

Community Right to Bid

Frequently asked questions – Disposal of an Asset of Community Value



What does the owner need to do if they wish to dispose of an asset included in the list of assets of community value?

The Localism Act 2011 and the Assets of Community Value (England) Regulations 2012 exempt certain types of disposal. Where an owner wishes to dispose of an asset which is included in the list of assets of community value and it is not an exempt disposal (see FAQs – Appeals Procedure for a list of exempt disposals), they must notify Harborough District Council in writing of their intention to do so. The notification should be sent to:

Strategic Planning

Harborough District Council

What happens once an owner has notified of an intention to dispose of an asset included in the list of Assets of Community Value?

We will normally acknowledge receipt of the notification within 5 working days, confirming the dates upon which the interim moratorium took effect and when this period will end. The list of assets of community value will be updated to show that we have received notice of an intention to dispose of the asset, together with the date of that notification and the resulting moratorium periods. We will notify the nominator in writing that we have received notice of an intention to dispose of the asset and will publish details on the District Council website.

What does the community group need to do if it wishes to make a bid to purchase the asset?

An intention to bid may only be submitted by suitably constituted 'voluntary or community group' which can demonstrate a local connection. Unincorporated organisations are excluded. The definition of a suitable 'voluntary or community group' is as follows:

- Town and Parish councils
- Unincorporated bodies with at least 21 individual members and which do not distribute any surplus it makes to its members
- Charities
- Company limited by guarantee which does not distribute any surplus it makes to its members
- Industrial and provident society which does not distribute any surplus it makes to its members
- Community interest companies
- A body designated as a neighbourhood forum under the Town and Country Planning Act.

The intention to bid should be submitted in writing together with evidence to support that the bid is being made by a suitably constituted 'voluntary or community group'. The intention to bid should be sent to:

Strategic Planning

Harborough District Council

HDC must receive the intention to bid within six weeks of the notice to dispose of the asset (normally ending at midnight on the last working day of that period). Nominators are advised to obtain proof of delivery either through using appropriate recorded receipt postage or by obtaining a receipt for hand delivered post. We will pass the intention to bid to the owner of the land, or inform them of the details, as soon as practically possible after receipt. This will then trigger the full six month moratorium period during which the asset cannot be sold.

Can the owner market the asset during the moratorium period?

Yes, there is nothing to prevent the owner actively marketing the asset during the moratorium period; the restriction refers only to exchange of contracts on the sale of the asset.

If the owner of the asset is happy to sell to a community interest company, can they go ahead with the sale without waiting for the moratorium period to end?

Yes, where the owner and a 'voluntary or community group' are able to agree terms within the six month period, they may proceed with the sale without waiting for the moratorium period to end.

What recourse does the owner have if they feel that they have suffered costs or expense as a result of their asset being included in the list of assets of community value?

Harborough District Council has determined that it will not pay compensation to owners for loss as a result of their asset being included on the list of assets of community value. *[note – to be approved by members and checked with Legal Services]*

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