Guildford Borough Council Community Asset Transfer Policy

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Contents

1. Introduction 3
2. Purpose of the Policy and Scope 3
3. What is Community Asset Transfer? 4
4. Principles & Aims of the Policy 4
5. Assets Suitable for Transfer 5
6. Organisations Suitable for Consideration 8
7. Criteria for Considering Transfer Requests 9
8. Application Process 11
9. Transfer Method and Valuation 15
10. Legal Issues and Governance 17
11. Resource Implications 17
12. Policy Review 18
13. The Community Asset Transfer Process 18
ANNEXE 1- Expression of Interest Form 21
ANNEXE 2- Example Evaluation Criteria 22

1. Introduction

This Community Asset Transfer (CAT) policy provides a clear framework for Guildford Borough Council (the Council) to address the transfer of assets to Voluntary or Community Organisations (VCOs). The Council has an obligation to fully consider the implications of community asset transfers as part of robust corporate asset management processes to ensure it protects the interest of the Council as long-term custodian of its assets.

Under this policy assets include land, buildings and other structures owned by or under the stewardship of the Council. With a diverse range of asset holdings, each transfer request will be judged on a case-by-case basis against this policy framework, including:

- The nature and capacity of the applicant.
- Contribution to corporate objectives.
- Assessment of risks and sustainable business cases.
- Robust option appraisals (including financial implications to the Council).

A single policy will not fit all circumstances in exactly the same way. Nevertheless, a number of common principles will apply. For example: the suitability and resource capacity of the transferee, adoption of robust option appraisals including financial implications for the Council, contribution to corporate objectives, and so on. A thorough assessment of risks and sustainable business cases will be essential steps to undertake before any transfer can be recommended for approval. Accordingly, this policy provides a clear framework against which to evaluate any expression of interest for an asset transfer.

2. Purpose of the Policy and Scope

The purpose of this policy is to provide a transparent, fair and consistent framework and provide guidance on the application and governance arrangements for enabling appropriate asset transfers between the Council and organisations and groups that fall within the policy definition of a VCO.

This policy sets out assets that are deemed suitable for community asset transfer and explains that the Council must be the owner of the asset.

This policy does not include the procedure and policy governing nominations for designating Assets of Community Value (ACV) which is governed by a separate procedure.

3. What is Community Asset Transfer?

For the purposes of this policy, Community Asset Transfer is defined as, "*the transfer of land, buildings or other structures from the Council's ownership into the stewardship and/or ownership of a voluntary or community organisation (VCO)*".

National and local policy context

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.

In 2007 the Government published, *'Making Assets Work: The Quirk Review'*. This examined ways to maximise the community benefits of publicly owned assets by considering options for greater transfer of asset ownership and management to community-led groups. The report highlighted that this is not prescribed by legislation but provides guidance to assist local authorities in the use and understanding of existing powers and being clear about the risks associated with the process and learning to manage them effectively. The Review concluded that the driver for any asset transfer is not the disposal of assets per se but, rather, the empowerment of communities. It also makes clear that it expects the transfer of assets, not liabilities.

The lead from Government is that local management and ownership of assets makes for strong communities. Therefore, the Council will support the national policy where there is a clearly defined case for the transfer, the transfer complies with this policy framework, and has regard to the desired outcomes set out in other Council strategies, including but not limited to:

- Strategic Asset Management Framework
- Our Corporate Strategy 2024 - 2034
- Land and Property Disposals Policy
- Asset Disposal at Less Than Best Consideration Procedure
- Social Value Strategy
- Local Plan: Strategy and Sites (2015 - 2034)

This policy supports the corporate priorities detailed in the Corporate Strategy 2024 - 2034 by empowering communities and supporting people who need help, specifically 'tackling inequalities in our communities' and 'working with communities to support those in need'.

