

Report for: Cabinet

Date of Meeting:	7 April 2026
Subject:	Community Asset Transfer Policy
Cabinet Member:	Cllr Jane Lock - Cabinet Member for Housing, Assets and Property Services
Responsible Officer:	Andrew Jarrett – Deputy Chief Executive (S151)
Exempt:	N/a
Wards Affected:	All
Enclosures:	Appendices – Community Asset Transfer Policy

Section 1 – Summary and Recommendation(s)

To seek Cabinet approval for the adoption of a Community Asset Transfer (CAT) Policy to provide a clear, consistent framework for transferring appropriate Council-owned assets to community organisations.

Recommendation(s):

Cabinet is asked to consider and recommend to Full Council to approve the Community Asset Transfer Policy.

Section 2 – Report

1.0 Introduction

- 1.1 The Local Government Public Involvement Act 2007 and Localism Act 2011 brought about a number of public sector reforms aimed at creating strong, prosperous communities and delivering better public services through a re-balancing of the relationship between Central Government, Local Government and local people by giving residents a greater say over local services.
- 1.2 The overarching principle is to ensure that our residents continue to have access to those services and facilities that are important to our local communities, rather than focus on which organisation owns/manages them. This policy is designed with that key principle in mind.
- 1.3 Community Asset Transfer (CAT) is a recognised mechanism for supporting community ownership and management of local assets where this can deliver

social, economic or environmental benefits. Many District Councils operate a formal CAT policy to ensure transparency, consistency and robust decision-making.

1.4 The Council has received several requests from Town and Parish Councils to transfer land and property to them. The purpose of this Policy is to ensure that any such requests are dealt with on a fair and consistent basis.

1.5 The proposed policy aligns with the Council's Corporate Plan, Asset Management Plan and Climate change objectives, and supports community resilience whilst managing financial and legal risk.

2.0 Land and property types

2.1 The Council holds land and property for broadly three reasons:

- 1) To deliver our services, i.e. Our office buildings and waste depots
- 2) For commercial and strategic reasons, i.e. Pannier Market, Pay & Display car parks, investment property
- 3) As custodians of land held for and on behalf of our residents and communities, i.e. Parks, open spaces, sports pitches

2.2 The Council will generally only consider asset transfer requests for land or property in category 3 above on a case-by-case basis. However, in certain circumstances other assets could be considered on an individual basis depending on the business case. An example could be an amenity car park.

3.0 Eligible organisations

3.1 Organisations proposing a CAT must be:

- Town and Parish Councils within Mid Devon.
- Community Interest Companies (that are limited by guarantee and where they can evidence all profits have been reinvested back into the company and/or for the benefit of the community).
- Registered Charities (Charitable Company; Charitable Incorporated Organisation; Charitable Trust).

For the avoidance of doubt, the following groups are not eligible:

- Individuals
- Companies that exist to trade for profit
- Public sector bodies other than Town and Parish Councils within Mid Devon
- Political organisations
- Organisations registered outside the UK.

4.0 The principles for any transfer

4.1 As members will be aware, the Council has been discussing/facilitating a range of assets transfers and sales with Town and Parish Councils over a number of years. However, given Local Government Reorganisation, the window for utilising this Policy is limited. Therefore, to ensure each community has a fair chance to make a request, each town and parish will be given one opportunity to make a request, via an expression of interest form by the end of June 2026.

4.2 The expression of interest form will identify the specific asset(s), and evidence the basis on which they are an eligible organisation. The assessment will take the consider the following:

- the organisation's vision, aims, objectives and proposed management of the asset. Describing how the vision will benefit the local Mid Devon community, economy and/or environmental benefits (Score 50%)
- the organisation's management structure, governance, experience and skills of the organisation and its board/committee/trustee members, including the organisation's current financial status and how they propose to fund the running cost of the asset. (Score 30%)
- the organisation's track record of (or plans for): managing/running community facilities or similar; engaging with local community partnerships; supporting community groups and/or residents. (Score 20%)
- once all the expression of interest forms has been received and considered. A full list of the possible transfers will be included in the budget monitoring report.

4.3 While the Council will endeavour to do so, there is no guarantee that all requests can/will be processed ahead of any restrictions that may be imposed preventing disposals of land and property taking effect.

4.4 The Council will adopt the following approach:

4.4.1 The Council will normally prefer long-term leasehold transfers. Freehold transfers will be considered on a case-by-case basis where there are objective reasons why a lease is not the most appropriate form and where this provides clear additional community benefit.

