

**STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL**

**Report to the Cabinet**

**19 June 2018**

<b>TITLE:</b>	<b>Community Right to Bid Policy</b>
<b>PORTFOLIO HOLDER:</b>	<b>Councillor Mike Bowen – Portfolio Holder for Communities, Leisure, Sport, Parks, Countryside &amp; Housing</b>
<b>OFFICER:</b>	<b>Mark Forrester (Corporate Service Manager)</b>
<b>WARDS:</b>	<b>All</b>

**Appendices attached: Appendix 1 – Draft Community Right to Bid Policy**

**1. Reason for the Report:**

The Council adopted a Community Right to Bid/Assets of Community Value Policy in December 2012, based on the Council's experience since that date and the growing body of case law amendments are proposed to the current policy.

**2. Recommendation**

2.1 To approve the revised Community Right to Bid Policy (Appendix 1).

**3 Executive Summary**

3.1 The Community Right to Bid (provided for within the Localism Act 2011) came into force on 21<sup>st</sup> September 2012. It provides a mechanism for parish councils and voluntary bodies to request that buildings and land in their community is registered with the Council as an 'asset of community value'. The owner of land and buildings registered with the Council is required to inform the Council of their intention to dispose of these assets. Should eligible organisations express an interest in acquiring the land or

buildings a moratorium on the sale is triggered during which time community groups or parish councils can seek to secure funds to make a bid to purchase the asset.

3.2 The Council adopted a policy for dealing with the Community Right to Bid in December 2012.

3.3 With the benefit of experience and the growing body of case law officers have reviewed the Council's current Community Right to Bid Policy and processes. Drawing on lessons learned and case law, amendments to the current policy are proposed.

#### 4. **How this report links to Corporate Priorities**

4.1 The policy supports the Council's aim: To help create a safer and healthier environment for our communities to live and work.

#### 5. **Options and Analysis**

5.1 To approve the revised Community Right to Bid policy (Recommended).

5.2 To not approve the revised Community Right to Bid policy (Not recommended).

#### 6. **Implications**

##### 6.1 Community Safety – (Crime and Disorder Act 1998)

No specific implications from the policy. Positive community activity strengthens communities and contributes positively to community safety.

##### 6.2 Workforce

No implications from this report.

##### 6.3 Equality and Diversity/Equality Impact Assessment

No specific implications from this report.

##### 6.4 Financial Considerations

No specific implications from the revisions to the Community Right to Bid/Assets of Community Value Policy.

##### 6.5 Legal

The provisions of the Localism Act 2011 relating to the Community Right to Bid are mandatory on the Council.

6.6 Sustainability

No specific implications.

6.7 Internal and External Consultation

No implications.

6.8 Risk Assessment

There is a risk of compensation claims from owners of land/buildings incurring loss as a result of the sale moratorium being triggered in accordance with the legislation.

**7. Background and detail**

7.1 The Community Right to Bid (provided for within the Localism Act 2011) came into force on 21<sup>st</sup> September 2012. It provides a mechanism for parish councils and voluntary bodies to request that buildings and land in their community is registered with the Council as an 'asset of community value'. The owner of land and buildings registered with the Council is required to inform the Council of their intention to dispose of these assets. Should eligible organisations express an interest in acquiring the land or buildings a moratorium on the sale is triggered during which time community groups or parish councils can seek to secure funds to make a bid to purchase the asset.

7.2 In December 2012 the Council adopted a policy for dealing with the Community Right to Bid.

The Role of the Council

7.3 Under the 'Community Right to Bid' provisions, the Council is required to:

- Set up a process to enable local community and voluntary groups to nominate assets;
- To adjudicate in accordance with Government Regulations on whether the assets can be included in a list of assets of community value;
- Publish the list of assets of community value and also details of those assets that were nominated but unsuccessful, including the reason why the nomination was unsuccessful;

- Implement an internal review process should the owner of the nominated asset disagree with the Council's decision that the nomination be successful;
- Set up and monitor a moratorium process so that when an asset from the list comes on to the market, community groups have time to register their intent to bid and raise the necessary capital, and preventing the owner from selling the asset during the moratorium period; and
- Operate a compensation scheme to compensate owners for loss or expense incurred as a result of listing and complying with any of the procedures required by the scheme.

7.4 While Government Regulation set out much of the detail of how the Community Right to Bid is to be operated a growing body of case law has also been established as a result of appeals/challenges nationally.

7.5 Since the adoption of the policy in 2012 the Council has dealt with 15 nominations – all 15 resulted in the property being listed as Assets of Community Value. There have been 5 appeals by property owners against listing, 1 request for compensation (which was refused) and 1 appeal was escalated to the first tier tribunal but was subsequently dismissed. Four community groups have subsequently made successful bids to purchase the listed properties.

For comparison, the figures for High Peak Borough Council since the adoption of the policy in 2012 are: the Council has dealt with 10 nominations - 7 have been listed as Assets of Community Value by the Council. Two nominations were refused and one withdrawn. There have been no appeals against listing. One community group made a successful bid to purchase a listed property.

7.6 With the benefit of experience and the growing body of case law officers have reviewed the Council's current Community Right to Bid Policy and processes. Drawing on lessons learned and case law amendment to the current policy are proposed.

Mark Trillo

**Executive Director (People) & Monitoring Officer**

**Web Links and  
Background Papers**

**Location**

**Contact details**

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