

Community Right to Bid

Asset of Community Value Summary



What is the Community Right to bid scheme? (Assets of Community Value)

Community Groups can identify land and buildings, either public or privately owned, which provide an important service to their local community and nominate them for inclusion on a list of assets of community value held by North Somerset Council. Assets are listed for a period of five years.

If they are then put up for sale the community right to bid scheme gives the groups an opportunity to bid for these valued community assets.

Assets could include the:

- village shop
- pub
- community centre
- children's centre
- allotment
- library
- cinema
- recreation ground

Assets of community value

In order to qualify to be listed as a community asset:

- the current main use of the asset should further the social wellbeing or cultural, recreational or sporting interests of the local community (or has done within the last 12 months)
- the asset should continue to be used to further the social wellbeing or interests of the local community, or will do so again within the next five years.

Owners of a listed asset cannot dispose of them without:

- letting the Council know that they intend to sell the asset or grant a lease of more than 25 years
- waiting until the end of a six week 'interim moratorium' period, providing the Council does not receive a request from a community group to be treated as a potential bidder. This initial six week period allows local community groups to register their interest to buy the asset.
- waiting until the end of a six month 'full moratorium' period if the local authority receives a request from a community group to be treated as a potential bidder. If an interest is registered by an eligible group, the asset cannot be sold for six months, which allows the group to prepare a bid to buy it before the asset can be sold.

However at the end of any moratorium period the owner **does not** have to sell the asset to the community group. The asset can be sold under normal market conditions.

If the asset is not sold to a community group there is then a 'protected period' of 18 months from the time that the owner notified the local authority of their intention to dispose of the asset. During this time there can be no further moratoriums and the asset can be sold under normal market conditions.

Independent support for communities or groups is available from Locality, a national network appointed by the government to provide advice and help on community rights.

[Locality website](#)

[My Community Rights website](#)

Who can nominate?

Nominations to list an asset of community value can be made by:

- town and parish councils
- a local voluntary or community group that is unincorporated but has at least 21 members
- registered charities
- companies limited by guarantee which do not distribute any surplus they make to their members
- industrial and provident societies which do not distribute any surplus they make to their members
- community interest companies
- a body designated as a neighbourhood forum under the Town and Country Planning Act 1990

Listing an asset allows time for the community or groups to prepare a bid if the asset is offered for sale or long lease within five years of the listing. Other potential buyers may also make an offer. Any sale after the six month period takes place under normal market conditions.

The owner is under no obligation to sell to a community group and groups that have registered an interest are under no obligation to bid or purchase the asset.

Assets to nominate

Examples of the types of assets which may be defined as having community value include:

Sport, recreation and culture

- cinemas
- libraries
- museums or heritage sites
- parks and open green spaces
- sports and leisure centres
- theatres

Community services

- community centres
- youth centres

Health, education, or community safety

- health centres, surgeries and hospitals
- day care centres, residential care homes
- nurseries and schools
- children's centres

Any economic use which would no longer be easily available if that service stopped

- village shops
- pubs
- markets

A full list of exemptions and definitions are listed in [The Assets of Community Value \(England\) Regulations 2012](#).

How to nominate assets

As well as completing the online [Asset of community value nomination form](#) groups or organisations also need to provide evidence that you are eligible to make a nomination.

A full description of the nominated asset is required with its proposed boundaries clearly indicated on a plan, a copy of the Land Registry title plan should be provided where possible.

Nominations are acknowledged within five working days and are considered in line with The Assets of Community Value (England) Regulations 2012. We aim to make a decision within eight weeks.

Reviews

Once a decision has been made the owner of an asset included on the community asset register can ask us to review a decision. Owners must request a review in writing within eight weeks of the asset being listed.

The nominating group or organisation has no right of appeal.

We will acknowledge the request within five working days and outline the process and timescale. We aim to complete reviews within eight weeks and will confirm the outcome in writing. The owner can request a hearing and may appoint a representative to act on their behalf.

If a review is successful and results in a change to the listing we will inform:

- the occupier of the land, if this is not the owner
- the person who nominated the asset
- the owner, the holder of the freehold estate and the holder of any leasehold estate
- the relevant town or parish council
- the ward councillor(s)
- the Land Registry

Appealing a review

If the council decides to uphold the original decision to declare the asset a listed asset the owner has the option of an appeal to the General Regulatory Chamber of the First-Tier Tribunal which is part of the court system and hears appeals against administrative decisions. The owner, occupier, the nominating group and other relevant parties, will be notified of the result of the appeal in writing.

Compensation

In exceptional circumstances the owner of an asset that has been listed may be eligible for compensation.

The owner may apply to recover expenses “which would be likely not to have been incurred if the land had not been listed”.

Any claim for compensation must be made within thirteen weeks of the date the loss or expense was incurred

Bidding for listed assets

A six week moratorium or delay starts when an owner tells us of their intention to sell a listed asset, or enter into a lease of 25 years or more. This time allows community groups and organisations to submit to the council expressions of interest to be considered as a potential bidder. Owners are unable to sell a

listed asset during this six week period. If an expression of interest is received from a community group, the moratorium will be extended to six months.

Owners can continue to market an asset but must not exchange contracts, other than with a community organisation, during this six months. The six month period is intended to give community groups or organisations time to prepare and submit a full bid to take on the asset.

If a community group or organisation has not successfully bought or leased the property after the six months the asset may be sold by the owner on the open market. A protected period' of 18 months from the time that the owner notified the local authority of their intention to dispose of the asset then applies during which time no further moratoriums are applicable.