



Llywodraeth Cymru
Welsh Government

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John Griffiths MS,
Chair,
Local Government & Housing Committee

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10 March 2026

Dear John,

I am pleased to share with your committee the final report of the Community Asset Commission. I want to express my deep gratitude to the members of the Commission, Cardiff University, and all those who contributed their time, expertise, and lived experience to this important work.

I am passionate about empowering Welsh communities. Community assets – our libraries, green spaces, cultural centres, and local facilities – are the beating heart of our towns and villages. They are places where people come together, where identities are celebrated, and connections made, building community resilience and improving well-being. I believe that communities themselves are best placed to shape the future of these assets, and I am determined that Welsh Government policy will support them in doing so.

The report sets out a clear, evidence-based proposal for the strategic framework for community asset transfer and management in Wales, highlights the barriers communities face and provides practical recommendations to ensure that asset transfer and management in Wales becomes simpler, fairer, and empowers communities.

A key recommendation of the report is to strengthen community ownership by implementing Community Right to Buy legislation, which I fully support. Whilst this government is committed to introducing a Welsh Government Bill early in the next Senedd term, it is of course a matter for the next administration to consider.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Meanwhile, the Welsh Government remains committed to supporting communities. The long-standing Community Asset Loan Fund (CALF) and Community Facilities Programme (CFP) continue to provide financial support to invest in community facilities. The Ystadau Cymru guidance on Community Asset Transfer remains available along with case studies and additional resources.

[Community Asset Transfer \(CAT\): guidance for applicants | GOV.WALES](#)

Yours sincerely,

A handwritten signature in black ink, reading 'Jayne Bryant' in a cursive style.

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government



**Community Asset Commission
Task & Finish Group Final Report
November 2025**

**Drafted in Partnership with Andrew Flynn, School of Geography and Planning,
Cardiff University.**

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Chair's Foreword

The people who care the most about communities are the people who live in them. Yet, frequently, these are the groups who feel the most dis-empowered when decisions are made which directly affect the ways their communities develop and, ultimately, how people live their lives.

This is especially true when decisions are made about the ways that under-used and redundant buildings and land are owned and used. Decisions are often made remotely and based on considerations which have little reference to the needs and aspirations of the people who are most affected by those decisions.

Yet, within an increasingly challenging financial environment, it is often community groups led by local people, who are offering innovative and sustainable solutions on how to save community services and facilities. There are so many successful examples throughout Wales of this happening in respect of assets such as pubs, libraries, hotels, community centres and community land. In many towns and villages in Wales, community owned assets now provide the physical, linguistic and emotional spaces for establishing environmentally aware buildings providing economic and social activities in places previously deemed "unviable".

In many Welsh speaking communities, assets that have passed into community ownership make a positive and dynamic contribution to the linguistic vitality of those communities. This report endorses the recommendations made by the 2024 Commission on Welsh Language Communities in respect of securing long term support for community groups in Welsh speaking areas and ensuring their sustainability.

Given the undoubted success of many asset transfer projects, this Report supports the need to establish structures and mechanisms that will increase community empowerment by making the ownership and management of community assets a less confusing and less risky process for all involved. The recommendations in this Report therefore present evidence based, innovative ways to make the process of transferring assets to community groups a lot easier. The Report further develops recommendations made in the Senedd Report "Community Assets" published in October 2022 and builds on extensive research and accumulated knowledge into community assets conducted in Wales, and beyond, over decades. These have all been invaluable references in the production of this Report.

A large and varied number of participants have freely given their time and expertise to the process of completing this work. The process has involved conducting a series of workshops carried out under the guidance of Professor Andrew Flynn and Dafydd Thomas of Cardiff University, ably supported by WCVA staff, and conducting subsequent meetings of the Task and Finish Group which further analysed the topics covered in the workshops. Thank you to all who were involved.

The final Report is therefore the product of a robust research and evidence-based approach which explores, in depth, the broadly based consensus that communities in Wales are dis-empowered in comparison to their counterparts in England and Scotland when it comes to owning and managing community assets. The Report

makes recommendation on the legislative and policy changes which are needed to address this imbalance.

The Report's recommendations indicate how community asset transfers can work effectively both for the organisations which hold the assets, as well as for those who receive them. The successful implementation of the recommendations will require positive inputs from all stakeholders. The benefits will have lasting and positive effects on Welsh communities for many generations to come.

1. Executive Summary

Debate on the future of community assets in Wales is at a critical juncture. On the one side, ongoing financial challenges make the provision of public services and maintenance of assets within communities more challenging, and on the other side, many communities are keen to be able to manage and control assets to shape their futures. The diversity of assets, communities and stakeholders means that there are multiple perspectives on the challenges that are faced and the solutions on offer in asset transfer and management. The range of views and actors is both a strength – it enables tailored solutions to local issues – and a problem – expertise and knowledge is diffused and, from a community perspective, can be difficult to access in a timely manner.

Approach

Working alongside the Task and Finish Group, Cardiff University collected data via Workshops, key person interviews and documents. Data collection was undertaken in an inclusive manner. For example, most Workshops took place online because participants found that convenient. Workshops also included simultaneous Welsh-English translation. Data was organised in a thematic manner, so that we could reflect the diversity of stakeholders' views. A draft of the research report was peer reviewed by members of the Task and Finish Group.

Findings

From the workshops, interviews and subsequent discussions we found:

- Enormous enthusiasm for community assets and a desire among key stakeholders for communities to have the opportunity to acquire and manage further assets.
- Communities and the organisations that support them show enormous resourcefulness and entrepreneurialism.
- Community organisations often feel hamstrung and unable to deliver on their potential for local development.

Part of the challenge here is that the system of community asset transfer and management is complex and may not be able to provide support at key junctures (e.g. when acquiring an asset). Empowering communities to be able to realise their potential needs to be central to asset transfer and management going forward.

What do we recommend?

In developing the Recommendations, The Task and Finish Group has given attention to ensuring that the range of stakeholders' views are considered. Delivery of the Recommendations depends on commitment and resources by those involved in asset transfer and management. Community assets have wide ranging impacts, and the recommendations need to be thought of in a holistic way because there are multiple benefits across organisational and policy agendas.

There are five Strategic Themes:

1. Foundations for Policy and Legal Reform;
2. Strategic Planning and Governance.
3. Community Empowerment and Skills Development.
4. Asset Identification, Valuation and the Transfer Process; and
5. Financial Innovation and Longer-term Investment.

Within each of these Themes a set of Recommendations has been developed. The Recommendations are shown below in Table 1.

Table 1: Themes and Recommendations

Strategic Themes	Recommendation
1. Foundation for Policy & Legal Reform	1. Welsh Government should introduce Community Right to Buy legislation in Wales that will be applicable across public, private and third sectors
	2. Adopt a presumption of approval for community asset requests, with refusal permitted only where a clear and compelling justification is provided.
	3. The Ystadau Cymru guidance should be revised to: • Promote and expect asset transfer. • Ensure the systematic integration of asset transfer within the strategic and operational plans of public bodies. • Incorporate appropriate buy-back or reversion clauses to safeguard the continued delivery of public benefit and protect the long-term public interest.
	4. Require Audit Wales and other auditors to place explicit emphasis on community benefits as a core criterion in relevant evaluations.
2. Strategic Planning & Governance	1. Require public bodies to include community assets in strategic/corporate/asset management/wellbeing plans
	2. Appoint community asset champions (e.g. in Senedd, councils) to a) develop networks of support and guidance; b) encourage organisations to learn from one another; and c) be a source of information on best practice within organisations.

	3 Provide financial resources to public bodies and Ystadau Cymru to strengthen their strategic planning; guide resource allocation for asset transfer and ongoing management support; and nurture staff capacity
	4. Establish a property-focused social enterprise to operate as a purchaser and/or manager of community assets.
3. Community Empowerment and Skills Development	1. Develop and accredit a CPD and skills programme on community asset transfer and management that is made available on a voluntary basis to community groups and other stakeholders
	2. Ensure that financial and institutional support mechanisms are inclusive, accessible, and tailored to the needs of community-led enterprises.
	3. Establish a Centre of Excellence for Community Assets to improve practice support learning by working with the public, private and third sectors
4. Asset Identification, Valuation, and the Transfer Process	1. Create a national database and map of past and potential asset transfers.
	2. Ensure public bodies and communities contribute to asset registers
	3. Develop and apply an agreed social and environmental value methodology, to be used alongside exchequer value in asset transfer decisions. This framework should underpin discount-based transfers where community benefits are demonstrably clear.
	4. Community benefits in this context will recognise that the community empowerment generated from asset transfers can also impact on the language vitality of communities. Community assets provide bilingual employment and Welsh speaking-spaces where local Welsh speakers, learners and non-Welsh speakers are immersed in the language. Community assets in many Welsh Speaking communities stimulate and underpin socio-economic activity which directly and indirectly supports community language vitality. In addition, community assets should be seen as integral to the Welsh Government's language ambitions. 5. There should be long-term recognition of the value of The Welsh language as a

	community strength which is not reliant on short-term grant funding for support. As the Commission for Welsh-speaking Communities 2024 argued, "if social enterprises and businesses are good for the Welsh language, then they should be supported for the social benefit derived from them" (2024, p67) and "Welsh should be treated as a social good central to community projects." (2024, p81)"
	6. Enable communities to request asset leases or purchases as a formal mechanism for demonstrating local support.
5.Financial Innovation and Long-term Investment	1. Revise Transforming Towns and similar programmes to fund community Right to Buy.
	2. Promote and sponsor alternative finance mechanisms for community asset acquisition that reflect the aspirations and needs of communities across Wales
	3. Require councils to use enforcement, financial assistance, and debt recovery strategically to aid Community Asset Transfers

Who are we?

