



Community Asset Register & the Community Right to Bid Process

Background

The Community Right to Bid is a new right under the Localism Act 2011. As part of this legislation all Local Authorities are required to maintain a register of “assets of community value” which have been nominated by their local community.

Part 5 (Chapter 3) of the Localism Act details the types of assets that can go on to this register and sets out a new right for community groups, called The Community Right to Bid. The right came into force on 21 September 2012 and its purpose is to give communities a legal right to identify an asset believed to be of value to their social interests, and give them a fair chance to make a bid to acquire it if the property owner decides to dispose of it. Currently only eligible community groups, local parish councils or local neighbourhood planning forums and charities can nominate an asset to go on the register.

This document explains Mansfield District Council's approach to the Community Right to Bid and the process for nominating community assets.

If after reading this document you would like more information please contact the Property Services Department as shown below. All nominations, notification of disposals, intentions to bid and enquiries should be submitted to this team.

Community Asset Register
Property Services
Mansfield District Council
Civic Centre
Chesterfield Road South
Mansfield
Nottinghamshire
NG19 7BH

Telephone: 01623 463057

e-mail: propertyservices@mansfield.gov.uk

Further information can also be found on the following websites:

[Community Right to Bid: Non-statutory advice note for local authorities](#)

www.mycommunityrights.org.uk



What is an Asset of Community Value?

In order for an asset to be eligible for nomination as an asset of community value, the Localism Act states that the following must apply:

- The current use of the land or building (or its use in the recent past), furthers the social well-being, cultural, recreational or sporting interests of the local community.
- There is a realistic prospect that there can continue to be a main use which will further the social interests of the local community (although not necessarily in the same way) OR it is realistic to think that the building or land can be brought back into community use in the future to further the local communities social interests.
- The use of the building or land must not be deemed 'ancillary', i.e. of secondary purpose. This means that the use of the land or building to further the social interests of the community must be (or have been) its principle use.

So for example, assets of community value could be current or former village pubs and shops, community centres and library buildings.

There are a number of situations where land or buildings are exempted from inclusion on the register. These include houses, hotels, caravan sites and Church of England land holdings.

There are also some circumstances where the property owner does not need to comply with the Act, these are:

- When disposing of the asset as a gift.
- Disposal of an asset containing a business which is a going concern.
- Disposal within a family, a partnership, between trustees or between companies in a group.
- Disposal in the execution of a will or arising from certain legal proceedings.
- Disposal of an asset that is part of a larger estate, part of which is not listed, but where the whole estate is owned by the same person.

Who can nominate Assets of Community Value?

Individuals cannot nominate assets, but a number of community organisations can nominate land and buildings for inclusion on the register. These are:

- Parish Councils
- Parish Councils of Neighbouring Local Authorities
- Unincorporated groups (of at least 21 members who reside in the District and are eligible to vote – details of which will be checked against the Electoral Register)
- Neighbourhood Forums (as defined in Neighbourhood Planning Regulations)



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Community organisations must also have a local connection, which means their activities must be wholly or partly concerned with the Mansfield District administrative area, or concerned with a neighbouring Local Authority's area.

Nominations

To nominate an asset, please submit a request in writing to the Council's Property Services Section and include the following information:

- Name and contact details of the nominating body or group.
- Evidence of the nominating group's eligibility to make the nomination.
- A description of the nominated land including its proposed boundaries. This should include the name, full address, a map of the property and if the land has a registered title.
- Available information about the freeholders, leaseholders and occupants of the site. Please provide contact details and names where known.
- The reasons for nominating the asset.

A nomination request can be submitted at any time. It is however advisable to check that the asset has not been previously nominated and declined by reviewing the Council's list of unsuccessful nominations.

Council Process for Listing

If a community organisation nominates land or buildings that meet the definition of an asset of community value, and the nomination process was undertaken by a group entitled to nominate, then the asset will be included on our register and the nominating group will be notified of this decision. The asset will be placed on the Local Land Charges Register, or if the land is already registered, the Council will apply for a restriction on the Land Register.

If the Council decides that the nomination doesn't meet the criteria, then we will write to the group who nominated the asset and provide an explanation as to why not. All unsuccessful nominations will still be placed on the register so you will be able to see if a building or piece of land has already been nominated.

