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# **COMMUNITY RIGHT TO BID**

Communities PDG update

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# Outline

- The provisions give local groups a right to nominate a building or other land for listing by the LA as an asset of community value.
- Ensure that when a listed asset is to be sold, local community groups are given a fair chance to make a bid to buy it on the open market
- Nothing further will happen unless and until the owner decides to dispose of the asset

# Nominating an asset

- Open to parishes, community organisations and constituted neighbourhood forums
- The LA will have 8 weeks to make a judgement about whether the asset meets the definition as set out in the Act
- If the asset is nominated then the LA must place the asset on a list and notify all parties
- The owner has a right to appeal if they choose by an internal review process

# Nominating an asset

- If the LA does not agree that the asset should be listed they must place it on a list of assets called 'nominated but not listed'
- Once an asset is listed nothing further will happen unless and until the owner decides to dispose of it
- If the owner does decide to dispose, then they must notify the LA of their intention

# Moratorium

- Once the owner has notified the LA there is then a 6 week period to allow community interest groups to make a written request to be treated as a potential bidder
- If none come forward then the owner can sell after the 6 week period has elapsed
- If a request is forthcoming then a full 6 month moratorium will operate. During this period the owner may continue to market but cannot exchange contracts (unless to the community group)
- After the moratorium period the owner is free to sell to whomever they choose and at whatever price

- The provisions do not restrict in any way who the owner of a listed asset can sell their property to, or at what price.
- However they do put a requirement on the owner to notify the LA if they are choosing to sell the asset and the provisions do place time restrictions on the disposal process

# List of assets

- The LA is required to maintain 2 lists – those of nominated assets and those of assets nominated unsuccessfully
- They are to be published publically and made available to all
- Assets to be listed for a period of 5 years
- Section 88 defines ‘an actual current use of the building or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further the social wellbeing or social interests of the local community’
- Exemptions include: residential property (including gardens, outbuildings and other associated land, residential caravan land

# Listing review

- An owner has the right to request the LA review its listing decision (<8 weeks from the notification date)
- To be reviewed by an officer who did not take part in the decision to list
- Owner may make representation in writing or orally – review to be undertaken within 8 weeks
- The owner and the LA will bear their own review costs

- If the owner is not satisfied with the outcome of the internal review they have the right to refer to Tribunal
- Compensation – private owners may claim compensation for loss and expense incurred through the asset listed or previously listed. This will include a claim arising from a period of delay in entering into a binding agreement to sell which is wholly caused by the interim or moratorium period
- Costs of compensation payments under £20K will be met by the LA but some funding will be made available via the New Burdens funding