In its inquiry into community assets, the Senedd's Local Government and Housing Committee recommended that the Welsh Government, in partnership with Ystadau Cymru set up a Community Asset Commission (the Task and Finish Group). The Commission began its work in March 2024 as a Task and Finish Group. It had a diverse membership, who represented key stakeholder groups. The members of the Task and Finish Group who have overseen the production of the Report are listed below in Table 2.

Table 2 - List of Task and Finish Group members and their interests/expertise

Chair	Gwyn Roberts	Galeri Caernarfon Chartered town Planner and Chartered Surveyor
Academic	Sarah Nason	Rural Assets: Policy and Practice Insights from the Devolved Nations Reader in Law - Bangor University
Welsh Government	Richard Baker	Deputy Director - Place Division Ystadau Cymru Board
Welsh Government	Andrew Charles	Deputy Director – Cohesive Communities
Welsh Government	Chris Buchan	Head of Third Sector Policy & Support
NHS Wales	Neil Frow	NHS Shared Services Partnership Ystadau Cymru Board
Natural Resources Wales	Dominic Driver	Head of Land Stewardship
Local Authority	Lorna Cross	Vale of Glamorgan Council Vice Chair Ystadau Cymru Board
Town and Community Councils	Lyn Cadwallader	One Voice Wales Ystadau Cymru Board
Third Sector - Grants	John Rose	National Lottery Community Fund Wales

Third Sector - Loans	Alun Jones	Wales Council Voluntary Action Ystadau Cymru Board
Third Sector	Casey Edwards	CWMPAS – Community Housing and social business
Third Sector/Independent	Chris Blake	Green valleys, Project Skyline, DTA Wales, and formerly Community Energy Wales.
Third Sector	Meleri Davies	Strategic Director - Partneriaeth Ogwen
Third Sector	Chris Cowcher	Plunkett Foundation Head of Policy and Communications
Sector Representative	Adam Kennerley	CEO, The Development Trusts Association Wales (DTA Wales), the independent membership-based network of development trusts and community companies in Wales.
Rural Housing Enabler	Joanna Rees	Barcud

The work of the Task and Finish Group focused on land, building and natural assets – local facilities which bring people together, including art centres, libraries, museums, green spaces and leisure centres. Assets in the public, private or voluntary sector and those under community ownership were all within its remit. As a Task and Finish Group, we were asked to advise the Minister for Climate Change and Rural Affairs; the Minister for Housing and Local Government, the Cabinet Secretary for Finance and Welsh Language and the Cabinet Secretary for Social Justice on how to improve the system of community asset transfer and management and how to empower communities to develop assets (Ystadau Cymru 2024).

Independent academic research and thematic stakeholder workshops were conducted by Cardiff University from 24 September 2024 to understand the challenges faced by community assets; options for ownership and management, and to scope proposals to take the community asset agenda further forward.

The Wales Council for Voluntary Action (WCVA) provided independent secretariat support to the Task and Finish Group throughout its work.

2. Introduction

Community assets represent a diverse range of buildings, locations and landscapes, ranging from libraries to allotments, as well as the skills, knowledge and networks of people who live and work within a community (Local Government and Housing Committee 2022). Community assets provide basic goods and services on which communities rely for their social, cultural and economic vitality and environmental resilience (Background Paper Workshop 1, 2024) and as such can be considered integral to the foundational economy.

Recent years have seen a flurry of cross sector activity in seeking to better understand and promote community assets in Wales. Notable contributions include:

- The Local Government and Housing Committee's report on Community Assets (2022) sought to ease the process of community asset transfer.
- The Bevan Foundation (2020) has highlighted how community assets can be particularly beneficial in socially and economically marginal areas as a source of wealth building.
- The IWA (2022) believe that community asset policy needs to be reinvigorated to enable citizens to regain more control over their futures.
- Cwmpas (no date) suggest that making more land and assets available for community-led housing would make a positive contribution to the Welsh housing crisis.
- Community Ownership, A Way Forward for Wales Plunkett Foundation (2024) argued that there should be a community right of first refusal on private assets coming on to the market.

The diversity of views on community assets in part reflects the variety of organisations interested in how community assets can be nurtured, and in part the array of assets that exist within and around our communities. While much attention is given to the transfer of assets by public bodies, especially local government, the transfer of assets from the private sector, such as pubs, shops, post offices and land also matter greatly to communities and their wellbeing. What emerges is a complex array of organisations, who work at a variety of scales, to deliver wellbeing and resilience via community assets.

While there are UK-wide dimensions to debates on community assets (e.g. on funding and management), there are also distinctive discussions within the devolved nations that are taking place. For example, the Cabinet Secretary for Housing and Local Government, Jayne Bryant (2025), noted in a speech to the Senedd:

"[c]ommunity assets serve as a valuable purpose for people across Wales. Whether we're talking about libraries, education facilities, cultural centres, sports clubs or green spaces, these are hubs for our community that foster a sense of belonging and pride".

As well as recognising the value of community assets, the Cabinet Secretary also argued first, that "the Welsh Government is fully committed to safeguarding our community assets, which in turn supports local activities, heritage and culture." Second, the Cabinet Secretary sought to develop a distinctive perspective on assets, pointing to their importance for "bringing people together and championing local

identities ... They're spaces where we share experience, support each other and build stronger, more resilient communities". Third, that Welsh Government wishes "to empower communities, providing them with the financial resources necessary to maintain and enhance their community assets."

3. What did we do? The Methodology

Cardiff University developed an integrated approach to analyse community asset transfer and management in Wales, aiming to generate informed recommendations. This process included six thematic workshops, a Task and Finish Group, 41 key person interviews, and documentary analysis. The workshops explored topics such as current systems, effective practices, outreach, strategic improvements, and final recommendations. The Task and Finish Group, informed by the Senedd Local Government and Housing Committee's themes, examined policy frameworks, asset transfer schemes, barriers to ownership, and cross-border lessons. Their discussions helped refine workshop insights and guided further research.

Interviews with stakeholders from Wales, Scotland, and England provided diverse perspectives on asset perceptions, partnerships, transfer processes, and reform ideas. A documentary database supported thematic analysis across policy and academic sources. The final workshop synthesized all findings into 32 draft recommendations, which were later streamlined and organized under Strategic Themes for broader accessibility. This inclusive and transparent process enabled the development of recommendations that address the complex challenges facing community asset development in Wales. More detailed information on the methodology can be found in Annex 7

4. What did we find out? The Analysis

The development of key analytic – and policy – themes (Strategic Themes) has been developed in an iterative manner drawing upon inductive and deductive approaches (Swain 2018). The deductive approach drew upon preexisting knowledge and insights into community assets and their governance and was used as a framework for the data collection (e.g. guiding interview questions, search terms for documents and early interpretation of data). The inductive approach developed lines of analysis based on detailed scrutiny of the data that had been collected. This resulted in refinement of literature search terms, themes to be looked for in key person interviews and subjects for recommendations.

The following Strategic Themes have emerged and are key to understanding community assets and their management and meeting the terms of our brief as a Task and Finish Group. The relationship between community asset transfer and management and the Strategic Themes is illustrated in Figure 1 below.



Figure 1 Enhancing opportunities for community assets

Strategic Theme 1: Foundations for Policy and Legal Reform

Among individuals and organisations engaged in asset transfer and management, there is an ongoing assessment of risks and liabilities, opportunities for funding, and how notions of community and public interest may best be delivered. Often these debates are intertwined with questions about whether assets held by public bodies should be transferred as leasehold or freehold arrangements.

At present, the guidance from Ystadau Cymru (2019) on the relationship between freehold and leasehold arrangements is neutral. Two key passages state:

“A Local Authority may dispose of an asset at below full market value, usually when a disposal will benefit the community through the ‘promotion or improvement’ of the economic, social or environmental well-being of the area or when the value of the asset disposed is less than £2 million” (p.8).

“The Transferring Body needs to consider the length of the lease and whether it is appropriate to transfer the freehold. This decision should be influenced by the

amount of capital that the incorporated body would need to develop the building and the business idea” (p.16).

This guidance is widely used by local authorities as a model of good practice, though interviewees suggest it is more relevant for local government than for other public bodies such as Natural Resources Wales, and of limited value to community groups.

To enable the passage of assets, communities should have the right to request that public bodies transfer assets either through ownership or lease. Promoting community empowerment would involve a presumption in favour of a community’s request unless there are good reasons for refusal (Workshop 4, Workshop 6, Gillespie 2024).

Debates on transferring assets—especially those subject to community right to buy—are likely to become increasingly prominent in Wales. The UK Government has committed to a “Right to Buy’ Assets of Community Value” in England (MCHLG 2024), creating a more robust pathway to community asset ownership. Wales now has the opportunity to develop its own legislation.

Legislative Models Across the UK

In Scotland, the Land Reform (Scotland) Act 2003 introduced a Community Right to Buy (CRtB), further extended by the Community Empowerment (Scotland) Act 2015. This allows community bodies to register an interest in land or buildings and, when those assets are put up for sale, to exercise a right of first refusal. Scottish Ministers oversee the register and valuation process, and community bodies must be geographically defined and democratically constituted. The legislation is grounded in sustainable development and includes stronger rights for crofting communities, including enforced sale provisions.