All nominated assets will remain on the register for five years or until the asset is disposed of. If an asset is disposed of it may be placed back on the register by submitting a new nomination request. The Council will also endeavour to notify the following if an asset has been nominated, added or removed from the list:

- The owner, freeholder or leaseholder
- Any lawful occupant
- Warsop Parish Council (if the asset is located within their boundary)



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Information for Asset Owners

If an asset has been successfully nominated and appears on the register, the owner can request that the Council review their decision within 8 weeks of the date written notice of the listing was given. The review will be conducted by an officer who did not take part in the decision to list the asset, and will be completed within 8 weeks.

If you are a landowner and wish to request a review, you must write to Property Services at the address above, stating your reasons for appeal against the Council's decision.

If the objection is successful the asset will be placed on the list of unsuccessful nominations. If the owner is not satisfied with the outcome of the internal review they can appeal to the First-Tier Tribunal, HM Courts and Tribunals. In this regard, owners are advised to get their own independent legal advice.

If an asset that you own is added to the Community Asset Register, the fact of listing may be a material consideration if you apply for Planning Permission affecting the asset. Apart from this, nothing will happen until you want to dispose of it.

If you are the owner of a listed asset, you must inform the Property Services Team of any intention to dispose of it. Disposal means either a freehold sale or disposal on a lease of 25 years or more; shorter leases do not count as a disposal. When the Council receives this notification, a 6 week interim period is created where you are legally unable to dispose of the asset.

The community group that nominated the asset to go on to the register will be informed of your intention to dispose and the Council will also publicise this information across the District.

In addition, if as land owner you do not dispose of the freehold or grant a lease of 25 years or more within 18 months of the date you informed the Council of your intention to dispose, and the asset is still listed, then the notification process must start again.

Community Right to Bid

If the owner of a nominated asset that is listed on the register decides to dispose of it, they must notify Mansfield District Council as above. The Council will then inform the group who nominated the asset that the owner has decided to dispose. An interim period of 6 weeks then begins; which will allow time for any community group to consider placing a bid. Any community group interested in acquiring the asset must inform Mansfield District Council that they wish to be treated as a bidder for the asset within this timescale.



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If a community group is interested in placing a bid, a 6 month moratorium period starts, and the owner of the asset is not permitted to dispose of it. This gives the community group time to prepare a business plan and find the finances for the bid. During this period the owner may continue to market and negotiate sales, but may not exchange contracts. At the end of this 6 month period the owner will consider all the bids received; but they can dispose of the asset to whoever they choose.

It is important to note that the listing serves only to give a window of time to groups to prepare to bid alongside other potential interested parties if the asset comes up for disposal. Any disposal after the six month period, takes place under normal market conditions and the owner is under no obligation to sell to a community group. Equally, community groups which have registered an interest are under no obligation to bid or purchase.

If no request to bid on an asset is made by a community group the owner is free to dispose of the asset following the 6 week interim period.

Compensation Claims

An owner of an asset which appears in the Community Asset Register may be entitled to claim compensation for loss or expense incurred as a result of the listing.

Mansfield District Council is responsible for administering the compensation scheme for private property owners, including assessing and determining compensation awards. Claims should be submitted in writing to the Property Services Team detailing the amount of compensation sought and include supporting evidence. The time limit for making a claim is 13 weeks after the loss or expense has been incurred.

The Council will respond to the claim in writing, stating the reasons for the decision. If an owner is not satisfied with the response, they may request that the Council undertake an internal review of the decision. This will be the same procedure as for reviewing a listing decision. This request must be made within 8 weeks of the Council providing the owner with the original compensation decision. An owner may appeal to the First-tier Tribunal, HM Courts and Tribunals against the Council's internal review decision; and again, in this situation is advised to seek independent legal advice.

Disclaimer

Mansfield District Council performs many statutory and non-statutory functions across numerous departments. As a point of clarity, any nominations, notifications of disposals, intentions to bid and/or enquiries should be submitted to the Property Services Department as directed above for them to be considered valid.

Policy Dated: 2nd April 2013