

Community Right to Bid Guidance Notes

What is the Community Right to Bid?

The Community right to bid applies to assets of community value. The community right to bid provides communities with a window of opportunity to explore a community option to run or acquire the asset prior to any proposal for its disposal or change of use.

The first step is for a community group to apply to have the asset included on the formal register of assets of community value held by the Borough Council. Assets of community value might include the local pub, well used open spaces, village shop, community centre or library building. The Council is obliged to place an asset on the list if it lies within the borough boundaries and where it agrees with the applicant that the asset has real community value.

Residential property including any adjoining gardens or land, registered caravan sites and operational land used by utility companies cannot be registered. However commercial premises with some residential accommodation can be registered.

Who can make a nomination?

A community nomination can be made by a parish council, voluntary or community body with a local connection. For groups that are not fully constituted, an application to include an asset on the register can be made provided they can demonstrate that they have at least 21 members resident within the local area.

How is a decision made?

If your application form is complete, the Council will review your submission and come to its own view on the extent to which the nominated asset meets the criteria concerning its value to the local community, as set out in the Regulations. If it agrees with the applicant, the asset will be added to the register and land owners and other relevant parties will be formally notified. If it does not accept the application, the applicant will be informed of the reasons for this. The asset will be added to a register held by the Council for nominations which have been received but not accepted.

Owner's Right of Appeal?

If the Council agrees that the asset should be included on the register, the owner of the land has a right to request an internal review of the decision within 8 weeks of the date of the decision being made. In the interim, the asset is kept on the register. The Council's Chief Executive will undertake that review. The owner has the right to make representations to the Council either orally or in writing. If the owner is not satisfied with the outcome of that review, they can appeal to an independent Tribunal with 28 days of the decision made at the first appeal. Owners need to make the appeal to the following:

Tribunal Clerk
Community Right to Appeal
HM Courts and Tribunals
First Tier Tribunal (General Regulatory Chamber)
PO Box 9300
Leicester LE1 8DJ

What happens if an entry is made on the register?

If no appeal is submitted or following any appeal the asset remains on the register, the owner must first notify the Council in writing of any intention to seek to dispose of the land. Subject to certain exceptions, such as a disposal by way of a gift, will, intestacy or between family members, there will then be a moratorium during which the land cannot be disposed of.

Initially, there will be an interim moratorium lasting 6 weeks. During this time, a community interest group can request to the Council in writing that they be considered as a potential bidder in relation to the property. If a request is received during this period, there will be a full moratorium lasting 6 months to allow the community interest group to develop proposals and seek to raise the capital to purchase the property. If no request is received within the initial 6 week period, the land can be disposed of.

Should the community interest group fail to develop proposals or raise sufficient capital once the full moratorium of 6 months has expired, the landowner has a protected period within which they may dispose of the property. The protected period lasts for 18 months from the date the Council receives the request.