

## Guidance No. 1 – The Basics of Asset Transfer

### COMMON DEFINITIONS OF ASSET TRANSFER

**Community Asset Transfer (CAT), also known as 'asset transfer' is defined as follows:**

- “Community Asset Transfer (CAT), refers to the shift in management and/or ownership of buildings or land from public bodies (most commonly local authorities) to communities [usually to local community and voluntary groups]”  
(*Community Matters* - [www.communitymatters.org.uk](http://www.communitymatters.org.uk))
- “Local community’s ability to acquire land or buildings, either at market value or at a discount, in order to deliver services that meets local needs. It is seen as one way in which local authorities (in particular) can support the development of social economy organisations, and thereby meet their wider strategies for renewal and improved delivery of local services.”  
(*Pulse*, 2004 – excerpts from ‘Asset Transfer’, Aug 2006: *Finance Hub*).
- “Refers to **buildings or land** that can be enjoyed by a wide variety of groups. They must be sustainable in the long term. Once the asset is transferred, it may be used for its original purpose or for other purposes.”  
(*Big Lottery Fund, Community Assets Programme*).

The British Government first embraced CAT in 1998 when the Audit Commission published a report on Local Authority property management, which recommended that Councils give greater attention to the strategic and policy implications of property in use.

Since then, the Government has taken into account CAT in their future legislation. In 2007, the Government commissioned an independent review which looked at Community Management and Ownership of Assets. This review was led by Barry Quirk, Lewisham Council's Chief Executive and it concluded that, “*there are risks involve in owning and managing an asset but these risks can be mitigated*”.