power to change | business in community hands

Technical report

Our assets, our future: the economics, outcomes and sustainability of assets in community ownership

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COMMUNITY FUND

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1. Introduction

1.1. Introduction

This technical report supports Power to Change's 2019 report 'Our asserts, our future,' which provides the state of community asset ownership in England as well as assessing the sector's financial health and economic and social contribution. This technical report provides more detail on case study selection, methods deployed and results presented.

There are five sections in this document:

— Section 2 outlines the selection of case study local authorities and assets. It also presents the location of assets in community ownership identified in each of the five case study local authority areas.

— Section 3 details the method to establish the extent of community asset ownership in England.

— Section 4 provides the topic guide that informed our qualitative work with case study assets.

— Section 5 details the survey method and contains the questionnaire that was used assess the state of assets in community ownership.

— Section 6 sets out the method, and results, of logistic regression analysis to identify factors that are associated with excellent financial health.

2. Case study selection

2.1. Introduction

Five local authorities were selected as a focus for the case study research. These areas were chosen using multi-dimensional criteria, assessing the prevalence of community asset ownership, differing levels of deprivation and dominance of rural or urban settlement patterns. The areas selected to provide diversity on these criteria were Lincolnshire, Liverpool, Wandsworth (and Richmond), Wiltshire, and Wolverhampton.

Potential case studies in each of the five local authority areas were extracted from a national database of assets developed by combining data from a number of sources, including funder monitoring and application data, the charity register, the community-led housing database and our own surveying. Additional searches were conducted in the five areas to supplement this, with the aim of improving the accuracy of asset mapping. This entailed internet searches, analysis of the Land Registry's CCOD (Commercial and Corporate Ownership Data) and conversations with key local infrastructure organisations in the areas.

Details on the reasons for area selection, and for choosing individual cases, are provided below.
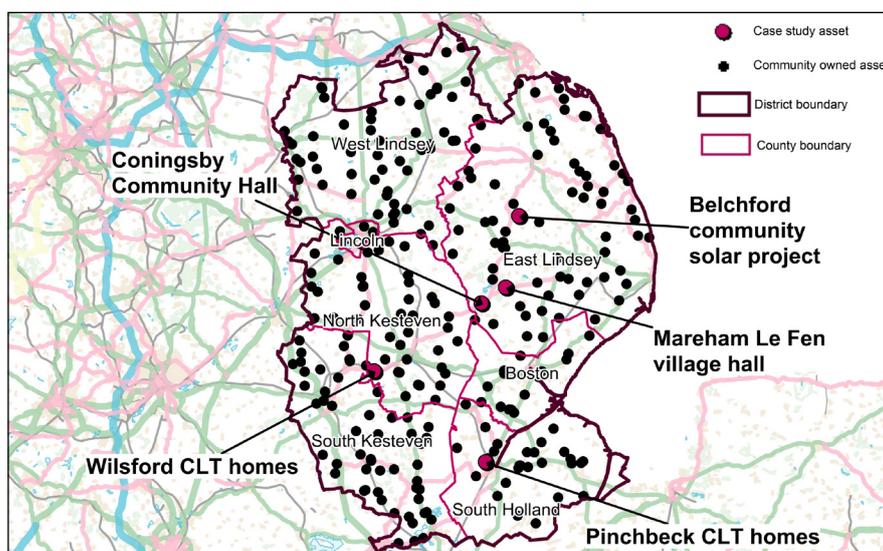
2.2 Lincolnshire case study area

An initial assessment of the extent of community-owned assets (per capita) suggested Lincolnshire had a high prevalence of such assets. In selected areas, deprivation was assessed as being high, within a county that has a largely rural settlement pattern.

To select cases which would provide insights into different asset types, development journeys, aspects of financial health and cost benefits, the following cases were selected:

Case study asset	Primary asset purpose
Belchford Community Solar project	Energy asset
Coningsby Community Hall	Hub/hall
Mareham le Fen Community Centre	Hub/hall
Maurice Chappell Way housing scheme (Pinchbeck Community Land Trust)	Housing
Blackberry Way housing scheme (Wilsford Community Land Trust)	Housing

Subsequent collation and analysis of data concerning assets in Lincolnshire suggests that, across seven districts within the county, there are 290 community-owned assets. Figure 1 below shows how these assets are geographically spread.

Figure 1: Community-owned assets and case study assets in Lincolnshire

2.3. Liverpool case study area

The number of community-owned assets per 10,000 people in Liverpool was observed to be high. Furthermore, deprivation was classed as high, and in contrast to Lincolnshire, this area is largely urban in nature.

