

Community Asset Transfer – from start to finish

Debbie Lamb, Locality

locality
the power of community

About Locality

Locality is the national membership network supporting local community organisations to be strong and successful. We believe in the power of community to transform lives and create a fairer society.



Direct support
and advice



Membership network
for connection



Tools and
resources

Influencing for a
better operating
environment



Our values



Ambitious

We are **optimistic** and **believe change is possible**

We set **big goals** and **work hard** to get there

We **inspire** our members and each other to **achieve more**



Respectful

We're **open** and **honest**

We **value** the **work** and **ideas** of **others**

We **work together** with others whenever we can



Fearless

We **tackle** the **hard stuff**

We **speak up** for what we **believe in**

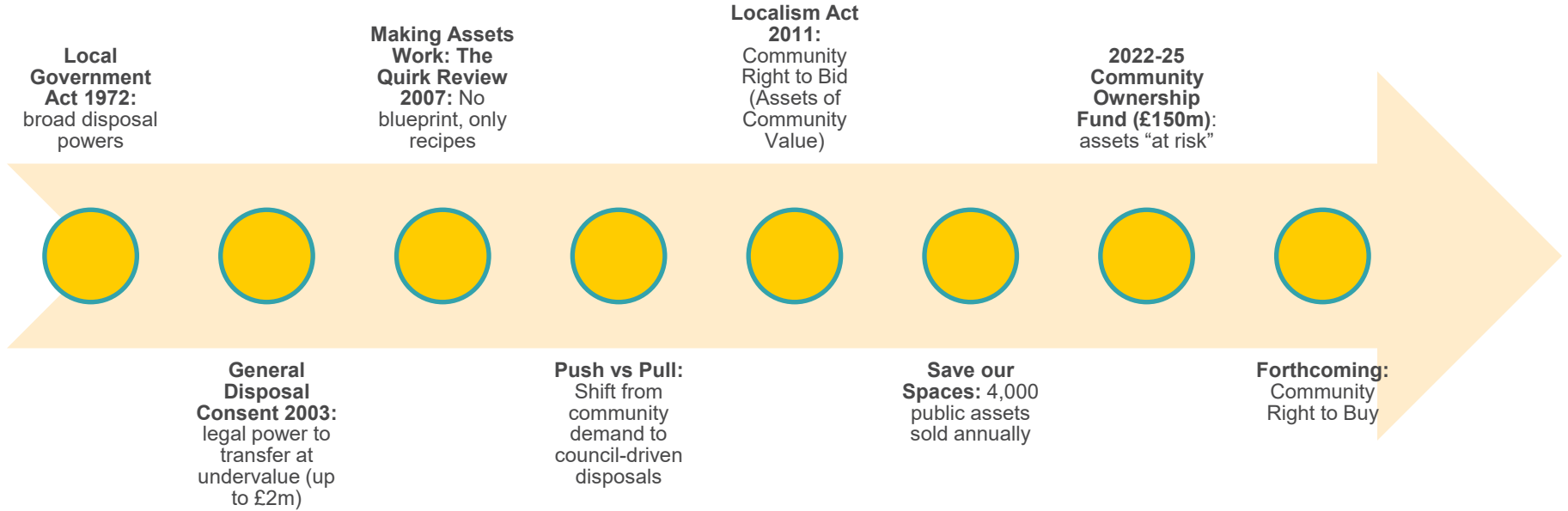
We **challenge each other** and the sector

Community Asset Transfer

- Transfer of management or ownership of buildings or land
- Statutory organisation to a community organisation
- At a discount
- Based on delivery of social value

- In practice usually from a local authority
- Usually community, sport or heritage assets
- Voluntary, negotiated process – no legal framework

History of Community Asset Transfer



Why do Community Asset Transfer?

Community empowerment – to ensure that land and buildings are retained or transformed and then operated for public benefit

- Community led service delivery
- Generating income, jobs and wealth
- Saving or retaining well used and much-loved local buildings and spaces
- Improving the local area
- Building capacity
- Generating social value
- Attracting investment
- Building community cohesion
- Giving local people a tangible stake in their local area
- And there is a cost to doing nothing

Community Right to Bid and Community Asset Transfer

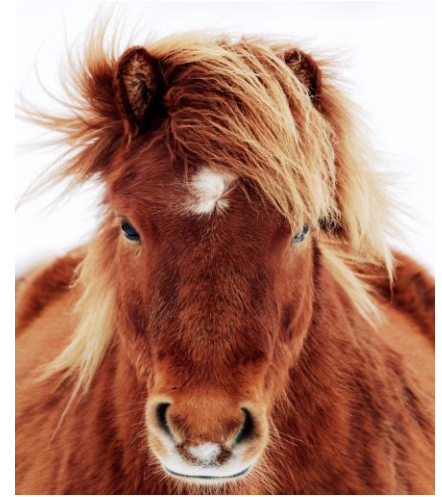
- **Community Right to Bid**
 - Introduced as part of Localism Act 2011
 - Communities can list assets of community value (current or recent)
 - Applies to assets in private, public and third sector ownership
 - If asset is put up for sale, community can bid to buy the asset
 - Moratorium to give time for community to raise funding etc.
 - No obligation for owner to sell to the community
 - Process set out in law
- **Community Asset Transfer**
 - Only applies to assets owned by statutory bodies
 - Negotiated between owner and community organisation
 - No legal framework
 - No obligation for owner to get involved in community asset transfer