In England, the Localism Act 2011 established a weaker right to bid for Assets of Community Value (ACVs), allowing communities to nominate assets and, if listed, to trigger a moratorium period when the asset is put up for sale. However, this does not guarantee a right to buy. The English Devolution and Community Empowerment Bill seeks to strengthen this by introducing a right of first refusal for communities to buy listed assets when put up for sale, increasing the moratorium period and expanding the definition of ACVs to include sporting and economically significant assets. Local authorities maintain the registers and make decisions on listings.

In Wales, the Localism Act 2011 provisions were never commenced. Two options now present themselves:

Option One: Commence the 2011 Act provisions. However, these are outdated and misaligned with Welsh policy frameworks such as the Wellbeing of Future Generations (Wales) Act 2015.

Option Two: Introduce new Welsh legislation that includes a right to buy from both public and private owners, tailored to Welsh policy priorities including sustainable development, the Welsh language, and social and economic human rights (Workshop 4, Workshop 6, Interview 5).

Implications and Strategic Considerations

Community right to buy legislation can strengthen future community development and should be a priority for Welsh Government. It must be accompanied by rights to list and bid for assets, and apply across public, private, and third sectors (Workshop 4, Workshop 6, Personal Communication 4). However, existing organisational constraints must be acknowledged:

- NHS Wales Estatecode restricts asset retention to healthcare-related functions (NHS Wales SSP 2018, para 4.2), limiting leasing options (Personal Communication 2).
- Natural Resources Wales prioritises sustainable management of natural resources, which may be difficult to override (Personal Communication 6).
- Some assets are critical to strategic goals such as service delivery, capital receipts, or spatial development, making them unsuitable for transfer (Personal Communications 1–3).

Existing powers can also be better used. Audit Wales (2021) encourages councils to use enforcement, financial assistance, and debt recovery powers to support regeneration. Welsh Government initiatives to revive empty homes and regenerate town centres (e.g., Neath Port Talbot Council, 2024) show how restoration and regeneration can align with community asset transfer.

Welsh legislation must address:

- What types of assets are covered, and whether “assets” should be defined or left open with exclusions.
- What constitutes a community body, and whether “communities of interest” (e.g., Welsh speakers) can exercise rights.
- How sustainable development, as defined in the Wellbeing of Future Generations (Wales) Act 2015, is embedded.
- Whether asset registers are maintained by local authorities or Welsh Ministers.
- What democratic procedures (e.g., ballots) are required to validate community interest.
- What timescales apply for registration, notification, moratorium, and valuation.
- What appeal and review mechanisms are available, ideally through devolved Welsh tribunals.

Community asset transfer and the development of a statutory right to buy represent powerful tools for advancing community empowerment, sustainable development, and regeneration in Wales. Drawing on lessons from Scotland and England, and informed by the Wellbeing of Future Generations (Wales) Act 2015, Wales has the opportunity to craft legislation that reflects its unique social, cultural, and policy landscape. A future Welsh framework should balance flexibility with clarity, enabling both geographically defined communities and potentially communities of interest to

participate meaningfully. As highlighted in Workshops 4 and 6, the time is ripe for bold legislative action that supports community ownership, aligns with strategic public goals, and ensures that asset transfer becomes a cornerstone of inclusive and resilient local development.

Refer to Appendix 8 for an extended analysis of the legislative landscape by Sarah Nason of Bangor University.

Strategic Theme 2: Strategic Planning and Governance

Information gathered through the Workshops and interviews makes it clear that community groups, public bodies and the private sector need a shared understanding of how assets enhance community wellbeing, so that communities can approach receptive asset owners in the public, private and third sectors.

Public bodies are responsible for a wide variety of assets such as:

- an extensive building stock within the NHS estate
- landscape-scale resources under NRW management
- community halls, sports facilities and green spaces, land for affordable housing can be held by local government.

Public bodies are subject to different rules governing asset disposal (see also above). Under present regulations local government asset transfers have a well-established process, but we found that approaches amongst public bodies varies, for example, those for local government asset transfer work in rather different ways than those, for say, NRW.

Even within public bodies, like local government, there is considerable variation to be found: for some councils, asset transfer is a minor activity and for others it can involve a significant amount of time of senior managers (interview 40). For instance, there are initiatives supported directly and indirectly by local authorities to assist asset transfer and management. Perhaps, not surprisingly, from the perspective of community groups seeking to acquire assets, the diversity of practices that ensues is confusing and frustrating. In developing recommendations for public bodies, we have sought to ensure they are empowered in the transfer of assets, that public bodies further empower communities, and that we are sensitive to place, asset and public body (for example, the rules and purposes that govern organisations). In this context, organisational champions can be a vital tool for fostering innovation in public services (Molloy et al 2024).

When a community group acquires an asset from the public, private or third sector, there are likely to be funding challenges. From the perspective of community leaders, the funding climate for community assets is becoming increasingly difficult. As more communities acquire and seek to acquire assets, then competition among groups for resources increases. There are innovative funding solutions available, for example, Ynys Môn (2021) and Neath Port Talbot Council (2015) aim to gain voluntary community benefits from major developments and energy developments respectively (Personal Communication 5). Funding for the capital costs of an asset may be available but funding to support the running costs of a service-based asset are often more difficult to obtain. Funding bodies set the rules for their funding

schemes, and these may coincide to a greater or lesser extent with the needs and priorities of individual community groups. When external funds are gained, they are time limited, typically up to three years which may not be a timeframe that is sympathetic to a community group's long-term planning of its asset(s) (Kennerley 2024).

Attention also needs to be given to resource implications for public bodies of future commitments to asset transfer. As one participant commented, "Unfunded support [for asset transfer] will not be prioritised" (Personal Communication 3); while another participant argued that we "do not have the resources and time" to dedicate to asset transfer (Personal Communication 2). To enable the ambitions of empowering communities, public bodies, including Ystadau Cymru, will need dedicated resources, including staff, to support asset transfer and work with local groups (for example, the "RCT Together" Approach presentation Workshop 5).

From a community perspective the timescale to acquire an asset can be a frustrating experience. On the one side, asset transfer can be a long, drawn-out process as the transferring organisation follows its procedures and timetable, and on the other side, can be too short with limited notice provided that an asset may be available for transfer. Moreover, rarely do timetables for asset transfers coincide with opportunities for funding applications. As public and private assets become available to communities, how their acquisition may be funded becomes an increasingly acute issue. Compared to community organisations, the private sector can often step in at short notice to buy an asset that comes up for sale (Kennerley 2024; interview 41; Personal Communication 2). As a result, communities miss out on assets that could enhance their wellbeing and wealth creation.

There is much expertise that can be drawn on for organisations that wish to acquire property including the following:

- Coalfields Regeneration Trust has a fund that invests in industrial estate development in England and Scotland and could be extended to Wales (Rowson-Woods 2025). The profits (rents from the factories, offices, warehouses) are then made available to groups operating in former coalfields areas.
- Business in Focus (<https://www.businessinfocus.co.uk/>) is a business support social enterprise that provides spaces for such things as co-working and meetings. Business in Focus works with the private sector and community groups.
- The Ethical Property Company (<https://www.ethicalproperty.co.uk/>) works across the UK and buys property on behalf of ethical investors and then lets office space to charities, non-profit organisations and other ethical companies.
- Social Enterprise Stakeholder Group (SESG) includes DTA Wales, Cwmpas, WCVA, Social Firms Wales and UnLtd and has experience of funding and transferring assets.
- Ystadau Cymru is "a partnership between public and third sector organisations within Wales ... to enable, support, and encourage excellence in public sector collaborative asset management" and is invaluable for being able to draw together key stakeholders.

The variety of organisations that can usefully contribute to support property purchase and management, shows the demand for such services. While specialist knowledge is valuable, it does mean that resources and expertise can be diffuse and may not be comprehensive (for example, there may be less knowledge relating to some assets).

One way to overcome the diffusion of expertise and problematic timescales for funding asset purchases is to establish a property focused social enterprise. This organisation could purchase assets from public bodies, private and third sectors as requested by community groups. Community groups would have a longer time frame in which to raise the necessary funding to arrange a purchase or a lease from the social enterprise.

Strategic Theme 3: Community Empowerment and Skills Development

There is a widespread perception that compared to communities in England and Scotland, those in Wales are not sufficiently empowered to acquire assets. For instance, in Scotland there are bodies such as Community Land Scotland which can provide training and support potential and new asset owners (see <https://www.communitylandscotland.org.uk/our-work/>). Lack of empowerment among community organisations covers a range of issues including:

- lack of capacity (e.g. effective use of finance to fund acquiring and managing assets, practical understanding of building management, sustainable land management practices)
- over-reliance on a small number of individuals to achieve transfer of an asset and then to run it,
- limited access to ever more competitive funding so curbing community aspirations and the contribution of an asset to community development (evidence from Workshop 6, key person interviews).

It is equally important to recognise that there are asymmetries of power between those who control assets – and can determine if and when to release them – and community groups who are placed in a relationship of dependency. While rules and regulations over asset transfer and management modify imbalances of power, they do not change their unequal nature (Hutcheon 2024).

Communities themselves are diverse, and this too needs to be recognised. So, amongst communities, attitudes towards assets and institutions are uneven across Wales: for some local government and other public bodies are regarded as custodians of assets, a benevolent state; while for other communities there is a more sceptical approach to public bodies and a more positive one to the prospects of community initiatives; while for others there is a tradition of community self-reliance and development in which public bodies tend to be perceived as long absent or inadequate in their service provision.

Helping to shift the perception that community groups and public bodies may have of one another, will require significant changes in terms of the availability, accessibility and use of language when it comes to producing guidance and information for asset holders, communities and public bodies to ensure that they are sufficiently informed and suitably empowered to engage in a more inclusive agenda.

