



# Localism Act 2011

## 2011 CHAPTER 20

### PART 5

#### COMMUNITY EMPOWERMENT

#### CHAPTER 1

#### COUNCIL TAX

#### **72 Referendums relating to council tax increases**

- (1) In Part 1 of the Local Government Finance Act 1992 (council tax: England and Wales) after Chapter 4 insert the Chapter set out in Schedule 5.
- (2) Schedule 6 (council tax referendums: further amendments) has effect.

#### **73 References to proper accounting practices**

In section 21(4) of the Local Government Act 2003 (enactments to which provisions about references to proper accounting practices apply)—

- (a) at the end of paragraph (c) insert—  
“(ca) the Local Government Finance Act [1992 \(c. 14\)](#),” and
- (b) for the “and” at the end of paragraph (d) substitute—  
“(da) the Greater London Authority Act [1999 \(c. 29\)](#), and”.

#### **74 Council tax calculations by billing authorities in England**

Before section 32 of the Local Government Finance Act 1992 insert—

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### **“31A Calculation of council tax requirement by authorities in England**

- (1) In relation to each financial year a billing authority in England must make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
  - (a) the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices,
  - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices,
  - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure,
  - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for,
  - (e) any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act, and
  - (f) any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.
- (3) The authority must calculate the aggregate of—
  - (a) the income which it estimates will accrue to it in the year and which it will credit to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices,
  - (b) any amounts which it estimates will be transferred in the year from its collection fund to its general fund in accordance with section 97(3) of the 1988 Act,
  - (c) any amounts which it estimates will be transferred from its collection fund to its general fund pursuant to a direction under section 98(4) of the 1988 Act and will be credited to a revenue account for the year, and
  - (d) the amount of the financial reserves which the authority estimates it will use in order to provide for the items mentioned in subsection (2) (a), (b), (e) and (f) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated is to be its council tax requirement for the year.
- (5) In making the calculation under subsection (2) above the authority must ignore payments which must be met from its collection fund under section 90(2) of the 1988 Act or from a trust fund.
- (6) In estimating under subsection (2)(a) above the authority must take into account—

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- (a) the amount of any expenditure which it estimates it will incur in the year in making any repayments of grants or other sums paid to it by the Secretary of State, and
  - (b) the amount of any precept issued to it for the year by a local precepting authority and the amount of any levy or special levy issued to it for the year.
- (7) But (except as provided by regulations under section 41 below or regulations under section 74 or 75 of the 1988 Act) the authority must not anticipate a precept, levy or special levy not issued.
- (8) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
  - (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year in accordance with proper practices and will have to defray in the year before the following sums are sufficiently available—
    - (i) sums which will be payable for the year into its general fund and in respect of which amounts will be credited to a revenue account for the year in accordance with proper practices, and
    - (ii) sums which will be transferred as regards the year from its collection fund to its general fund, and
  - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year in accordance with proper practices.
- (9) In making the calculation under subsection (3) above the authority must ignore—
  - (a) payments which must be made into its collection fund under section 90(1) of the 1988 Act or to a trust fund, and
  - (b) subject to paragraphs (b) and (c) of subsection (3) above, sums which have been or are to be transferred from its collection fund to its general fund.
- (10) The Secretary of State may by regulations do either or both of the following—
  - (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
  - (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) to (9) above, or any of them, or by adding other provisions, or by a combination of those methods).
- (11) Calculations to be made in relation to a particular financial year under this section must be made before 11th March in the preceding financial year, but they are not invalid merely because they are made on or after that date.
- (12) This section is subject to section 52ZS below (which requires a direction to a billing authority that the referendum provisions in Chapter 4ZA are not to apply to the authority for a financial year to state the amount of the authority's council tax requirement for the year).

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- (13) In this section “BID Revenue Account” has the same meaning as in Part 4 of the Local Government Act 2003.

### **31B Calculation of basic amount of tax by authorities in England**

- (1) In relation to each financial year a billing authority in England must calculate the basic amount of its council tax by applying the formula—

$$\frac{R}{T}$$

where—

R is the amount calculated (or last calculated) by the authority under section 31A(4) above as its council tax requirement for the year;

T is the amount which is calculated by the authority as its council tax base for the year and, where one or more major precepting authorities have power to issue precepts to it, is notified by it to those authorities (“the major precepting authorities concerned”) within the prescribed period.

