



Assets of Community Value - Moratorium

Frequently Asked Questions

1. I have been notified that the owner has put the asset of community value up for sale - what happens next?

If the owner wants to sell the freehold of an asset of community value or grant a leasehold over 25 years or assigns a lease where the original terms was 25 years or more then these situations would be relevant disposals for the purposes of the Localism Act.

The owner must notify the Council if one of these situations occur and the notice will trigger a six-week moratorium on the disposal. The Council will update the asset of community register, notify the original nominator for the asset, and publish the details in the local area.

2. What are the next steps for a community interest groups?

The published information will confirm the six-week moratorium period during which a community organisation during which a community interest group may write to the Council and express an interest as a potential bidder.

Only certain community interest groups qualify to submit a written expression of interest. These are the local parish council or a body with a local connection incorporated as: a charity, a company limited by guarantee, an industrial and provident society or a community interest company. Expressions of interest cannot be accepted from an unincorporated body.

If an expression of interest to be treated as a potential bidder is received the moratorium period is extended to six months from the date of the notification notice. During this time the community organisation will be able to discuss the bid with the owner.

The council does not get involved in negotiations directly between the owner and the community organisation.

3. What are the next steps for the owner?

A moratorium of six weeks is put on the disposal, the six weeks commence from the date of notification. If a community interest group contacts the Council and expresses an interest in bidding for the asset, the moratorium is extended to a total of six months from the date of the notification during which time the asset cannot be sold.



4. Must the owner discuss the disposal with the community organisation?

No. The Council's only obligation is to operate the regime, and it cannot oblige an owner to negotiate with the interest group, nor require the owner to dispose of the asset to the community interest group.

5. What happens at the end of the six-month moratorium period?

The owner is free to dispose of the site and there is a twelve-month period preventing any interference with this disposal. Once the protected period has ended should the asset not have been sold then the asset is subject once more to the regime.

In practice sales can include contracts for sale, sales that are condition on a series of events and other mechanisms. It can be complicated but further information would be provided subject to individual circumstances.