

# **Community Right to Bid – Assets of Community Value**

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## **1. Purpose of the Report**

1.1 The purpose of this report is to inform members of the current status of the register of Assets of Community Value, brought about by nominations received from community groups in South Somerset using the Community Right to Bid. It also flags up any issues arising from the provision.

## **2. Forward Plan**

2.1 This report appeared on the Executive Forward Plan for December 2014.

## **3. Public Interest**

3.1 The Government is trying to provide communities with more opportunities to take control over the ownership and management of local assets. The Community Right to Bid came into effect on 21st September 2012 as part of the Localism Act 2011. It provides opportunities for voluntary and community organisations, as well as Parish Councils, to identify land and buildings which they believe to be important and which benefit their community. If they qualify, these can be placed on a Register of Assets of Community Value. If the asset comes up for sale, then in certain circumstances, an eligible community group can apply to be given time to make a bid to buy it on the open market.

## **4. Recommendation**

4.1 That the District Executive note the report.

## **5. Background**

5.1 In November 2012, District Executive agreed a process for considering nominations from communities to place assets onto the SSDC Register of Assets of Community Value. This was based on clear criteria set out in the Localism Act. When nominations are received, SSDC has 8 weeks to consider them and respond to the applicant.

5.2 The assessment of nominations is delegated to the relevant Area Development Manager in conjunction with the Ward Member(s) and Area Chair. The result of the assessment & decision is presented to the relevant Area Committee for information. A quarterly report is presented to District Executive, also for information. Decisions about any SSDC-owned properties will be brought to District Executive for decision.

5.3 Since the regulations came into force, SSDC has considered 14 completed nominations for the Register. All have been approved and placed onto the Register of Assets of Community Value. **Table 1** attached lists all nominations and their current status. No nominations are recorded on the Register of Unsuccessful Nominations.

## **6. Nominated Assets**

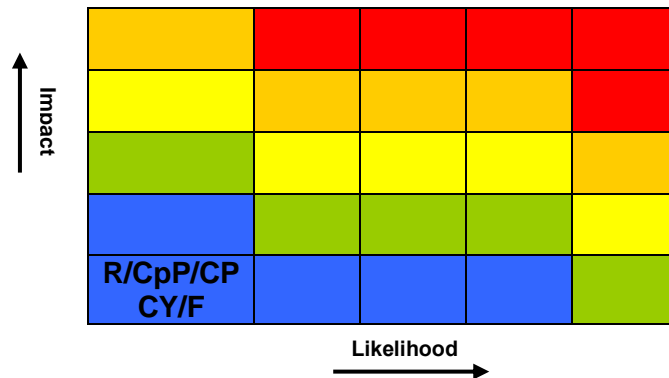
- 6.1 The relevant Parish Council, the owner, the tenant and the Land Registry have all been notified of the successful nominations (as well as the nominating groups) and the assets have been placed on the SSDC Register of Assets of Community Value. Owners can appeal against the decision within 8 weeks. Appeals are considered by the Council's Monitoring Officer. One appeal has been heard and dismissed. We wait to see if this will be challenged.
- 6.2 Once an asset has been listed, nothing further will happen until the owner decides to dispose of the asset. This can be either through a freehold sale or the grant of a lease for at least 25 years. At this point they must notify SSDC of their intention to sell. The community is then given 6 weeks to express an interest in the asset and submit a written intention to bid for the property(s). The table indicates where this has occurred.
- 6.3 If any written intentions are received, the Council passes on the request to the owner, at which point the full moratorium period of 6 months (from the date that SSDC is notified of the intention to sell) comes into force. If no written intention(s) to bid are received, the owner is free to sell the asset.
- 6.4 The guidance is clear that there is no role for the local authority in the negotiations between owner and 'bidder'. SSDC Area Development Teams (ADTs) provide support to community groups in considering if the Register will help them to achieve their goals, putting together their business plan, fundraising, etc. In several instances groups have approached the ADTs to consider a nomination, but after discussion have decided to take up their issues and progress the matter in a different way.
- 6.5 All accepted nominations will normally remain on the Register for 5 years and then be removed. A successful appeal against registration will trigger removal. Should there be a successful disposal by the current owner, the asset remains on the register and the restrictions transfer to the new owner thus if the new owner decides to initiate a relevant disposal further down the line then the first stage moratorium is triggered again.
- 6.6 As new situations are faced, the process map is improved and guidance to groups/owners is clarified. All details are available on the SSDC website.

## **7. Financial Implications**

- 7.1 There are none at this point in time. Government provided SSDC with an (un-ring-fenced) sum of £7,902 in 2013/14 as a contribution towards the costs associated with the new duties under the Community Right to Bid. For 2014/15 onwards any costs must be absorbed into the Revenue Support Grant.
- 7.2 Property owners who believe they have incurred costs as a result of complying with these procedures can apply for compensation from the Council. SSDC is in the process of designing this compensation scheme. Government recognises this as a potential risk to local authorities and will provide a safety net whereby any verified claims of over £20,000 will be met by Government.

## **8. Risk Matrix**

- 8.1 This matrix only identifies the risk associated with taking the decision as set out in the report as the recommendation(s). Should there be any proposal to amend the recommendation(s) by either members or officers at the meeting then the impact on the matrix and the risks it identifies must be considered prior to the vote on the recommendation(s) taking place.



