Protecting Local Services (Service/Asset Devolution Framework)

Purpose

- 1. The purpose of this framework is to set out Rother District Council's (RDC) approach to the devolution of assets and/or services to give greater local control and influence and to protect what is most important to local communities.
- 2. RDC seeks to be proactive and collaborative in respect of potential asset and service transfers ahead of Local Government Reorganisation (LRG) as part of the Government's Devolution agenda, responding to the needs and wishes of its local communities and partners.
- 3. This framework builds on the Council's 'Protecting Discretionary Services Strategy' and reaffirms this commitment to provide clarity not only to parish and town councils (P&TCs), but also to community and voluntary groups and our local communities (known hereafter for the purpose of this framework as 'partners') on the approach to devolution and the options that may be available.
- 4. This framework is intended to support transparent conversations, and to encourage openness and understanding between partners and the wider community, to influence place shaping and to help deliver the priorities and vision for the area as contained within the Council Plan and Climate Strategy.
- 5. RDC recognises that the devolution of assets and services to a more local level can create a sense of community ownership and facilitate the delivery of stronger, more resilient, and sustainable services and resources. Community led solutions have the potential to achieve better outcomes than centrally administered initiatives. The ability of partners to access funding not necessarily available to RDC creates the opportunity to modify or enhance physical assets or to deliver and adapt services in a way that more closely matches or responds to the needs and expectations of local communities.
- 6. It is possible to deliver devolution across of range of options including influencing, enhancement, joint delivery or full asset or service transfer.
- 7. Whatever devolution option that is pursued, partners bring:
 - Detailed knowledge and understanding of the needs of their communities, with the ability to tailor activity accordingly.
 - An ability to mobilise their communities, coordinating and harnessing individuals and groups to address local priorities.
 - In the case of P&TCs, the ability to raise money locally through precepts.
 - Access to grant streams and other funding sources which RDC cannot access.

Introduction

- 8. RDC needs to balance the aspirations and ambitions of local communities with the stewardship of assets and/or service delivery, with the wider corporate objectives and priorities of the Council and its place shaping ambitions. The framework seeks to achieve mutual benefit for partners and local communities whilst helping to protect against future liabilities for any newly formed unitary authority following LGR.
- 9. Given the financial challenges the Council is facing it is important to recognise that income generated by a specific asset or service may subsidise the delivery of other less profitable Council services which themselves may be unrelated either functionally or geographically. Therefore, each Expression of Interest EOI) will have to be carefully considered in this context.
- 10. This framework seeks to clearly set out the process and information required to ensure a fair, transparent and streamlined assessment of any requests received. The Council has reflected on the learning from previous attempts to devolve both services and assets and to recognise the challenges of seeking to progress these negotiations in the absence of a clearly defined procedure and framework and limited cost data to help support the development of a sound business plan.
- 11. The Council recognises that devolution can stimulate the involvement of local people in shaping their environment and communities, it can be a catalyst for social, environmental, and economic regeneration. However, the full transfer of assets or services may not be appropriate in all instances especially where the transfer would not align to the priorities of RDC. Where opportunities do exist, this framework seeks to bring clarity and structure to the process as well as setting out expectations, responsibilities and timeframes.

Local Government Reorganisation in Sussex

- 12. The Devolution White Paper was issued on 16 December 2024 which put forward proposals for the Government's Devolution agenda. Considerations included the potential for authorities to submit Expressions of Interest (EOI) to be included within the first phase/fast track of this process (Devolution Priority Programme).
- 13. The proposals include consideration of the following:
 - Creation of a mayoral strategic authority for Sussex, made up of an elected mayor and two members of each constituent authority, with strategic powers for transport, public safety, health, environment and climate change, housing, economic growth, skills and jobs; and
 - The opportunity to consider the formation of new unitary authorities for the County as part of Local Government Reorganisation (LGR) which would combine the powers and services of both County and District authorities.
- 14. On Thursday 9 January 2025 East Sussex, West Sussex and Brighton and Hove all agreed to requested that they be considered for inclusion within the Devolution Priority Programme. This request was supported by Rother District

