
NOMINATION OF AN ASSET OF COMMUNITY VALUE: COMMUNITY HOUSE, EASEMORE ROAD, REDDITCH

Relevant Portfolio Holder	Councillors Matthew Dormer and Karen Ashley
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ruth Bamford, Head of Planning, Regeneration and Leisure Services
Report Author Clare Flanagan	Job Title: Principal Solicitor Contact email: clare.flanagan@bromsgroveandredditch.gov.uk
Wards Affected	Abbey Ward
Relevant Strategic Purpose(s)	An Effective and Sustainable Council
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

That Executive Committee consider the contents of the report in relation to Community House and decide to either:-

- (a) Support listing as an Asset of Community Value; or**
- (b) Not support listing as an Asset of Community Value.**

2. BACKGROUND

- 2.1 The Localism Act included the 'Community Right to Bid' which gave communities a right to identify a building or other land that they believe to be of importance to their community's social well-being so that if it comes up for sale there is a six-month period within which they can prepare their bid to buy the asset. The property in question can then be sold on the open market. Community groups have the same rights as any other bidders but there is no preference given to the local community bid. The legislation merely imposes a six months 'moratorium' on a proposed sale.
- 2.2 A nomination has been received for Community House, Easemore Road. The nomination has been submitted by Bromsgrove and Redditch Network ['BARN']. The nomination form is attached at Appendix 1 and the RCNT [Redditch Community Neighbourhood Trust] Business Plan at Appendix 2.

- 2.3 The nomination supports the inclusion of the asset due to the fact that BARN provides a number of services that they believe further the social wellbeing and interests of the local community. RCNT is the Council's principal tenant.
- 2.4 Community House is owned by the Council. For this reason, the Head of Legal, Democratic and Property Services and Monitoring Officer, referred the assessment of the nomination to an independent third party with expertise in this area of law, to evaluate the nomination under the statutory tests set out in the Localism Act 2011.
- 2.5 The Monitoring Officer also queried whether the decision by the Executive Committee made prior to receipt of the Nomination would be grounds to resist the listing. The conclusion of the external evaluation is set out below.

3. FINANCIAL IMPLICATIONS

- 3.1 None as a direct result of this report.

4. LEGAL IMPLICATIONS

- 4.1 The Localism Act 2011 made provision for a system of listing of assets of community value, giving community groups the right to make nominations, and requiring local authorities to maintain local registers. Further, more detailed rules around the operation of assets of community value, are set out in the Assets of Community Value Regulations 2012.
- 4.2 The test for listing an Asset of Community Value as set out in Section 88 (1) of the Localism Act 2011 is as follows:-

“A building or other land in a Local Authority's area is land of community value if in the opinion of the authority:-

- (a) an actual current use of the building or other land that is not an ancillary user furthers the social well-being or social interests of the local community, and
- (b) it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social well-being or social interests of the local community.”

Independent Evaluation

- 4.3 Counsel confirmed eligibility of the nominating body, BARN, to make the nomination and noted that:
- the property is owned by Redditch Borough Council;
 - a Condition Survey [CS] concluded in November 2021 identified a need for repairs and maintenance over five years amounted to £340,407;
 - the property had been declared surplus and to be sold, on 12 July 2022, noted by Council on 25 July 2022, the same day the Nomination was made;
 - Officers had met with the Chief Executive of BARN, who is also the Treasurer of RCNT, to discuss the Condition Survey, the breakdown of liability as between landlord and tenant and the fact that all options would be considered for the future of the building;
 - That the “Business Plan” submitted with the Nomination indicated that RCNT, the principal tenant was running at a loss and if it continued in occupation of the property, would have the on-going cost of increased rent (on determination of the ‘Concessionary Rents’ scheme, which would be discontinued from 2023/24) in addition to the contribution that would be required for the repairs and maintenance set out in the CS;
 - That a sale of the property would be at market value, which would be a sum well beyond RCNT’s means;
 - That the “realistic” prospect of the use continuing, required to pass the statutory test, means “a sensible and practical idea of what can be achieved”;
 - That no plan or proposal has been formulated and submitted and there is no evidence of any attempts to raise funds or plans setting out, even in a skeleton form, how the aspirations could be achieved through community effort, enthusiasm or otherwise;
 - To satisfy the requirements of section 88(2)(b) there has to be at least some indication that the aspirations are realistic;

Conclusion

- 4.4 In light of the Executive Committee's resolution, and the Business Plan submitted which demonstrates the applicant to be operating at a deficit and with a relatively low turnover, and the absence of any other proposals on the applicant's part for the continued use of CH for community uses, it is concluded that it is not realistic to think the CH can continue in use for purposes which further the social wellbeing and social interests of the local community. For that reason, it is concluded that the CH should not be listed as it is not considered realistic that it can continue to be used for community purposes (s.88(1)(b)).
- 4.5 Members are reminded that under the process for assets of community value introduced in November 2012, the final decision regarding whether to list an asset rests with the Head of Planning, Regeneration and Leisure Services following consultation with the Portfolio Holder for Planning and Regeneration.

5. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purpose

- 5.1 The points detailed in this report and action proposed help to support the strategic purpose 'An Effective and Sustainable Council'.

Climate Change Implications

- 5.2 There are no specific climate change implications arising from this report.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

- 6.1 There are no specific equalities and diversity implications arising from this report.

Operational Implications

- 6.2 There are no specific operational implications for the District. The list of nominated assets is maintained by the Planning Department and it is available to view on the Council's Website.

7. RISK MANAGEMENT

- 7.1 The register will be maintained to ensure that all assets nominated are included to mitigate any risks associated with assets not being included on the register. Consideration by officers and members will be undertaken at each nomination to ensure a consistent approach is taken.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1 - Nomination Form
Appendix 2 – RCNT Business Plan

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Matthew Dormer Councillor Karen Ashley	August 2022
Lead Director / Head of Service	Head of Planning, Regeneration and Leisure Services	August 2022
Financial Services		
Legal Services	Principal Solicitor	August 2022