



## Making Localism Work

# Introduction to Community Rights

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# Locality

Locality is the leading nationwide network of settlements, development trusts, social action centres and community enterprises.



Our vision is to make every community a place of possibility –through social action, community enterprise and community asset ownership

# Locality

Locality was formed through the merger of bassac and the Development Trusts Association, two leading networks of community owned and led organisations.



# Locality

- 472 members in England



# Locality: Members

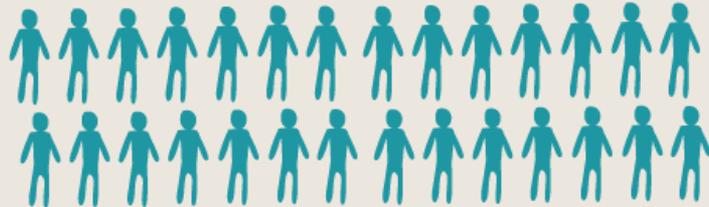
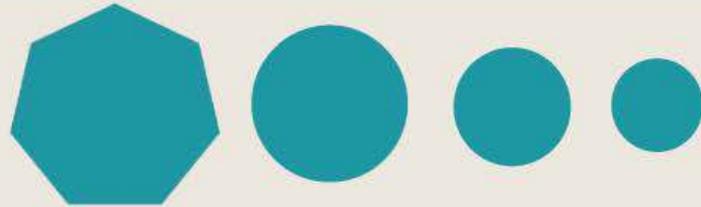
- **Community led** –by the people, for the people.
- **Social change** –to make communities fairer and more inclusive.
- **Community enterprise** –earning income for community benefit, not for private profit and aiming for long-term sustainability.
- **Developing assets** –maximising community assets: people, land and buildings
- **Independent** –working in partnership but accountable to the local community and free to determine their own objectives.

# Locality: Members



**£645m of community assets owned by members**

**£317m total combined income of members**



**382,000 people per week benefit from members' services**

**22,500 volunteers engaged by members**



# Community Rights

The Community Rights are a set of powers that give you a greater say over how your community develops. They can help you to save local shops, pubs, libraries, parks and football grounds.

You can decide what is built and how the area should develop. Groups of people have the chance to deliver local services and develop them into community enterprises.



# Community Right to Challenge



# Who can use the Right to Challenge?

- voluntary and community bodies
- charities
- parish and town councils
- 2 or more employees of the Local Authority involved in that service
  - these are called '*relevant bodies*'



# Which authorities can be challenged?

- local authorities
  - County councils
  - District councils
  - London borough councils
- certain fire and rescue authorities
  - possibly others in the future
  - these are called  
*'relevant authorities'*



# How is the challenge made?

The **relevant body** submits an  
**expression of interest** (EOI)  
to the **relevant authority**



# Which services does Challenge apply to?

All services provided by, or on behalf of, a **relevant authority** are defined as

***‘relevant services’***

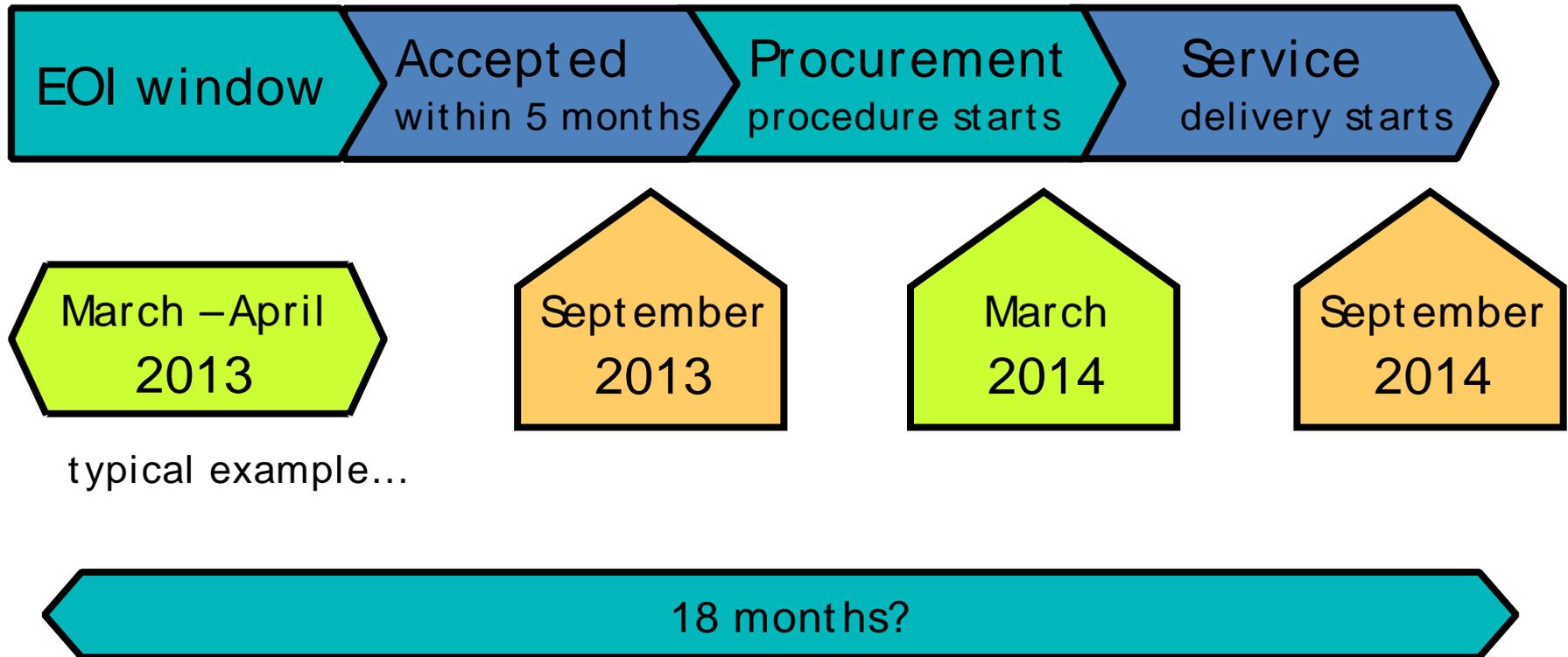
- unless they are expressly excluded!