- Council (RDC). The announcement was made on 5 February 2025, which confirmed that Sussex was to be included within the Priority Programme.
- 15. Now that confirmation has been received, it is anticipated that any new 'shadow' unitary authority will be in place as soon April 2027. The Devolution/LGR agenda raises several risks but also opportunities for the Council to consider.
- 16. Section 24 (further detail provided within Annexe 4) gives power to any new shadow authority to veto certain spending decisions. It is anticipated that this is likely to come into effect around 6 months prior to the formation of any new shadow authority, which would be from around October 2026 based on current timeframes.
- 17. In terms of timeframes for the consideration of any LGR/unitary proposals, the initial plan for LGR needs to be submitted on or before 21 March 2025. Final proposals are then expected to be submitted by 26 September 2025.

Scope

- 18. The scope of this Framework applies to all types of devolution transfer by the Council; both the devolution of the responsibility for running services and asset transfer. The focus will be on discretionary services and related assets, a summary of potential areas for consideration are included at the end of this document, although this list should not be considered exhaustive.
- 19. Service devolution involves the transfer of the responsibility for running a service (or part thereof) from the Council to another partner.
- 20. Asset transfer involves the transfer of ownership of land, buildings, or other assets from the Council to a partner organisation to achieve greater community benefit.
- 21. The application of this Framework may be triggered by either external requests from local partners and/or by the Council through an identification of a relevant service area or from an asset is declared surplus to requirements.
- 22. Given the potential resource implications of this Framework and the time constraints regarding the establishment of a new unitary authority by April 2027 it is recommended that the initial Expressions of Interest (EOI) process is focussed on negotiations with P&TCs. The Council does however reserve the right to invite other partners to this initial stage on a case-by-case basis.
- 23. The the window for the submission of any Expressions of Interest (EOIs) will run for a 6 month period until 30 September 2025, after which time no further submissions will be accepted.
- 24. Assessments and considerations will be undertaken on a 'first come, first served' basis. The authority will need to be clear that these considerations are not negotiations, if assets/services cannot be transferred within these timescales then they will naturally transfer to the new authority.
- 25. The Council will not re-consider any agreements already made or which are already underway as we will not have the time or capacity to do so.

Expectations of Partners

- 26. The Council wishes to take a collaborative approach to any discussions, there will however be the following expectation of partners:
 - To provide any supporting information in a timely fashion and in line with the timeframes outlined within this Framework.
 - To cover their own legal/other costs associated with any proposals, including asset condition surveys if required (where not already available).
 - Be able to fund or make provision to fund any assets/services in a sustainable way without support from the Council.

Types of Arrangements

- 27. The transfer of the responsibility for running a service and/or an asset will broadly be managed through different approaches as outlined below. The Property and Service Investment and Disposal Panel (PSIDP)will determine the most appropriate arrangement on a case-by-case basis, considering any associated legislative frameworks relating to procurement, asset disposal or subsidy control.
- 28. The different types of arrangement are broadly as follows:
 - Service Level Agreement Where a service is devolved, the Council
 may set out a Service Level Agreement (SLA) relating to the quality
 standards and activity expected.
 - Freehold Transfer This is where an asset is permanently transferred to a partner subject to any conditions attached.
 - Long Term Lease 25 years or more in relation to a building.
 - Short Term Lease or other management arrangement A lease less than 25 years or a license to occupy or other tenancy agreement.
- 29. There is a presumption that where an asset is to be transferred to a partner this will be offered based on a freehold transfer where possible, rather than long-term/short-term lease arrangements. This is to provide opportunities for partners to consider investment in the asset and/or other funding opportunities and to have direct local control for future operation for the benefit of the community. The final decision on a transfer of freehold will be made by Cabinet in line with the Council's Constitution where these decisions are outside of officer delegations or require strategic consideration.

