

Subject:	Community Right to Bid: Assets of Community Value Policy & Guidance	Status:	For Publication
Report to:	Cabinet	Date:	23 rd October 2013
Report of:	Director for Business	Portfolio Holder:	Leader of the Council; Portfolio Holder for Communities & Partnerships
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	Yes/No	Attached: Yes/No
Biodiversity Impact Assessment	Required:	Yes/No	Attached: Yes/No
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1.	RECOMMENDATION(S)
1.1	That Cabinet considers the content of this report, policy and guidance documents detailed in Appendix 1 and 2 and 3 in relation to the proposed Community Right to Bid process, and approve for implementation.
1.2	That to Cabinet delegate authority to officers to process the Community Right to Bid nominations, claims and appeals as detailed in the Community Right to Bid Policy.
1.3	That Cabinet agree the establishment of Consultation Working Group as detailed at Appendix 2, and to deal with Community Right to Bid nominations as well as act as a wider member consultation reference group.
1.4	That Cabinet agree that all future minor amendments to the policy and guidance to be delegated to the Director for Business in consultation with the Portfolio Holder.

2. PURPOSE OF REPORT

- 2.1 To present for approval the proposed policy and process to manage the Community Right to Bid: Assets of Community Value provision as set out in the Localism Act 2011. This sets policy sets out the proposed local arrangements for review and decision making of community right to bid, in line with the regulations.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **Regenerating Rossendale:** This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting sustainable investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- Not carrying out local authority responsibilities from the Localism Act 2011.
 - Poor governance of the process and associated reputational risks.
 - Not having a consistent corporate procedure in place to deal with Community Right to Bid and nominations for assets of community value.

- Potential financial risks for the Council associated with implementing this policy, in relation to appeals and compensation.
- Cost of additional staff time implement this policy and associated processes.
- Additional costs to the Council for land searches and land registry requirements associated with the process.

5. BACKGROUND AND OPTIONS

5.1 What is the Community Right to Bid?

- 5.2 As part of the Government's Localism Act 2011 a number new Community Rights were introduced. The Community Right to Bid (also known as 'Assets of Community Value') is one of these rights. The Right to Bid will give communities a right to identify 'up front' a building or other land that they believe to be of importance to their community's social well-being. Parishes and community organisation (must meet criteria) can nominate a building or land to be listed on an Assets of Community Value Register. Nominations may not be made by individuals or principal local authorities themselves.
- 5.2 The Right covers private as well as public assets. However, there are some asset exemptions from the policy, for example, residential property as set out in the regulations.
- 5.3 Nominations will be considered by the Council to determine whether it is of 'community value'. It should be noted that the owner has the right of appeal as part of this process.
- 5.4 Successful listings will remain on the register for 5 years and puts certain restrictions on the owner of the asset which are documented on the Land Registry database.
- 5.5 If the owner of a listed asset wishes to dispose of that asset, and it is a 'relevant disposal' according to the regulations, the owner is required inform the Council before it goes on the open market, the Council will then notify the nominating group, who must advise whether or not they wish to be treated as a potential bidder. If they do, there is a protected 'window' of up to six months (Moratorium) to allow the community to prepare their bid. If the group does not wish to bid, the owner is free to sell the asset straight away.
- 5.6 The Right does not restrict in anyway who the owner of the asset can sell their property to, or at what price, and there is no requirement on the owner to sell it. This Right only comes into force when a listed asset goes up for sale. It is not a right to simply bid in all circumstances. The Right does not give first right of refusal, and it is not a right to buy the asset, just to prepare to bid for it. The sale will be undertaken in open market conditions.
- 5.7 No further Moratorium periods on that asset can be triggered for a protected period of 18 months to protect the owner from repeated attempts to block the sale.
- 5.8 The draft policy and guidance detailed in Appendix 1 details the Council's proposed process for managing the Community Right to Bid provision.
- 5.9 It is proposed that the Director for Business is the designated as the lead senior officer and named contact for the Community Right to Bid process. Further, that Committee and Member Services (C&MS) will undertake the associated administrative support function for the processes.
- 5.10 It is proposed that a member Consultation Working Group is setup with two primary functions:
1. To act as a consultation reference group on range of council related issues.

2. To act as the mechanism through which assets of community value nominations are reviewed and decided upon.

5.11 The draft proposed terms of reference are set out in Appendix 2. It is intended that the group will meet in person for the purposes of reviewing assets of community value nominations. For all other consultation purposes the groups will operate on a virtual basis, unless otherwise deemed necessary. This is to ensure the best use of councillor and officer time.

5.12 A webpage for the Community Right to Bid will to be set up and managed on the Council's website.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 The Council has received some minor New Burdens grant funding from central government in order to cover the costs of establishing and publishing these policies and processes.

6.2 The costs of any compensation payments in the future would fall upon the Council. At present instances of compensation are not expected to be often or of high value, and consequently there are no specific budgets set aside for any compensation.

7. MONITORING OFFICER

7.1 No additional comments to make on this report.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 The provisions within Localism Act 2011 for the introduction of the Community Right to Bid requires the Council to maintain an Assets of Community Value Register and undertaken duties in relation to implementing the Right to Bid regulations.

8.2 Human resources implications are outlined in the main body of the report. It is expected that this will be absorbed within existing budgets and duties.

8.3 The Equality Act 2010 established the Public Sector Equality Duty, the duty requires the Council to give due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.
- Foster good relations between people who share a relevant protected characteristic and those who do not share it.

8.4 Consultation has been undertaken with Management Team, Portfolio Holder, and Corporate Overview and Scrutiny. In addition, best practice of other local authorities and advice from the Department for Communities and Local Government was sought in the development of this policy and guidance.

9. CONCLUSION

9.1 The Council is required to ensure it has an efficient and effective process in place to deal with nominations and associated processes under the Community Right to Bid introduced by the Localism Act 2011. It is proposed that the attached policy, guidance and supporting appendices are adopted as the Council's formal approach to this process.

Background Papers

Document	Place of Inspection
Localism Act 2011	https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5959/1896534.pdf http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted
The Assets of Community Value (England) Regulations 2012	http://www.legislation.gov.uk/ukdsi/2012/9780111525791/contents
Community Right to Bid Non-Statutory Guidance	https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/14880/Community Right to Bid - Non-statutory advice note for local authorities.pdf
My Community Rights – Right to Bid	http://mycommunityrights.org.uk/community-right-to-bid/
Corporate Overview and Scrutiny Committee 23 rd September 2013	Agenda papers and minutes http://www.rossendale.gov.uk/meetings/meeting/759/corporate_overview_and_scrutiny