

My Community Rights

Community Right to Bid

Step 2:

Identifying
assets of
community
value



The Social
Investment
Business



Identifying assets of community value

The Community Right To Bid is a new tool designed to help communities safeguard the property assets they value. The Localism Act (2011) introduced the 'Community Right to Bid', and placed a duty upon local authorities in England to maintain a list of assets of community value.

Step 2 will help you to identify **assets of community value** so that you can nominate them for listing, then proceed to exercise your right to bid in full – see: Steps 3-7.

Please Note: the Community Right to Bid does not replace those other tools available to communities that are keen to own and manage property assets. **Community Asset Transfer** – that is transferring publicly owned assets to the community at a discount to market value – remains a standard, important and preferable route through which to secure the community ownership of assets.

Other important tools available to communities keen to take control of land and buildings in their local area include:

- Establishing Meanwhile Use in empty properties – that is, short-term or interim use. For example, an empty shop can become a temporary art gallery, community space or enterprise centre.
- The Community Right to Reclaim Land – where a publicly owned property asset is underused, a request can be made for that land or building to be disposed of to afford people the opportunity to acquire and transform it.
- Compulsory Purchase for Communities – compulsory purchase powers may be used by a local authority where a voluntary or community organisation wishes to bring a privately owned property asset into community use.

Identifying Assets of Community Value

A building or other land is an asset of community value if its main use is or has recently been to “further the social well-being or social interests of the local community” and it could do so in the future

The Act defines assets of community value in terms of:

- Their **PURPOSE** – the purpose to which they are being or have been used, rather than the nature of the asset itself – i.e. not in terms of any historical or architectural merit or location or rarity value.
- Their **LOCATION** – local authorities will handle assets of community value nominations within their local area – they are expected to co-operate with the neighbouring authority if the site of an asset of community value crosses the boundary.
- Their **OWNERSHIP** – all ownership, whether publicly or privately owned.

The diagram below summarises the overall definition of what constitutes an 'asset of community value'. If you nominate an asset and it meets the definition, the local authority must list it.

Is a building or other land an asset of community value?

Nature of Use

(i) The main use of the land or building furthers the social well-being or social interests of the local community AND it is realistic to think that this can continue into the near future (even if the type of social use or benefit might change)

(ii) The main use of the land or building furthered the social well-being or social interests of the local community in the recent past AND it is realistic to think that this could happen again in the next five years (even if the type of social use or benefit might change).

(iii) The main use of the land or building furthered the social well-being or social interests of the local community a reasonable number of years previous, but is not presently in use for a social purpose.

(iv) The land or building has not recently been, and is not currently, in use for a primarily social purpose.

(v) The land or building has been empty or derelict for many years and remains so today.

	Long Past	Recent Past	Present	Future	Covered by the Act?
(i)		✓	✓	✓	
(ii)		✓	✓	✓	
(iii)	✓				
(iv)					
(v)					

Which uses might “further the social well-being or social interests of the local community”?

The Localism Act notes that “social interests” include “cultural, recreational and sporting interests”, but “social well-being” actually applies to a much broader set of activities. So, although this is not an exhaustive list, examples of assets of community value might include:

Education, health and well-being or community safety – for example:

- Nurseries and schools
- Children’s centres
- Health centres, surgeries and hospitals
- Day care centres, residential care homes

NB There are exemptions in the areas of nurseries, schools, health centres, surgeries and hospitals.

Sports, recreation and culture – for example:

- Woodlands, parks and open green spaces
- Sports and leisure centres
- Swimming pools/lidos
- Libraries
- Theatres
- Museums, heritage sites
- Cinemas

Community services – for example:

- Community centres
- Youth centres

Local democracy – for example:

- Town, civic and guild halls

Any economic use which also provides an important local social benefit – in these cases, it is the social value of the business that counts, not just the nature of the business – this could include:

- Village shops
- Pubs
- Markets

Which assets are excluded from being listed?

Some land and property is exempted from the provisions, including:

- Land and buildings which are primarily residential in purpose, including associated gardens.
- Licensed (and some unlicensed) caravan sites
- Operational land owned by ‘statutory undertakers’ as defined in s263 Town & Country Planning Act 1990 – which is organisations like the Post Office, Civil Aviation Authority, Transport providers, utilities.

In addition, the Act excludes:

- The listing of assets which might have a community value in the future. Assets are deemed to be of community value only if they have community value presently or in the recent past.
- The listing of assets which are occasionally used for the social benefit of a local community, but which are not primarily used for this purpose – e.g. a space used for an annual village fete

Useful links

For more information about Meanwhile Use visit Locality's website
www.locality.org.uk

For more information about the Community Right to Reclaim Land visit
www.communities.gov.uk

For more information about Compulsory Purchase for Communities go to
www.communities.gov.uk

Conclusion

Once you have mapped community assets in your area, and identified those which meet the legal definition of an asset of community value, you should agree which land and buildings the community might wish to acquire in the future using the Right to Bid. You can then proceed to nominate them