

Community Right to Bid

Background

The Right came into force on 21st September 2012 and its purpose is to give communities a right to identify a property that is believed to be of value to their social interests or social wellbeing and gives them a fair chance to make a bid to buy the property on the open market if the property owner decides to sell. Currently only eligible community groups, local parish councils or local neighbourhood planning forums and charities can nominate.

What is the definition of an asset of community value?

A building or land is deemed to be of community value if, in the opinion of the council:

- A current main use of the building or land furthers the social interests or social wellbeing of the local community, and it is realistic to think that there can continue to be a main use of the building or land which will further the social interests or social wellbeing of the local community, although not necessarily in the same way, or;
- A main use of the building or land in the recent past furthered the social interests or social wellbeing of the local community and it is realistic to think that within five years the building or land can brought back into use that furthers the social interest or wellbeing of the local community, whether or not in the same way as before.

Making a nomination

It is important that your community group is eligible to nominate, you can only do this if you answer yes to the two questions below:

- Do you have a local connection to the property you are wishing to nominate? and;
- Are you an unincorporated community group with at least 21 members who are registered to vote in the North East Lincolnshire area, a parish council, charity, industrial & provident society, local neighbourhood forum, company limited by guarantee or a community interest company?

To nominate you must inform us of the address of the property, details of the owner, the extent of the site and why you feel it is an asset of community value. You must also provide evidence of your eligibility to nominate.

To assist you we have provided a nomination form which you can access through the following link 'Nomination Form' once completed you can email the form to assets@nelincs.gov.uk

Alternatively, you may send your nomination by post to:

Community Right to Bid
Estates and Asset Strategy
North East Lincolnshire Council
Municipal Offices
Great Grimsby
North East Lincolnshire
DN31 1HU

What we will do next

Once we have received the completed form we will consider and check the eligibility of the nomination. We aim to assess nominations within eight weeks of receipt.

If we feel the property does have community value it will be recommended to the Estates Programme Board (EPB) and approved by way of an Officer Decision Record (ODR). Once agreed, the nomination will be added to the 'List of Assets of Community Value.' Assets will remain on the list for five (5) years, and a land charge will be registered against the property.

The flowchart on the following pages details the steps the Council will go through when assessing an application.

You will be advised that the property has been listed and the date in five (5) years' time when it will be removed. It is important you note the date as there will be no further contact with you unless the property owner decides to sell. When the five (5) years have expired you can submit a new nomination.

If we decide to list a property, the property owner can ask for a review and there will be a process for an appeal to an independent body. Further guidance will be provided in the letter to the property owner.

We will notify the nominee should the nomination be ineligible and provide an explanation as to why it was unsuccessful. In such circumstances the property will be added to the list of 'Land Nominated by Unsuccessful Community Nominations' and will remain on the list for five (5) years. There is no appeal or review process for unsuccessful nominations.

Making a bid

The owner of the property must advise us when they intend to sell the property, and we will publicise this on our website as well as informing the nominator.

If you want to make a bid, you must inform us within six (6) weeks of us telling you the property is available to purchase by advising us you want to bid. You will then have six (6) months to put together the bid (this is not from when you inform us but six (6) months from the owner advising us of their intention to sell and is known as the moratorium period). If there is more than one (1) community group interested in purchasing the property we would encourage the groups to work together.

At any point before the end of the six (6) months you may enter into negotiations with the property owner providing the owner is willing to do this. We would ask that we are kept informed of developments.

At the end of the moratorium period if you have successfully put a bid together the owner will have the option to either accept your bid or sell the property freely on the open market.

Sales outside of the Act

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

- Disposing the property in the form of a gift.
- Disposal of a property containing a business which uses the property and it is a going concern.
- Disposal within a family or a partnership or between trustees or a trust or between companies in a group.
- Disposal in the execution of a will or arising from various legal proceedings.
- Disposal of a property that is part of a larger estate, part of which is not listed, but where the whole estate is owned by the same person and is a single lot of land.