- (2) Where the aggregate calculated (or last calculated) by the authority for the year under subsection (2) of section 31A above does not exceed that so calculated under subsection (3) of that section, the amount for item R in subsection (1) above is to be nil.
- (3) The Secretary of State must make regulations containing rules for making for any year the calculation required by item T in subsection (1) above; and a billing authority must make the calculation for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (4) Regulations prescribing a period for the purposes of item T in subsection (1) above may provide that, in any case where a billing authority fails to notify its calculation to the major precepting authorities concerned within that period, that item must be determined in the prescribed manner by such authority or authorities as may be prescribed.
- (5) The Secretary of State may by regulations do either or both of the following—
- (a) alter the constituents of any calculation to be made under subsection (1) above (whether by adding, deleting or amending items);
  - (b) provide for rules governing the making of any calculation under that subsection (whether by adding provisions to, or deleting or amending provisions of, this section, or by a combination of those methods).”

## **75 Council tax calculations by major precepting authorities in England**

Before section 43 of the Local Government Finance Act 1992 insert—

### **“42A Calculation of council tax requirement by authorities in England**

- (1) In relation to each financial year a major precepting authority in England must make the calculations required by this section.
- (2) The authority must calculate the aggregate of—

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- (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year in accordance with proper practices,
  - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices,
  - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure, and
  - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—
- (a) the income which it estimates will accrue to it in the year and which it will credit to a revenue account for the year in accordance with proper practices, other than income which it estimates will accrue to it in respect of any precept issued by it, and
  - (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated is to be its council tax requirement for the year.
- (5) In making the calculation under subsection (2) above the authority must ignore payments which must be met from a trust fund.
- (6) In estimating under subsection (2)(a) above an authority must take into account—
- (a) the amount of any expenditure which it estimates it will incur in the year in making any repayments of grants or other sums paid to it by the Secretary of State, and
  - (b) in the case of an authority which is a county council, the amount of any levy issued to it for the year.
- (7) But (except as provided by regulations under section 74 of the 1988 Act) the authority must not anticipate a levy not issued.
- (8) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year in accordance with proper practices and will have to defray in the year before the following sums are sufficiently available—
    - (i) sums which will be payable to it for the year, and
    - (ii) sums in respect of which amounts will be credited to a revenue account for the year in accordance with proper practices, and
  - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year

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in performing its functions and which will be charged to a revenue account for that or any other year in accordance with proper practices.

- (9) In making the calculation under subsection (3) above the authority must ignore payments which must be made into a trust fund.
- (10) In estimating under subsection (3)(a) above the authority must take into account the sums which the authority estimates will be paid to it in the year by billing authorities in accordance with regulations under section 99(3) of the 1988 Act.
- (11) The Secretary of State may by regulations do one or both of the following—
- (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
  - (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) to (10) above, or any of them, or by adding other provisions, or by a combination of those methods).
- (12) This section is subject to section 52ZT below (which requires a direction to a major precepting authority that the referendum provisions in Chapter 4ZA are not to apply to the authority for a financial year to state the amount of the authority’s council tax requirement for the year).

#### **42B Calculation of basic amount of tax by authorities in England**

- (1) In relation to each financial year a major precepting authority in England must calculate the basic amount of its council tax by applying the formula—

$$\frac{R}{T}$$

where—

R is the amount calculated (or last calculated) by the authority under section 42A(4) above as its council tax requirement for the year;

T is the aggregate of the amounts which are calculated by the billing authorities to which the authority issues precepts (“the billing authorities concerned”) as their council tax bases for the year for their areas, or (as the case may require) for the parts of their areas falling within the authority’s area, and are notified by them to the authority within the prescribed period.

- (2) Where the aggregate calculated (or last calculated) by the authority for the year under subsection (2) of section 42A above does not exceed that so calculated under subsection (3) of that section, the amount for item R in subsection (1) above is to be nil.
- (3) The Secretary of State must make regulations containing rules for making for any year the calculation required by item T in subsection (1) above; and the billing authorities concerned must make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (4) Regulations prescribing a period for the purposes of item T in subsection (1) above may provide that, in any case where a billing authority fails to notify its calculation to the precepting authority concerned within that period, that item

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must be determined in the prescribed manner by such authority or authorities as may be prescribed.