4.4.2 A transfer may be at a nominal or reduced rent/price. This is known as a disposal at less than best consideration. The nominal or reduced rent/price will reflect the value of the asset to the Council and the benefits it delivers to the community.

4.4.3 All proposals will be considered by the appropriate options across finance, legal and other relevant services. Approval of any transfer under £50,000 to be delegated to the Corporate Strategic Asset Management Group (CSAG), which includes the Cabinet Member for Housing Assets and Property Services

and the Cabinet Member for Governance, Finance and Risk. Above £50,000 will go via Cabinet for a decision.

4.4.4 If approved, Heads of Terms will be drafted and provided to the applicant organisation for review and agreement. Once these Heads of Terms are agreed, the Council and the organisation will each instruct their solicitors to progress the transfer. The requesting party to bear all legal costs incurred in the preparation and completion of the transaction.

5.0 Conclusion

5.1 Adoption of the Policy will provide clarity for communities and Members, support consistent decision-making and enable the Council to make best use of its asset base in support of local priorities.

Financial Implications

Each asset transfer will be considered on its individual merits. Any disposal at less than best consideration will be justified by community benefit in accordance with legislation. The policy itself has no material direct financial implications.

Legal Implications

All Community Asset Transfers will be completed on a legally compliant basis.

Risk Assessment

There is no direct risk arising from this policy. However, it is possible that any asset transferred may fall into disrepair or be used for a different purpose. The legal agreement will prevent this and enable the Council (or its successor) to take action to rectify it should this happen.

Impact on Climate Change

All Community Asset Transfers will protect or improve the asset's impact on the climate.

Equalities Impact Assessment

Community Asset Transfer will retain and/or improve access to local facilities. All decisions will comply with the Public Sector Equality Duty.

Relationship to Corporate Plan

This policy supports the Corporate Plan 2024-28 objectives on climate change and community engagement.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 24.03.26

Statutory Officer: Maria De Leiburne

Agreed on behalf of the Monitoring Officer

Date: 24.03.26

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 24.03.26

Performance and risk: Dr Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 24.03.2026

Cabinet member notified: yes

Section 4 - Contact Details and Background Papers

Contact: Paul Deal – Head of Finance, Property & Climate Resilience

Email: Pdeal@middevon.gov.uk

Telephone: 01884 234254

Background papers: N/a

Appendix 1 – Community Asset Transfer Policy

1. Purpose

This policy sets out Mid Devon District Council's (the Council) approach to Community Asset Transfer (CAT). It provides a clear, transparent framework for transferring the ownership or management of certain Council-owned land and buildings to community organisations where this will deliver demonstrable community benefit.

The policy supports and aligns with the Council's wider strategic framework, including:

- **Corporate Plan** (current adopted version)
- **Asset Management Plan**
- **Climate Emergency Declaration and Climate Action Plan**
- **Equality and Diversity Strategy**
- **Council Constitution and Scheme of Delegation**

The policy aims to:

- Support community empowerment and resilience
 - Protect valued community assets for long-term public benefit
 - Ensure decisions are robust, transparent and consistent
 - Achieve best value, taking account of social, economic and environmental outcomes
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2. Definition of Community Asset Transfer

Community Asset Transfer is the transfer of the ownership (freehold) or management (lease or licence) of land or buildings from the Council to a community organisation, normally at less than full market value, where this can be justified by wider community benefits.

3. Policy Principles

All Community Asset Transfers must:

- Align with the Council's Corporate Plan, Asset Management Plan and Climate objectives
- Demonstrate clear social, economic and/or environmental benefits
- Be financially sustainable and supported by a proportionate business case
- Manage and mitigate risks to the Council
- Be transparent, fair and legally compliant

The Council will normally prefer long-term leasehold transfers. Freehold transfers will only be considered in exceptional circumstances and where this provides clear additional community benefit.

4. Scope of the Policy

This policy applies to:

- Land and non-service buildings owned by Mid Devon District Council
- Assets that are surplus, under-utilised or no longer required for core service delivery

This policy does not apply to:

- Assets used in the direct provision of services.
 - Housing stock
 - Commercial investment property held primarily for income generation
 - Assets that have been identified as being required for strategic, planning or redevelopment/regeneration.
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5. Eligible Organisations

Applicants must be properly constituted, non-profit-distributing organisations, including:

- Town and Parish Councils within Mid Devon.
- Community Interest Companies (that are limited by guarantee and where they can evidence all profits have been reinvested back into the company and/or for the benefit of the community).
- Registered Charities (Charitable Company; Charitable Incorporated Organisation; Charitable Trust).