4. Principles & Aims of the Policy

The Quirk Review considered that the transfer of assets should aid community empowerment agendas, open up new sources of finance and extend the use of existing facilities to a wider community. The Council, therefore, in adopting this policy, should apply these aims and objectives when considering the transfer of assets:

- Community empowerment
- Borough wide benefits for residents
- A sustainable third sector
- Economic development and social enterprise
- Improvements to local services
- Value for money
- Delivery of Corporate Objectives

The Council's policy on asset transfer is underpinned by the following principles:

- Underlying aim being the transfer of land, buildings or other structures from the Council's stewardship into the stewardship or, where demonstrated necessary, the ownership of a VCO for the long-term.
- Any proposed transfer must support the objectives and priorities of the Council as set out in its Corporate Strategy.
- The transfer of property assets to the community is based on the view that there are realisable benefits to be obtained from giving the community a greater say in their area.
- The Council will adopt a transparent corporate process for asset transfer with clear stages for each party.
- The Council will adopt an agreed method of assessing the benefits of the transfer which includes commissioning a valuation report to enable a comparison with open market transfer.
- All costs, fees and taxes associated with the assessment and transfer process of the asset to be borne in full by the VCO (including but not limited to valuers' fees, stamp duty land tax, Land Registry fees, legal fees and advertising costs).
- The asset is not being used to deliver a service that is best provided directly by the Council rather than through a VCO.
- Recognise the Council's dual but independent roles as a supporter of the third sector but also as a steward and custodian of publicly owned assets.

5. Assets Suitable for Transfer

The Council first and foremost has a duty of stewardship to protect its assets.

The Council holds the position of trustee in relation to the assets that it owns and safeguards on behalf of its local community. These include assets such as land, buildings and other structures that are fully owned or leased with the purpose of:

- Supporting direct service delivery.
- Delivering the Council's priorities in the Corporate Strategy.
- Delivering the Council's priorities in the Social Value Strategy.
- Supporting delivery by partners including the voluntary sector.
- Stimulating economic activity and regeneration.
- Supporting the Council's Medium Term Financial Plan.

Assets suitable for transfer

The Council may consider transferring assets in circumstances where the following criteria applies:

- The Council is the absolute owner of the asset; in the case of land, it must be the owner of the freehold interest.
- The asset currently supports Council community objectives or was formerly delivering such objectives and the asset is now surplus to requirements.
- The asset has been reviewed by officers and the asset management plan recommends transfer to a community-based user.
- Any speculative expression of interest has been reviewed by officers, the asset deemed suitable for transfer and the outcome has been reported to the Property Review Group..
- The relevant service area/client manager within the Council supports the transfer.
- The asset contributes towards community engagement and, separately, an options appraisal has been carried out and approved by Assets and Property Services to identify that the asset is suitable for community sharing as the sole or one of the viable options.
- The asset has been assessed by the service area in which it sits and is not currently needed for future service delivery, which could best be provided directly by the authority rather than through the community.
- The asset is fit for purpose and would not impose an unreasonable liability upon any VCO.

Assets not suitable for transfer

The Council will not consider applications for Community Asset Transfers where:

- The asset is key to delivering Council current or potential services.
- A significant amount of revenue income or potential revenue or capital receipt

proportionate to the size, nature and use of the asset, would be lost.

- Any asset identified to generate capital receipts or drive revenue savings.
- The asset is required for strategic, planning or redevelopment/regeneration purposes.
- The site has the potential to provide Biodiversity Net Gain or carbon off setting provision or any other environmental enhancement scheme.
- Proposed use of the asset does not comply in planning terms.
- Any asset that cannot comply with Minimum Energy Efficiency Standards (MEES) or requires a level of remedial work making the transfer uneconomically viable.
- Transfer of the asset would be to an individual(s) or business to be used purely as a vehicle for commercial ventures. This does not include, for example, charitable organisations with trading arms, where profits are given back to communities.
- Transfer would contravene Trade and Cooperation Agreement Principles.
- Asset would be used solely for religious purposes/activities.
- Asset would be used for any political purposes/activities.
- Transfer would be detrimental to any individual, geographical community or community of interest, resulting in unlawful discrimination, harassment or a failure to promote good relations.

