

ITEM NO

Corporate Team

16th March 2015

The Sheaf of Arrows, Cranborne – Nomination as Asset of Community Value

1. PURPOSE AND RECOMMENDATIONS

Purpose of Report: To consider the nomination of The Sheaf of Arrows, Cranborne, as a potential Asset of Community Value.

Recommendations: It is **RECOMMENDED** that:

- a) the nomination to list Sheaf of Arrows as an Asset of Community Value be accepted
- b) the decision be listed on the Council's Localism webpage as required by the Act, and the Land Registry notified.

Lead Members: Cllr Barbara Manuel

Contact Officer: Judith Plumley

2. BACKGROUND

2.1. Provisions within the Localism Act 2011 give local groups a right to nominate a building or land for listing as a "Community Asset" by the local authority if its use either in the past, presently or potentially in the future benefits the social well-being or social interest (which include cultural, sporting or recreational interests) of the community it serves.

2.2. Under the Localism Act 2011 the land or building:

- can be of any size
- can be publicly or privately owned
- can lie in more than one local authority area
- may or may not consist of registered land
- cannot be a residence and land connected with it
- cannot be a residential caravan site
- and cannot be operational land of statutory undertakers

3. Application to nominate

3.3 The Council received a nomination relating to this site on 29th January 2015 from a group of local residents. The group is not formally constituted but meets the requirement of the Localism Act by supporting their nomination with

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signatures of more than 21 people eligible to vote in the local authority area (see attached list checked by The Elections Officer, Appendix 1).

- 3.4 When first received the list of signatories was checked against the electoral register and it was found that four of the original signatories were not registered voters. A further four signatories have therefore been supplied and verified by the Elections Officer.
- 3.1 Specifically the nomination relates to land and buildings currently owned by Enterprise Inns Plc. a plan in the attached nomination document (Appendix 2) shows the parcel of land marked red. The building was run as a Public House until January 2015, when it closed suddenly.
- 3.2 The nomination provides information about the premises, including details of ownership, a plan and potential reasons for listing and is therefore considered to be valid under the Act.

Material to support the nomination

- 3.3 The nomination provides information about why, in the eyes of the local community, this building should be considered for listing (Appendix 2).
- 3.4 A summary of the reasons for nomination put forward by the community group is as follows:
- The pub is “the living hub” of the village
 - The pub is a meeting place and place of work
 - It provides a venue for special events such as parties, wakes and wedding receptions.
 - The pub is used by walkers and cyclists from outside the area
 - A darts team operates here
 - There have been a number of events including quiz nights, music events, pool contests
 - A senior citizens’ group meets here weekly
- 3.5 The Groups states that The Sheaf of Arrows is not the only pub in the village there is also “The Inn at Cranborne” which is also licenced but which, they say, is more of a restaurant than a pub and not somewhere that local people meet in the same way.

The Officer’s consideration of the nomination

- 3.6 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 use furthers the social wellbeing 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 wellbeing or social interests of the local community. (Section 88(1) Localism Act 2011) Section 88(2) of the Act extends this definition to land which has furthered the social wellbeing or social

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interests of the local community in the recent past, and which it is realistic to consider will do so again during the next five years.

- 3.7 The pub ceased to be operational and available for the public to visit in January 2015. It cannot therefore meet the registration criteria for “actual current use” (3.5 (a) above).
- 3.8 That leaves consideration of the criteria for a use that has ceased but within 5 years might be brought back into use for the community. The detail supplied by the nominating group is probably sufficient to demonstrate the **possibility** of community use within 5 years of the application should the building go on the market, subject to the community being able to raise the funds.
- 3.9 It is clear from the evidence provided that the Inn has offered significant community benefit in the past.
- 3.10 However, unlike other nominations of pubs received by this council, The Sheaf of Arrows is not the only pub in the village, which could suggest that were it to be sold for an alternative purpose there are other venues in the village which could take up the community use that is demonstrated here.
- 3.11 It is reasonable to suppose that if the community were to purchase the property, it could be run as a not-for-profit business or social enterprise which would reduce the need for commercial viability and therefore make it possible for the community use to succeed. The presence of other community facilities in the village, however, including another pub, a restaurant, shop, café and garden centre possibly makes this less likely than in other recent cases considered by the Council. It could be argued that there are other community meeting places in the village which could perform the functions described in the nomination.
- 3.12 Whether or not to list this building as an Asset of Community Value would seem to rest on how **realistic** it is that it could provide community value in the future.
- 3.13 Government Guidance states:

