

Joint Community Asset Transfer Policy

1. Overview / Policy Statement

- 1.1 The Community Asset Transfer of council land and property assets is a key part of Our Council Plans ([The way ahead council plan South](#) / [At the heart of the Vale council plan](#)) 2025-2029 and beyond.
- 1.2 This Community Asset Transfer (CAT) policy document provides a framework by which the council might consider how land and property asset may consider the transfer of management and/or ownership of public land and buildings from the council to a community organisation for less than market value in order to achieve a local social, economic or environmental benefit (i.e., through the powers conferred on the council by the General Disposal Consent (England) 2003).

2. Objectives

- 2.1 The policy document will ensure that a common, robust disposal and governance process is adopted in order to support effective decision making within the council to ensure that requests for Community Asset Transfers of council-owned assets are dealt with in a fair and consistent manner.
- 2.2 All actions recommended within this policy document will strive to promote the transfer of assets in a way that positively supports the delivery of the Council Plan 2025-2029.
- 2.3 These recommendations will also align to meet the joint Corporate Asset Management Framework (CAMF), adopted in April 2026 which sets out high-level policies as guiding principles for managing the councils land and buildings together with intermediate strategies to inform and support the way the councils manage land and buildings.
- 2.4 A Community Asset Transfer to a community, a charity or another public body should only take place if supported by a robust business case (e.g., the transferee has sound long-term management and governance arrangements, the proposed use of the property meets the authority's objectives/community strategy, there is certainty of funding if applicable and there is an agreed timescale for the disposal to be completed).

3. Scope

- 3.1 This document sets out a procedure to be adopted by the council in connection with the transfer of assets to community organisations. Whilst this procedure will normally be followed, it should be noted that there may be occasions where these procedures may require adapting – particularly for larger, more complex community asset transfers.
- 3.2 A Community Asset Transfer is distinct from a surplus property that has been listed as an ‘Asset of Community Value’ and if an ‘Asset of Community Value’ is earmarked by the council for disposal, the council should ensure that an opportunity for a Community Right to Bid is given in line with the Localism Act 2011 before a wider disposal process is progressed.
- 3.3 A Community Asset Transfer involves the transfer of management and/or ownership of property/land asset from the council to a third party (community or voluntary) organisation. Such transactions are typically conducted through a lease arrangement or, in largely exceptional circumstances, ownership of a community-based asset at less than best consideration in order to achieve a public benefit and/or unlock ‘social value’.
- 3.4 Third party organisations eligible for Community Asset Transfers include registered charities, parish and town councils and community groups. Such groups must be properly constituted and must be a legal entity capable of entering into a lease agreement with the council.

4. Roles and Responsibilities for Delivery

- 4.1 The introduction of the Corporate Asset Management Framework (CAMF) and associated documents will help determine the suitability of existing council property assets for retention (in their existing condition or after refurbishment), redevelopment or disposal.
- 4.2 In line with the CAMF a Corporate Property Group (CPG) will be established. This will include senior officers from across the South and Vale council service areas. The CPG will drive and co-ordinate the councils’ asset management vision, moderate between competing priorities and make recommendations to the relevant decision-making group in accordance with the joint Constitution.
- 4.3 Any assets identified by Service Managers as not being fit for purpose and surplus to the requirements of the service will be considered by the CPG to determine whether they are surplus to the councils’ overall needs and are appropriate for a Community Asset Transfer or not.

4.4 The Director of Development and Corporate Landlord will be responsible for managing the transfer. Each transfer should be treated on its own merits and nothing in this policy document binds the councils to a particular course of action in respect of a transfer.

4.5 Community asset transfers will be managed by officers in Property and supported by Legal and Finance.

5. Relevant Legislation

5.1 A Community Asset Transfer is a voluntary process which allows the transfer of management and/or ownership of public land and buildings from the council to a community organisation for less than market value in order to achieve a local social, economic or environmental benefit (i.e., through the powers conferred on the council by the General Disposal Consent (England) 2003).

5.2 Under the Community Right to Bid section of the Localism Act 2011, groups that have succeeded in having an asset listed as being of community value are allowed a specified timescale to express an interest in buying it if it comes up for sale. If such an expression of interest is made, the Act permits a further specified timescale to develop a bid. The organisation may then bid alongside any other potential purchasers in the market.

5.3 The council are mindful of Local Government Reorganisation on the horizon and will follow central Government directions when considering any transfers prior to vesting day, when the new unitary authority assumes full power.