Outcome Focused

- 30. Any transfer considerations need to be focussed on outcomes and future sustainability. These could include but are not limited to:
 - Sustainability the ability for any transfer to be sustainable and manageable in the future, delivering positive and in some instances enhanced outcomes for communities.
 - Delegation it is possible for the authority to delegate services. This is more straightforward with discretionary services, where the Council does

not have a statutory duty to deliver them. The position is more complex with statutory functions, as although these can be outsourced the responsibility remains with the Council so these cannot be fully transferred. Legal and financial agreements will need to be in place for any such service transfers, where these relate to assets this could include tenancy and lease agreements.

- Influencing this may include changes to the way contracts are currently delivered by the Council or discussions around requirements when retendering contracts or indeed the way an asset is used. Any such changes would need to be financially sustainable for the Council unless agreed otherwise.
- Enhanced Delivery Partners may choose to deliver additional services
 not provided by the Council, either through a separate contract or by
 extending an existing one. Existing services could also be enhanced
 through funding additional work that is not part of the Council's basic
 service requirement. This option has scope to enhance the value and
 cost of services and/or assets already provided by the Council. Any
 funding requirement for enhancement would be expected to be met by
 partners. These enhancements could be achieved in various ways:
 - Use of volunteers / volunteer teams
 - Employing their own staff / wardens
 - Procuring a separate contract (with a 'local' contractor)
 - Purchasing additional services via an existing contract
 - Encouraging community participation with support / sponsorship from local businesses
 - Managing or utilising an asset (or part of it) in a different way or by a different organisation
- Management The Council can offer agency agreements for service and / or assets to enhance services or assets locally. The agreement sets out basic standards and conditions (e.g. health and safety) and may include a lump sum based on the minimum level of service the Council would undertake. There are various ways this could be delivered, for example, through a licence, management agreement or sponsorship. Under this option RDC may provide some or all the funds needed for work undertaken on the Council's behalf to a base level of standard. Any enhancement should be funded by partners unless otherwise agreed.
- Transfer Partners may be able to take on full ownership and responsibility for an asset and/or service. The Council needs to take account of 'best value' considerations when establishing the value of any asset but there are potentially wider considerations as well in terms of community need and long-term benefits. Any such discussions will be supported through the Council's Asset Disposal Policy and eligibility assessment outlined below.

Guiding Principles

31. The following sets out a clear set of principles to support the transfer of assets and/or services.

Engagement

- Consult with communities and partners to establish what communities want/need
- Engagement with any staff impacted by proposals, including TUPE arrangements and Union engagement
- Engage with key stakeholders impacted/impacted by proposals
- Framework to be developed with the Rother Association of Local Councils (RALC)

Community benefit

- Any business plan needs to clearly detail how community benefit will be delivered and how risks will be managed and mitigated
- Assessment of how proposals help deliver the Council's/community's wider vision and aspirations for the area

Financial sustainability

- Have transparency over monitoring of impacts and outcomes
- Learn from previous experiences to enable a flexible framework which can adjust to meet community and partner needs
- Be open, honest and realistic in conversations and what can be achieved and at what cost
- Any transfers need to be sustainable and resilient over the medium to long term
- Financial and asset management plans need to be considered where appropriate to demonstrate sustainability

Capacity Building

 Potential need for support or training to equip the partner with necessary skills

Legal Compliance

- Ensuring all legal requirements are met throughout the transfer process
- Compliance with relevant legislation ie health and safety, equalities etc

Alignment

- Needs to align with the Council's Medium Term Financial Strategy and Climate Strategy
- Some assets may need to be retained for statutory service delivery or due to key financial or strategic significance
- There may be contractual constraints and restrictions, and the Council must be able to maintain viable and efficient services
- Support the objectives and aspirations of the Council Plan

