

## **A brief description about Assets of Community Value (ACV)**

The official document which covers all aspects of ACVs is the **Localism Act 2011 – Community Right to Bid – The Assest of Community Value (England) Regulations 2012**

### **What does having a property listed as an ACV actually provide?**

The primary reason to list a property as an ACV is to give the community the opportunity and time to prepare and submit a bid to buy it when that property goes onto the market.

The ACV owners are under no obligation to sell to the community group, even if they put in a bid. They are only committed to waiting 6 months after the Council has been informed that the property is being marketed for sale before exchanging contracts if a community group has signalled (within the first six weeks) of its intention to prepare a bid. This 'Moratorium Period' is designed to allow the community group adequate time to prepare a bid.

### **Can a listed ACV have its type of use changed?**

Yes, the owners of an ACV can still submit a planning application at any time for a change of use, even while the property is listed as an ACV.

### **What happens when an ACV is placed onto the market?**

Firstly the property owner is obliged to inform the local District Council (i.e. MDDC) as soon as the property is on the market.

Next, the District Council will notify the Parish Council that they have **six weeks** in order to decide whether a community group wishes to bid for the property.

If a Community Group does wish to prepare a bid, they then have **up to six months** (from the date of original Council notification of sale) to formulate their plans and submit a bid. Preparing a bid is a complex process involving raising the finances from multiple sources, sorting out the legal matters concerning ownership, trustees, licensing, etc. and also creating and agreeing a framework for how a pub would be managed on a day to day basis, which will take many months and a lot of work to organise.

### **Can a Community Group bid for a property that's not an ACV?**

Yes, there is nothing stopping them putting in a bid at any time, just like any other potential buyer responding to the selling Agents, however there is more danger that the property will be sold before they can finalise their bid and therefore time and money will be wasted.

### **What happens after the 6 months is up?**

The fact that a property is listed as an ACV and a Community Group has submitted a bid does not stop the owners from selling to any other bidder. The owners can then proceed to exchange of contracts and completion in the normal way.

### **What is the Parish Council's role?**

The Parish Council are responsible for any application to have a property listed as an ACV.

The Parish Council **does not** lead the Community Group bid, although some Parish Councillors may independently form part of the bidding team. Also, the Parish Council will not own any part of the property nor be involved in any way with the ongoing activities or management of it.