



Assets of Community Value and the Community Right to Bid

Across the country there are buildings and amenities that are very important to the communities that use them. This could be a village shop, a pub or a library. Many of these amenities are important hubs for communities; providing space for public services to be delivered from as well as space for people to meet. The closure of these amenities can be detrimental to communities.

Community First Oxfordshire can support communities in the Cherwell area to list their local assets. This new community right is called the Community Right to Bid and is designed to give communities more opportunities to take control of their assets and facilities. If an asset is listed and then comes up for sale, the new right could give communities which want to keep the asset within the community, a total of six months to put together a bid to buy it. This includes a six-week cut-off period for an initial proposal to be put forward.

The Localism Act 2011 and what happens when you register an asset with your local authority

The Right to Bid comes under the Localism Act 2011. It gives defined community groups including Town and Parish Councils, the opportunity to apply for certain buildings or land which are of community value, to be listed on the local authority's 'Register of Assets'.

Once listed as an Asset of Community Value on the register, the local community will be informed if their listing comes up for sale within the five-year listing period. The community can then enact the Community Right to Bid, which gives them a moratorium period of 6 months to determine if they can raise the finance to purchase the asset.



What are Assets of Community Value (ACV)?

Identifying ACV is the first stage in exercising this new right. ACV's can be defined as a building or another asset such as land that has recently been or is presently used to further the social wellbeing or social interests of the community and could do so in the future. The

Localism Act states that 'Social interests' include cultural, recreational and sporting interests.

These assets could be:

- Pubs
- Shops
- Historical buildings
- Green spaces
- Libraries
- Community centres

Some land or buildings are exempt from being on the list or from being part of the moratorium process. These include:

- Homes
- Hotels
- Assets being transferred between kindred businesses
- Church of England land holdings



How do you nominate an Asset of Community Value?

A number of community organisations can nominate land and buildings for inclusion on the list:

- Parish Councils
- Neighbourhood forums (as defined in Neighbourhood Planning regulations)
- Constituted community groups of at least 21 members
- Not-for-profit organisations (e.g. charities)

Community organisations must have a local connection, which means their activities are wholly or partly concerned with the area, or with a neighbouring authority's area.

You will need to complete the Asset of Community Value nomination form, which can be found on the Cherwell District Council (CDC) website:

<https://www.cherwell.gov.uk/info/118/communities/292/assets-of-community-value>

Following receipt of a valid nomination, CDC have eight weeks to consider the nomination and either accept it and include it on the list of ACV's or reject it and include it on the list of ACV's nominated but not accepted. If the property is listed on the Register of Assets, it is listed as a local land charge with CDC and a restriction is entered on the title at the land registry against the disposal of the property.



Decisions and appeals

If a community organisation nominates land or buildings that meet the definition of an Asset of Community Value, and the nomination process has come from a group entitled to nominate and the nomination application as been completed correctly, then the local authority must include the asset on the list and assets remain on the list for up to five years.

If the council decides that the nomination does not meet the criteria, they must provide an explanation in writing to the group who nominated the asset. They must also keep a list of unsuccessful nominations for at least five years.

If a property owner wishes to review the inclusion of an asset on the list, they must request a review within eight weeks of receiving notification that the property has been included on the list. If they are not satisfied with outcome of the review, they can appeal to the General Regulatory Chamber of the First Tier Tribunal. However, the property will remain on the list of assets until a decision is made.

Moratorium Periods

This gives time for the community to put together the funding necessary to bid to buy the asset on the open market. If an owner wants to sell the property/land that is on the list, they must tell the local authority. If the nominating body is keen to develop a bid for the property/land they can call for the local authority to trigger a moratorium period. During the moratorium period, the owner cannot proceed to sell the asset.

There are two moratorium periods

The first is the **interim moratorium period**, which is six weeks, during which time the community organisation can decide if they want to be a potential bidder. The other is a **full**

moratorium period, which is six months, during which the community organisation can develop a proposal and raise the money to bid for the asset.

There are some cases where a moratorium will not be applied, even when an asset has been accepted on the list. These include:

- If the disposal is a gift
- If the disposal is made between members of the same family in a will/intestacy
- following a court order (e.g. divorce) and
- disposals as part of bankruptcy or insolvency proceedings
- If the land or building disposed of is part of a bigger estate
- If the disposal is of a building or piece of land where an ongoing business is operating, providing that the sale is to a new owner who wishes to continue operating the same business.

CFO support with listing local assets

We can offer help with:

- Making sure that you are a group or organisation eligible to list the asset.
- Providing the evidence needed in the application.
- The inclusion of a clear boundary plan.
- Providing evidence that the assets principal use furthers, or has furthered, the social wellbeing of the community, and is likely to do so in the future.
- Giving advice on the type of community group that should be formed to be able to buy the asset should it come up for sale.
- Giving advice on what is involved in preparing a bid.



For CFO support, please call Tessa Hall on 01865 883488
or email tessa.hall@communityfirstoxon.org

Source: <https://mycommunity.org.uk/take-action/land-and-building-assets/assets-of-community-value-right-to-bid/> 18/02/2019