# The Challenge process

1. Local authority specifies how and when EOIs can be submitted – otherwise submitted at anytime
2. Relevant body submits EOI.
  - Must make a sound business case and show how they could deliver or **contribute** to delivery of a service, **better**
3. Local authority accepts, rejects, or passes back for amendment - can only pass back if they would otherwise reject
4. If accepted, pause before procurement starts

# The Challenge process



# Why can a Challenge be rejected?

## Service reasons

- services for vulnerable people with highly complex needs
- services jointly commissioned with the NHS
- plans would lead to breach of statutory duty or law

## Transformation reasons - Decision already made to

- cease providing the service
- contract out the service
- negotiate a spin-out with staff
  - *must be a formal, documented decision*

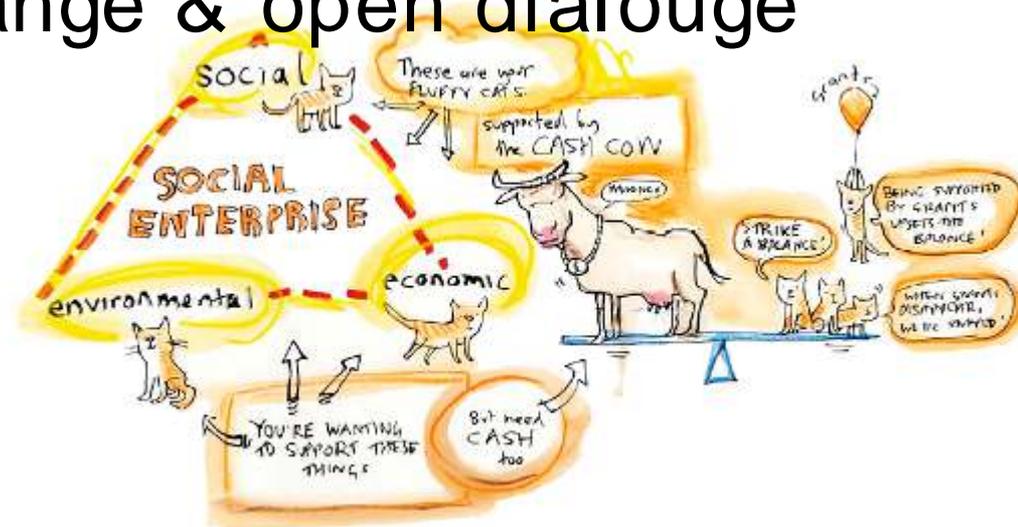


# Issues

- What is the market? - Local Authority budgets cut
- Smaller contracts – uneconomical?
- Opening the door for others – private sector?
- Potential for creating conflict with LA
- Contradictory policy (Localism vs Gershon)
- Inappropriate windows for EOI
- Requirement to provide information
- Changing the shape of contracts after EOI

# Opportunities

- Encourages 'local thinking'
- Re-design & co-design of services
- Breaking down contract size?
- A catalyst for cross sector collaboration
- A tool to drive change & open dialouge





# Funding

- Through Social Investment Business
- Pre-feasibility grants of £5k - £10k
- Feasibility grants of £10k - £100k
- intended for consortia building, training, expertise, business planning, market research...



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0300 020 1864

# Community Right to Bid



# Community Right to Bid

“ aims to ensure that buildings and amenities can be kept in public use and remain an integral part of community life”



# Community Right to Bid

## Assets of Community Value

- Must further the social well-being or cultural, recreational or sporting interests of the local community
- This must be its principal use
- Must continue to further the social well-being or interests of the local community



# Assets of Community Value

Does it affect planning decisions?

*“It is open to the local planning authority to decide whether listing as an ACV is a material consideration if an application for change of use is submitted considering all the circumstances of the case.”*



# Community Right to Bid

## Triggering the moratorium

- When owner wants to sell
- During which the owner cannot conclude sale
- Six weeks for community group to notify LA they wish to bid
- Six months to raise capital to purchase
- Followed by a protected period
  - 18 months: to protect owner attempts to block sale



# Community Right to Bid

## Exemptions

- If disposal is a gift
- Disposal between members of family
- If part of bigger estate
- If a going concern business is operating (providing that sale will result in the business continuing)



# Community Right to Bid

## The opportunity

- A legal mechanism to encourage community ownership of assets
- Owners viewing assets in a completely different way – as valuable community resources – and recognising they have a responsibility to ensure their preservation



# Community Right to Bid

## The challenge

- Does it discourage less than market transfer?
- Treatment of Community of Identity?
- More liabilities than assets?
- 6 months (development time is usually 2-3 years)
- The owner doesn't have to sell to that group
- Maintaining 'principal use'







# Community Right to Bid

## The Ivy House Pub





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