6. Organisations Suitable for Consideration

An organisation wishing to be considered must be based within the Borough of Guildford and have strong links with the community. They must be able to demonstrate provisions within their legal structure that provide assurances that assets will be retained for community use and benefit and would not distribute any surplus they make to their members. The local community must also be able to influence their operational and decision-making processes.

Consideration will be given to the following types of organisations, identified as VCOs within the context of this policy:

- Parish Council
- Town Council
- Company Limited by Guarantee
- Community Interest Company
- Not for Profit
- Unincorporated Association
- Charitable Trust
- Charitable Incorporated Organisation
- Charitable Company
- Voluntary Organisations
- Community Organisations
- Social Enterprises

Should a group of individuals wish to form a VCO to benefit their local community, an application for a Community Asset Transfer cannot be completed until the group is legally formed into one of the entities listed above.

Constitutions of the above must be formed as a legal entity that can hold assets and/or provision of any proposed services.

The Council would normally expect a Voluntary and Community Sector organisation to have the following fundamental characteristics:

- Non-governmental
- It must exist for community/social/environmental reasons and benefit
- Non-profit distributing - it must reinvest any surpluses to further its social aims/community benefits
- Has community benefit objectives

7. Criteria for Considering Transfer Requests

If the asset has been reviewed by officers, meets the criteria set out in this policy and is deemed suitable for transfer, the transfer decision, to be made by the Executive Committee, will involve the assessment of a number of criteria. These include the VCO proving the rationale and supporting evidence for holding the asset, the capacity and expertise to take on the asset, the benefits to be gained and sustainability to manage the asset for the long term.

The assumption will be a leasehold arrangement, rather than a freehold transfer.

Clear rationale for the VCO holding the asset

Within its business case, a VCO must be able to demonstrate how holding the asset will:

- Lead to community empowerment.
- Contribute to the Council's corporate priorities under the Corporate Strategy.
- Enable the local community to be able to influence their operational and decision-making processes.
- Support community wellbeing and delivery of better public services.

The VCO will also need to include information on:

- Purpose and proposed use of the asset and what community needs it would address by being in their stewardship.
- The VCO's link to the community, in what form and how.
- Community, social or environmental demand for the proposed transfer.
- Proof that the activities proposed are in demand and are not already being satisfactorily addressed by another organisation or community.

- Other stakeholders.
- Provisions within their legal structure that provide assurances that assets will be retained for community use and benefit and would not distribute any gain they make to their members.
- The type of transfer sought and why.

Evidence that the VCO has capacity to take on the asset as a leasehold

The VCO business case must demonstrate:

- Good governance arrangements, open and accountable processes, including providing copies of the accounts of the organisation.
- An established and/or proven track record of delivering services, asset or property management, whichever is relevant to the asset being transferred.
- Skills and capacity to manage the asset, including (where appropriate) health and safety policy, compliance with relevant legislation and any statutory requirements arising from ownership or management.
- Sound financial management with at least five years revenue or capital funding plans including maintenance and investment plans as appropriate.
- Sources of finance that the asset transfer will release or attract such as grants.
- Opportunities for income generation to ensure sustainability, for example, through the hiring of space and facilities, opportunity to gain additional income from leases/licences.
- Perceived risks associated with the transfer and risk management plans showing actions the VCO would take to mitigate these.
- If the VCO is newly established only a leasehold transfer will be considered.

Clear benefits that will result from the transfer

The VCO must demonstrate in the business plan how the proposed transfer would:

- Provide a service of community benefit in line with the Council's corporate priorities.
- Embrace diversity and works to improve community cohesion and reduce inequalities.
- Benefit the Council in terms of service delivery, improvements to local services whilst supporting the corporate priorities under the Corporate Strategy.
- Benefit the local community, such as securing stronger, more cohesive and sustainable communities, social enterprise, attracting new investment and reinvigorating the local economy.
- Benefit the VCO itself, such as financial security, increased recognition, power, management capacity and organisational development/opportunities to expand and diversify.