In a policy and practice context that is likely to become increasingly dynamic, participants feel that staff in public bodies need to be better informed and empowered to more consistently embrace the potential of community asset transfer. For instance, collaborative working between communities and councils could identify priority spaces and buildings that groups can revive and bring back into productive use or restore for environmental purposes through community transfer. While public bodies can recognise the value of asset transfers, they are concerned at the lack of resources to help fulfil community expectations (Personal Communications 1 and 3).

Strategic Theme 4: Asset Identification, Valuation and the Transfer Process

Data collection among participants, shows that communities, particularly in rural areas have often felt that they have needed to complement and increasingly supplement public services, and that access to assets aids their cause. While the demise of private assets, such as pubs and shops, undermines efforts to encourage community resilience. In both urban and rural areas communities recognise opportunities to make more productive use of assets and so contribute to community wealth building. Being able to buy or lease assets that matter to a community is one way of empowering a community and giving it added opportunity to shape its future.

Knowledge of where assets are to be found, the nature of those assets and the potential for asset development can help to shape community narratives on their history and future well-being. While there are asset registers in England and Scotland (House of Commons Library 2022), data in Wales is fragmented (e.g. Data Map Wales <https://datamap.gov.wales/>) and can be dated. The most comprehensive source of data on assets is provided by BCT (2020 and 2024) and its interactive map is a valuable resource for showing the distribution of different types of assets. It should be possible to develop a database and map of asset transfers from the public and private sectors, the type of asset, the nature of the transfer (e.g. lease, freehold), date of transfer and the organisation that has responsibility for the asset (Coates et al 2021, p32).

A more fine-grained approach to asset mapping is provided by Together for Change who have sought to identify in Pembrokeshire, community assets that impact well-being (Orford et al 2024). Other detail on community asset transfer can be found in council corporate asset management strategies, though, the information can be partial and is dated. For example, Merthyr Tydfil Borough Council provide helpful data on asset transfers relating to the Property, the Lessee/Tenant, the date from which the transfer took place and the length of the agreement (Merthyr Tydfil County Borough Council 2020).

Where assets have been identified that are suitable for transfer to the community there are inconsistencies among community groups, public bodies and funders in how a social value may be attributed to an asset. In some cases, there is a well-established methodology for attaching a social value to an asset, while in other cases a social value may be based on professional judgment and experience. Even where there is a social value for an asset, it is often not clear how that may be used in decision making, particularly when it is weighed against an exchequer value for an asset. An exchequer value for an asset has clear guidelines on how it is to be

established, is understood, and legitimate, while this is clearly not the case for a social and environmental valuation. An agreed approach to valuation is important so that communities, funders, policy actors and those with assets can fully appreciate the contribution that community assets can make to wellbeing and development (see Social Value Cymru).

Strategic Theme 5: Financial Innovation and Long-term Investment

In the Workshops and Statements in Workshop 6 there was a common feeling that community groups often view the acquisition of an asset, whether it be from the private or public sector, as a practical means to save or maintain services, even if in a reduced form. There are also examples of where groups wish to utilise assets to reintroduce services that have disappeared (e.g. youth club, Workshop 3). The public sector and community groups recognise that asset transfer can deliver local wellbeing and corporate goals for a suitably empowered, engaged and financed community.

While there is an important physical element - a building - to service provision these facilities are much more than that as they nurture social capital to help maintain and develop social wellbeing and a sense of community. The intangible nature of some community assets is widely recognised but often undervalued (Workshop 1, interview 21, interview 22). Both the service that is available via an asset and the sense of wellbeing that can be generated, are critical in times of precarity in income and employment.

As Workshop participants have pointed out, however, community asset transfers will not affect uniform change. For instance, right to buy or arranging leaseholds can be more problematic in an urban setting (Gillespie 2024). With regard to right to buy, it can be more difficult to define a geographic community in an urban area and for both purchasing an asset or arranging a leasehold, land values tend to be higher which makes the transfer of an asset more expensive.

Just over 2.5 million people in Wales live in towns and cities. Audit Wales (2021, p4) has argued that “towns remain at the heart of Welsh life and are places that people value and love.” However, the nature of development in towns and cities has become increasingly problematic with inequality, pollution and decaying infrastructure and buildings. As Audit Wales (2021) has pointed out, regeneration efforts have not created the anticipated wellbeing benefits for citizens. Community asset transfer could be an alternate vehicle that generates benefits for citizens as well as alleviating some of the problems that Welsh towns face in the future.

Empowering communities will, therefore, depend on opportunities that groups have to raise finance (see Strategic Theme 2). Alternative approaches to raising finance for the acquisition and management of assets in Wales were the subject of intense debate in Workshop 6 and its accompanying statements and interviews (especially interview 38). Novel ideas for funding the acquisition and management of assets include the use of Community Bonds, Social Impact Investing, Community Shares, Local Government Loans and Guarantees and partnerships with the private sector. Participants were also keen to recognise that community assets that support the

Welsh language should be seen as integral to the Welsh Government's language ambition. Community assets provide bilingual employment and Welsh speaking-spaces where local Welsh speakers, learners and non-Welsh speakers are immersed in the language. Community assets in a number of Welsh Speaking communities have stimulated and underpinned socio-economic activity which indirectly supports community language vitality. There should be long-term commitments to community assets and how they can support the Welsh language and not a reliance on short-term grant funding (The Commission for Welsh-speaking Communities 2024). As The Commission argued, "Welsh should be treated as a social good central to community projects." (2024, p81)

Strategic Framework for Community Asset Transfer and Management in Wales

Strategic Theme 1: Foundations for Policy and Legal Reform (Years 1–2)

Establish the legislative and policy baseline necessary to enable and protect community asset transfer and management.

Recommendations

1. Welsh Government should introduce Community Right to Buy legislation in Wales that will be applicable across public, private and third sectors
2. Adopt a presumption of approval for community asset requests, with refusal permitted only where a clear and compelling justification is provided.
3. The Ystadau Cymru guidance should be revised to:
 - Promote and expect asset transfer.
 - Ensure the systematic integration of asset transfer within the strategic and operational plans of public bodies.
 - Incorporate appropriate buy-back or reversion clauses to safeguard the continued delivery of public benefit and protect the long-term public interest.
4. Require Audit Wales and other auditors to place explicit emphasis on community benefits as a core criterion in relevant evaluations.

Lead Organisation: Welsh Government

Suggested supporting stakeholders include:

- Audit Wales
- Ystadau Cymru
- One Voice Wales
- Future Generations Commissioner's Office
- Legal academics and policy think tanks

Strategic Theme 2: Strategic Planning and Governance (Years 1–3)

Create the institutional mechanisms and accountability for long-term success.

Recommendations

1. Require public bodies to include community assets in strategic/corporate/asset management/wellbeing plans

2. Appoint community asset champions (e.g. in Senedd, councils) to a) develop networks of support and guidance; b) encourage organisations to learn from one another; and c) be a source of information on best practice within organisations.
3. Provide financial resources to public bodies and Ystadau Cymru to strengthen their strategic planning; guide resource allocation for asset transfer and ongoing management support; and nurture staff capacity
4. Establish a property-focused social enterprise to operate as a purchaser and/or manager of community assets.

Lead Organisation: Welsh Government

Suggested supporting stakeholders include:

- Local Authorities
- Future Generations Commissioner
- Welsh Local Government Association
- Cwmpas
- DTA Wales
- Plunkett UK
- Community Housing Cymru

Strategic Theme 3: Community Empowerment and Skills Development (Years 1–5)

Equip communities with the tools, knowledge, and legitimacy to manage assets.

Recommendations

1. Develop and accredit a CPD and skills programme on community asset transfer and management that is made available on a voluntary basis to community groups and other stakeholders
2. Ensure that financial and institutional support mechanisms are inclusive, accessible, and tailored to the needs of community-led enterprises.
3. Establish a Centre of Excellence for Community Assets to improve practice support learning by working with the public, private and third sectors

Lead Organisation: Community-led learning partnerships (e.g. Building Communities Trust/Cwmpas/DTA Wales)

Suggested supporting stakeholders include:

- Ystadau Cymru
- Public Sector Academy Cymru
- Colleges and Universities
- Community networks

Strategic Theme 4: Asset Identification, Valuation, and the Transfer Process (Years 2–5)

Improve transparency, fairness and sustainability in the transfer process.

Recommendations:

1. Create a national database and map of past and potential asset transfers.
2. Ensure public bodies and communities contribute to asset registers
3. Develop and apply an agreed social and environmental value methodology, to be used alongside exchequer value in asset transfer decisions. This framework should underpin discount-based transfers where community benefits are demonstrably clear.
4. Enable communities to request asset leases or purchases as a formal mechanism for demonstrating local support.

Lead Organisation: Welsh Government

Suggested supporting stakeholders:

- Local Authorities
- Welsh Government Digital Services
- Community asset mapping projects
- Natural Resources Wales

Strategic Theme 5: Financial Innovation and Long-term Investment (Years 3–6)

Secure and broaden financial pathways to empower sustained community ownership.