To select cases which would provide insights into different asset types, development journeys, aspects of financial health and cost benefits, the following cases were selected:

Case study asset	Primary asset purpose
Croxteth Sport and Wellbeing Centre (Alt Valley Community Trust)	Sport
Eldonian Village (Eldonian Community-Based Housing Association)	Housing
Kensington Library (Kensington Fields Community Association)	Cultural
The Rotunda (Rotunda Ltd)	Hub/hall
Squash community building, café and arts centre (Squash Nutrition)	Hub/hall

Following detailed analysis of data concerning assets in Liverpool we estimate there are 63 community-owned assets within the local authority boundaries. Figure 2 below shows how these are geographically distributed.

Figure 2: Community-owned assets and case study assets in Liverpool
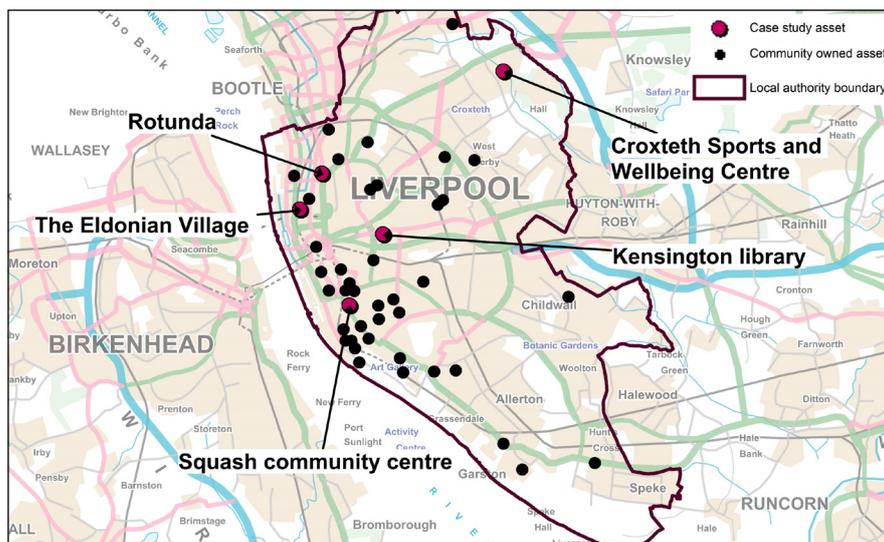
## 2.4. Wandsworth (and Richmond-upon-Thames) case study area

Wandsworth was initially selected as data suggested the number of community-owned assets was medium/low. This proved to be correct, and necessitated the inclusion of another local authority area to provide a critical mass of cases for analysis. The decision was taken to include Richmond-upon-Thames and assess community ownership across the two boroughs. Both areas were observed to be experiencing generally low/medium deprivation, in an urban context.

To select cases which would provide insights into different asset types, development journeys, aspects of financial health and cost/benefits, the following cases were selected:

Case study asset	Primary asset purpose
ETNA community centre (East Twickenham Neighbourhood Association)	Hub/hall
Katherine Low Settlement	Hub/hall
Landmark Arts Centre	Cultural
Affordable housing units (Richmond Parish Lands Charity)	Housing
Community minibuses (Richmond and Kingston Accessible Transport – RaKAT)	Transport

Detailed analysis of data concerning assets in Wandsworth and Richmond-upon-Thames we estimate there are 32 community owned assets within the two boroughs. Figure 3 below shows how these are geographically distributed.

Figure 3: Community owned assets and case study assets in Wandsworth and Richmond-upon-Thames
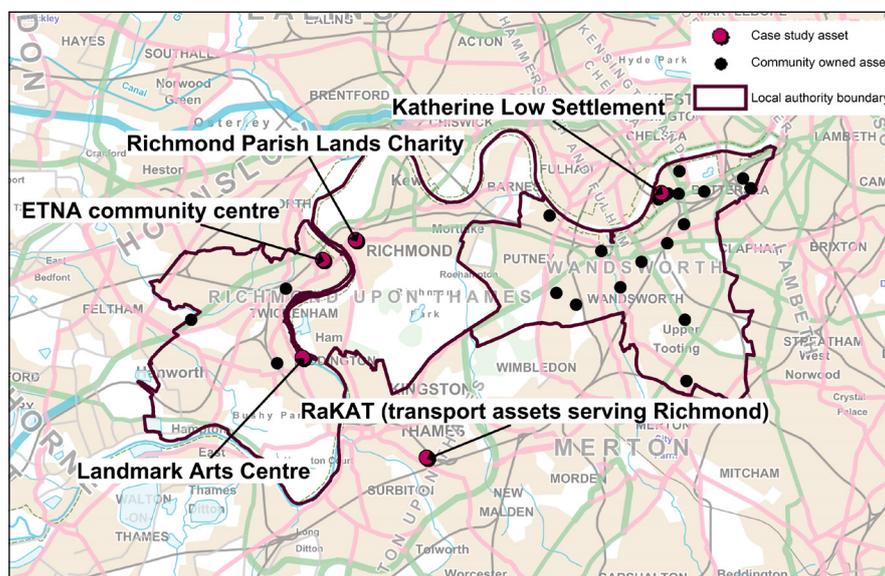
2.5. Wiltshire case study area