Devolution of Services

- 32. While transfer of both statutory and discretionary services can be considered, if the Council has a duty to provide any transferred service, the ultimate responsibility will remain with the Council. The focus of this framework will be on the transfer of discretionary services and related assets. Responsibility for delivering the service may be transferred under clear contractual arrangements. The receiving partner will then become responsible for the delivery of those services in accordance with the terms of a Service Level Agreement (SLA). Where RDC has an underlying statutory responsibility, it must be able to terminate the SLA at any given time if it is not being met. It should be noted that service monitoring meetings would identify issues during the delivery and therefore avoid this outcome if possible. Similarly, the receiving partner may have the ability to terminate depending on the contractual arrangements.
- 33. In some circumstances the Council will only delegate services rather than devolve assets, examples of where only an SLA might be appropriate include:
 - The Council has a statutory obligation, such as provision of temporary accommodation.
 - Land where commuted sums for the maintenance have been paid to the Council (by a developer typically).
 - Where there is only a small area of land owned by the Council, which means the cost of the legal land transfer is prohibitive (unless the partner is prepared to fund the transfer).
 - Land maintained for the benefit of the community by the council but not owned by the Council.
- 34. Where responsibility for discretionary services is transferred, RDC will cease to be responsible and accountable for the delivery of these services. There is no guarantee that the Council would consider re-assuming delivery of the service in the future.

Devolution of Assets

35. RDC have responsibility for land and buildings through various means:

Owned assets – this is where the Council holds the freehold interest or a long lease in an asset.

Dedicated assets – where the Council has a historical contractual obligation but does not have the freehold ownership e.g. areas of open space or play areas under planning agreements.

Statutory responsibility – where the Council have a duty to maintain assets (and provide services) under legislation, such as 'closed churchyards' (unless specific agreement is reached with a parish/town council) or watercourses, where the Council has a duty to maintain on some instances.

36. Any proposals for the transfer of assets to partners will be assessed against the following criteria:

- Consideration of any relevant covenants or other restrictions on land/assets
- Will facilitate the continuation of service that RDC is no longer able to provide
- Will facilitate access to funding not available to RDC
- Transfer will provide social, economic, or environmental well-being benefits to the local community
- 'Tidying up' of areas ie passing incidental pieces of land and landscaping or parts thereof to the local level
- Will provide a community facility which the partner has demonstrable skills, drive, and resources to deliver and sustain
- 37. Where an asset is identified as potentially being eligible for transfer RDC will consider freehold and long/short-term lease options as appropriate. Priority will be given to freehold and long-lease options which facilitate RDC cost reductions and empower local decision making and ownership for the benefit of the community.

Exceptions

- 38. The purpose of this framework is to encourage open and honest conversations between the Council, partners, communities and other interested stakeholders. It is on this basis that no exceptions to asset devolution have been specifically identified, however it is likely that in certain circumstances some assets will not be eligible for devolution. This may include:
 - Assets that generate significant income (such as chargeable car parks) or are held to fulfil strategic priorities
 - Assets held for future capital realisation
 - Assets or land held for future development of a Council or partner scheme
 - Vacant land or buildings that can generate a significant capital receipt
- 39. In such circumstance RDC would aim to provide clarity as early in the process as possible and/or to identify what alternative arrangements or devolution outcomes may be deliverable.

Funding

40. Any service/asset transfers are expected to be funded locally by the Partner and will need to clearly demonstrate its sustainability, community benefits and alignment with the Council's priorities.

Transfer Agreements

- 41. Any transfer agreements are likely to include clauses, such as:
 - RDC/subsequent authority to have first refusal should the asset subsequently be sold on (if within 10 years of transfer).
 - A requirement that benefits the wider community i.e. maintains the community's access and use of the asset/service.
 - An overage agreement should the asset subsequently fall out of community use and be sold on the open market or leased at commercial

rates to ensure that the Council receives an additional sum if the original purposes are no longer met.