6. Relevant Policy and Procedure

6.1 Property Asset Disposal Policy

7. Alternative Formats

7.1 Please do not hesitate to contact a member of the Strategic Property Team if you would like this policy in an alternative format, via property@southandvale.gov.uk or telephone 01235 422422.

8. Policy

8.1 The council holds a number of community assets which may be suitable for transfer, subject to the Community Asset Transfer process.

8.2 The key principles for the council's Community Asset Transfer policy are:

- Any transfer application must support the aims and priorities of the council as set out in its Council Plan
- Any transfer must be financially viable for the council
- Community Asset Transfer is not an automatic right, and all applications will be treated on a case-by-case basis

- Approved transfers will generally be on a leasehold basis and although freehold transfers may be considered, such transactions are likely only in exceptional circumstances
- If the council has acquired the land under the Housing Acts further approval from the Ministry of Housing, Communities and Local Government.

8.3 For the purposes of this policy, an asset to be considered for a Community Asset Transfer may include:

- Supporting the third-party organisation to continue delivery of a key activity for residents when the transfer will allow the organisation to bid for and secure funds and/or to support a more sustainable business model
- Supporting the third-party organisation to deliver a specific service in line with the council's objectives where the service can best be provided through a council-owned asset
- Protecting a heritage or otherwise important council asset that may fall into disrepair if stewardship is not provided by a third sector organisation
- When a third-party organisation is considered to be best placed to provide an alternative delivery model for an existing council service from an existing council-owned asset.

8.4 Although the council is usually required to dispose of or transfer its property assets on the basis of obtaining the best consideration reasonably obtainable, disposal at an undervalue of up to £2 million is permissible provided the council considers that a disposal will help it secure the promotion or improvement of the economic, social or environmental well-being of its area.

8.5 Social value in the context of the council's Community Asset Transfer Policy is about ensuring that when a council-owned property is transferred to a third party organisation, the business case for the transfer explains how it will help maximise economic, social and/or environmental benefits to local residents, the neighbourhood and/or the community. The table below illustrates the potential benefits to all parties.

Table 1 - Benefits of Community Asset Transfers

Benefits to Community	Benefits to Council	Benefits to Third Party Organisation
Increased/improved local based service provision	More efficient use of a public-sector asset (the use of volunteers and their local knowledge and hands-on management can result in lower overheads/VFM)	Increased sustainability for organisations and increased leverage with other public and private sector organisations – a well-managed asset can provide a third sector organisation with greater financial viability and reduce dependency on grants

Improved sense of community identity/pride and potential for improved community cohesion	Enable external organisations to complement public service provision in ways that are more responsive and better related to local need	Enables an external organisation to apply for funding that is not available to the council and/or even to secure loan finance on the value of the asset
Potential to provide additional jobs, training, and business opportunities locally	Enables effective partnerships between public sector and third sector organisations to enhance local services	Facilitates collaboration and resource sharing amongst organisations
Contribution to physical regeneration		
Potential to increase skills, confidence, and aspirations locally		

8.6 However, not all assets will be capable of transfer to third party organisations and circumstances of where Community Asset Transfers may not be possible are given as examples below (please note this is not an exhaustive list):

- The asset is surplus but proceeds of sale are required as a capital receipt to fund the council's capital programme.
- The asset is held by the council to earn revenue in the form of rental/receipts income which in turn is used to fund service delivery.
- The asset is held for regeneration projects.
- The asset is held to support housing requirements.
- The asset is required for operational purposes for use by the council.
- The asset could have restrictions on its use.

9. Procedure

9.1 New opportunities for Community Asset Transfers will be identified by the council and advertised through the website and by press release where appropriate.

Application process

9.2 The council is responsible for ensuring that a transfer of the asset achieves not only the reason for the transfer but also that the community organisation has demonstrated that they have the skills and financial stability to become a new custodian of the council-owned asset.

9.3 Only recognised third sector organisations should apply, and evidence of the applicant's status will be required as part of the application process described below.