Recommendations:

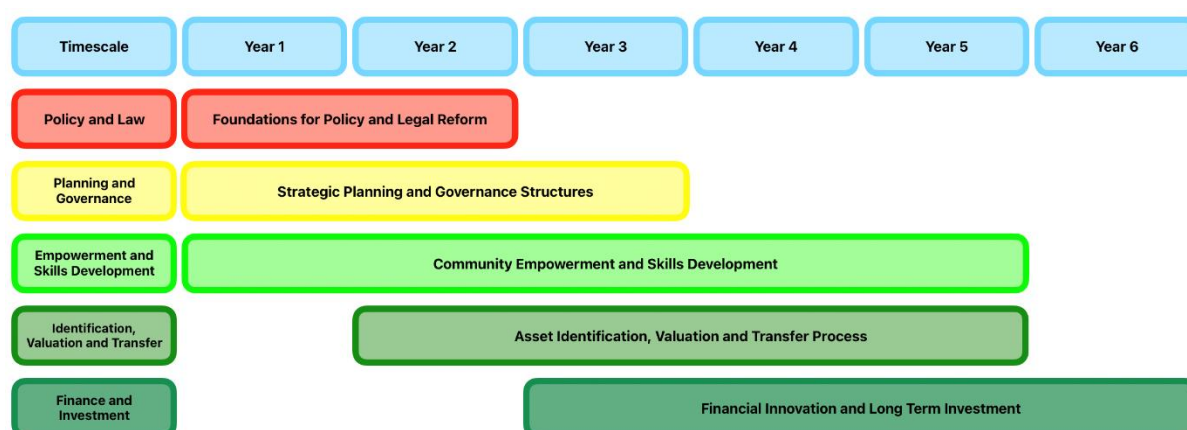
1. Revise Transforming Towns and similar programmes to fund community Right to Buy.
2. Promote and sponsor alternative ownership mechanisms for community asset acquisition that reflect the aspirations and needs of communities across Wales
3. Require councils to use enforcement, financial assistance, and debt recovery strategically to aid Community Asset Transfers

Lead Organisation: Welsh Government

Suggested supporting stakeholders:

- Development Bank of Wales
- Wales Council for Voluntary Action
- National Lottery
- Philanthropic foundations
- Community Land Trusts

Priorities Timescale Diagram



Timeline Overview

<u>Year</u>	<u>Focus</u>
Year 1	Legislative advocacy, reform of guidance, initiating training and planning.
Years 2–3	Establishing data infrastructure, embedding CAT and asset management in corporate plans, beginning community training.
Years 3–4	Full rollout of skills and financial frameworks, establishing social enterprise support.
Years 4–5	Evaluation and refinement of systems; growing pipeline of asset transfers.
Years 5–6	Long-term funding mechanisms and integrated national model for CAT in place.

The timetable and priorities allow for monitoring and feedback from delivery to ensure timely learning.

Moving the process forward

The Report has been co-produced with stakeholders who have ownership of its content. Co-production needs to continue with the delivery of the Report's Strategic Themes and Recommendations as their delivery needs to be shared widely amongst the stakeholders. The Task and Finish Group should ensure that the process of co-production is continued.

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Appendix 1

The Methodology

To take forward analysis of the current situation of community asset transfer and management in Wales and provide recommendations based on that analysis, an interlinked process was developed by Cardiff University. This consisted of:

- Thematic workshops
- Interviews with over 40 key people
- Documentary analysis
- Reflections and feedback on the information gathered from each process stage by the Task and Finish Group, before
- Developing Recommendations.

The following sections provides a brief overview of each stage in this process.

Thematic Workshops

Five online workshops and one face to face workshop were held between September 2024 and February 2025 – focusing on the following:

1. Sharing Information on the Current System of Community Assets
2. Exploring Effective and Ineffective Practices from Wales and Elsewhere
3. Outreach: Working With Practitioners, Communities and Policy Makers
4. Exploring Options to Improve the ‘System’
5. Strategy, Leadership, and Resourcing – Delivering Change
6. Reviewing the Process: Developing Recommendations.

The Stakeholder Workshops were organised to allow space for reflection and exploration of ideas; a space where ideas can be tested and validated.

Task and Finish Group

Our work as a Task and Finish Group was shaped by the earlier deliberations on community assets of The Senedd Local Government and Housing Committee. The Committee’s work was based around four themes (Ystadau Cymru 2024), and these also informed our work:

- “Whether the current statutory and policy framework empowers communities in Wales to develop community assets.

- The extent in which the Community Asset Transfer scheme promotes and supports effective development of community assets.
- To explore barriers and challenges faced by communities in taking ownership of public or privately owned community assets, including finance and support services.
- To discover what lessons can be learnt from beyond the Welsh border.”

We met regularly to discuss the feedback from each of the Workshops. As well as testing out the ideas in the Workshop reports, feedback from the Task and Finish Group for Cardiff University included suggestions for further areas of research and interviewees, documents and potential speakers for future Workshops.

Key Person Interviews

In total, 41 interviews have been conducted. Interviews typically lasted for 90 minutes and took place online. Most interviews were with individuals, but a small number involved two or three people. Interviews were recorded and transcribed using TurboScribe. TurboScribe has a high level of accuracy but to ensure that any errors in transcription were minimised each transcription was quality checked, which often meant amending place and organisational names.

To begin with interviewees were identified using personal contacts and recommendations of members of the Task and Finish Group. Interviewees were asked to suggest further people to contact. Some of these suggestions attended Workshops and/or were interviewed. The Workshop participants were also asked to provide recommendations for interviewees or to be interviewed. There were also efforts to identify interviewees in areas where there might have been gaps in knowledge (e.g. environment, heritage).

Interviewees were drawn from across Wales as well as experts from Scotland and England. Interviewees also covered the range of interests involved in policy making and practice for community assets. More specifically, interviewees were drawn from public bodies, funders, community networks, academia and community groups.

Interview themes for those in the community and those based in organisations were developed at the outset of the project. Similar themes were covered for both sets of interviewees (e.g. perceptions of community assets, partnerships) but were addressed in different ways, for example, an interview with a PSB may have asked about the organisational process for transferring an asset, while for a community group members perceptions of how they understood that process would have been explored. Specific topics for those in organisations included how they sought to achieve change and where they looked to for ideas on how to improve asset transfer and management. Interviews with those in the community examined perceptions of place and development and who the group worked with.

All interviews were conducted according to the ethical data collection guidelines of Cardiff University (Cardiff University 2025).

Documentary Analysis

The development of a documentary database began early on. Task and Finish Group members were asked to suggest documents, and these were compiled as a bibliography by Welsh Council for Voluntary Action (WCVA). Further documents were identified as follows:

- Welsh Government bibliography on community assets
- Searching through the websites of organisations involved directly or indirectly with the transfer and management of community assets for relevant documents and case studies. Particular attention was given to organisations who had members on the Task and Finish Group.
- Interviewees were asked for their recommendations of suitable documents
- Using google and google scholar to search for documents. Search terms included: UK/Wales/Scotland/England community asset/asset management; Asset transfer/management funding; community asset case study; community asset challenges/achievements/lessons/experiences/opportunities.

The collection of documents could then be organised for analysis as needed, for example, by type of organisation, asset or funding.

Legislative Options: Summary Briefing Paper

This paper sets out, in brief, some of the key legislative approaches to community rights to buy land and other assets in Scotland and England. This paper also covers community asset transfers from public bodies. It sets out some key options for Wales. It does not constitute legal advice, nor report on detailed research. For more detail research and evidence see:

- Sarah Nason, '[Legislating to Empower Communities: Comparing Community Asset Acquisition Law in the UK](#)' (SSRN, September 2022)
- Dani Hutcheon, Sarah Nason, Bobby Macaulay, Davide Natalini, Margaret Currie, John Hallett, Kieran Sinclair and Richard Osterhus, '[Rural Assets: policy and practice insights from the devolved nations](#)' (Nuffield Foundation and British Academy 2024), especially Appendix 1: 'Comparative analysis of current policy and legal frameworks'.

1. The Scottish approach: Land reform and the community right to buy

- 1.1. The development of community asset acquisition in Scotland has been historically connected to the highly concentrated ownership of land, and the so-called 'land question': "[who owns Scotland?](#)" as well as to public services reform, and community empowerment. Not long after devolution, a [Land Reform Policy Group](#) concluded that the system of landownership inhibited development in rural communities, causing natural heritage degradation resulting from poor land management. Some of the earlier legal interventions in Scottish land reform related to rural and particularly crofting communities.
- 1.2. More broadly, in the public sector context, a [report](#) on the future delivery of public services recommended that reforms "must aim to empower individuals and communities receiving public services by involving them in the design and delivery of the services they use". [Scottish Government](#) policy seeks to empower communities through various actions including by making it easier for communities to take over land and buildings in public ownership through asset transfer.
- 1.3. The [Land Reform \(Scotland\) Act 2016](#) introduced a duty on Scottish Ministers to publish a [Land Rights and Responsibilities Statement](#) explaining the Government's vision for the ownership, use and management of land, setting out how it sees the balance between the rights of landowners, managers, local communities, and wider society. The land reform agenda is connected to sustainable development, and policies around social and economic human rights.
- 1.4. The [Land Reform \(Scotland\) Act 2003](#) (the 2003 Act) introduced a [Community Right to Buy](#) (CRtB), providing the opportunity for communities across Scotland to register an interest in land and buildings (privately and publicly owned) and buy that land/building at market value once it is offered for sale. Initially the CRtB

applied to rural settlements of less than 10,000 people, however the [Community Empowerment \(Scotland\) Act 2015](#) (the 2015 Act) extended this right to buy to the whole of Scotland. The CRtB works by allowing a “community body” (that is, members of a locality associated together in a suitable legal personality) to acquire land/buildings in certain circumstances.