Best Consideration

- 42. The Council may dispose of surplus land and property having regard to the provisions in section 123 of the Local Government Act 1972 and the General Disposal Consent 2003. This legislation ensures that public property is disposed of at the best price obtainable subject to certain exceptions.
- 43. The exception is where the disposing authority considers that the purpose of the disposal at less than best price will achieve the promotion or improvement of the economic, social, or environmental well-being for the area and/or communities. RDC will secure valuation advice that sets out the unrestricted (best price obtainable) and restricted values, together with the value of any proposed conditions. Any costs incurred by RDC in seeking relevant valuation advice could be met by the partner applicant, but this would be subject to discussion.
- 44. When considering the disposal of public open space, there is a legal requirement on the Council to advertise proposed disposals and consider objections. Open Space is defined as "any land, laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground."
- 45. The Council is obliged to give notice of the intention to dispose by placing a public notice in the local newspaper for two consecutive weeks. As this is older legislation, more modern social media methods would be used to additionally raise awareness. Any objections must then be considered by the appropriate decision maker. Partner applicants may be required to meet the costs of advertising the proposed disposal, again, subject to discussion.

Application Process

- 46. Following consideration and negotiation regarding any devolution requests, RDC will make decisions based on individual devolution transfers. All such decisions will be taken in accordance with this Framework, the Council's Asset Disposal Policy and Constitution. Key decisions on significant devolution transfers will be taken in line with the Council's Constitution. Non-key decisions will be taken by the relevant officers in accordance with the scheme of delegation. Considerations over whether a decision is a key decision or not are likely to be determined by the size, scope and complexity of the project proposed.
- 47. The Property and Service Investment and Disposal Panel (PSIDP) will consider all devolution requests and oversee the devolution programme. The Terms of Reference (ToRs) for this Panel will be updated to reflect the requirements of this Framework. The Panel will make recommendations to the relevant decision-maker (officer/Member/Cabinet) on the detail of transfer agreement terms and sign-off.
- 48. The Council may need to balance the competing interests of community and voluntary groups and/or local councils and an assessment will need to be made as to the option that will deliver most sustainable benefit to the local community.

Where possible, potential beneficiaries can be brought together in a partnership where this can result in a collective benefit to residents. We would encourage any such opportunities to be explored through the appropriate networks.

Pre-Application Stage

- 49. As part of the Council's commitment to supporting the transfer of services and/or assets, support will be provided to partners to enable them to consider submitting expressions of interest. This will include:
 - Online guidance and information including template expressions of interest form and business plan.
 - Provision of information, where appropriate and available, to potential applicants on the specification of services and running costs of assets to help inform the development of proposals.
 - A named contact to support organisations to submit expressions of interest, support business plan development, and to keep the applicant updated at all stages of the transfer process.
- 50. The initial EOI process will be focussed on negotiations with P&TCs. The Council does however reserve the right to invite other partners to this initial stage on a case-by-case basis. Any services or assets for which there is no interest registered can then be considered stage two of this process and opened to other interested constituted community groups.

Eligibility Criteria

51. The following eligibility criteria will apply to partner applicants:

Criteria Description

- 1 This Service Devolution and Asset Transfer Framework is open to:
 - P&TCs

Stage 1 – the initial process will be focussed on negotiations with P&TCs. The Council does however reserve the right to invite other partners to this initial stage on a case-by-case basis

Stage 2 - any services or assets for which there is no interest registered can then be considered stage two of this process and opened to other interested constituted community groups as follows:

- Unincorporated charitable organisations
- Companies limited by guarantee with charitable status
- Community Interest Companies, limited by guarantee
- Community Benefit Industrial & Provident Society with an asset lock Community Interest Company, limited by shares
- Charitable Incorporated Organisations

- 2 Organisations must:
 - Be legal entities
 - Be non-profit making
 - Have community and/or social objectives; and/or
 - Be located within the boundaries of the Council area or can demonstrate that they provide services within the area to residents
- All assets must remain open to the wider public. This does not disqualify special interest proposals or groups. However, evidence must be provided of how the asset will be used in an inclusive way.
- 4 Applicants must provide full contact details for the organisation, including someone with the relevant decision-making authority.
- Applicants must provide supporting evidence where required and complete all sections of required forms.
- 52. The Council will not consider EOI from partners which are political or with political affiliations; organisations engaged in supporting candidates for political office; individuals or businesses who intend primarily to run the service or use the asset for commercial gain.