- (5) The Secretary of State may by regulations do either or both of the following—
- (a) alter the constituents of any calculation to be made under subsection (1) above (whether by adding, deleting or amending items);
  - (b) provide for rules governing the making of any calculation under that subsection (whether by adding provisions to, or deleting or amending provisions of, this section, or by a combination of those methods)."

## **76 Calculation of council tax requirement by the Greater London Authority**

- (1) Section 85 of the Greater London Authority Act 1999 (calculation of component and consolidated budget requirements) is amended as follows.
- (2) In the section heading for “budget” substitute “council tax”.
- (3) In subsection (1) for “43” substitute “42A”.
- (4) In subsection (4)—
- (a) in paragraph (a) for the words from “, other than” to “the 1988 Act” substitute “in accordance with proper practices”, and
  - (b) in paragraph (b)—
    - (i) for “expenditure to be charged” substitute “amounts to be charged or credited”, and
    - (ii) after “for the year” insert “in accordance with proper practices”.
- (5) In subsection (5) for paragraph (a) substitute—
- “(a) the income which the Authority estimates will accrue to or for the body in the year and which will be credited to a revenue account for the year in accordance with proper practices, other than income which the Authority estimates will accrue in respect of any precept issued by it;”.
- (6) In subsection (6)(b) for “budget” substitute “council tax”.
- (7) In subsection (7) for “budget” substitute “council tax”.
- (8) In subsection (8) for “budget” in both places substitute “council tax”.
- (9) Omit subsection (9).
- (10) Section 86 of that Act (provisions supplemental to section 85) is amended as follows.
- (11) After subsection (1) insert—
- “(1A) In making any calculation under subsection (4) of section 85 above the Authority shall ignore payments which must be met from a trust fund.
  - (1B) In estimating under subsection (4)(a) of section 85 above—
    - (a) in the case of any functional body, the Authority shall take into account the amount of any expenditure which it estimates will be incurred in the year in respect of the body under section 43(1) of the Local Government Act 2003 or in paying any BID levy for which the body is liable, and

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- (b) in the case of the Mayor, the Authority shall take into account the amount of any expenditure which it estimates will be incurred in the year in respect of the Authority under section 43(1) of the Local Government Act 2003 or in paying any BID levy for which the Authority is liable.”

(12) After subsection (2A) insert—

“(2B) In estimating under subsection (4)(a) of section 85 above in the case of the Mayor, the Authority shall take into account the amount of any expenditure which the Authority estimates it will incur in the year in pursuance of regulations under section 99(3) of the Local Government Finance Act 1988.”

(13) After subsection (4) insert—

“(4A) In making any calculation under subsection (5) of section 85 above, the Authority must ignore payments which must be made into a trust fund.

(4B) In estimating under subsection (5)(a) of section 85 above in the case of the Mayor, the Authority shall take into account—

- (a) the amounts which the Authority estimates will be paid to it in the year by billing authorities in accordance with regulations under section 99(3) of the Local Government Finance Act 1988, and
- (b) the amount of any expenditure which it estimates will be incurred in the year by the Authority in making any repayments of grants or other sums paid to the Authority by the Secretary of State.

(4C) In estimating under subsection (5)(a) of section 85 above in the case of a functional body, the Authority shall take into account the amount of any expenditure which it estimates will be incurred in the year in making by or in respect of the body any repayments of grants or other sums paid to or for the body by the Secretary of State.

(4D) In estimating under subsection (5)(a) of section 85 above in the case of the Mayor’s Office for Policing and Crime, the Authority must use such amounts as may be prescribed by the Secretary of State as the sums that are payable to the Mayor’s Office for Policing and Crime in respect of the following items—

- (a) redistributed non-domestic rates,
- (b) revenue support grant,
- (c) general GLA grant, and
- (d) additional grant.

(4E) In subsection (4D) above, “prescribed” means specified in, or determined in accordance with, either—

- (a) the appropriate report or determination, or
- (b) regulations made by the Secretary of State,

as the Secretary of State may determine in the case of any particular item and any particular financial year or years.

(4F) In subsection (4E) above, “the appropriate report or determination” means—

- (a) in the case of an item specified in paragraph (a) or (b) of subsection (4D) above, the local government finance report for the financial year in question,



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- (b) in the case of the item specified in paragraph (c) of that subsection, the determination under section 100 below for the financial year in question, and
- (c) in the case of the item specified in paragraph (d) of that subsection, the report under section 85 of the Local Government Finance Act 1988 relating to that item.”