- 1.5. Part 2 of the 2003 Act provides a more general CRtB, whereas [Part 3](#) refers specifically to Crofting Communities (introducing stronger rights which amount in effect to enforced transfer from existing owners). Whereas the Crofting CRtB can lead to an enforced sale, the Part 2 CRtB gives the relevant community body a right of first refusal, meaning the owner cannot be forced to transfer the land/building, and the community right only engages once the land/building is put up for sale.
- 1.6. To acquire this right of first refusal, a community must first [register an interest](#) in the land/building it seeks to acquire in a public register. The Register of Community Interests in Land is maintained by the Keeper of the Registers of Scotland and is available [online](#). The Register of Community Interests in Land – Community Bodies, is shared between the Keeper of the Registers of Scotland and the Scottish Ministers.
- 1.7. If an owner decides to sell that land/building, they should [notify the Scottish Ministers](#), who then have [seven days to notify the community body](#) which has a registered interest, the community body then has [30 days to confirm](#) that it will seek to exercise its right to buy.
- 1.8. The right covers land (and buildings on land) in which the community can demonstrate an interest, including land sufficiently near to land with which the community has a connection. Legislation covers registration of a community interest; exercise of a community right to buy; and appeals and compensation.
- 1.9. Exercising the CRtB requires a suitable [“community body”](#). A community body may be a company limited by guarantee whose articles of association must be tailored to have no fewer than ten members, provide that at least three quarters of the members of the company are also members of the local community (and that those members have control of the company), and provide that any surplus funds or assets of the company are to be applied for the benefit of the community. As originally enacted, the 2003 Act obliged communities to incorporate as a company limited by guarantee, following the 2015 Act, they may form a Scottish charitable incorporated organisation or a community benefit society. Similar rules then apply as regards such an entity’s constitution, membership, and application of any surplus generated. In all cases, the body must have been recognised by Scottish Ministers as having a main purpose consistent with furthering the achievement of sustainable development.

- 1.10. To exercise the CRtB, a community is defined by reference to either one or more postcode units or a “prescribed type of area” (specified by Scottish Ministers, e.g. an electoral ward or island). A community comprises persons from time-to time resident in that postcode unit, or in one of those postcode units, or in the prescribed type of area, and entitled to vote at a local government election in a polling district which includes the unit(s) or area. This is in effect a community united by location/proximity.
- 1.11. The rights to register an interest in, and to buy land/buildings, require local support. For the general CRtB Scottish Ministers must be satisfied that the proportion of members of the community who have [voted in a ballot](#) on the question of whether the community body should buy the land/building is, in the circumstances, sufficient to justify the community body’s proceeding to buy the land/building; and that the majority of those voting have voted in favour of the proposition that the community body buy the land/building. Here the community is determined by postcode unit(s), or other prescribed type of area, and entitlement to vote in local government elections.
- 1.12. When a community body confirms it wishes to proceed with exercising its CRtB, Scottish Ministers will appoint an [independent valuer](#) to conduct a full market valuation of the land.
- 1.13. In short, the approach here is that a defined “community body” has a right to apply to the Scottish Ministers to register an interest in private or public land/buildings (with some excepted types of land/buildings). A designated body must maintain a register of interests in land/buildings (this is the Keepers of the Registers of Scotland essentially on behalf of the Scottish Ministers). When an owner decides to sell land/building so registered, they must notify the Scottish Ministers, who then notify the community body with a registered interest. The community body then has a set time in which to decide whether to exercise its right to buy. The legislation covers procedures, reviews/appeals, timescales and so on. Specifically, here, a community body is defined by reference to geographical area with a connection to the land/building in question, community members must vote in a ballot to buy the land/building, and the purposes of the community body must relate to sustainable development (as assessed by Scottish Ministers).
- 1.14. Potentially, a limitation of this approach is that the community body must include a sufficient proportion of members living in a particular geographical area and so excludes pure ‘communities of interest’ e.g. with an interest in culture, history, language etc, where a sufficient proportion of the members do not also live in a set geographical area with connections to the land/buildings sought to be acquired. However, including ‘communities of interest’ where members do not necessarily have a present physical closeness to the land in question might be thought to go against policy objectives.

2. England: Localism, Assets of Community Value and the English Devolution Bill

Localism Act 2011: The Right to Bid for Assets of Community Value

- 2.1. Currently, the [Localism Act 2011](#) (2011 Act) includes rights for communities to list and bid for Assets of Community Value (ACV).
- 2.2. Part of the background to such new rights was a [2006/2007 review](#) of asset transfer powers and policies established by the then Labour Government. This found that sufficient legal powers existed for local authorities to transfer assets to community management or full ownership, but that a culture of using these powers regularly and effectively had not been established. The review's vision for the future was "recognition that optimising the use of public assets is not the primary objective: the over-riding goal is community empowerment". Under the Coalition Conservative and Liberal Democrat Government, the Localism Act 2011 introduced provisions giving communities a right to identify a building or land believed to be of importance to their social wellbeing; if the asset comes up for sale, the community is given a fair chance to bid to buy it on the open market. The term "asset" is not defined in the 2011 Act but includes land and other real assets.
- 2.3. [Part 5](#) of the Localism Act 2011 enables a suitably constituted community interest group to nominate local assets to be listed as ACVs by the relevant local authority, whether these assets are currently in public or private ownership. A local authority must maintain a list of land in its area that is land of community value, this list is to be known as its list of assets of community value. Subject to other provisions of the 2011 Act, it is for the local authority to decide the form and contents of its list of ACVs. Part 5 of the Localism Act 2011 enables a suitably constituted community interest group to [nominate local assets to be listed as Assets of Community Value](#), whether these assets are currently in public or private ownership. Assets may only be included in the list of ACVs in response to a community nomination or where otherwise permitted.
- 2.4. Community nominations are defined as nominations made by a parish council or a voluntary or community body with a local connection. A body other than a parish council has a local connection with land or assets in a local authority's area if the body's activities are wholly or partly concerned with the local authority's area, or with a neighbouring local authority's area.
- 2.5. If listed ACVs come up for sale, there are [moratorium periods](#) during which community interest groups with a legal identity can submit an intention to bid.
- 2.6. For the purposes of Chapter 3 of Part 5 of the 2011 Act, whether a particular building or other land in the local authority's area is of community value depends on the local authority's opinion as to whether it furthers the [social wellbeing or social interests](#) of the community, or did so in the recent past and will realistically

continue to do so, or could do so within the next five years. “Social wellbeing” is not defined in the 2011 Act, whereas “social interests” is defined as including cultural, recreational, and sporting interests. Upper Tribunal decisions interpret some of these provisions, although what constitutes “social wellbeing” and the “local community” is, as the Tribunal has put it, a “highly contextual question, depending upon all the circumstances of the particular case” (*Crostone Ltd v Amber Valley Borough Council* [2015] UKFTT CR/2014/0010 (GRC) at [17]).

- 2.7. The owner is prevented from disposing of an asset listed as of community value unless certain conditions are satisfied, including that the owner must notify the local authority in writing of their wish to dispose, and that a relevant moratorium period has ended. Specifically, that an interim moratorium period (of six weeks) has ended without the local authority receiving a written request from a community interest group for the group to be treated as a potential bidder, or that a full moratorium period (of six months) has ended.
- 2.8. The moratorium on sale under the 2011 Act gives communities a right to bid for an asset before the owner can transfer to anyone else.
- 2.9. The [Assets of Community Value \(England\) Regulations 2012](#) provide a more detailed definition of bodies that have a local connection allowing them to nominate assets to be listed as being of community value, and to enable them to bid for assets. The Regulations also provide more detail on the expected contents of community nominations, the procedure when considering whether to list assets, procedures for reviews and appeals against decisions under the 2011 Act, and the moratorium period (among other matters).
- 2.10. As introduced, the 2011 Act provisions around ACVs were also intended to apply in Wales, but the provisions have not been commenced in Wales.
- 2.11. The key aspects of this approach include that defined community bodies can apply to have local assets listed in a register of ACVs. Assets are not defined in the legislation but include land and other real assets. Individual local authorities maintain their registers of assets that have been nominated as of community value. Community bodies must be referential to a geographical area, the same with Scotland above, so pure communities of interest are not covered. To be included in a register, assets must be of community value, as determined by the relevant local authority. Assets in both private and public ownership can be registered (with some exceptions). Where an asset is registered, an owner wishing to sell must inform the local authority, which then notifies interested community bodies. There is then a moratorium period during which interested community bodies have a right to bid for the asset, and during which the owner cannot sell to anyone else. Relevant procedures, timescales, and appeal/review provisions, are covered in primary legislation, and in more detailed secondary legislation.

- 2.12. The main limitation of this approach is that community bodies have only a right to bid, and not a right to buy.

The English Devolution and Community Empowerment Bill

- 2.13. Section 60 of the [English Devolution and Community Empowerment Bill](#) introduces a new community right to buy ACVs and provides additional express protection for sporting assets.
- 2.14. Section 60 seeks to achieve this through Schedule 27 of the English Devolution and Community Empowerment Bill which seeks to insert a new Chapter 2A into Part 5 of the 2011 Act. The new Chapter 2A introduces a right for community bodies to buy ACVs. In essence many provisions are similar to those of the earlier right to bid (in terms of nominating assets of community value, that community bodies must be referential to a geographical area, that local authorities must maintain registers of assets listed as being of community value and so on). However, in essence, preferred community bodies (those initially registering the asset of community value), are now given a right of first refusal to buy the relevant asset when it comes up for sale, within a specific moratorium period during which the owner cannot sell to another bidder.
- 2.15. The community body and asset owner will either negotiate a price for the asset, or an independent valuer will set a price based on the market value. Under Community Right to Buy, the moratorium on the sale of the asset will be extended from six months to 12 months, giving community groups more time to raise funding to meet the agreed purchase price. Asset owners will be able to ask the local authority to check that community bodies are making sufficient progress on the sale six months into the moratorium.
- 2.16. The definition of an ACV will also be expanded, seeking to protect a wider range of assets, including those that support the economy of a community and those of historical importance to the community.
- 2.17. The Bill also introduces a new type of ACV, the Sporting Asset of Community Value (SACV) and aims to automatically designate all eligible sports grounds as such. As with other ACVs, community bodies will have the first right of refusal when a ground is put up for sale. SACV status will also provide some other enhanced protections for sports grounds.
- 2.18. Notably, as the original 2011 Act applied to both England and Wales, the English Devolution and Community Empowerment Bill makes some consequential amendments, such that the right to bid for ACVs would then only apply to Wales, with the stronger right to buy applying in England. The Explanatory Memorandum to the Bill notes that the legal provisions (right to bid) will remain the same for Wales (though as noted, these have not been commenced in Wales).