Initial Considerations: Expressions of Interest (EOI) Submission

- 53. Given the time constraints, organisational capacity and precept deadlines, the window for the submission of any Expressions of Interest (EOIs) will run for a 6 month period until 30 September 2025, after which time no further submissions will be accepted.
- 54. Check that the application meets the eligibility criteria to be considered and notify the applicant accordingly. The following will then be undertaken:
 - Notify the relevant local Member(s) and seek their views
 - Notify the relevant service areas, including the Estates Team (where asset related) and seek their views
 - If the request is in relation to service devolution, information will be provided to the applicant regarding service specifications and costs (where possible an estimate of disaggregated costs where relevant)
 - An initial assessment of the potential application of TUPE regulations will be undertaken
 - If the request is in relation to community assets, the following information will be provided to the applicant:
 - > Estimated costs for maintenance of the asset
 - ➤ Estimated market value of the asset (if any)
 - ➤ Condition survey report (where available or to be commissioned and funded by Parter where not available and if required)
 - > Any outstanding loan or funding agreements in place
 - If the applicant wishes to then proceed with the transfer request, considering this information, then the EOI will be considered by the PSIDP

- The PSIDP will determine if the application passes the initial assessment and next step options which are:
 - a) Business plan required before decision
 - b) Business plan not required, and a decision can be agreed under officer delegation
 - c) A decision in-principle can be agreed subject to further information being submitted and/or financial/legal arrangements being agreed
 - d) Application rejected and feedback provided to the applicant

Detailed Considerations: Business Plan Stage

- 55. The Council wishes to ensure that the transfer is successful for all parties. As such a business plan will normally be required. This is likely to consider an asset or service request in relation to its Fixed Asset book value, market value and overall costs likely to be incurred. A business plan will also be required for all key decisions or whereby the application concerns the devolution of a statutory service.
- 56. The Council recognises that the completion of a business plan will take the applicant time and effort and will therefore only request one in situations where effort is commensurate to the value or significance of the asset(s) or service(s).
- 57. Where the application concerns a package of asset and service devolution only a single business plan will be required. It is likely that this document would be co-developed in partnership.
- 58. If a business plan is required, it should clearly illustrate the following:
 - Status, background, and governance arrangements of the applicant
 - A summary of the project:
 - Aims and objective for the asset or service
 - Identified need or demand
 - Benefits to local community, how it helps to deliver the vision for the area and alignment with RDC priorities and community engagement undertaken
 - Relevant experience and Operational Arrangements
 - Promotion of asset/service
 - Financial sustainability assessment
 - Risk assessment
 - Property Management Plan (if relevant)
 - Monitoring arrangements

It is also likely that supporting evidence will also be required as follows:

- Health & safety arrangements in place
- Safeguarding arrangements
- Equalities
- Staffing and/or contractual arrangements/implications
- Insurance
- Operational procedures
- Governance
- Environmental considerations

- 59. All business plans will be considered by the PSIDP prior to a recommendation to the decision-maker(s) following the requirements of the Council's Constitution.
- 60. The Council will consult local Member(s) prior to a decision on transfers that require a business plan. RDC also reserves the right to engage with any other key stakeholders as required on any relevant applications.
- 61. The internal assessment process will also likely engage the following services as necessary:
 - Finance
 - Legal
 - Estates
 - Procurement
 - Neighbourhood Services
 - HR (TUPE/redundancies)
- 62. RDC will also, at this stage, consider their obligations under section 123 of the Local Government Act 1972 if the proposal concerns the potential disposal of public open space and the associated requirement to advertise.

Stage 3: Negotiation and Transfer

63. The detail of legal agreements for the transfer of an asset and/ or service will take place following approval of a business plan, although Heads of Terms may be required in advance. The applicant may be expected to meet some or all the Council's legal costs incurred because of any transfer agreement. The decision on the sign-off of all transfers will be made in accordance with decision-making rules as set out in the Council's constitution.