9.4 Stage 1 - Expression of Interest (EOI)

9.4.1 To be submitted by the applicant with the following information provided, in order that the council can decide whether formal application for a Community Asset Transfer is appropriate:

- confirmation that the applicant is a not for profit third sector organisation
- summary details of the third sector organisation, where they are based, their purpose, their service offer and an outline of the outcomes they expect to achieve
- a copy of the applicant's constitution, memorandum of association, articles, etc.
- details of the council-owned land or building asset that the organisation is interested in, what service delivery they intend to provide and brief details of the proposed transfer
- an explanation of why the organisation is applying for a Community Asset Transfer
- a declaration to confirm the applicant organisation has read and understood the Community Asset Transfer policy, can evidence their support and promotion of the council's vision, values and objectives, is able to provide a robust and sustainable business case which demonstrates the experience and necessary resources / finance to manage the asset
- A copy of the organisation's financial statement for the last accounting period.

9.4.2 The information provided as part of the EOI process will be assessed by the council. All ward councillors will be notified of the EOI and the applicant will be notified of the decision ideally within 30 working days of receipt of the EOI application.

9.5 Stage 2 – Transfer Application

9.5.1 Once a third sector organisation has been notified that the EOI application has been successful, it may proceed to full application. Information required at this stage includes:

- Full details of the organisation's intended use of the building and how it can be used to raise additional funds and achieve additional social value aligned to the council's aims and objectives
- Full details of when these benefits will be achieved and how they will be monitored and reported to the council
- Evidence to support a local demand for the service
- Full details of the organisation's experience in managing property and providing the intended service including governance arrangements

- Full details of the organisation's financial statements for the last three years, cashflow forecasts and financial plans for the current and future years. Details of any proposed charges for services to be provided.
- Indication of proposed lease term or justification for a freehold transfer, which will only be considered in exceptional circumstances
- Full details of the organisation's business case
- Identification and mitigation of any risks associated with the transfer.

9.5.2 The Community Asset Transfer will be assessed by the council and approval to the transfer will be sought in line with the council's Constitution if the application is deemed successful, following which the applicant will be notified of the decision.

Decision Making Process

9.6 It is important that a consistent, transparent, and well-structured approach is taken and that economic, social, or environmental benefits will be obtained by the council in place of a financial return.

9.7 The council must seek to assess:

- A)** The best consideration that would otherwise be receivable under normal market conditions, i.e. the financial value of the disposal to the council if the use of the property were not restricted
- B)** The financial value likely to be received on the proposed terms and conditions of the application, including revenue budget implications for the council; and
- C)** Any direct and indirect social value benefits associated with the disposal (economic, social, or environmental benefits), expressed in monetary terms wherever possible.

9.8 The focus then turns to whether the social value benefits assessed at C) match or exceed the financial undervalue i.e. the value at A) less the value at B).

9.9 Each application is to be reviewed by the Strategic Property team in consultation with Finance and Legal teams, with additional input by the relevant council team, who benefit from or may be impacted by the application. Feedback from ward councillors will also be considered.

9.10 Successful applicants will be required to sign an undertaking to monitor or evidence that the social value proposal in their application is being achieved and to provide a report on their findings to the council at least annually.

9.11 The council reserves the right to review the terms of the transfer if the third sector organisation is found to be failing to meet the social value elements of the agreement. Hence the lease will be excluded from the provisions of Part 2

of the Landlord and Tenant Act 1954, which means the tenant does not have an automatic right to renew at the end of the term.

10. Communication and Contact Information

10.1 For further information about this policy, please contact the Strategic Property team on property@southandvale.gov.uk

11. Definitions

Key term	Definition
Property	Includes any building constructed on land, or land, or an interest in land itself
Freehold	A type of property ownership where the ownership of both the building and the land is outright.
Leasehold	The right to occupy and use a property for a specific number of years for in return for payment of rent.
Community Asset Transfer (CAT)	The process by which the council transfers the management and/or ownership of a land or property asset to a community organisation, typically at less than market value
Third sector organisation	A not-for-profit organisation that is legally constituted and operates independently of the public and private sectors. This includes registered charities, voluntary and community groups, parish and town councils, social enterprises, and community interest companies capable of entering into a lease or legal agreement.
Social Value	The additional economic, social or environmental benefits delivered through the transfer of a community asset beyond its financial worth.
Best Consideration	The market value that the council would normally be expected to obtain for its asset if it were disposed of without restrictions. Used as a benchmark when calculating whether an asset is being transferred at an undervalue.
Undervalue	The difference between the best consideration reasonably obtainable and the reduced financial consideration accepted by the council due to anticipated social, economic, or environmental benefits delivered through the CAT.
Asset of Community Value	Land or buildings that further the social wellbeing or social interests of the community, as defined in the Localism Act 2011.

12. Change Record

Change Record	
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