan.</td>
</tr>
<tr>
<td>Covenants</td>
<td>Covenants are a condition in a deed for land or buildings that can limit what can or cannot be done to that property, including stopping changing its use from recreation.</td>
</tr>
<tr>
<td>Incorporated Community Club</td>
<td>An incorporated club that is set up as a legal entity that is not for profit and meets other requirements of a Community Sports Club.</td>
</tr>
<tr>
<td>The Localism Act</td>
<td>The Act can into effect in April 2012. It is a series of powers to devolve more decision making powers from central government into the hands of communities, individuals and councils.</td>
</tr>
<tr>
<td>Neighbourhood Forums</td>
<td>Neighbourhood Forums are community groups set up to influence planning matters in their areas that do not have parishes.</td>
</tr>
<tr>
<td>Local Planning Authority (LPA)</td>
<td>A LPA is empowered to manage town planning applications for the areas.</td>
</tr>
<tr>
<td>Register of Local Community Assets (Unsuccessful and Successful)</td>
<td>The register is a list of all successful and unsuccessful Assets of Community Value Applications for a local authority.</td>
</tr>
<tr>
<td>Social Investment</td>
<td>Social investment is investment made to secure a social benefit or return as its primary aim, although this can alongside financial returns. Examples are Community Shares ro community loans.</td>
</tr>
<tr>
<td>Unincorporated Club</td>
<td>Is any Community Sports Club that is governed purely by a Constitution and is not incorporated as a legal entity. The financial liability remains with the members.</td>
</tr>
</tbody>
</table>
## Types of clubs

### i) Incorporated Clubs

**Company Limited by Guarantee**

A club set up as a CLG will be owned by its members but have a separate legal identity allowing it to enter into contracts in its own right. It has limited liability for members if it becomes insolvent.

**Company Limited by Shares**

This is a company that it is owned by its shareholders. Community sports clubs typically do not use a company limited by shares although this structure may be used where an investor into a club wants to retain ownership. This form would be disqualified from many of the rights and funds outlined in this guide.

### Community Interest Company (CIC)

A CIC is a company that operates for the benefit of the community and must demonstrate that benefit. Members enjoy limited liability and there are restrictions dividends and use of assets (it must have an asset lock). A CIC can be formed as either a company limited by guarantee or a company limited by shares.

### Community Benefit Societies

These are types of cooperative structure that were previously known as Industrial and Provident Societies but they must exist for the benefit of the community. Reasonably straight forward to set up, providing a separate legal identity for the club and offering protection to members. They also allow you to raise finance by Community Shares, unlike other forms of incorporated organisation. Cooperative and Community Benefit Societies are regulated by the Financial Conduct Authority (FCA).

### CBS Exempt Charity

A charitable community benefit society is a CBS with charitable purposes as defined by the Charity Commission. It must have exclusively charitable objects and an asset lock. Like a CBS a charitable CBS can also raise Community Shares and must be registered with the FCA, but it must apply to HMRC to be recognised as an exempt charity for tax purposes. There is more information here.

### Cooperative Societies

Also formerly a type of Industrial and Provident Society, the difference to a CBS is that they operate for the benefit of members, not the wider community. This excludes them from some form of funding and finance but there are several hundred sports clubs established in this way. They are also regulated by the Financial Conduct Authority (FCA).

### Charitable Incorporated Organisations

These are both charitable and incorporated. They are regulated by the Charities Commission and can be simpler to administer than clubs set up as a company with charitable status. They provide a separate legal entity for the club and offer members limited liability. For further information see the Charities Commission.
Types of clubs

ii) Unincorporated Clubs

An unincorporated association is particularly well suited to smaller, simpler clubs. Typically these clubs would not employ staff, own significant assets (e.g. land, investments or facilities) or enter into significant contracts. They can be charitable or non-charitable.

The advantages of an unincorporated association include simple administration, such as no annual return (unless also a charity); and flexibility over rules. However, they are not a separate legal identity in the eyes of the law which means committee members have to enter into contracts, or hold assets, on behalf of the club and could be personally liable.

Also, although an unincorporated organisation can submit an application for listing a sports facility as an Asset of Community Value (ACV) most of the other rights and funds outlined in this guide would have to be undertaken by an incorporated organisation.

Charitable Organisations

Charities must exist for a charitable purpose recognised and registered by the Charities Commission (most, but not all, sports can qualify) and must be registered with them. You will need to meet certain rules to be eligible to become a charity and meet ongoing annual reporting requirements. Some unincorporated associations as well as some incorporated organisations can be charities. Companies limited by guarantee, Community Benefit Societies can be charities; Charitable Incorporated Organisation must be charities; but a CIC cannot be a charity. There is more guidance here. Most charities will be able to take advantage of the community rights outlined in this guidance but they must meet some specific criteria.

Community Amateur Sports Club (CASC)

A CASC can exist as several of the types of organisation outlined above. It is a status for sports clubs listed with HMRC and provides clubs with tax benefits, such as the ability to raise Gift Aid on donations, exemptions from 80% of business rates and exemption from Corporation tax. Whatever form of organisation it takes it must meet the criteria set out by HMRC to be a CASC by clicking here. There are over 6,000 CASCs but to be listed as one you need to meet specific conditions. Find out more here.
## Glossary

### What different types of club organisation can and can’t do?

<table>
<thead>
<tr>
<th>Type of Organisation</th>
<th>Submit an application for an ACV?</th>
<th>Submit a Right to Bid?</th>
<th>Undertake a Community Asset transfer?</th>
<th>Take out a Right to Challenge or Right to Build?</th>
<th>Develop a Community Shares Scheme?</th>
<th>Grant Funding</th>
<th>Be a Charity?</th>
<th>Register as a CASC?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incorporated organisations</strong></td>
<td></td>
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<tr>
<td>Company Limited by Guarantee</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Possible</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Company Limited by Shares</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<td>No</td>
<td>No</td>
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<tr>
<td>Community Interest Company (CIC) CLG</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Possible</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Community Interest Company (CIC) CLS</td>
<td>Yes</td>
<td>Yes, if non-profit distributing</td>
<td>Yes, if non-profit distributing</td>
<td>Yes, if non-profit distributing</td>
<td>No</td>
<td>Yes, if non-profit distributing</td>
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<td>Yes, if non-profit distributing</td>
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<tr>
<td>Community Benefit Societies</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Possible</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>CBS exempt Charity</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Possible</td>
<td>Requirement</td>
<td>N/A</td>
</tr>
<tr>
<td>Cooperative Societies</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Possible</td>
<td>Yes</td>
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<tr>
<td>Charitable Incorporated Organisations</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Possible</td>
<td>Requirement</td>
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<td><strong>Unincorporated organisations</strong></td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Possible</td>
<td>Possible</td>
<td>Yes</td>
</tr>
</tbody>
</table>
DISCLAIMER: Information is for guidance only and does not constitute formal professional advice. As such, no reliance should be placed on the information contained in this document. Where specific issues arise in your organisation, advice should be sought from the relevant expert(s) as necessary.