

Briefing Note

This note summarises the changes to the Asset of Community Value regime in England as introduced by the English Devolution and Community Empowerment Act 2026 in the context of Community Land Transfers and Community Asset Transfers. This briefing note also considers some implications for the Council as well as community groups.

Current Assets of Community Value (ACV) Regime – Right to Bid

What is an ACV? A building or other land in a local authority's area is considered to be land of community value under the Localism Act 2011 if in the opinion of the local authority:

- an actual current use or a use in the recent past of the building or land (which is not an ancillary use) furthers/ed the social wellbeing or social interests of the local community, and
- it is realistic to think that there can continue to be OR is a time in the next five years non-ancillary use of the building or land which will further (whether or not in the same way) the social wellbeing or social interests of the local community

Who can nominate? A person that is a voluntary or community body with a local connection to Exeter (or where relevant a parish council) can nominate an ACV. Supporting evidence must be provided to accompany the application.

Currently it is the responsibility of the Council's Estates team to determine nominations of ACVs. If the landowner requests a review this is undertaken by the City Development team.

Right of appeal against a decision? If a decision is made to list the building or other land as an ACV, the landowner has the right to ask the local authority to review the decision. If the decision is made not to list the building or other land the nominating group does not have a right of appeal.

Implications for landowner? The listing does not create a right for the community to buy the asset nor is there a right of first refusal on a sale. There is no restriction on what an owner can do with its property, once listed as an ACV, so long as it remains in its ownership. However, the provisions do impact what can be done with an ACV when a 'relevant disposal' is proposed to be entered into.

Subject to some exceptions, at the point at which a 'relevant disposal' of an ACV is proposed to be entered into, the owner must notify the local authority in writing of its wish to dispose of the asset. This triggers an interim moratorium period of six weeks, which allows community interest groups to make a written request to be treated as a potential bidder. If no such requests are received within the initial moratorium period, the relevant disposal can proceed. If a request is received, a second moratorium period of six months is triggered, which allows community interest groups sufficient time to prepare and raise money to bid for the asset on the open market.

Following the conclusion of the moratorium period, the owner of the asset can choose freely who to sell the asset to and for how much.

What about any compensation? An owner of listed land is entitled to compensation from the local authority where they have incurred loss or expense in relation to the land which would be likely not to have been incurred if the land had not been listed.

English Devolution and Community Empowerment Act 2026 – Right to Buy

What's changed? The English Devolution and Community Empowerment Act 2026 received Royal Assent on 29 April 2026. It makes significant amendments to the ACV regime. The relevant provisions are however not yet in force (except to the extent commenced for regulation-making purposes) and there is no indication of when they will come into force.

Until the relevant provisions are commenced, the current community right to bid regime under Localism Act 2011 and associated regulations continue to apply.

In summary the changes are:

1. replacing the community right to bid with a community right to buy
2. expanding the definition of an asset of community value to include economic wellbeing and economic interests
3. removing the requirement for past community use to have taken place in the recent past
4. introducing sporting assets of community value, with automatic and indefinite listing for qualifying sports grounds and related supporting land
5. introducing review rights for community groups where a nomination is refused
6. giving community groups a first opportunity to purchase listed assets when the owner wishes to sell
7. extending the purchase process to 12 months where a community buyer is identified
8. allowing an owner to request a progress review at the six-month point
9. introducing an independent valuation process where the owner and community buyer cannot agree a price

What are the implications? The implications of these changes are likely to be:

- **More assets capable of being listed as ACVs** – The definition of ACVs is being expanded to include economic wellbeing and economic interests. Commercial premises can be listed. Nominations can be based on longer-term or historic community use rather than just in the recent past and thereby increasing scope for nominations. Sporting ACVs nominated remain on the list indefinitely. Such a broadening is likely to increase the volume and, in some cases, the complexity of nominations received.
Summary: This represents a shift to a wider and more permissive regime and is likely to increase the number and complexity of listings, which will have resource and capacity implications for the Council.
- **Sports Facilities** – Local authorities will have a proactive duty to list sports facilities. Local authorities have an initial six-months to establish a baseline list, with a review every five years, and an obligation to consider and include qualifying land irrespective of community nomination (thereby creating an additional assessment step for all ACV nominations to consider its sporting status). Assets once identified are indefinitely listed, removing the current five-year sunset. The interpretation of what a sporting facility is based on a narrow statutory definition: *“any place where sports or other competitive activities take place in the open air and where accommodation has been provided for spectators, consisting of artificial structures or of natural structures artificially modified for the purpose.”*
Summary: This introduces a new proactive workload for the Council (particularly in the initial six-month period), alongside an ongoing monitoring obligation, fundamentally shifting the role from reactive processing to active asset identification.

- **Community groups and reviewing decisions** – Nominators for ACVs will acquire a new right to seek a review. New Regulations yet to be published will govern appeals, but it is anticipated from the reading of the statute that nominators will be granted the right to appeal to First Tier Tribunal from the review.
Summary: This creates a more balanced but potentially more contested nomination regime. This is likely to increase the challenges and appeals and may require considered decision-making by the Council in the first instance.
- **Community groups and right to buy** - The right to bid will become a right to buy (or first refusal) following the owner's notice of intention to enter into a relevant disposal. The nominating party will be the 'preferred community buyer' with the right to buy if it gives notice within 6 weeks. The statute allows for 'alternative community buyers' if the 'preferred community buyer' withdraws, fails to make sufficient progress or otherwise falls away from the process, and could potentially be a fallback option. If the 'preferred community buyer' does not purchase the asset the owner has 18 months to sell.
Summary: This represents a fundamental shift from a bidding system to a transactional one, placing greater emphasis on the capacity of the original nominating body and reducing parallel competition between community groups.
- **Involvement of local authorities as mediators** - The LA will now be directly involved and is expected to facilitate a joint meeting with the owner and 'preferred community buyer'. Owner and preferred community buyer have 8 weeks to negotiate. An independent valuer is to be appointed (and paid for by the Council) within 8 weeks where the 'preferred community buyer' has not made an offer at the end of the 8-week negotiation period. The 'preferred community buyer' has twelve months to make an offer. An owner may make a request to assess the 'preferred community buyer's' progress after six months.
Summary: This introduces a new role for the Council, including direct cost exposure (e.g. valuation fees) and increased officer time over a prolonged and more complex right to buy process.

Community Land Trusts and Community Asset Transfer can take advantage of the opportunities created by the proposed right to buy regime.

Community Land Trusts

Community Land Trusts (CLTs) are community-led and non-profit organisations established to acquire, hold and manage land or buildings for the long-term benefit of the local community.

CLTs are commonly used to deliver community housing, workspace or community facilities, but can also acquire a wider range of assets where these contribute to social, economic or environmental wellbeing.

In the context of the proposed changes to the ACV regime, CLTs could play a role as delivery vehicles for community ownership of community assets. A CLT could avail itself of the new right to buy regime as it is a community body which could secure funding.

Community Asset Transfer

Community Asset Transfer (CAT) refers to the transfer of land or buildings from a local authority to a community organisation, usually at less than market value, where the proposed use will deliver wider social, economic or environmental benefits. It is not a

statutory scheme in its own right but is typically affected through local authority policy using existing disposal powers.

Exeter City Council's Community Asset Transfer policy is available here: [Community Asset Transfer - Exeter City Council](#).

CAT provides a complementary pathway to the new right to buy regime. The CAT policy could be reviewed and updated as part of any process of to update Council procedures for the new ACV regime.