(14) In subsection (5)(b) for “(4)” substitute “(4F)”.

(15) Omit subsection (6).

## **77 Calculation of basic amount of tax by the Greater London Authority**

(1) Section 88 of the Greater London Authority Act 1999 (calculation of basic amount of tax) is amended as follows.

(2) In subsection (1) for “44” substitute “42B”.

(3) For subsection (2) substitute—

“(2) In relation to each financial year the Authority shall calculate the basic amount of its council tax by applying the formula—

$$\frac{(R - A)}{T}$$

where—

R is the amount calculated (or last calculated) by the Authority under section 85(8) above as its consolidated council tax requirement for the year;

A is the amount of the special item;

T is the aggregate of the amounts which are calculated by the billing authorities to which the Authority issues precepts (“the billing authorities concerned”) as their council tax bases for the year for their areas and are notified by them to the Authority within the prescribed period.”

(4) Omit subsections (3) to (5).

(5) In subsection (8) for paragraph (b) substitute—

“(b) provide for rules governing the making of any calculation under that subsection (whether by adding provisions to, or deleting or amending provisions of, this section, or by a combination of those methods).”

(6) Section 89 of that Act (additional calculations: special item for part of Greater London) is amended as follows.

(7) For subsection (4) substitute—

“(4) For dwellings in any part of Greater London to which the special item relates, the amount in respect of the special item is given by the formula—

$$\frac{S2}{TP2}$$

where—

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S2 is the amount of the special item;

TP2 is the aggregate of the amounts which are calculated by the billing authorities to which the Authority has power to issue precepts as respects the special item (“the billing authorities concerned”) as their council tax bases for the year for their areas and are notified by them to the Authority within the prescribed period.”

(8) Omit subsections (5) and (6).

(9) In subsection (9) for paragraph (b) substitute—

“(b) provide for rules governing the making of any calculation under or by virtue of that subsection (whether by adding provisions to, or deleting or amending provisions of, this section, or by a combination of those methods).”

## **78 Council tax calculation by local precepting authorities in England**

Before section 50 of the Local Government Finance Act 1992 insert—

### **“49A Calculation of council tax requirement by authorities in England**

- (1) In relation to each financial year a local precepting authority in England must make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
  - (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year in accordance with proper practices,
  - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices,
  - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure, and
  - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—
  - (a) the income which it estimates will accrue to it in the year and which it will credit to a revenue account for the year in accordance with proper practices, other than income which it estimates will accrue to it in respect of any precept issued by it, and
  - (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated is to be its council tax requirement for the year.

- (5) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year in accordance with proper practices and will have to defray in the year before the following sums are sufficiently available, namely, sums—
    - (i) which will be payable to it for the year, and
    - (ii) in respect of which amounts will be credited to a revenue account for the year in accordance with proper practices, and
  - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year in accordance with proper practices.
- (6) This section is subject to section 52ZV below (which requires a direction to a local precepting authority that the referendum provisions in Chapter 4ZA are not to apply to the authority for a financial year to state the amount of the authority's council tax requirement for the year).

#### **49B Substitute calculations**

- (1) A local precepting authority which has made calculations in accordance with section 49A above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with that section.
- (2) None of the substitute calculations are to have any effect if the amount calculated under section 49A(4) above would exceed that so calculated in the previous calculations.
- (3) Subsection (2) above does not apply if the previous calculation under subsection (4) of section 49A above has been quashed because of a failure to comply with that section in making the calculation.”

#### **79 Council tax: minor and consequential amendments**

Schedule 7 (council tax: minor and consequential amendments) has effect.

#### **80 Council tax revaluations in Wales**

- (1) The Local Government Finance Act 1992 is amended as follows.
- (2) In section 22B(3) (new Welsh valuation lists to be prepared on earlier of tenth anniversary of compilation of previous list and 1 April in such year as may be specified by the Welsh Ministers) for the words from “the earlier” to the end substitute “1 April in each year specified by order made by the Welsh Ministers.”
- (3) In section 22B (compilation and maintenance of new valuation lists) after subsection (11) insert—

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“(12) No order under subsection (3) may be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, the National Assembly for Wales.”