**Key**

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

**9. Council Plan Implications**

9.1 Evaluate the overall requirements of the Government’s Localism legislation and work with communities to develop plans for their community.

**10. Carbon Emissions and Climate Change Implications**

10.1 None in relation to this report.

**11. Equality and Diversity Implications**

11.1 None in relation to this report.

**12. Background Papers**

Localism Act 2011;  
 District Executive Minutes and Agenda November 2012;  
 Assets of Community Value (England) Regulations 2012  
 Statutory Instruments 2012 n. 2421;  
 District Executive Agenda and Minutes August 2013; December 2013;  
 Nomination Forms received.

**Table 1 : Details of Nominations received by SSDC up to and including 20 November 2014**

**Register of Assets of Community Value**

Reference	Nominator (name of group)	Name, address and postcode of Property	Date entered on register	Current use of property/land	Proposed use of property/land	Date agreed by DX	Date SSDC received notification of intention to sell	Date of end of initial moratorium period (auto-fill ie.6 weeks after date of notification to sell is received)	Number of Expressions of Interest received	Date of end of full moratorium period (auto-fill ie.6 months after date of notification to sell is received)	Number of written intentions to bid received	Date for Review	Reason for review	Date to be removed from register (auto-fill ie. 5 years after listing)
ACV1	Kingsdon Parish Council	Kingsdon Primary School School Lane Kingsdon Somerton TA11 7JX	05/04/2013	Unoccupied	Community café & multi-functional community facility	04/04/2013	15/01/2014	25/02/2014	1	14/07/2014				05/04/2018
ACV2	Kingsdon Parish Council	Fomer Kingsdon Primary School playing field Mow Barton Road Kingsdon Somerton TA11 7JX	05/04/2013	Closed but used by residents for informal sports	Village consultation underway	04/04/2013								05/04/2018
ACV3	Barrington Parish Council	Barrington Oak Public House Main Street Barrington Ilminster TA19 9JB	10/05/2013	Licensed public house	Licensed public house	09/05/2013	27/01/2014	Current disposal of property is exempt as it is being sold as a going concern						10/05/2018
ACV4	Langport Town Council	Cockle Moor Off Parrett Close Bow Street Langport TA10 9PR	05/07/2013	Recreational space	Recreational space	04/07/2013	01/11/2013	12/12/2013	1	30/04/2014	1			05/07/2018
ACV5	Compton Dundon Parish Council	Former School Playing Field School Lane Compton Dundon Somerton Somerset TA11 6TE	01/08/2013	Not used	Community Allotments	01/08/2013								01/08/2018
ACV6	Dinnington Parish Council	The Dinnington Docks Dinnington Hinton St George Somerset TA17 8SX	21/08/2013	Public House	Not known - would like it to remain as village pub	21/08/2013								21/08/2018
ACV7	Montacute Parish Council	Montacute Working Mens Club & Associated Land The Hall Bishopston Montacute Somerset TA15 6UU	04/11/2013	Working Mens Club	Village Hall	04/11/2013	04/11/2013	Moratorium period ceased on 03/05/2014 with no community interest. Asset is now protected from further nomination for the next 18-months						04/11/2018

ACV8	Combe St Nicholas Parish Council	Combe Wood Recreation Field Combe Wood Lane Combe St Nichols Somerset BA20 3NJ	05/04/2014	Community Recreation Area	Community Recreational Area	05/04/2014								05/04/2019
ACV9	Queen Camel Community Land Trust	Mildmay Arms High Street Queen Camel Yeovil Somerset BA22 7NJ	28/05/2014	Public House	Public House	28/05/2014								28/05/2019
ACV10	Castle Cary Town Council	Castle Cary Constitutional Club Station Road Castle Cary Somerset BA7 7BY	13/06/2014	Constitutional Club	Private Club/ Function House	13/06/2014	13/06/2014	Current disposal of property is exempt (under exemption clauses P & Q of Part 5 Chapter 3 of the Localism Act 2011). The appeal against the listing had been dismissed by SSDC but awaiting advice as to whether this elevates to First tier tribunal			05/08/2014	Requested by Receiver	13/06/2019	
ACV11	Ash Parish Council	The Bell Public House 3 Main Street Ash Somerset TA12 6NS	11/07/2014	Public House	Public House with other community facilities	11/07/2014								11/07/2019
ACV12	Drayton Parish Council	Drayton Arms Church Street Drayton Langport TA10 0JY	25/07/2014	Public House	Public House in community ownership	25/07/2014	25/07/2014	04/09/2014		24/01/2015				25/07/2019
ACV13	Iminster Town Council	Land known as the Hammerhead Access to Brittens Field & Wharf Lane Recreation Grounds Canal Way Iminster Somerset TA19 0EB	16/07/2014	Access to recreation area	Access to recreation area	16/07/2014								16/07/2019
ACV14	Save our Kings Head org	The Kings Head Church Street Merriott Somerset TA16 5PR	06/08/2014	Public House	Public House in community ownership	06/08/2014	19/08/2014	Moratorium period ceased on 29/09/2014 with no community interest. Asset is now protected from further nomination for the next 18-months						06/08/2019