If the nominated asset is properly nominated, is in the local authority’s area, meets the definition, and is not excluded, the local authority must list it and inform all specified parties (including the parish council).
- 3.14 On the evidence presented it is the officer’s belief that the nomination meets the requirements of the Localism Act and there is sufficient evidence to suggest that the building has provided community benefit in the past. Given the presence of other meeting places in the village its potential to offer a similar function within 5 years appears to be doubtful but possible.
- 3.15 As the nomination meets the requirements in 3.13 the nomination should therefore be supported.
- 3.16 The Localism Act requires notice to be served on the owner and this is defined in the Act as the freehold owner of the land, unless there is a qualifying leasehold owner. Notice has therefore been served on Enterprise Inns Plc. as the registered freehold owner.

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Implications of a decision to designate the Sheaf of Arrows as an Asset of Community Value

- 3.17 If the site in question were to go on the market as a going concern (i.e. as a public house), the requirements of the legislation to give any interested community group 6 months to raise the funds to buy the building do not apply. Only if the building were to go on the market with a proposal for change of use and the village was to be at risk of losing the community aspect of the site would the designation be applicable. If this were the case, the community would then have up to 6 months to raise sufficient funds to purchase the site and take on the running of the facilities themselves. However, the owner is not obliged to accept any offer from the community and could still sell for alternative use (subject to planning permission) to any other potential buyer.
- 3.18 These provisions do not restrict in any way who the owner of a listed asset can sell their property to, or at what price. They also do not confer a right of first refusal to community interest groups; the owner is free to sell to whomever they choose and at whatever price.
- 3.19 The provisions do not place any restriction on what an owner can do with their property, once registered as an asset of community value, so long as it remains in their ownership. This is because it is planning policy that determines permitted uses for particular sites. However the fact that the site is registered may affect planning decisions - it is open to the Local Planning Authority to decide whether listing as an asset of community value is a material consideration if an application for change of use is submitted, considering all the circumstances of the case.

4 LEGAL POSITION

- 4.1 The assets of community value measures in Part 5 Chapter 3 of the Localism Act 2011 provide for a local council to maintain a list of "community assets", which can be either land or buildings.

5.0 Financial and Risk

- 5.1 The Act allows private owners to claim compensation for loss and expense incurred through the asset being listed. The Regulations specifically provide that this will include a claim arising from a period of delay in entering into a binding agreement to sell which is wholly caused by the interim or full moratorium period; or for legal expenses incurred in a successful appeal to the Tribunal.
- 5.2 The time limit for making a compensation claim is specified in Schedule 2 to the Regulations as whichever is earlier of 13 weeks from the end of the interim or full moratorium period (as appropriate) or from the date when the land ceases to be listed. The assumption is that most claims for compensation will arise from a moratorium period being applied; however the wording allows for claims for loss or expense arising simply as a result of the land being listed.
- 5.3 Claims must be made in writing, state the amount of compensation sought and provide supporting evidence. The burden of proving the claim falls on the owner.

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- 5.4 The Government will meet costs of compensation payments of over £20k of compensation costs in a financial year. This could occur through a local authority paying out over £20k in one financial year either on one large claim or as a combined total on a number of smaller claims.
- 5.5 There is consequently a risk that compensation may be sought by the owner of the property and that it could amount to more than £20k with the Borough Council then having to pay the difference.

6 CONCLUSION

- 6.2 The Council has received a nomination for the Sheaf of Arrows, Cranborne, to be considered as an Asset of Community Value.
- 6.3 Under the Localism Act, the Council has the power to list assets giving the community the right to bid in the future, if necessary and is obliged to do so if the criteria are met.
- 6.4 Having considered the documentation provided by the local community and the likelihood of the premises being re-opened as a community facility within the next 5 years, it is recommended that the site be designated as an Asset of Community Value.

Background Papers:

Community Right to Bid: Non-statutory advice note for local authorities – Part 5 Chapter 3 of the Localism Act 2011 and the Assets of Community Regulations 2012.