The data available suggested Wiltshire had a high prevalence of community-owned assets, in what is a predominantly rural area. Furthermore the area exhibited low/medium levels of deprivation.

The following cases were selected in Wiltshire to provide insights into different asset types, development journeys, aspects of financial health and cost/benefits.

Case study asset	Primary asset purpose
Tisbury and District Community Minibus (TISBUS)	Transport
The Peterborough Arms (Wiltshire and Berkshire Canal Trust)	Food/drink
Wilton Hill (Wilton Community Land Trust)	Housing
Canoe club building and facilities (Devizes Canoe Club)	Sports
Community shop (Ashton Keynes Village Shop Association Ltd)	Service
The Old School (Lover Community Trust)	Hub/hall
St. John's Place (Bemerton Community Ltd)	Hub/hall

Analysis of data on assets in Wiltshire has revealed 213 likely to be in some form of community ownership. Figure 4 below shows how these are geographically distributed.

Figure 4: Community-owned assets and case study assets in Wiltshire
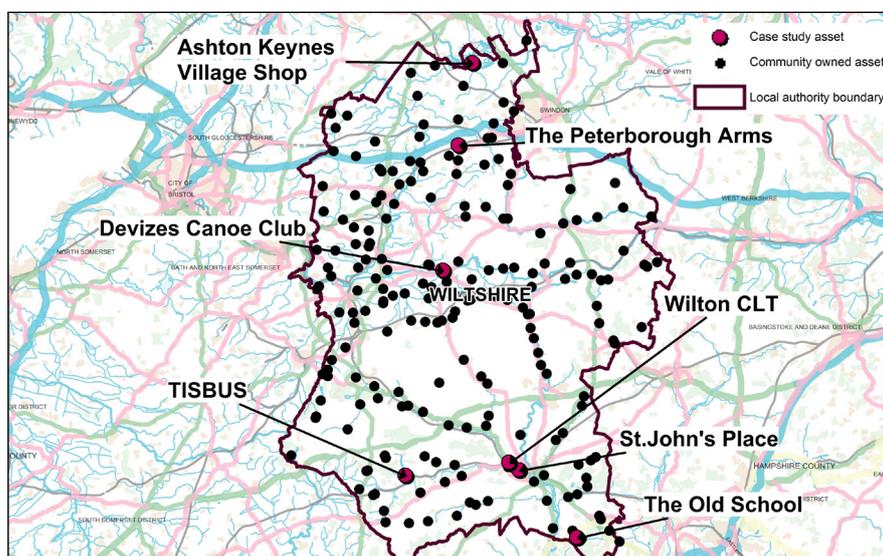
2.6. Wolverhampton case study area

Wolverhampton was selected to due to it low prevalence of community ownership per 10,000 residents as well as it being a predominately urban area with a high of deprivation.

To select cases which would provide insights into different asset types,development journeys, aspects of financial health and cost/benefits, the following cases were selected:

Case study asset	Primary asset purpose
The Big Venture Community Centre	Hub/hall
Bilston Town football ground (Bilston Town Community FC)	Sports
Gatis Street Adventure Playground (Acts of Random Caring Community Interest Company)	Hub/hall
The Workspace (All Saints Action Network)	Hub/hall
Foodbank and transport assets (The Well)	Transport

Collation and analysis of data concerning assets in Wolverhampton suggests that there are 14 community-owned assets in the local authority. Figure 5 below shows how these assets are geographically spread.