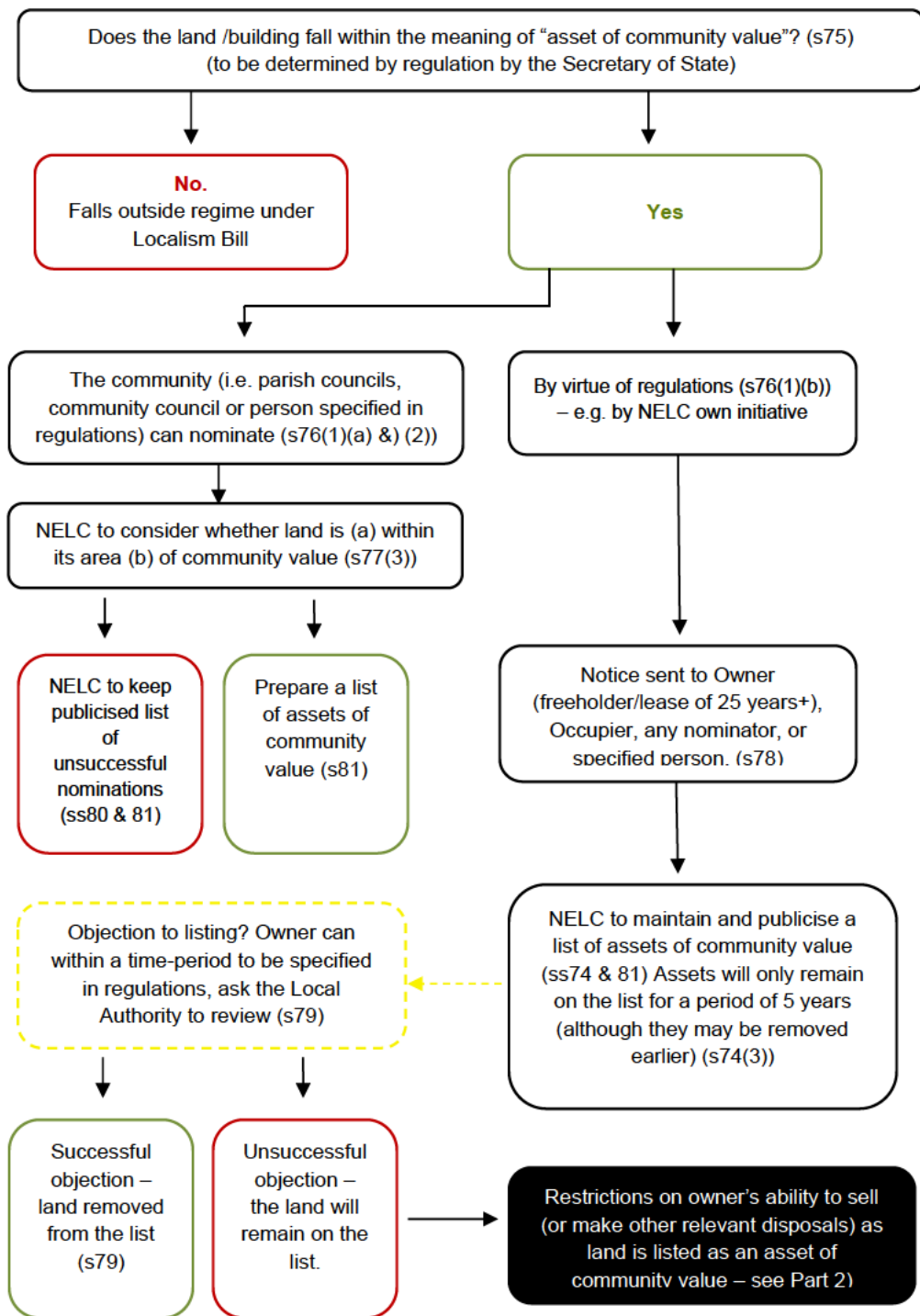
Key Contact

Jack Fox
Corporate Asset Strategy Manager
Estates and Asset Strategy
North East Lincolnshire Council
Municipal Offices
Great Grimsby
North East Lincolnshire
DN31 1HU

Useful Documents:

Localism Act
Community Right to Bid Guidance
Nomination Form

Part 1 – Securing the listing of community assets



Part 2 – Selling assets of community value