Ability of the VCO to sustain long-term stewardship

The Council has a duty to ensure that due diligence is carried out on any VCO to mitigate the risk of any transfer failing as this would have a negative impact on local communities. In order to do this the VCO must provide proof that it has:

- A secure financial base to ensure they can fund the transfer and maintain long-term self-sustainability, including providing copies of audited financial accounts where necessary and evidence of sufficient funding to cover all legal, valuation, Land Registry, advertising and other fees generated by the transfer, as well as any stamp duty land tax or other taxes.
- The staffing capacity to manage the asset and have management or committee members who possess the necessary experience and skills to manage the asset.
- Good governance arrangements, robust financial systems and all the necessary policies expected of a VCO in place.
- Procedures and processes in place that enable the VCO to comply with all statutory/regulatory obligations connected with the use and/or occupation of an asset including but not limited to asbestos management, legionella and fire risk assessments for property assets.
- A viable financing plan that is robust and provides a sustainable foundation for long-term ownership. This will be subject to a formal valuation of the asset undertaken by the Council.

If the VCO ceases to exist the asset may transfer automatically back to the Council (or its successors in title) from the VCO at nil value or via an option for the Council to re-acquire the asset (or its successors in title).

8. Application Process

The following stages and processes for Community Asset Transfer will apply to every proposal:

(i) Expression of interest

All potential transfers, where an asset has already been assessed and deemed suitable for transfer, will be subject to an open and public invitation to submit a written expression of interest that sets out:

- How the organisation qualifies as a VCO (or what types of VCO would be considered where the expressions of interest is from within the Council).
- The specific land, building or structure that is the subject of the Community Asset Transfer.
- An outline proposal including the reasoning behind it.
- An outline of the aims and objectives of the transfer.

Applicants will submit a written expression of interest using the template at Annexe 1.

(ii) Review and assess expression(s) of interest

The Council will review expressions of interest and check that all of the following criteria are met:

- Applicant organisation qualifies as a VCO.
- Asset is deemed suitable and appropriate for consideration for Community Asset Transfer.
- Outline proposal meets the requirements of the policy e.g., a transfer for the long-term, for the benefit of the community, financial standing.

This will lead to a recommendation by the Director of Assets and Property in consultation with the lead officer for the service area in which the asset sits and the Portfolio Holder for Finance, Assets and Property, to invite the applicant VCO to submit a business case.

Should the applicant or asset be unsuitable, the applicant will be notified.

(iii) Advertising the opportunity

Where an asset has already been deemed suitable for transfer, opportunities for community asset transfers will be advertised appropriately and openly through independent local agents, the Council's website lettings page and/or by other methods appropriate and proportionate to the proposed transfer, inviting expressions of interest from VCOs.

In cases where two or more community organisations are interested in an asset, a selection procedure will be adopted.

(iv) Speculative Expressions of Interest

Expressions of interest received speculatively will be considered in line with this policy. Officers will review the speculative application to ensure that it meets the policy criteria and review the asset to determine if it is suitable for transfer.

If the asset is deemed not suitable for transfer after being assessed against the criteria set out in the policy, the outcome of the review will be reported to the applicant. Any decision is final and there is no appeal procedure.

If the asset is deemed suitable for transfer, this will lead to a recommendation by the Director of Assets and Property in consultation with the lead officer for the service area in which the asset sits and the Portfolio Holder for Finance, Assets and Property, to invite the applicant VCO to submit a business case.

Any VCO considering submitting a speculative expression of interest should contact their local ward Councillor first to discuss their proposals.

(v) Business case

The VCO will be required to submit a detailed, evidence-based business case and financing plan for the transfer and long-term custodianship, which will be assessed and evaluated by the Council against the criteria laid out in this policy.

The VCO must present a well-prepared business case for their proposed use of the asset. This will need to demonstrate that there is a clear intention for the long-term use of the asset and an understanding of the activities the VCO wishes to deliver.