Figure 5: Community-owned assets and case study assets in Wolverhampton
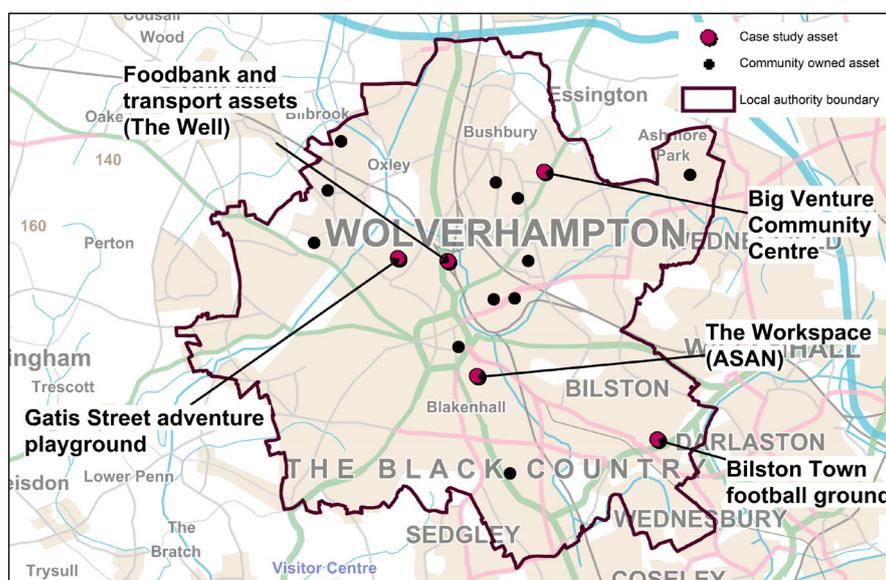
3. Estimating the extent of community asset ownership

3.1. Introduction

This appendix summarises the challenges faced in measuring the extent of community asset ownership in England. It then outlines the approach adopted to achieve this objective.

3.2. Challenges faced in measuring the extent of community asset ownership

A number of challenges emerged in attempting to quantify the extent of community asset ownership in England:

— There is no single source of data which identifies assets in community ownership, and available secondary data of assets provided limited information to assess community ownership.

— Where data is available it is often at the organisational rather than asset level — even when we can identify an asset-owning organisation — it can be difficult to establish how many assets are owned.

— Most secondary data, particularly from funders, focused on those organisations interested in or applying to take ownership of an asset, and it remained unclear if this was ever realised.

3.3. Approach adopted to assess the extent of community asset ownership

Addressing these challenges, we blended secondary data with primary research to build a clearer picture of the extent of assets in community ownership. We compiled data from:

- Community Assets Exchange (CAsE) – a brief online registration form developed by the research team and promoted widely to groups through funders, government and other stakeholders. This captured information on levels of asset ownership and local resident control, which other data missed.

- Charity accounts – which helped identify the types of assets not in other funder data bases, notably village halls and community hubs.

- Funding applications – acquired from a range of partners (Locality, the Plunkett Foundation and Power to Change). This isolated those community organisations acquiring and managing assets, with varying supplementary data on asset values, governance models and geographical information.

- The CAMRA database of community-owned pubs – an authoritative list.

- The Community-Led Housing database – an authoritative (though somewhat historic) list of community-led housing organisations, with data on those that have developed housing stock.

- Land Registry CCOD (Commercial and Corporate Ownership Data) for the five case study areas, which identified potential community organisations with freehold and leasehold interests in specific sites.

While there are asset types for which it has been difficult to get accurate data (e.g. community-owned green space and sports facilities), these sources provide a substantial list of potential assets and asset-owning organisations. An added methodological tool was our financial health survey, which showed that not all of the organisations on these lists met our definition of community-owned assets. Only 366 (66 per cent) of the 551 survey responses received, from organisations who were originally thought to be owners of community assets, met our definition of assets in community ownership, highlighting again the challenges in applying definitions to a varied sector. Establishing the extent to which assets did not meet the definition has helped infer to the wider population and provide a clearer picture of the nature and scale of community-owned assets in England.

The estimate of the number of assets in community ownership has been derived in three stages.

1. The number of assets for which there is a **good level of certainty** that they are in community ownership is established. This identified 1,350 assets from the following sources: registrations on CAsE and responses to survey where community ownership could be validated, CAMRA's list of community pubs, data from the Plunkett Foundation on community shops, data from the Community-Led Housing database on organisations with stock and additional detailed searches in the five case study local authority areas.

2. This identified a further 7,616 assets[1] where there is a **high likelihood of community ownership**. However for these assets there was insufficient information to establish the nature of ownership or level of local control. For example, complexities in the 'ownership' of village halls presents a particular challenge, given there is often no legal identity separate from the trustees. In such instances a group of trustees manage the hall, alongside holding or custodian trustees who hold the land and property on behalf of the charity. Custodian trustees are a corporate body which may or may not be a locally-based organisation.

3. This seeks to take into account that a number of assets in the 'highly likely' category will not meet the definition. Therefore the number of 'highly likely' assets in community ownership is adjusted by the proportion of survey respondents that met our definition of assets in community ownership – 66 per cent. The resulting number is then added to the number of assets with a good level of certainty that they are in community ownership, to give a best estimate of the size of the sector.