2.19. In essence, the English Devolution and Community Empowerment Bill amends the right to bid for ACVs to become a stronger right to buy, a right of first refusal for community bodies with a registered interest when a public or private owner decides to sell an ACV. Many provisions remain similar to the 2011 Act, with some expansion of the definition of ACVs and added protection for sporting assets.

3. Community rights to buy: Options for Wales

OPTION ONE: Subject to some necessary amendments and updating, commence Chapter 3 of Part 5 of the Localism Act 2011, rights to register and bid for assets of community value.

3.1. This is not likely a realistic option as the legislation was drafted for England and Wales some 15 years ago and does not account for key developments such as the Wellbeing of Future Generations (Wales) Act 2015, which defines “sustainable development”. The Localism Act 2011 also preceded the current devolution settlement under the Wales Act 2017, and Welsh policies relating to land and community empowerment. The Localism Act 2011 right to bid is also weaker than a community right to buy. Welsh Ministers had said, as far back as 2014, that they considered the 2011 Act to [fall short](#) by not including a right to buy, and there is a substantial body of opinion and evidence, as discussed in the present Task & Finish Group Report and extensive research, in favour of a stronger right for communities.

OPTION TWO: Introduce new Welsh legislation including a right for communities to buy land and other assets from both private and public owners.

3.2. If the provisions of the English Devolution and Community Empowerment Bill are enacted and commenced, the differences between the Scottish legislation and the English legislation become less around the nature of the right (which would then in both jurisdictions be for communities to have a right of first refusal when listed/registered assets are put up for sale by both private and public owners) and more around the type of assets covered, criteria for listing, decision-making bodies, legal definitions of community bodies, relevant time periods, procedures for valuing assets, routes to appeal and review and so on.

For example:

- The Scottish legislation generally refers to land but is taken to include buildings, and various other assets are expressly excluded
- The English legislation in force refers to, but does not define “assets”, whilst the new Bill also does not define assets, it expands the definition of “community value” and provides express protection for sporting assets (as with the Scottish legislation, certain assets are expressly excluded)
- The Scottish legislative criteria for a community body to list land/buildings for the purposes of the right to buy relates to the community body being concerned with “sustainable development”

- The English legislation in force, and the provisions of the new Bill, refer to Assets of Community Value, with such being defined by reference to social wellbeing and social interests of the relevant community
- In both Scotland and England, community bodies must be referential to a geographical area, and democratic (voting) requirements must be met for community bodies to exercise their rights, but the meaning of community body and the precise requirements are different in each jurisdiction respectively
- In Scotland, ultimately the Scottish Ministers (through the Keeper of the Registers of Scotland) maintains the register of community interests in land with respect to the CRtB, and Scottish Ministers make key decisions around listing and exercise of the right, whereas in England (both under the right to bid and the proposed right to buy) it is local authorities that are required to make decisions around listing Assets of Community Value, and which are required to maintain local registers of assets that have been nominated as of community value and those the authority has decided are not of community value.

3.3 The precise provisions of Welsh legislation would then need to be worked out, but some matters can be initially stated as important:

- It is likely that criteria for listing an asset with a view to exercising the community right to buy should be referential to “sustainable development” as defined in the Wellbeing of Future Generations (Wales) Act 2015, expressly referencing the seven wellbeing goals (rather than the English terminology of Assets of Community Value)
- That other considerations might be added here, in particular seeking to give added emphasis to preservation and promotion of the Welsh language
- The Welsh policy context in relation to social and economic human rights, including potential legislative protection of a right to housing, ought to be considered
- That rights of appeal/review relating to decisions under the community right to buy legislation should likely be to the devolved Welsh tribunals
- That right to buy legislation must dovetail with existing/future Welsh policy around land use

Key matters community right to buy legislation must address include:

- What types of assets are to be covered by the community right to buy, only land and buildings, or other assets, and how are these to be defined? Should ‘assets’ be defined or should there just be exclusions of particular types of assets with the term itself left undefined?
- What type of community body can buy land or other assets? What provisions should be made around the membership and purposes of such community bodies?
- Should community bodies have as one of their main purposes the furtherance of “sustainable development” as defined under the Wellbeing of Future Generations (Wales) Act 2015 (WFGA)? How else should the provision of

WFGA dovetail with the right to buy legislation? What should be the requirements around the Welsh language?

- Is community to be defined in whole or in part by geographical area, postcode condition or other reference to geographical area, or can so-called 'communities of interest' also exercise the right to buy land or other assets? How would community bodies that are based on 'communities of interest' be defined under the legislation? Is there a case for Wales being the first UK nation to give community rights to buy to 'communities of interest' is this too risky as such communities are hard to define? (e.g., this could be a community of Welsh speakers regardless of where the members of that community live – presently such a community could seek an asset transfer, but no UK legislation as yet in force or proposed would allow such a community a right to buy without a physical residence condition for most members also being satisfied)
- How should communities register an interest in land or other assets, what is the process for doing this and which body/bodies should maintain the register and make decisions in respect of it (individual local authorities or the Welsh Ministers) what appeal/review processes should there be with respect to registration decisions?
- What democratic procedures will be put in place? E.g., should the community body hold a ballot on the question of whether it should buy the land/asset in question, what would be the necessary minimum proportion of members voting in favour that is sufficient to justify the community body proceeding to buy the land/building etc?
- What will be the timescales under the legislation, for example, timescale for the body maintaining the relevant register of community interests in land/assets to register assets following an application? Once land/assets are up for sale, how long will a community body with a registered interest have to notify its intention to exercise its right to buy, how long should the moratorium period on sale be?
- What rights will there be to appeal/review various decisions under the legislation? In the first instance these should lie to the devolved Welsh Tribunals.

4. Community asset transfers from public bodies

4.1. The above sections relate to legislated community rights to bid for and to buy assets from both private and public owners often at market value or an otherwise independently valued or negotiated price. These should not be confused with community asset transfers from public bodies to communities.

4.2. In all four nations of the UK, local authorities, and in some cases other public bodies, are empowered to transfer assets to communities under their general powers. Many local authorities, and other public bodies, have developed community asset transfer policies and procedures. Local authorities, and some other public bodies, are variously empowered to dispose of assets at below market value if such is likely to promote or achieve community benefits including

economic wellbeing and/or regeneration, social wellbeing, or environmental wellbeing.

- 4.3. These community asset transfer powers are different from and separate to the powers granted under right to bid/right to buy legislation in England and Scotland. Asset transfers can be by way of ownership, lease, license, or some other right to occupy, manage, or steward land or other assets.
- 4.4. [Local authorities](#) in Wales (and some police, fire and national park authorities) can dispose of land at below market value where such furthers social, economic, and/or environmental wellbeing, and where the unrestricted value of the land does not exceed £2 million (and above £2 million with consent of Welsh Ministers). Other public bodies in Wales may dispose of assets to communities, but the specific legal requirements to be met may differ. The work of the Task and Finish Group exposed some confusion amongst public bodies in Wales as to what these requirements are.
- 4.5. Best practice guidance on asset transfers from public bodies (primarily local authorities) is provided by [Ystadau Cymru](#).
- 4.6. It is only in Scotland where there is additional legislation relating to community asset transfers. [Part 5 of the Community Empowerment \(Scotland\) Act 2015](#) (2015 Act) provides a right for communities to request asset transfers from [“relevant authorities”](#). These are public bodies listed in [Schedule 3](#), including the Scottish Ministers, local authorities, and other entities like the Scottish NHS, and Scottish Police Authorities. Communities can use this legislation to seek ownership of assets, or a right short of ownership, such as a lease or a right to manage or occupy. Community asset transfers from public bodies under Part 5 of the 2015 Act can be made to communities of interest. An eligible [“community transfer body”](#), is defined as either a “community-controlled body” or a body designated as such by Scottish Ministers. A community could be any group feeling they have something in common, which could be living in the same area, but could also be shared interests or characteristics. Such ‘communities of interest’ can include faith groups, ethnic or cultural groups, people affected by a particular disability, sports clubs, conservation groups and heritage associations. This could range from local groups to national or international bodies with thousands of members. Where ownership is not sought, there is no requirement to incorporate in any specific form (although it seems likely that given the financial responsibility associated with leasing that a public body or any funders would expect a tenant to adopt a suitable form). Where a community body seeks to [acquire ownership](#), it must have a suitable legal personality normally having a minimum of 20 members.
- 4.7. The right to request an asset transfer is not triggered by anything in particular and, subject to certain restrictions, a community can expect any request to be given due consideration. The community can request ownership or a lease of the land/asset, and the request must state the asset to which the request relates, the

reasons for making the request, the benefits which the community transfer body considers will arise if the authority were to agree to the request, and the price that the community would be prepared to pay.