The business case must set out the following information upon which the Council can assess and evaluate the application (see Section 7 for criteria to be met):

- Rationale for the VCO managing the asset.
- Evidence of VCO capacity to take on the asset.
- Benefits that will result from the transfer.
- Financing plan for the transfer.

(vi) Assess and evaluate business case

The Council will assess and evaluate the VCO business cases. VCO's will be required to provide evidence to support their application ready for evaluation by the Council. Each asset transfer proposal will have its own bespoke evaluation criteria similar to the example questions and weightings provided at Annexe 2. Detailed consideration will be given to the community impact and benefit of the transfer in terms of economic, social or environmental wellbeing of the community.

From the Council's perspective it will consider and assess how the transfer proposal:

- Supports its strategic corporate priorities, service delivery, community
- objectives and does not negatively impact on the Council's own needs and requirements for service delivery now and in the future.
- Supports its desired outcomes in other Council strategies e.g., Social Value Strategy
- Makes for stronger communities by handing over to local management.
- Would not be contrary to any obligation placed on the Council.
- Does not incur a significant loss of any existing or potential income, for example, potential loss of opportunity income arising from access rights.
- Provides value for money and best value in the case of land and building transfers.
- Provides for a monitoring process and details of 'fall back' arrangements should the transfer prove to be unsustainable.

During this stage points of clarification may be sought by either party including any heads of

terms for proposed leases of land and building assets. The Council will undertake an independent asset valuation for land and property transfers to ensure best consideration is achieved and/or cost benefit analysis in other circumstances in order to ensure value for money.

This will lead to a recommendation by the Joint Director of Assets and Property in consultation with the lead officer for the service area in which the asset sits and the

Portfolio Holder for Finance, Assets and Property to be submitted for consideration by the Executive/full Council, as appropriate.

(vii) Assess and evaluate legal requirements

Any decisions to transfer will be subject to the approval of the Executive or full Council as appropriate and made by way of a lease arrangement.

Freehold land transfers will only be considered in exceptional circumstances where there are demonstrable objective reasons why a lease is not the most appropriate transfer mechanism.

The Council must show that the process and decision were undertaken with good governance and each application for the transfer will be evaluated for Legal implications, which will include but not limited to the following:

- The Council must have regard to its Best Value Duty under s3(1) of the Local Government Act 1999 and demonstrate a CAT recommended for approval to be appropriate in meeting its Best Value Duty to businesses and residents.

- The Council must, under s123 of the Local Government Act 1972, obtain the best consideration that can be reasonably obtained for the disposal of land, unless it has the express consent of the Secretary of State or if the Council considers this will help to secure the promotion or improvement of the economic, social or environmental well-being of its area.

- Disposals of land include: a sale of the freehold interest; granting a lease; assigning any unexpired term of a lease; and granting an easement. If publicly owned land is disposed of at less than best consideration, the local authority is likely to be providing a subsidy to the purchaser and must consider the rules on subsidy control too (i.e., is there a risk of distorting competition/being anti-competitive).

- If the land is being disposed at an undervalue exceeding £2 million, this will require the specific consent of the Secretary of State.

- Prior to considering disposal at less than best consideration it is essential to identify the purpose for which the land is held, as specific additional legal requirements may apply. This policy will not fit all circumstances, so Legal input to the evaluation will be sought in each case early in the process.

- Common land or former common land cannot be disposed of under section 233(2) of the Town and Country Planning Act 1990 without the Secretary of State's consent.

- Appropriate restrictive covenants will be inserted, as appropriate, into any transfer deed or lease to include, but not limited to, restrictions on use for community benefit and preventing change of use, development, re-development, seeking planning permission without the Council's express written consent, onward sale, lettings, assignments or sharing of use with other organisations, as well as restrictions on causing nuisance.