- (4) In section 113(1) and (2) (orders and regulations may make differential and incidental etc provision) for “National Assembly for Wales” substitute “Welsh Ministers”.
- (5) In section 113(2) for “, they or it thinks” substitute “or they think”.
- (6) In section 113(4) (power of National Assembly for Wales to make orders or regulations is exercisable by statutory instrument) for “National Assembly for Wales” substitute “Welsh Ministers”.

## CHAPTER 2

### COMMUNITY RIGHT TO CHALLENGE

#### **81 Duty to consider expression of interest**

- (1) A relevant authority must consider an expression of interest in accordance with this Chapter if—
  - (a) it is submitted to the authority by a relevant body, and
  - (b) it is made in writing and complies with such other requirements for expressions of interest as the Secretary of State may specify by regulations.
 This is subject to section 82 (timing of expressions of interest).
- (2) In this Chapter “relevant authority” means—
  - (a) a county council in England,
  - (b) a district council,
  - (c) a London borough council, or
  - (d) such other person or body carrying on functions of a public nature as the Secretary of State may specify by regulations.
- (3) The persons or bodies who may be specified by regulations under subsection (2)(d) include a Minister of the Crown or a government department.
- (4) In this Chapter “expression of interest”, in relation to a relevant authority, means an expression of interest in providing or assisting in providing a relevant service on behalf of the authority.
- (5) In this Chapter “relevant service”, in relation to a relevant authority, means a service provided by or on behalf of that authority in the exercise of any of its functions in relation to England, other than a service of a kind specified in regulations made by the Secretary of State.
- (6) In this Chapter “relevant body” means—
  - (a) a voluntary or community body,
  - (b) a body of persons or a trust which is established for charitable purposes only,
  - (c) a parish council,
  - (d) in relation to a relevant authority, two or more employees of that authority, or
  - (e) such other person or body as may be specified by the Secretary of State by regulations.

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- (7) For the purposes of subsection (6) “voluntary body” means a body, other than a public or local authority, the activities of which are not carried on for profit.
- (8) The fact that a body’s activities generate a surplus does not prevent it from being a voluntary body for the purposes of subsection (6) so long as that surplus is used for the purposes of those activities or invested in the community.
- (9) For the purposes of subsection (6) “community body” means a body, other than a public or local authority, that carries on activities primarily for the benefit of the community.
- (10) The Secretary of State may by regulations—
  - (a) amend or repeal any of paragraphs (a) to (d) of subsection (6);
  - (b) amend or repeal any of subsections (7) to (9);
  - (c) make other amendments to this Chapter (including amendments to any power to make regulations) in consequence of provision made under subsection (2) (d) or (6)(e) or paragraph (a) or (b) of this subsection.

## **82 Timing of expressions of interest**

- (1) Subject as follows, a relevant body may submit an expression of interest to a relevant authority at any time.
- (2) A relevant authority may specify periods during which expressions of interest, or expressions of interest in respect of a particular relevant service, may be submitted to the authority.
- (3) The relevant authority must publish details of each specification under subsection (2) in such manner as it thinks fit (which must include publication on the authority’s website).
- (4) The relevant authority may refuse to consider an expression of interest submitted outside a period specified under subsection (2).

## **83 Consideration of expression of interest**

- (1) The relevant authority must—
  - (a) accept the expression of interest, or
  - (b) reject the expression of interest.This is subject to section 84(1) (modification of expression of interest).
- (2) If the relevant authority accepts the expression of interest it must carry out a procurement exercise relating to the provision on behalf of the authority of the relevant service to which the expression of interest relates.
- (3) The exercise required by subsection (2) must be such as is appropriate having regard to the value and nature of the contract that may be awarded as a result of the exercise.
- (4) A relevant authority must specify—
  - (a) the minimum period that will elapse between—
    - (i) the date of the relevant authority’s decision to accept an expression of interest, and

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- (ii) the date on which it will begin the procurement exercise required by subsection (2) as a result of that acceptance, and
  - (b) the maximum period that will elapse between those dates.
- (5) The relevant authority may specify different periods for different cases.
  - (6) The relevant authority must publish details of a specification under subsection (4) in such manner as it thinks fit (which must include publication on the authority's website).
  - (7) The relevant authority must comply with a specification under subsection (4).
  - (8) A relevant authority must, in considering an expression of interest, consider whether acceptance of the expression of interest would promote or improve the social, economic or environmental well-being of the authority's area.
  - (9) A relevant authority must, in carrying out the exercise referred to in subsection (2), consider how it might promote or improve the social, economic or environmental well-being of the authority's area by means of that exercise.
  - (10) Subsection (9) applies only so far as is consistent with the law applying to the awarding of contracts for the provision on behalf of the authority of the relevant service in question.
  - (11) The relevant authority may reject the expression of interest only on one or more grounds specified by the Secretary of State by regulations.