- 4.8. The relevant authority is not allowed to sell the asset until it considers the request, and it must give [due consideration to the application](#) based on the scheme set out in the legislation, including whether agreeing to the request would be likely to promote or improve economic development, regeneration, public health, social wellbeing, or environmental wellbeing. The relevant authority *must agree* to the community's asset transfer request unless there are reasonable grounds for refusing it. There are clear routes to [reviews and appeals](#) under the legislation.
- 4.9. Under the 2015 Act, there is also a duty on relevant authorities in Scotland to [establish and maintain a register of land](#), which, to the best of the authority's knowledge and belief, is owned or leased by the authority. This provision is intended to assist community bodies in identifying property that may be available for asset transfer. Every relevant authority must make arrangements to enable members of the public to inspect, free of charge, its register of land at reasonable times and at such places as the authority may determine and make its register of land available on a website, or by other electronic means, to members of the public. The [Community Empowerment \(Registers of Land\) \(Scotland\) Regulations 2016](#) provide further detail, including on what types of land are not required to be registered.
- 4.10. Various research has considered the impact of this legislation and the possible pros and cons of legislating for community asset transfers from public bodies. The pros include generally that legislation aims to lay down a clear procedure that enables communities (and public authorities) to understand their rights and obligations, with the aim that a consistent approach is taken across public authorities (asset transfer is then not a so-called 'post code lottery' depending on variable compliance with 'guidance'). In Scotland, the 2015 Act changes the balance of power such that a public authority must consider an asset transfer request and must agree to that request unless it has reasonable grounds to refuse (generally speaking without legislation, public authorities cannot necessarily be forced to consider asset transfer requests or be forced to grant a request where reasonable – although failure to comply with their own stated policies could be subject to judicial review). The 2015 Act also introduced clear appeal/review rights (for both communities and public authorities) which again empowers communities especially who may not be aware of or able to exercise other means of review (such as judicial review of policy decisions). Some public authorities report that the existence of legislative duties, as opposed to weaker duties under policy/guidance, enables them to justify devoting more resources to community asset transfers.
- 4.11. The cons, are said to be that the legislative procedure is 'bureaucratic', complex, and time consuming, and that many public authorities prefer negotiating

and entering into asset transfers outside the legislative process as this can be more flexible and more easily tailored to the specific circumstances of the authority and the community body, in the context of the particular asset and other variable factors. In the earlier years after the legislation's coming into force, most community asset transfers from public authorities still took place outside the legislative scheme. This situation is beginning to change, but it is still the case that many asset transfers take place outside of the scheme, under the general powers of local authorities. There is no obligation to transfer exclusively under the scheme set out in the 2015 Act. There have also been some concerns around poor and variable compliance with the 2015 Act, and a recent [Scottish Government review](#) has made recommendations for further reforms, particularly to strengthen relevant statutory guidance and for better alignment with the Scottish Public Finance Manual (which provides guidance on proper handling and reporting of public funds). The review also recommends that more robust information is required on Relevant Authorities' registers of land and that there should be a more consistent approach in recording of data across localities. Ultimately, this legislation cannot force public authorities to transfer assets and particularly cannot force them to transfer ownership as opposed to a lease.

5. Community asset transfer guidance and legislation: Options for Wales

In the context of community asset transfers from public bodies, the main options likely are:

OPTION ONE: No Change - community asset transfers already happen in Wales, under public body policies and procedures, and utilising Ystadau Guidance.

This maintains but does not seek to improve the existing situation and seems unlikely to be the best option. The Guidance has not been updated since 2019.

OPTION TWO: Update, revise and strengthen Ystadau Guidance for community asset transfers.

Guidance could be updated, particularly reflecting the findings of research since the revised version was published in 2019 (following publication of the initial version in 2015). This could potentially provide a clearer statement of community empowerment aims, and strengthen the position of communities through procedural requirements, including adding more detail on the quality of reasons that should be provided to communities, and a requirement to provide further information to communities about how they can challenge decisions. Operating a presumption in favour of granting asset transfers could be encouraged within the guidance, but this would not be legally binding.

OPTION THREE: Introduce legislation (similar to the Community Empowerment (Scotland) Act 2015) specifically governing community asset transfers, which could include set procedures, a right to request an asset transfer, a right to

require public bodies to consider requests, and a duty to grant requests unless the public body has reasonable grounds for refusal, with provisions for appeal (to a devolved Welsh tribunal) and so on

At present, only Scotland has such legislation, and its reception has been mixed, though broadly positive and improving with time. The level of support for this kind of legislation in Wales at present is less clear than with respect to the need to introduce community right to buy legislation, and introducing a form of community asset transfer legislation alongside a Welsh specific community right to buy, might not be ideal in terms of the demands on legislative drafting and time. However, this would likely be the most ambitious package for communities, particularly as, at least under the Scottish system, this gives legal rights to ‘communities of interest’ as well as ‘communities of geography’ (the latter being the standard approach to defining community under right to buy) and would avoid piecemeal reform.

OPTIONS FOUR: Update, revise and strengthen Ystadau Guidance for community asset transfers, continue to monitor the use of guidance and incidence of asset transfers and experiences of them, collect robust data, with a view to the potential reconsideration of the need for additional legal rights (similar to the Scottish community asset transfer approach) in the longer-term.

This option has the benefit of introducing one major change, community right to buy, whilst updating and revising guidance on asset transfers. It is more of a ‘wait and see’ approach as to whether further legislation might be needed on community asset transfers from public bodies.

6. Additional rights to force transfer to communities in force in Scotland

- 6.1. In Scotland, [Part 3A of the 2003 Act](#), introduced by the 2015 Act, gives community bodies a right to acquire “eligible land” if in the opinion of Scottish Ministers, it is wholly or mainly abandoned or neglected, or the use or management of the land is such that it results in or causes harm, directly or indirectly, to the environmental wellbeing of a relevant community. Scottish Ministers should assess for eligible status based on certain factors; “Abandoned or neglected land” forms one category, “detrimental land” another.
- 6.2. Ministers must consider the land’s physical condition (which might include whether it is a risk to public safety or the wider environment); designation or classification; or use or management. For “detrimental” land, Ministers must consider use or management of land and look at whether harm to environmental wellbeing in a technical sense has in fact occurred. The community must have already tried to purchase the land before a forced sale can occur.
- 6.3. Where the land acquisition turns on environmentally detrimental status, the community scheme must be capable of fixing the problem, and the community must have invited the relevant regulator to act. Assuming Scottish Ministers give consent, they will appoint an independent valuer to determine the market price, to be paid by the community body within six months.

- 6.4. This legal right is unlikely to be used as a first option for communities, but rather it is a backstop where other methods of acquisition have failed.
- 6.5. The [Land Reform \(Scotland\) Act 2016](#) introduced an additional right for communities to acquire land from private owners for sustainable development. Assuming statutory tests are satisfied, and subject to payment of an independently valued price within six months of consent being granted by Scottish Ministers, the sale to the community is compelled.
- 6.6. Communities must meet substantial hurdles to exercise this right, including satisfying Ministers of sustainable development potential and significant community benefit.
- 6.7. This right does not require a willing seller, and there is scope for the community body to nominate a third-party purchaser.

7. Additional legal rights for communities to acquire land/assets in Wales

- 7.1. The provisions in section 6 of this paper relating to Scotland include additional rights for communities to acquire land that is abandoned or neglected, and to acquire land for the purposes of sustainable development (in both cases this includes from private owners). These rights are relatively new, although some instructive example case-studies starting to occur. These rights are not intended to be used in the first instance but rather are to be used where other legal options for communities to acquire land have failed. These rights can even compel an owner to sell.
- 7.2. There is a general question of whether there is an additional need for any Wales-specific rights for communities to acquire land (such as for sustainable development purposes) or for other reasons that might fit with the Welsh specific context of broader land reform and development. There is a question of whether general legislation introducing a community right to buy for community bodies in Wales (relating to land/assets in public and private ownership when they come up for sale) is sufficient, or whether any additional rights might also be beneficial, up to and including rights to compel sale even from an unwilling owner?

8. Additional obligations on public bodies

- 8.1. In Scotland, the Keepers of the Registers of Scotland (essentially on behalf of the Scottish Ministers) maintain a register of land in which community bodies have registered an interest (for the purpose of potentially exercising their right to buy). In England, local authorities (and some other public authorities), are required to main lists of assets that have been successfully nominated as being Assets of

Community Value (and an additional list of assets proposed for nomination but which the authority considers not to be Assets of Community Value).

8.2. In Scotland, there is also an additional duty on relevant authorities to establish and maintain a register of land, which, to the best of the authority's knowledge and belief, is owned or leased by the authority. This provision is intended to assist community bodies in identifying property that may be available for asset transfer. Every relevant authority must enable members of the public to inspect, free of charge, its register of land at reasonable times and at such places as the authority may determine and must make its register of land available on a website, or by other electronic means, to members of the public.

8.3. Were Wales to enact right to buy legislation this would include some form of register, either maintained by Welsh Ministers or by individual public authorities, including assets nominated by communities with a view to potentially exercising their right to buy. An additional duty on public authorities to establish and maintain a publicly available register of their land/buildings, would be beneficial in assisting community bodies to identify property that may be available for asset transfer. Some public bodies already provide information on their websites etc, but there could be further consideration of a specific legal duty (noting the issues in Scotland around variable compliance, and variability in the formatting and robustness of information presented). However, this would place an additional burden on public authorities.