

Community Right to Bid guidance



The Community Right to Bid is an opportunity which was introduced under the Localism Act (2011) to help communities looking to take over and run an asset in their local area.

Community groups can nominate local assets considered to be of community value, to be listed on a register held by Carlisle City Council. These assets could be owned by a public body, private company, or an individual. Examples of land and building assets include parks and play spaces, museums, village / community halls, sports centres, pubs, shops, and swimming pools.

The Council considers whether or not the asset is of community value and decides whether it should be listed. If an asset is listed and the owner decides to dispose of it, the community may have the opportunity to bid on the asset, depending on the circumstances of a proposed sale.

This document describes our approach to the Community Right to Bid. The process is in 4 parts:

1. Listing assets
2. Review and appeals
3. Sale
4. Compensation

We provide details of support available to community groups at the end of this document. You may also wish to view the Government guidance [Community Right to Bid: Non-statutory advice note for local authorities](#) for further information.

If you would like more information please contact:

Policy Team
Carlisle City Council
Civic Centre
Rickergate
Carlisle
CA3 8QG

Email: policy@carlisle.gov.uk
Telephone: 01228 817016
Web: <http://www.carlisle.gov.uk/Council/More-about-the-Council/Community-Right>

Community Right to Bid – Carlisle City Council



1. Listing assets

How is an asset nominated?

- 1.1 In the first instance, we strongly encourage any group interested in nominating an asset to engage in pre-nomination discussions by contacting us on:
Email: policy@carlisle.gov.uk
Telephone: 01228 817016

We also advise that wherever possible, a group discusses their intention to nominate an asset with the owner. This ensures that the owner is aware of the situation and they may be able to work with a group or provide information that could support the nomination.

- 1.2 To nominate an asset of community value please fill in our Community Right to Bid - Assets of Community Value nomination form. This can be found on our website at <http://www.carlisle.gov.uk/Council/More-about-the-Council/Community-Right> or can be requested using the contact details above. Please note we only accept nominations on this form.
- 1.3 A nomination can be made at any time, even after an asset has been put up for sale. Please check if the asset has not been previously nominated and declined by reviewing our list of successful and unsuccessful nominations on the website. This list is known as the Community Asset Register.

What should be included in a nomination?

- 1.4 When submitting an application, please ensure all relevant information is included in the form and attach any evidence. This assists us greatly in being able to determine the community value of an asset.
- 1.5 Please provide information about the nominating community group, including their eligibility to make the nomination. Community and voluntary bodies with a local connection can nominate an asset and should be a:
- Neighbourhood Forum
 - Parish Council
 - Unincorporated Body whose members include at least 21 individuals
 - Community Interest Company
 - Company Limited by Guarantee
 - Registered Charity
 - Community Benefit Society or Industrial and Provident Society

- 1.6 The requirements for the body to have a local connection are that:
- The relevant body's activities are wholly or partly concerned with the Council's area, or with a neighbouring council's area;
 - Where the relevant body's constitution allows for it to generate an operating surplus, that this is applied wholly or partly for the benefit of the Council's area, or for the benefit of a neighbouring council's area;
 - Where it is an un-incorporated body, it has at least 21 individuals who are registered to vote in the Council's area or a neighbouring council's area. Please note that each individual should be registered at a different address.
- 1.7 A description of the nominated land including its boundaries. This is best done with a site location plan with the area nominated outlined with a red line. Where the land is registered, the Land Registry Title Information and map can provide this information.
- 1.8 Any information you have about the current occupants, freeholders or leaseholders, including their names, addresses and telephone contact details.
- 1.9 The reasons for nominating the asset, explaining why the asset is of community value and meets the definition in the Localism Act:
- that the actual current use (or use in the recent past) furthers the social wellbeing or social interests of the local community;
 - that in the case of the current use, there is a realistic prospect that this use could continue or in the case of use in the recent past, that there is a realistic prospect that within the next 5 years the use of the asset could resume.
- 1.10 Properties that cannot be listed include:
- residential properties and land which it is reasonable to consider to be part of a residence, such as a garden and outbuildings (integral residences in buildings which otherwise could be listed, such as a pub or caretaker's flat, are not included);
 - an ancillary use, such as a café within a workplace;
 - land licensed for use as a residential caravan property (and some types of residential caravan property which do not need a licence);
 - operational land of statutory undertakers (such as a utility company).
- 1.11 Completed forms should be sent to policy@carlisle.gov.uk or posted to:

Policy Team
Carlisle City Council
Civic Centre, Rickergate
Carlisle
CA3 8QG

How do we reach a decision on the nomination?