This resulted in **an estimated 6,325 assets thought to be in community ownership.** However, in reality this is likely to be an underestimate, as it only includes assets that were revealed through the data sources available to the study. For example, the extent of community ownership relating to sports facilities, community energy and open and green space will be underrepresented in the data sources that were available.

[1] This number was drawn from applicants for Power to Change funding programmes, Locality members, assets on the COMA database, village halls and community buildings on the charity register and additional assets identified in the five case study areas where community ownership was less certain.

4. Case study topic guide

4.1. Introduction

This appendix provides the topic guide that was used with the case studies. The topic guide was intended to steer discussions (interviews and focus groups) with individuals. Researchers were asked to use judgement when asking and phrasing questions, to ensure they are relevant to the research and participant.

At the start of each interview or focus group the researcher provided an information sheet and consent form.

4.2. The topic guide

Defining community-owned assets:

A 'community asset' is defined as land, buildings or other large physical structures, owned freehold or leasehold (25+ years when lease started) by a community or voluntary organisation for a set of beneficiaries. The decision making body for the asset is controlled by local residents.

About your assets

1. How many assets does your organisation own?

    Probe: Explore asset types and distribution across sites

2. How are decisions made about the use and management of these assets?

    Probe: Extent of local resident control in decision making. Who are the trustees/ key volunteers and what is their expertise? How does this impact on the ability to function/sustain the asset? How autonomous is the asset from e.g. local government or the 'owner', who has responsibility for repairs if leasehold?

3. We'd like to ask you about the asset that is most significant to your organisation. How did you acquire this asset/How did it come into community ownership?

    Probe: Explore asset transfers, purchases, donations. Explore sequence of acquisition over time (e.g. periods of more/less intensive acquisition) and factors associated with this.

Explore the experience of transferring the asset into community ownership: what tasks/activities were required, what resources were required?

4. What funding and resources have made community ownership possible and why?

    Probe: Different forms of funding (equity-based, grants, loans, sales and rentals, contracts, investments etc), the community's skills, knowledge and experience. What is the scale of the different sources?

5. Have you received practical or technical support from external bodies? If so, how influential has this been?

    Probe: Explore what has been valuable/not valuable. Was this support more or less important at different time points?

6. What have been the critical factors which have made community ownership possible?

   Probe: What challenges did you face and overcome, what helped the transfer process?

7. What were the original intentions for the asset, and have these changed over time?

   Probe: Different uses, different revenues, more commercialised?

Constraint and enablement

8. What are the major challenges you face in owning and managing your asset?

   Probe: physical, operational, financial, strategic. How does this relate to both people and other resources?

9. How have the challenges you face changed over time?

   Probe: If they've changed why is this, and how have you dealt with them?

10. Did the last five years meet your expectations financially?

    Probe: Better or worse in terms revenue, expenditure, financial challenges?

11. How would you describe the current financial health of the organisation, and the financial health of the asset?

    Probe: Cross-subsidy for or by the asset. Does income consistently cover expenditures? Does the asset make a profit? Do you have reserves to cover 3+ months' worth of expenses. Do you monitor and regularly check the financial circumstances of the asset?

12. What assists and hinders the financial sustainability of your asset?

    Probe: Revenue generation, access to grants/loans, high expenditure/running costs, staffing/skills.

13. How do you think the financial health of your organisation and asset will change in the next year? And the next five years?

    Probe: Why is this: Local factors constraining/enabling finances, wider economic change or policy making. Do you have a plan covering the next five?

14. What are the biggest expenditures in regard to this asset?

    Probe: How effective are you in measuring and managing these? Are the assets expenditures regular and predictable? Do the assets costs adjust in line with activity/revenue from the asset. Are you able to invest in improving the assets as well as cover routine maintenance? What would you do if you faced an unexpected significant expense? Has this happened and if so what did you do?

15. And what are the biggest sources of revenue/capital related to this asset?

    Probe: How dependent is the financial situation of the asset on one or two income sources. What would you do if this source dried up? How likely is this? How dependent is the asset on grant funding compared to revenue income? How regular and predictable are your revenues?

16. Are there national and/or local policies or programmes that have made it more or less likely for you to take on assets?

    Probe: Community Rights, asset transfer policies etc. How have these changed over time and what effect did the change have?

Outcomes of community ownership

17. Who are the primary beneficiaries of your community owned asset?

    Probe: Types of beneficiary (by age, vulnerabilities, gender etc.).