- The VCO will be obliged to return the relevant asset in a good state of repair and maintenance via a positive covenant in the relevant legal document; this will help to protect the Council from a dispute or costs in the future.
- If the community purpose of a VCO ceases then protection to the Council may be provided by contractual positive covenants or rights of first refusal for the asset to be transferred back to the Council (or its successors in title) by the VCO at nil value or an option for the Council to re-acquire the asset.

- In the event that a freehold transfer is deemed the most appropriate means of transferring, overage provisions may be appropriate so that in the event of a further disposal of the land by the VCO, such that the Council would benefit from any future redevelopment of the land.

(viii) Executive/Council Decision

The Executive/ Council report will consider:

- Contribution to corporate objectives.
- Compliance to criteria.
- Sustainability of the VCO.
- Legal requirements.
- VCOs access to funding and its ability to raise finance.
- Financial implications on the Council.
- Identification of risks.

The report will detail recommendations to the Executive/full Council who will make a formal published decision.

(ix) Completion of asset transfer

Once formal approval is given, detailed heads of terms will be agreed between the Council and the VCO detailing all the main aspects of the transaction and lease terms as appropriate. The Council, at the VCO's expense, will arrange the formal drafting of legal documentation which will include where relevant, service level agreements, monitoring arrangements, support and investment plans. This final stage will require the VCO and their

solicitors to work collaboratively with the Council in order to avoid delays to the completion of the transfer.

Timescales for the completion of a Community Asset Transfer will be dependent on the nature and type of the transaction involved.

9. Transfer Method and Valuation

The method of Community Asset Transfer will be by way of a lease that ensures transfer to a VCO for the long term and will only be granted to organisations with the experience and resources in place to manage it over the longer term. Freehold land transfers will only be considered in exceptional circumstances where there are demonstrable objective reasons why a lease is not the most appropriate transfer mechanism. All transfers will be subject to an assessment that shows the transfer to be value for money, or in the case of land and building transactions, at best (or less than best in certain circumstances according to Council policy) consideration reasonably obtainable – see Section 8(vii) above.

Form and length of tenure

The underlying aim of this policy is the transfer of land, buildings or other structures from the Council's stewardship for community use for the long term.

There is no definition of what is meant by long-term, but the principle is that the Council divests itself of short to medium-term management of an asset, and VCOs correspondingly take on and are able to independently sustain long-term responsibility and maintenance.

The terms of any transfer will be determined on a case-by-case basis and the Council will consider the specific circumstances of the applicant, sustainability of any business case, the proposed asset, any legal requirements and intended use alongside length of lease.

Land and building transfers specifically

As set out in Section 8(vii) above, the Council has a statutory duty under Section 123 of the Local Government Act 1972 (as amended) (LGA 1972) that, except with the consent of the Secretary of State, it shall not dispose of land (under this section) otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained. "Land" is defined in section 270 as including "any interest in land and any easement or right in, to or over land."

Best consideration is not limited to the purchase price but may include a term or condition which identifies a specific, quantifiable commercial benefit or monetary worth to the vendor (the Council). These conditions are referred to as voluntary conditions.
The Council has the ability under the LGA 1972 General Disposals Consent 2003 to sell or lease Council assets at less than best consideration in cases where it can demonstrate and attribute value to wellbeing benefits that would arise[1]. Any transfer for less than best consideration, either freehold or leasehold, would need to be transparent and justifiable and have the appropriate approval by the Executive/full Council.

Voluntary conditions or benefits arising that do not have a direct commercial or monetary value to the Council such as job creation, social value or using the land for a particular desirable purpose can be considered if a disposal is at less than best consideration as they are non-commercial social, economic or environmental benefits that are deemed to arise from the disposal.

Valuation

To demonstrate that best consideration will be achieved, all proposed Community Asset Transfers will be subject to a formal valuation in accordance with the Royal Institution of Chartered Surveyors Valuation Standards unless a cost-benefit analysis is the more appropriate mechanism.

For land transfers at less than best consideration the valuation report of the interest to be transferred will clearly state the difference between the unrestricted value of the interest and the consideration to be accepted (the undervalue) in accordance with RICS Valuation Global Standards 2023: UK National Supplement VPGA 17 “Local authority disposal of land for less than best consideration in England and Wales”.