Ownership or Management of an Asset

- **Freehold**
 - unusual for community asset transfers
- **Long lease**
 - Usually minimum of 25 years
 - Can be 99 years or 999 years – so similar to freehold
 - Usually fully repairing and insuring
 - 25 years + often required to raise capital
- **Short-term lease**
 - Less than 25 years
 - Check repair obligations carefully
- **Management of asset**
 - Can be offered prior to transfer to test out business model

Community organisation objectives

- Set out your objectives at the start
 - Why do you need an asset?
 - What services or activities will take place in the asset?
 - Who will use the asset?
 - When will it be open?
 - What benefits will it generate?
- Are there any deal-breakers, e.g. must be near public transport, must not be in an isolated location?
- Is owning/managing a building the best way to achieve these objectives?
- Keep checking back throughout the process

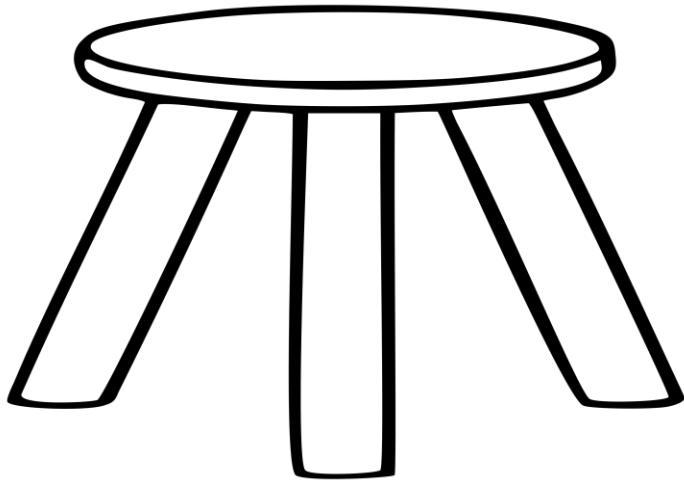


Local authority objectives

- Set out your objectives at the start – e.g.
 - Giving a future to a valued community building
 - Retaining the services provided in that building
 - Dealing with disrepair or abandonment
 - As an alternative to disposal where there is a community need?
- What social value do you expect to achieve from the transfer?
- Are there specific issues about the building or area which should be addressed?
- Is there buy-in for these objectives?



Key Considerations



- Asset
- Viability
- Sustainability

- Three-legged stool
- All need to be in place for a community asset transfer to work

The Asset

- **Buildings and land can be liabilities**
 - Keep an open mind while you do an initial assessment
- **Location**
 - Is it in the right place?
- **Building/land**
 - Current condition
 - Layout and potential to make changes
 - Planning use
 - Covenants, restrictions or rights of way
 - Heritage considerations
 - Will it work for your planned services and activities?
 - Think about the practicalities

Refurbishment

- **Condition of the asset**
 - What is needed to make asset usable?
 - What repairs are required over what timescale?
 - Does it need extensive refurbishment?
- **Raising capital funding for repairs and refurbishment**
 - Funders usually require proof of ownership (title, lease)
 - Long lease or freehold usually required for significant capital
 - Detailed costings for work required
- **Risk**
 - Transfer may take place before capital funding is in place

Sustainability

- **Board/Management Committee/Staff/Volunteers**
 - Do you have a suitable legal structure?
 - Do you have board/management committee members with time and skills?
 - Do you need to recruit or arrange training for the board?
 - Do you have or can you recruit sufficient staff and volunteers?
- **Support**
 - Do you have support from your community?
 - Are you linked with all sections of that community?
 - Do the proposed uses of the asset meet community need?
 - Do you have support from statutory organisations and funders?
 - Do your plans for the asset fit with plans for the local area?
- **Impact**
 - Do you have a clear vision, mission, objectives and values?
 - Can you demonstrate the difference your organisation makes?
 - Are there clear plans to demonstrate the impact of the asset?

Revenue Viability

- **How asset will be used**
 - What will happen – how much – how often?
 - Develop a weekly or monthly timetable
- **What will it cost to run the asset**
 - Physical building costs – utilities, phone, repairs and maintenance, cleaning
 - Staffing costs
 - Activity costs
 - Overheads – insurance, systems, governance
 - Loan repayments, interest on community shares
- **Income and Expenditure**
 - Do this before doing any other work on the transfer
 - Does income exceed expenditure?
 - Don't tweak figures to make them work or add in unspecified grants
 - Do you need to change the business model – or decide not to pursue an asset transfer?

