

# Community Right to Bid – Guidance Notes

## What is the Community Right to Bid?

The Community right to bid applies to assets of community value. Assets of community value are dealt with under Part 5, Chapter 3 of the Localism Act 2011, which became law on 15 November 2011.

## What does it do?

The community right to bid provides communities with an opportunity to ensure that buildings and amenities remain in public use, providing the building or amenity is on the list of assets of community value. It can be used for assets such as the local pub, village shop, community centre, library building, etc.

The list of assets of community value is maintained by the local authority. Land may be entered onto the list by community nomination. The Council is obliged to place nominated land on the list if it is within the authority's area and has community value.

## Who can make a nomination?

A community nomination can be made by a parish council or a voluntary or community body with a local connection.

## What happens if an entry is made on the register?

Should the owner of any land on the list seek to dispose of the land they must first notify the council in writing of this intention. Subject to certain exceptions (such as a disposal by way of gift, will/intestacy or between family members), there will then be a moratorium during which the land cannot be disposed of.

Initially, there will be an interim moratorium lasting 6 weeks. During the interim moratorium, a community interest group can request to the Council in writing that they be considered as a potential bidder in relation to the land. If no request is received, the land can be disposed of.

If a request is received during the interim moratorium, there will be a full moratorium lasting 6 months. This period is intended to allow the community interest group to develop proposals and raise capital to purchase the land.

Should the community interest group fail to develop proposals or raise sufficient capital once the full moratorium has expired, the landowner has a protected period within which they may dispose of the land. The protected period lasts for 18 months from the date the Council receives the request.

The council will publish the list of assets of community value, details of any unsuccessful community nominations and any requests to be treated as a bidder.

### **What happens when the Council receives a nomination?**

Upon receipt of a nomination the Council must consider it and decide whether the land fulfils the community value requirements and should be entered onto the list. This decision will be determined using criteria specified in the Localism Act 2011:

*the land and buildings have an actual current use that is more than ancillary and furthers the social wellbeing or interests of the local community and it is realistic to think that there can continue to be a more than ancillary use that furthers the social wellbeing or interests of the local community, be this in the same or another way, or*

*the land or buildings were in the recent past used (and that use was more than ancillary) to further the social wellbeing or interests of the local community and it is realistic to think that there is a time in the next 5 years when the land and buildings could be put to a more than ancillary use that would further the social wellbeing or interests of the local community, be this in the same or another way.*

In this context 'social interests' includes cultural, recreational and sporting interests.

Cabinet will be consulted regarding on the decision to be made, ensuring it is in keeping with the above criteria.

Once an asset is entered on the assets register the Council must notify the owner. At this point the owner can ask for the decision to be reviewed. A review will be conducted by an officer not involved in the original decision to list the land.

The owner can also apply to the Council for compensation for any loss or expenses incurred as a result of listing, that would not have otherwise been incurred. Compensation will be determined by the Cabinet supported by the Cabinet Support Group in the first instance. But the owner may request a review of this decision.

You can find further information by visiting:

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

You may be able to get some financial assistance in the form of a grant to assist you with the process. Further information on the grants programme can be found here:

<http://mycommunityrights.org.uk/community-right-to-bid/grants/>