- 1.12 Upon receiving a nomination we undertake an initial assessment to verify that it is valid and has all the necessary information in order to be considered. If the nomination requires amendments or additional information, we notify the community group of the amendments required, and if received, incorporate them into the nomination and confirm that it has been accepted.
- 1.13 Once the nomination has been accepted, we contact the owners, occupiers, and any leaseholders of the nominated asset for their comment on the nomination. This consultation period lasts 6 weeks. We also consult with the ward councillor(s), Parish Council, Portfolio Holder for Communities, Health and Wellbeing, and any relevant community groups.
- 1.14 The application is assessed against the requirements set out in the Localism Act 2011, relevant Regulations, and our own agreed procedure, determining if the application is compliant with the requirements. We use the information provided on the nomination form and information gathered during the consultation period to do this. We make a decision 8 weeks from the date the nomination was accepted. Notice of the decision is sent to the community group, the owner and other relevant parties as stated in paragraph 1.13.
- 1.15 We publish a list of successfully nominated assets and unsuccessfully nominated assets on our website, this is our Community Asset Register. We remove assets from the Community Asset Register:
- after a period of 5 years, unless the asset is disposed of earlier as a relevant disposal;
 - or if we form the opinion that the land or building is no longer of community value.
- 1.16 If the nomination is successful, we also add the asset to the Local Land Charges Register and if the land is registered, apply for a restriction on the Land Register in Form QQ.

2. Review and appeals

Internal listing review

2.1 If an asset is listed, the owner has the right to appeal against the decision within 8 weeks of us notifying them of the decision. Please note that there is no right of appeal for community groups against a decision.

2.2 An appeal must be done in writing to:

Email: policy@carlisle.gov.uk
Post: Policy Team
Carlisle City Council
Civic Centre
Rickergate
Carlisle
CA3 8QG

2.3 The internal review is conducted by an independent officer who did not take part in the original decision to list an asset. We have 8 weeks from the date of receiving the request to carry out the review, unless a longer period has been agreed with the owner in writing. The asset remains listed during the review period.

2.4 Upon completion of the internal review, we notify the owner and other relevant parties of the outcome. Where a change in the status of the property occurs as a result of the review, it is changed on the Community Asset Register.

Tribunal listing appeal

2.5 If the owner is dissatisfied with the internal review, they have 28 days from the date on which we notify them of the internal review decision to appeal for a review by the General Regulatory Chamber of the First-Tier Tribunal. Please see <https://www.gov.uk/guidance/community-right-to-bid-appeal-against-a-listing-decision> for further information. Owners must submit their appeal in writing to the First-Tier Tribunal to:

Email: grc@hmcts.gsi.gov.uk
Post: General Regulatory Chamber
HM Courts & Tribunals Service
PO Box 9300
Leicester
LE1 8DJ
Telephone: 0300 123 4504

3. Sale

- 3.1 Owners of listed assets need to contact us if they intend to sell the asset. Depending on the type of disposal, a moratorium period may be triggered. The moratorium provisions only apply to a relevant disposal of a listed asset. A relevant disposal is one where the sale of the asset transfers:
- a freehold interest if it is a disposal with vacant possession;
 - a qualifying leasehold interest (that is, the granting of a lease for a period of 25 years or more (or the transfer of a lease which was of 25 years or more originally) if it is a grant or assignment with vacant possession.
- 3.2 Some types of disposal are exempt from the moratorium periods; the full list of exemptions is provided in Annex A of the Government guidance ['Community Right to Bid: Non-statutory advice note for local authorities'](#). For example, an owner selling a shop as a going concern is exempt.
- 3.3 If an owner of a listed asset is unsure whether the sale of their property is a relevant disposal or not, they should notify us as a precaution – noncompliant disposals may be set aside by the Land Registry.

