

Item 8 - Assets of Community Value

Meeting: 26 September 2024

Motion: To receive information about assets of community value and consider creating a shortlist of local assets that may benefit from this protection.

Author: Clerk to the Council

Background

When villagers heard that the Red Lion public house might be closing, they called for it to be registered in some way and protected from being sold to a developer. Although the pub has now reopened under new management, members asked for information on what protections can be put in place to protect local community assets like the pub.

There is a process to designate 'assets of community value', found in the [Localism Act 2011](#). Assets of community value can be nominated by parish councils or by groups with a connection with the community. If the nomination is accepted, local groups will be given time (the moratorium period) to come up with a bid for the asset if and when it is sold. These provisions are also known as the 'Community Right to Bid'.

What defines an Asset of Community Value?

An Asset of Community Value (ACV) is defined as:

A building or other land is an asset of community value if its main use has recently been or is presently used to further the social wellbeing or social interests of the local community and could do so in the future. The Localism Act states that 'social interests' include cultural, recreational and sporting interests.

This could be a village shop, a pub, a community centre or a library, for example. Open spaces may also be eligible. Many provide a base from which to deliver public services to the local community. The closure or sale of such buildings and amenities can create lasting damage in communities and threaten the provision of services.

The regulations also list a number of situations where land or buildings are exempted from inclusion on the list or operation of the moratorium. These include homes, hotels, assets being transferred between kindred businesses, and Church of England land holdings.

For examples, see the [Assets of Community Value Register](#) for Stratford District.

How do you nominate an Asset of Community Value?

Only community organisations can nominate land and buildings in their area for inclusion on the list. This includes parish councils and defined groups with a connection with the community.

Nominations are submitted to Stratford District Council for consideration, who provide a [nomination form](#) to assist in the preparation of nominations.

The application must include an explanation of how the current and main use of the asset furthers the social wellbeing or cultural, recreational or sporting interests of the local community. Common forms of evidence include testimonials, lists of the clubs or groups that use the facility, photographs, and websites that show history or how the facility is used.

Decisions and Appeals

If a community organisation nominates land or buildings that meet the definition of an Asset of Community Value, and the nomination process was undertaken correctly (i.e. came from a group entitled to nominate), then the local authority must include the asset on its list.

Assets will remain on the list for at least five years. If the council decides that the nomination doesn't meet the criteria, then they must write to the group who nominated the asset and provide an explanation. They must also keep a list of unsuccessful nominations for at least five years. Landowners can ask local authorities to review the inclusion of an asset on the list, and this triggers an appeal to an independent body, called a First Tier Tribunal.

Moratorium Periods

If an owner wants to sell property/land that is on the list, they must tell the local authority. If the nominating body is keen to develop a bid, they can then call for the local authority to trigger a six-month moratorium period, during which time the owner cannot proceed to sell the asset. During a moratorium, the owner of the asset cannot conclude the sale.

It is important to understand that the Community Right to Bid on an ACV does not restrict the seller's rights to sell to whoever they choose, it only gives a community group some extra time to put together the funding necessary to bid to buy the asset on the open market. The owner can still close the business or change the property if they want to. The Community Right to Bid only comes into effect if the owner decides to sell the asset.

Relationship to Planning

An Asset of Community value listing does not place any restriction on what an owner can do with their property, once listed, if it remains in their ownership. This is because it is planning policy that determines permitted uses for particular sites. However the fact that the site is listed as an ACV may affect planning decisions – it is open to the Local Planning Authority to decide that listing as an asset of community value is a material consideration if an application for change of use is submitted, considering all the circumstances of the case.

Further information

My Community – Assets of Community Value:

<https://mycommunity.org.uk/what-are-assets-of-community-value-acv>

Commons Library Research Briefings: Assets of Community Value:

<https://commonslibrary.parliament.uk/research-briefings/sn06366/>

The Assets of Community Value (England) Regulations 2012:

<http://www.legislation.gov.uk/ukdsi/2012/9780111525791/regulation/5>

Protect Pubs – Nominating your pub as an Asset of Community Value:

<http://protectpubs.org.uk/protection-tools/acv/>

Assets of Community Value and their relationship to planning:

<https://www.planningaid.co.uk/hc/en-us/articles/360009936577-Assets-of-Community-Value-and-their-relationship-to-planning>

Recommendation:

That the council draws up a list of local community assets for nomination.