18. What are the main benefits created through community ownership of the asset?

    Probe: Explore examples of the effect of the asset on specific individuals/groups: quality of life, jobs, economic regeneration of area, community cohesion, social isolation, access to services, community pride and empowerment etc.

19. Are there negative outcomes of community ownership? Does it create any individual or group-level costs?

    Probe: impact on volunteers/those involved, service quality/access, financial costs. What difference has the asset been in community ownership made compared to if it was not in community ownership?

20. How would the asset be owned and used if it wasn't in community ownership? What would the area lose/gain in this scenario?

21. What difference has the asset been in community ownership made compared to if it was not in community ownership?

22. How have the outcomes created changed over time, and are they related to the financial health of the asset?

5. Survey of assets in community ownership

5.1. Overview of the survey

A national survey of assets considered likely to be in community ownership was undertaken to explore the financial health of such organisations, the challenges experienced, and the types of benefits they are securing for their community. Both postal and online survey approaches were adopted, with the developing list of potential community-owed assets at 4 January 2019 (see Appendix A3) providing the sample frame. The paper questionnaire was sent to 3,000 assets thought to be in community ownership. In addition, links to an online version of the questionnaire were sent to those where email addresses were identified. The online version of the survey was also promoted by Sheffield Hallam University, Power to Change and Locality through their social media and newsletters.

Section A4.2 provides the questionnaire that was used. It was purposely kept short to maximise the response. The survey derived 551 responses, from which we were able to validate 365 assets in community ownership. This rich and unique evidence base provided a robust source for a detailed analysis of the community assets sector in England.

5.2. The questionnaire

This section provides the paper questionnaire that was sent to assets in community ownership. The online version was identical.

Assets in community ownership survey

ID No. [   ]

Please complete the following information about you and your organisation or community group:

1. Your name:

[   ]

2. Your email address:

[   ]

3. Name of your organisation or community group:

[   ]

4. Organisation or community group address:

[   ]

5. Organisation or community group postcode:

[   ]

6. Your company or charity number:

[   ]

About your community assets

A 'community asset' is defined as land, buildings or other large physical structures acquired or transferred to the community from public, private or third sector owners. If you have multiple assets located on one site, please count this as one asset.

7. How many community assets does your organisation own the freehold or a leasehold to?

We would like you to answer some questions about <u>one</u> of your assets that you own the freehold or leasehold to. This should be the asset that you feel is the <u>most important</u> to your organisation. Please complete the following information about <u>this asset only.</u>

8. Asset name:

9. Asset address:

10. Asset postcode:

11. Which of the following best describe this asset? Tick all that apply

☐ Community hub (e.g. village hall, community centre)

☐ Sports facility (e.g. cricket facilities, sports centre)

☐ Cultural (e.g. theatre, library, cinema, performance space

☐ Transport facility (e.g. railway station, car park)

☐ Green and open space (e.g. park, woodland)

☐ Water (e.g. lake, marina)

☐ Food and drink (e.g. cafe, pub)

☐ Energy facility

☐ Religious (e.g. church, mosque, synagogue)

☐ Housing (scheme)

☐ Service building (e.g. health centre, childcare facility, post office)

Other, please specify

[   ]

12. Please describe the nature of ownership of the asset? Tick one box

☐ Freehold   ☐ Leasehold of less than 25 years (from start of lease)

☐ Leasehold of 25 years or more (from start of lease)

Other, please specify

[   ]

13. Is the asset used for the benefit of the local community in which the asset is located?

☐ Yes   ☐ No   ☐ Don't know

14. Do community residents form the majority of the governance board or decision making body that controls the asset?

☐ Yes   ☐ No   ☐ Don't know

15. Which of the following best describes how this asset came into your ownership, and who you acquired it from? Tick one box

☐ Asset transfer (nil cost/£1) from a public body

☐ Purchased at market value from a third sector organisation(s)

☐ Purchased at market value from a public body

☐ Donated by a third sector organisation(s)

☐ Purchased at less than market value from a public body

☐ Purchased at market value from a private seller

☐ Purchased at less than market value from a third sector organisation(s)

☐ Purchased at less than market value from a private seller

☐ Donated by a private seller

Other, please specify

[ ]

16. What year did the asset come into your ownership?

Year: [ ]

17. What was the purchase price of the asset? Approx. if not known

£ [ ]

18. What is the current estimated book value of the asset?

£ [ ]

19. How would you rate the current 'financial health' of the asset? This is the state of the asset's finances, including whether revenue covers expenses and debts are under control.