Interim moratorium period (6 weeks)

- 3.4 Once the owner of a listed asset has notified us of their intention to make a relevant disposal of the asset, a 6 week interim moratorium period begins. We notify the nominator and any community bodies who have registered an interest of the owner's intention to sell.
- 3.5 Within this interim period, the owner can continue to market and negotiate the sale of the property, however, unless an exempt disposal applies, they can only sell the asset to a community interest group.
- 3.6 A community interest group can make a written request to the Policy Team to be treated as a potential bidder, which activates the full 6 month moratorium period. A community interest group must have one or more of the following structures:
- A charity
 - A community interest company
 - A company limited by guarantee that is non-profit distributing
 - An industrial and provident society or community benefit society that is non-profit distributing
- The expression of interest does not need to include any financing details, nor does it bind the community interest group into making a bid. We notify the owner and other relevant parties as soon as possible when an expression of interest is made.

- 3.7 If no requests are received during the initial moratorium period, the owner is free to sell their asset at the end of the 6 weeks.

Full moratorium period (6 months)

- 3.8 The full moratorium period runs for 6 months from the date the owner notified us of their intention to dispose of the asset. This gives interested groups the opportunity to prepare a bid. The community interest group that bids for the asset does not have to be the same community group that nominates the asset and/or activates the full moratorium.
- 3.9 During this period, the owner can continue to market and negotiate the sale of the property, however, unless an exempt disposal applies, the owner can only dispose of the asset to a community interest group. After the moratorium period has ended, the owner is free to sell their asset.

Protected period (18 months)

- 3.10 After the full moratorium period has expired, or no expression of interest is received at the interim moratorium stage, the owner has an 18 month protected period where no further moratorium periods can be triggered. This begins from the date when they notify us of their intention to sell. During the protected period, the owner can dispose of the asset to whoever they wish and at whatever price they wish.
- 3.11 Once the protected period has expired, if the asset has not been disposed of, the owner cannot enter into a relevant disposal. If the owner wishes to enter into a relevant disposal they need to notify us and the process begins again, with a 6 week interim moratorium period starting from the date we are notified of the intention to sell.

4 Compensation

- 4.1 Private owners may claim compensation from us for losses and expenses incurred which would not have occurred if the land had not been listed. This includes, for example:
- a delay in entering into a binding agreement to sell which is wholly caused by the moratorium period;
 - legal expenses incurred in a successful appeal to the Tribunal.
- 4.2 A compensation claim must be made by the owner 13 weeks from either the end of the interim or full moratorium period, or from the date when the land ceases to be listed.
- 4.3 Claims must be made in writing to the Policy Team, stating the amount of compensation sought and providing the necessary supporting evidence. The burden of providing the claim falls upon the owner. We respond to the claim in writing, stating the reasons for the decision.

Internal compensation review

- 4.4 If an owner is not satisfied with the response, they may request an internal review of the claim within 8 weeks of being notified of our decision. The internal compensation review follows the same procedure as the listing review.

Tribunal compensation review

- 4.5 An owner who is dissatisfied with the outcome of our internal review of their compensation claim can appeal for a Tribunal review within 28 days of being notified of the internal review decision. The Tribunal review follows the same process as shown in the Tribunal listing review, except that only the owner or former owner who originally appealed for compensation is eligible to apply.

Support available to community groups

There is a range of support and guidance for community groups looking to use the Community Right to Bid effectively, from mapping community assets and nominations to building bids for assets and buying them. 'Locality' is the leading national network that supports organisations to work on community enterprise, community asset ownership, community rights, collaboration, commissioning support and social action. They can offer advice on pre-feasibility grants and feasibility grants offered through the Social Investment Business.

Further information and funding opportunities can be found on the My Community Rights website run by Locality at www.mycommunityrights.org.uk.

Information and advice

Campaign for Real Ale

<https://camra.org.uk/pubs/campaigns>

Just Act Forum

www.justact.org.uk/forums/

My Community Network

<http://mycommunity.org.uk/my-community-network/>

My Community Rights

www.mycommunityrights.org.uk

Setting up a social enterprise

www.gov.uk/set-up-a-social-enterprise

The Pub is the Hub

www.pubisthehub.org.uk/

Funding opportunities

Carlisle City Council Funding advice

<https://www.carlisle.gov.uk/Residents/Grants-and-Funding>

Co-operatives UK

www.uk.coop/

Esmee Fairbairn Foundation

<http://esmeefairbairn.org.uk/>

Plunkett Foundation

www.plunkett.co.uk/

Power to Change Trust

www.thepowertochange.org.uk/

Prince's Countryside Fund

www.princescountrysidefund.org.uk/