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[1] *Legislation recognises that there may be circumstances where a Council considers it appropriate to dispose of land at an undervalue (i.e., at values less than could be obtained on the open market). Councils should not divest themselves of valuable public assets unless they are satisfied that the circumstances warrant such action. A statutory general disposal consent has therefore been issued to give local authorities autonomy to carry out their*
statutory duties and functions, and to fulfil such other objectives as they consider to be necessary or desirable. However, when disposing of land at an undervalue, Council’s must remain aware of the need to fulfil their fiduciary duty in a way which is accountable to local people. Circular 06/03 issued in 2003 gives authorities consent to a disposal of land at an undervalue provided that:

- *a) a local authority considers that the disposal is likely to contribute to the achievement of:*
  - *(i) the promotion or improvement of economic well-being*
  - *(ii) the promotion or improvement of social well-being*
  - *(iii) the promotion or improvement of environmental well-being, and*
- *b) the best price reasonably obtainable for the property does not exceed £2,000,000 (two million pounds). If it does exceed £2m, Secretary of State consent is required.*

10. Legal Issues and Governance

In all cases appropriate legal mechanisms will be put in place to protect the Council's financial position. Please see Section 8(vi) above.

The transfer of assets will need to be considered on a case-by-case basis and advice obtained from the Council's Legal Services wherever appropriate.

Disposal decision

This will be the subject of a specific report to the Council's Executive. In certain circumstances, disposal decisions will require a decision by full Council.

11. Resource Implications

Transferring an asset to a community-based organisation is a resource intensive process due to the steps involved. Existing staff and Council resources will be used where available to deliver the required outcomes.

12. Policy Review

This policy will be reviewed to incorporate legislative, regulatory amendments, best practice developments, or to address any operational issues with the policy. At each review the relevant officer will review any assets transferred during the policy term to

ensure that the asset is still open, being used for the specified purpose and being well maintained.

The policy will be monitored by the Council.

13. The Community Asset Transfer Process

The following process will be applied by the Council in respect of any expression of interest for Community Asset Transfer. Section 8 provides background explanation.

Stage	Responsibility
1. Expression of interest	An asset identified for transfer will be initiated either by a Council-led invitation or an expression of interest from outside the organisation. Applicants will submit a written expression of interest using the template at Annexe 1 detailing how they qualify as a VCO; the specific asset that is the subject of the expression of interest; an explanation of the reasoning behind it and the aims and objectives of the transfer.
2. Review and assess expression of interest	The Council will assess the expression of interest and whether it would/could meet the requirements set out in this policy. If the Expression of interest is speculative in nature, officers will review whether the subject asset is suitable for transfer and would/could meet the requirements set out in this policy. This will include whether or not the applicant is deemed to qualify as a VCO, that the asset is appropriate for consideration, and undertake a Land Registry and title deed report to check any restrictions or other aspects that could potentially affect a transfer. If the expression of interest is deemed suitable for further consideration a recommendation by the Joint Director of Assets and Property in consultation with the lead officer for the service area and the Portfolio Holder for Finance, Assets and Property will lead to an invitation to the VCO to submit a business case. Should the expression of interest be deemed unsuitable the applicant will be notified. Any decision is final.

3. Advertising the opportunity	The Council will advertise opportunities for community asset transfers where assets are identified as surplus by service areas and have been assessed as suitable for transfer. They will be advertised appropriately and openly inviting expressions of interest from VCOs.