Timescales

- 64. It hoped that Stages 1 to 3 above will be completed within twelve months, subject to available resources and interest. However, any timelines provided are indicative and will vary depending on the complexity of each application, responsiveness of applicants and available information. The process of transfer takes time and must be fully understood by all parties and reflected in decision making.
- 65. It is anticipated that timescales will be better understood over time as processes and procedures are formulated, reviewed and amended.
- 66. It is important to note that there is no requirement to participate in this process and it is acknowledged that the appetite, capacity, and capability will differ between partners. It may be that cluster working, if appropriate, to unlock further potential is more beneficial to the community.

Appeals

67. Applicants are entitled to appeal against decisions if they feel they have been treated unfairly and/or there has been a breach of this Framework.

- 68. Appeals need to be submitted in writing within 28 days of the decision being made, clearly stating the issue or reference to the part of the Framework that has been breached.
- 69. The appeal will be managed in line with the Council's stage 2 complaints procedure.

Annex A – Flow Chart

Annex B - Expression of Interest (EOI) Form

Annex C – Business Plan Template

Annex D – Legal Framework

Annexe E – Assessment Criteria Summary

Annexe F - Services/Assets Within Scope

Annex A - Flow Chart

Devolution Asset and Service Transfer Flowchart – Rother District Council

If the request relates to service devolution, information will be provided to applicants covering service specifications and disaggregated costs where it is possible to do so. If the request relates to an asset transfer the following will be provided:

- Condition survey (may need to be commissioned)
- Estimated market value (may need to be commissioned)
- Estimated maintenance costs

If the applicant wishes to proceed with any transfer following receipt of this information and completion of an Expression of Interest (EOI), this will then be assessed and considered by the Property and Service Investment and Disposal Panel (PSIDP).

If a business plan is required to support the decision, you will need to supply:

- · Aims and objectives for asset/service
- Identified need/demand
- Demonstration of community benefit
- Alignment with RDC priorities
- Financial sustainability assessment
- Risk assessment
- Property Management Plan (where relevant)
- Monitoring arrangements

Further evidence is also likely to be required ie governance arrangements, H&S considerations, staffing/contractual implications, insurance, operational/environmental considerations etc.

Initial stage: Expressions of Interest (EOI) Initial viability assessment Consultation - local Members/service teams Consideration by PSIDP Asset/service value over £100,000 and/or Key Decision? Yes Detailed consideration – Business plan No Consideration by PSIDP Approval by Cabinet

Annex B – Expression of Interest Form

EXPRESSION OF INTEREST (EOI) IN A ROTHER DISTRICT COUNCIL (RDC) COMMUNITY ASSET /SERVICE

This form is available through the Council's devolution micro-site which can be accessed <u>here</u>. Please note that Expressions of Interest (EOIs) will run for a 6 month period until 30 September 2025, after which time no further submissions will be accepted. Any queries regarding the completion of the form should be email to Devolution@rother.gov.uk.

Annex C – Business Plan Template

Rother District Council – Asset/Service Transfer Business Plan Template

This form is available through the Council's devolution micro-site which can be accessed <u>here</u>. Any queries regarding the completion of the form should be email to <u>Devolution@rother.gov.uk</u>.

Scoring methodology for questions out of 3:

- 0 = response does not meet criteria and/or is unacceptable
- 1 = response partially meets requirements but contains material weakness, issues or omissions and/or is inconsistent
- 2 = response fit for purpose. Good in many respects. No significant weaknesses, issues or omissions
- 3 = response meets criteria to exceptional standard. Robust and detailed in all material respects. Minimal omissions

Annex D - Legal and Regulatory Framework

Local Government Act 1972, Section 123

- Requirement: Disposals must achieve the best consideration reasonably obtainable unless the Secretary of State consents to a disposal at less than best consideration.
- Exceptions: Disposals for less than best consideration can in certain circumstances be made where the disposal contributes to the economic, social, or environmental well-being of the area, provided the undervalue does not exceed £2m. If the value forgone is greater than £2m, approval from the Secretary of State is required.

Local Government Finance Act 1988

RICS Valuation - Professional Standards ("Red Book"), defines market value when considering the price obtained from a disposal.