Financial Viability

- **Income**
 - Market research on different income streams
 - Research on competitors (and potential partners)
 - Marketing plan for the asset
- **Expenditure**
 - Detailed research on costs – quotes, info from similar assets
- **Financial information**
 - Income and expenditure budget
 - Monthly cashflow forecast for at least three years with assumptions
 - Sensitivity analysis – what if?
- **Risk Register**
 - Develop a risk register covering all potential risks



Community Asset Transfer Process

- **Expression of interest**
 - Applicant and asset
 - Proposed use of the asset
 - Potential community benefit/social value of transfer
- **Detailed application**
 - Business plan with detailed financial information
 - Detail on community benefit, social value and impact
- **Assessment and decision**
 - Assessment by local authority officers and recommendation
 - Formal process to agree transfer
- **Legal**
 - Transfer process between local authority and community organisation
- **Usually 18 months-3 years to complete the process**

CAT development stages in the Local Authority

- **Identify surplus assets:** Property, community, regeneration teams
- **Invite EOIs:** Communications, community engagement, sector partners
- **Assess EOIs and shortlist:** CAT panel (property, legal, finance, community, etc)
- **Business plan development:** Community group + council + external support
- **Negotiate Heads of Terms:** Legal, property, finance
- **Transfer and monitoring:** Community liaison

Making the process easier

- **Strategy**
 - Develop and publish a strategy
 - One or more officers who lead the process
 - First port of call for enquiries
- **Full disclosure**
 - Share all information about the asset with applicants
 - Particularly info on condition of the asset and asbestos
- **Independent support for applicants**
 - Huge learning curve for many applicants
 - Support helps applicant understand all aspects of CAT
 - Assessment is easier as applicant knows what is required
- **Small grant pot**
 - To cover costs such as independent condition survey

Mythbuster

- **Communities lack skills or interest.** Reality: Many groups have strong governance and entrepreneurial capacity. Support is available.
- **Assets will be “captured” by one group.** Reality: Legal structures (CIO, CIC, asset locks) prevent private benefit.
- **It’s too politically sensitive.** Reality: Precedents demonstrate that community ownership enhances the council's reputation and fosters community trust.
- **It means freehold only.** Reality: Typically, it’s a long lease, although length is important for funding (funders need 25+ years).
- **It’s a financial liability for groups.** Reality: Yes, if there isn’t a viable plan, but it can be a springboard for long-term success.
- **It’s a financial risk for councils.** Reality: CAT reduces maintenance liabilities and unlocks social value.
- **It’s just about saving old buildings.** Reality: It’s about creating vibrant, multi-use space for future needs, including new build, housing and much more.



Managing an Asset Safely

- Risk Assessment
- Health & Safety
- Fire Safety
- First Aid and accident reporting
- Legionnaires Disease
- Lifts
- Food
- Cleaning
- Building security and alarms
- Safeguarding
- Martyns Law

Managing an Asset legally

- Licences
- Equality, diversity and inclusion
- Data protection

- Plus all reporting and submissions required in relation to the organisation

Community ownership unlocked: from transfer to transformation workshops

CAT for Local Authorities: getting started with your strategy and processes

10am – 1pm 19 May 2026

A deep dive into CAT strategy and processes, offering local authorities the tools to ensure consistency, transparency, and sound decision-making. Learn how to support community organisations to manage successful assets while building community wealth and pride.

Listen, learn, adapt: creating community ownership feasibility and engagement development plans

2pm – 5pm 15 July 2026

Deep dive into assessing the feasibility of a community asset project including initial decisions around acquiring and refurbishing an asset and developing a feasibility project plan. This workshop uses our "Listen, Learn, Adapt" framework to help you build inclusive, effective engagement strategies that ensure your asset meets the real needs of your community.

From the ground up: developing and managing capital projects

10am – 12.30pm 11 February 2027

An in-depth exploration of the stages and processes in undertaking capital development projects of various sizes and scope from: refurbishments and renovations, alterations and extensions, to whole new build construction projects.

Business planning and raising funding for capital projects

10am – 12.30pm 21 April 2027

An in-depth exploration of the elements of a business plan for a capital project and developing a strategy to raise capital funding. You will take away a Business Plan template and a Funding Strategy template which can develop using the learning from workshop.

[Book your place - locality.org.uk/events](https://locality.org.uk/events)

Community ownership: advice and support

Locality are the national experts in community ownership. We believe it helps communities take control of their future, so we campaign for funding and powers to help communities take ownership of spaces and manage them, including the [Community Ownership Fund](#) and the forthcoming [Community Right to Buy](#).

[Our community ownership tools and resources](#) provide advice about each of the steps you can take to save and manage local assets, information about our campaigning and examples of organisations that have done it.

Find out how we can help through [Locality membership](#) or with our [paid specialist advice, support and resources](#) for organisations at all stages of the process.

[Get in touch](#) to find out more.

Locality supports local community organisations to be strong and successful. Our national network of over 2,000 members helps hundreds of thousands of people every week. We offer specialist advice, peer learning and campaign with members for a fairer society. Together we unlock the power of community.

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