Through an Expression of Interest form, applicants must demonstrate:

- Appropriate organisational governance and management arrangements
 - Financial competence and long-term sustainability
 - Robust plans for the future management of the asset to be transferred
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6. Assets Suitable for Transfer

An asset may be considered suitable for transfer where:

- It is not required for current or foreseeable Council service delivery
 - Community ownership or management would deliver improved outcomes
 - Risks to the Council are understood, manageable and proportionate
 - Transfer represents best value, taking account of social value as well as financial considerations
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7. Community Asset Transfer Process

The CAT process will require the completion of an Expression of Interest Form, proportionate to the scale and risk of the asset:

Stage 1 – Expression of Interest Applicants submit a short outline covering:

- The organisation and its objectives
- The asset sought
- Proposed use and anticipated community benefits

See Annex for Expression of Interest Form

Decisions will be taken in accordance with the Council's Constitution and Scheme of Delegation.

8. Assessment Criteria

Applications will be assessed against the following criteria:

- The organisation's vision, aims, objectives and proposed management of the asset. Describing how the vision will benefit the local Mid Devon community, economy and/or environmental benefits (Score 50%)
 - The organisation's management structure, governance, experience and skills of the organisation and its board/committee/trustee members, including the organisation's current financial status and how they propose to fund the running cost of the asset. (Score 30%)
 - The organisation's track record of (or plans for): managing/running community facilities or similar; engaging with local community partnerships; supporting community groups and/or residents. (Score 20%)
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9. Valuation and Legal Considerations

All disposals will comply with Section 123 of the Local Government Act 1972 and the General Disposal Consent (England) 2003. Where assets are transferred at less than best consideration, the Council must be satisfied that the undervalue is justified by demonstrable community benefits.

Transfers will be subject to appropriate legal agreements and safeguards, which may include:

- Use and access restrictions
- Clawback or overage provisions
- Break clauses and review mechanisms

Any property lease transaction will be:

- On a Full Repair basis, meaning that the organisation will be solely responsible for the repair and maintenance obligations. The council will recharge the cost of the insurance of the property.

- Contracted out of the security of tenure provisions contained in the Landlord and Tenant Act 1954

Any land transfers will include suitable clauses or covenants:

- For “Permitted Use” to ensure the asset is used as intended and agreed.
- For “Right of Pre-emption” to ensure the return of the asset to the Council (or its successor) if the agreed usage is either not met or in the case of dissolution, illegality or insolvency by the organisation, or if the organisation wishes to dispose of the asset.

10. Monitoring and Review

The Council will monitor transferred assets to ensure that agreed community benefits continue to be delivered and that terms of transfer are complied with.

This policy will be reviewed every three years, or earlier if required by legislative, financial or strategic change.

11. Transparency

Information on the Community Asset Transfer process and decisions will be published on the Council's website to support openness and accountability.

Mid Devon District Council - Community Asset Transfer

Expression of Interest in Community Property and/or Land

Section 1 – Your contact details

Please provide contact details for this application below:

Organisation name:

Address:

Contact Name:

Position in the organisation:

Telephone:

Email:

Section 2 – Brief information on your organisation

Please provide details of the type of organisation you represent, the charity and a brief summary of the purpose of the organisation. Who does it serve and what the main activities and outputs.

Section 3 – The Council owned property and or land you are interested in

Please identify below the address of the property and or land you are interested in. If located from the council property and land transparency report, please include the reference.

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Please indicate what type of transfer you are interested in (lease or freehold transfer) and where a licence or lease, can you indicate the approximate term you are looking for.

Can you provide a brief summary on why you are interested in this asset. What benefits will the transfer bring to the local community, economy or environment?

Section 4 – Supporting Information

Please provide any further information below:

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Undertaking

I confirm that I and the organisation have read the Community Asset Transfer Policy and process, and understood the information contained in these documents.

I certify that the information supplied in this application form is accurate to the best of my knowledge and that I am authorised by the governing body of the organisation to submit this expression of interest on its behalf.

Signed: _____

Print Name: _____

Position within the organization: _____

Date: _____

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