☐ Very good   ☐ Good   ☐ Neither good or poor

☐ Poor   ☐ Very poor

20. How has the 'financial health' of the asset changed over the last 3 years?

☐ Improved a lot   ☐ Improved   ☐ About the same

☐ Worse   ☐ A lot worse

21. How do you expect the 'financial health' of the asset to change over the next 3 years?

☐ Improve a lot   ☐ Improve   ☐ Stay about the same

☐ Worsen   ☐ Worsen a lot

22. To what extent do you agree or disagree with the following statements about the asset? Please provide your best guess if you do not know. Tick one box per row

	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
Revenue from the asset is regular and predictable					
Expenses for the asset are regular and predictable					
The asset's expenses adjust in line with its revenues					
The asset's revenue usually covers its full costs (including fixed overheads and profits)					
You can manage any debts for the asset					
You are able to fund ongoing maintenance and improvement for the asset					
You have reserves to cover at least three months of the asset's expenses					

23. How much was the asset's operational revenue in the most recent financial year? Please estimate if you do not know the true value. This is all income that you earned from the asset.

£ [   ]

24. How much were the asset's operational and overhead expenses in the most recent financial year? Please estimate if you do not know the true value. This is all expenses including staffing for the asset.

£ [   ]

25. What was your level of free reserves at the end of the most recent financial year? Please estimate if you do not know the true value. By reserves we mean any part of your organisation's/group's funds that are freely available to spend or set aside as a safety net.

£ [   ]

26. Which of the following factors, if any, have negatively affected the asset's financial health over the past three years? Tick all that apply

☐ Amount of revenue from the asset

☐ Access to grant funding

☐ Access to loan / credit finance

☐ Level of expenses

☐ Level of maintenance costs

☐ Staff skills and expertise

☐ Management skills and expertise

Other, please specify

[   ]

☐ Not being able to recruit a full staff compliment

☐ Not being able to recruit a full volunteer base

☐ Support available from local government / the public sector

☐ Support available from third sector organisations

☐ Support available from private sector organisations

☐ No factors have negatively affected the asset's financial health

27. How many full-time equivalent staff are employed at the asset?

28. How many of these full-time equivalent staff live in the asset's local community? This is the local area that the asset primarily serves.

29. What is the total number of hours that volunteers contribute to the asset on an average week?

30. How many of these hours are from volunteers from the asset's local community on an average week? This is the local area that the asset primarily serves.

31. Approximately how much of the asset's expenses go to suppliers in the asset's local community? These are suppliers based or with offices in the local area that the asset is located

☐ All / almost all   ☐ More than half   ☐ About half

☐ Less than half   ☐ None / not much at all

32. Please provide a short description in the box below of the key benefits that the asset provides for the local community in which it is located?

Please indicate if you agree to the information you have provided being used in the following ways:

☐ I agree to descriptive information about the asset (name, address and type) being added to mySociety's online map of assets: www.keepitinthecommunity.org. The information will be in the public domain and will allow bodies to contact you with funding opportunities and support, and help you to connect with others who control assets.

☐ I agree to being contacted by Sheffield Hallam University about my response and to take part in a follow-up interview. Ticking this box does not mean that you are obliged to take part in any further research but allows us to contact you with further information.

☐ I would like to enter the prize draw to win one of two £100 high street vouchers for my organisation. I agree to being contacted by Sheffield Hallam University if I win.

**Thank you very much for taking the time to complete this survey.
Please return it to us using the stamped addressed envelope included.**

Factors associated with excellent financial health

Logistic regression was used to identify factors that were associated with excellent financial health, based on response to the survey of assets in community ownership (Appendix A5). Logistic regression analysis allows for the relationship between an explanatory variable and a categorical outcome variable to be examined, whilst at the same time taking into consideration other explanatory variables that influence the outcome. The analysis identifies relationships between the explanatory variables and the outcome; however, it does not imply causality. For example, for some factors causality may be clear based on prior knowledge, but for others the relationship between cause and effect will be more blurred.

The analysis was carried out in SPSS using the forwards selection procedure to create the final model. Twenty-five possible explanatory variables were considered against the outcome variable: whether an asset was assessed as having excellent financial health, or not. The possible explanatory variables are provided in Table 1.

Forwards selection logistic regression starts with an empty model. It then considers the score chi-square statistic for each effect not in the model and examines the largest of these statistics. If it is significant at some entry level, the corresponding effect is added to the model. Once an effect is entered in the model, it is never removed from the model. The process is repeated until none of the remaining effects meet the specified level for entry.