Stage	**Responsibility**
	Submission of Expressions of Interest will only be accepted by email to the address specified on the Template.
4. Business case	The applicant will be invited to submit a detailed, evidenced based business case and financing plan for the transfer and long-term management. The business case must include the information requirements set out in this policy, with particular attention to the information requested in Section 7 on the criteria to be met.
5. Assess and evaluate business case	The Council's Asset Management team will lead the business case assessment and evaluation with other officers using the criteria set out in the policy and any bespoke weighted questions as per the example provided in Annexe 2. Detailed consideration will be given to the community impact and benefit of the transfer in terms of economic, social or environmental wellbeing of the community. An independent valuation will be undertaken for land and property transfers. The Council will assess the business case according to its policies and community asset transfer matrix.
6. Assess and evaluate legal requirements	The Council will review, assess and evaluate the legal requirements set out in section 8(vii) above.
7. Executive/full Council Decision	The Council's governance process will require a report with a recommendation to transfer to be submitted to Executive/full Council for approval. The Executive/full Council's decision on whether to proceed with the transfer will be final.

8. Completion of the asset transfer	Once formal approval is given, detailed heads of terms will be agreed between the Council and the VCO detailing all the main aspects of the transaction and lease terms as appropriate.
Stage	**Responsibility**
	The Council will arrange the formal drafting of legal documentation. This final stage will require the VCO and their solicitors to work collaboratively with the Council in order to avoid delays to the completion of the transfer. The Council may incur fees to prepare the transfer, including valuers', advertising, surveyors' and legal fees. The Council will pass these on to the VCO unless the VCO can objectively show it cannot meet such costs. Applicable stamp duty land tax or other taxes and Land Registry fees are to be met by the applicant VCO.

ANNEXE 1- Expression of Interest Form

Community Asset Transfer (CAT) Expression of Interest Form

VCO's name, address and contact details	
Please set out how your organisation qualifies as a VCO under the Council's CAT policy?	
Address and area in sqm of asset to be transferred (please attach a plan)	
Type of transfer requested If applying for freehold transfer, please provide reasons why a leasehold transfer does not meet your needs	
Outline your plans for this asset and how these fits within your organisation's and the Council's corporate goals and objectives	
Evidence that your organisation is able to manage the asset effectively including financial details, staffing, expertise etc. (refer to CAT Policy)	
List of any other stakeholder groups with an interest in this asset	

Once completed please email this form to assetman@guildford.gov.uk

ANNEXE 2- Example Evaluation Criteria

Community Asset Transfer (CAT)
EXAMPLE QUESTIONS AND WEIGHTINGS
[Each Asset Transfer Proposal will have bespoke criteria]

Guildford Borough Council invites to you apply for the Community Asset Transfer of <ASSET NAME> (the "Asset"). As part of the Council's application process each applicant must submit a business case which addresses the following questions. Answers will be evaluated based on a scoring matrix developed for this purpose.

Question 1 - 25%

Proposed use statement

Please provide a method statement indicating how you will approach this brief including:

- Statement outlining approach and strategy, explaining how the operation of the <ASSET NAME> would be undertaken
- Demonstrate how this supports the objectives and priorities of the Council
- Identification of the benefits to the wider community
- How you intend to use the <ASSET NAME>
- Hours of use
- Target demographic
- Innovation or innovative thinking that you can bring to this brief and what benefits it could achieve
- Any other information that could be useful

Question 2 – 25%

Asset management approach

Please provide the initial plans you have for the management of the site <ASSET NAME>:

- How the different parts of <ASSET NAME> would be managed and maintained
- Who would undertake the management of the different parts
- What changes do you envisage making to the <ASSET NAME>
- How responsibility for management and maintenance would be allocated in the VCO
- How the required skill set in managing the assets would be obtained

Question 3 – 15%

Community engagement, communication and buy-in

Please describe.

- Any plans for ensuring there is engagement and buy-in from the local community
- Planned advertising initiatives e.g., social media, website
- Potential charity partnerships
- How the operation of the <ASSET NAME> would promote inclusivity

Question 4 – 25% Experience

Please provide details of your experience in the following:

- Operation of a similar asset
- Landlord and Tenant relationships

Question 5 – 10% Financing

Please provide and comment on the following:

- Business accounts (if available)
- How the operation would be financed in the initial months
- How long-term financial sustainability would be achieved
- Future funding and investment plans