Localism Act 2011 – introduced the concept of local communities taking more control of assets in their area.

UK Procurement Regulations - Overview: Ensure compliance with UK procurement regulations when disposing of assets, particularly in cases involving high-value transactions. Pure land transactions are exempt from EU procurement rules, but the rules may apply where specified services are provided in exchange for receipt of an asset.

Subsidy Control - Depending upon the nature of the transaction, it is possible that a disposal at less than market value will be considered as a form of subsidy to the purchaser. If applicable, the Council must ensure that the relevant subsidy control rules are complied with to ensure the disposal is not regarded as unlawful, but in all cases details of the particular transaction must be referred to Legal Services for comment.

Transfer of employees (TUPE) - There are two different types of transfer of employees under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) – Service Provision Change or a Transfer of Whole or Part of an Undertaking.

Local Government and Public Involvement in Health Act 2007 (Section 24) - all affected authorities (involved in Devolution discussions) may not engage in specified new spending without the written consent of the other affected authorities (i.e. those that will form the new unitary). Prohibited spending covers; land disposals for £100k or more; entering into any new capital contracts (for £1m or more); or revenue contracts (for £100k or more). While any new shadow authority is not expected until April 2027, these powers are expected to come into force around 6 months prior to this which would be October 2026 based on current timeframes.

Annex E – Assessment Criteria Summary

Assessment Criteria Area	EOI Evidence	Business Plan Evidence
Community benefit	Statement of intended community benefit, aims and objectives and engagement/issues identified	Strong track record of delivery of community benefit
		Evidence of community impact and resident consultation on proposal
Financial sustainability	Ability to manage service/asset	Clear long term plan for ensuring viability, proposals for asset/service promotion
Capacity building	Skills/training requirements and experience	Proposed management structures, operational proposals/experience
Governance and legal compliance	Meet eligibility criteria	Settled legal entity with proven ability to manage change, monitoring arrangements
Alignment	Synergy with RDC corporate strategy/vision	Clear strategic objectives and future vision
Risk assessment	Consideration of risks	Risk assessment demonstrating management and mitigation
Property Management Plan	Ability to manage service/property.	Proven record of managing maintenance issues, asset considerations

Annex F – Services and Assets Within Scope

The service and asset devolution package to each Town and Parish Council Partner will differ depending on services provided and the assets held. The focus will be on discretionary service areas and related community assets. However, the following principles will be applied initially as per below, with any additional elements considered on a town/parish basis. Please note this list is not exhaustive.

Services	Conditions	
Grounds maintenance	Must cover entire provision for a town/parish unless already under separate agreement. Currently under contract, could be novated/amended.	
Leisure service provision	Currently under contract, could be novated/amended.	
Public convenience - cleansing	Currently under contract, could be novated/amended.	
Miscellaneous	Examples include tree maintenance contract (currently covers all of RDC), bi-annual bench painting contract (Bexhill)) etc.	
Assets		
Parks and open spaces	Battle Town Council have already devolved and maintain much of their grounds, play areas etc which includes litter, play area inspections, repairs. This model has worked well and would be good to use as a model for further devolvement.	
Museums	Bexhill SLA in place.	
Play areas	To be devolved along with the land if in RDC ownership.	
Monuments		
Public conveniences		
Leisure centres	Potentially linked to service provision above.	
Cemeteries		
'Closed' graveyards		
Clubhouses	Scouts for example.	
Areas for which s106 monies are held	Would need to be further explored, potential as long as requirements are maintained.	
Seafront shelters	Draft lease in progress with Bexhill Heritage for shelter one on East Parade.	
'Free' car parks		
Any other assets/services not covered by the 'exceptions' list*	This list is not exhaustive, and the Council will consider other proposals for relevant asset/service transfers.	

^{*}Assets that generate significant income that are held to fulfil strategic priorities/assets held for future capital realisation/assets or land held for future development of a Council or partner scheme/vacant land or buildings that can generate a significant capital receipt.