Logistic regression modelling attempts to predict the probability of an outcome occurring given some known explanatory values. This means that the expected outcome from the final model equation is a probability value varying between zero (extremely unlikely to have occurred) and one (extremely likely to have occurred). An attractive property of logistic regression is that the coefficient attached to explanatory variables can be expressed as an odds ratio (OR). ORs reflect the probability of a given outcome occurring given the respondent has a given characteristic compared to if they did not, all other things being equal. An OR value greater than one indicates having the given characteristic is associated with on average a greater likelihood of the outcome occurring compared to the base group; the opposite is true for a ratio of less than one. For example, an OR of two implies that an asset with a known attribute, say being having a high income, is on average twice as likely to have excellent financial health compared with other assets, after all other factors have been taken into account. The Wald statistic indicates if the explanatory coefficient is significantly different from zero so as not to have occurred due to chance.

Table 1: Possible explanatory variables for excellent financial health

Variable	Description	Values
Operating revenue	Banded	Micro (less than £10,000) Small (£10,000 to £99,999) Low medium (£100,000 to £499,999) High medium and large (£500,000 or more)
Previous sector of ownership	Banded	Public sector Third sector Private sector Other/self-build
Value at which the asset transferred in to community ownership	Banded	Transfer Donation Less than market price Market price Unknown
Full Time Equivalent (FTE)	Banded	No FTE's Up to one FTE More than one and up to five FTE More than five FTEs
Number of volunteer hours per week	Banded	Zero to four volunteer hours per week Five to 19 volunteer hours per week 20 to 48 volunteer hours per week 50 to 99 volunteer hours per week 100 or more volunteer hours per week
Located in an urban or rural LSOA[2]	Binary	Urban Rural (Reference category)

[2] Lower-Layer Super Output Areas are small geographic areas designed to be of a similar population size, with an average of approximately 1,500 residents. There are 32,844 LSOAs in England. They are sometimes referred to as 'neighbourhoods' or 'small areas'.

Variable	Description	Values
Located in the most deprived 30 per cent of LSOAs, or not	Binary	Yes No (Reference category)
Located in the most deprived 30 per cent of local authorities, or not	Binary	Yes No (Reference category)
Year came into community ownership	Banded	Pre-1945 1945 to 1979 1980 to 1999 2000 to 2009 2010 to 2019
Whether the asset was owned on a freehold or long leasehold	Binary	Freehold Long leasehold (Reference category
Whether the asset was a community hub/hall/centre, or not	Binary	Yes No (Reference category)
Whether the asset was a cultural asset, or not	Binary	Yes No (Reference category)
Whether the asset was an energy facility, or not	Binary	Yes No (Reference category)
Whether the asset was a food and drink asset, or not	Binary	Yes No (Reference category)
Whether the asset was a green and open space asset, or not	Binary	Yes No (Reference category)
Whether the asset was a housing scheme, or not	Binary	Yes No (Reference category)
Whether the asset was an office/business space, or not	Binary	Yes No (Reference category)
Whether the asset was a religious asset, or not	Binary	Yes No (Reference category)
Whether the asset was a service building, or not	Binary	Yes No (Reference category)

Variable	Description	Values
Whether the asset was a shop, or not	Binary	Yes No (Reference category)
Whether the asset was a sports facility, or not	Binary	Yes No (Reference category)
Whether the asset was a transport asset, or not	Binary	Yes No (Reference category)
Whether the asset was a water asset, or not	Binary	Yes No (Reference category)
Whether the asset was another asset, type or not	Binary	Yes No (Reference category)

6.1. Results from the logistic regression analysis

Table 2 presents the output for the final model. It shows that three variables made it into the model; with pseudo R-squared statistics suggesting these explained approximately 10 per cent of the variation in likelihood of excellent financial health. Given the parsimonious nature of the model and the heterogeneity between assets it is of no surprise that much of the likelihood is unexplained.

Table 2: Logistic regression model for excellent financial health

	B	Odds Ratio Exp(B)	Wald	Sig.
Constant	0.180	1.197	0.307	0.580
Level of Deprivation				
Not - Most deprived 30 per cent LSOA	Reference category			
Most deprived 30 per cent LSOA	-1.241	0.289	9.592	0.002
Type of asset - Community hub/ hall/centre				
Not - Community hub/hall/centre	Reference category			
Community hub/hall/centre	-0.680	0.507	4.428	0.035
Operating income				
Micro (less than £10,000)	-0.812	0.444	10.304	0.001
Small (£10,000 to £99,999)	0.108	1.114	0.240	0.624
Low Medium (£100,000 to £499,999)	-0.502	0.605	2.883	0.090
High medium and large (£500,000 or more)	1.206	3.341	7.027	0.008
-2 Log likelihood	384.250			
Cox & Snell R Square	0.081			
Nagelkerke R Square	0.113			

Source: Survey of assets in community ownership (Base 329)