#### **84 Consideration of expression of interest: further provisions**

- (1) A relevant authority that is considering an expression of interest from a relevant body may modify the expression of interest.
- (2) A relevant authority may exercise the power in subsection (1) only if—
  - (a) the authority thinks that the expression of interest would not otherwise be capable of acceptance, and
  - (b) the relevant body agrees to the modification.
- (3) A relevant authority must specify the maximum period that will elapse between—
  - (a) the date on which it receives an expression of interest submitted by a relevant body, and
  - (b) the date on which it notifies the relevant body of its decision in respect of the expression of interest.
- (4) The relevant authority may specify different periods for different cases.
- (5) The relevant authority must publish details of a specification under subsection (3) in such manner as it thinks fit (which must include publication on the authority's website).
- (6) A relevant authority that receives an expression of interest from a relevant body in accordance with this Chapter must notify the relevant body in writing of the period within which it expects to notify the relevant body of its decision in respect of the expression of interest.
- (7) The relevant authority must give the notification under subsection (6) —

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- (a) where the expression of interest is one to which a specification under section 82(2) relates and is made within a period so specified, within the period of 30 days beginning immediately after the end of the period so specified, or
  - (b) otherwise, within the period of 30 days beginning with the day on which the relevant authority receives the expression of interest.
- (8) The relevant authority must—
- (a) notify the relevant body in writing of its decision in respect of the expression of interest within the period specified by it under subsection (3), and
  - (b) if the authority’s decision is to modify or reject the expression of interest, give reasons for that decision in the notification.
- (9) The relevant authority must publish the notification in such manner as it thinks fit (which must include publication on the authority’s website).
- (10) A relevant body may withdraw an expression of interest after submitting it to a relevant authority (whether before or after a decision has been made by the authority in respect of the expression of interest).
- (11) The withdrawal of an expression of interest, or the refusal of a relevant body to agree to modification of an expression of interest, does not prevent the relevant authority from proceeding as described in section 83(2) if the relevant authority thinks that it is appropriate to do so.

## **85 Supplementary**

- (1) The Secretary of State may by regulations make further provision about the consideration by a relevant authority of an expression of interest submitted by a relevant body.
- (2) A relevant authority must, in exercising its functions under or by virtue of this Chapter, have regard to guidance issued by the Secretary of State.

## **86 Provision of advice and assistance**

- (1) The Secretary of State may do anything that the Secretary of State considers appropriate for the purpose of giving advice or assistance to a relevant body in relation to—
  - (a) the preparation of an expression of interest for submission to a relevant authority and its submission to a relevant authority,
  - (b) participation in a procurement exercise carried out by a relevant authority in response to an expression of interest, or
  - (c) the provision of a relevant service on behalf of a relevant authority following such a procurement exercise.
- (2) The Secretary of State may do anything that the Secretary of State considers appropriate for the purpose of giving advice or assistance about the operation of this Chapter to a body or person other than a relevant body.
- (3) The things that the Secretary of State may do under this section include, in particular—
  - (a) the provision of financial assistance to a relevant body;

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- (b) the making of arrangements with a body or person (whether or not a relevant body), including arrangements for things that may be done by the Secretary of State under this section to be done by that body or person;
  - (c) the provision of financial assistance to a body or person other than a relevant body in connection with arrangements under paragraph (b).
- (4) In this section references to a relevant body include a body that the Secretary of State considers was formed wholly or partly by employees or former employees of the relevant authority for the purposes of, or for purposes including—
- (a) participating in a procurement exercise carried out by the authority, or
  - (b) providing a relevant service on the authority’s behalf.
- (5) In this section—
- (a) the reference to giving advice or assistance includes providing training or education, and
  - (b) any reference to the provision of financial assistance is to the provision of financial assistance by any means (including the making of a loan and the giving of a guarantee or indemnity).

### CHAPTER 3

#### ASSETS OF COMMUNITY VALUE

##### *List of assets of community value*

#### **87 List of assets of community value**

- (1) A local authority must maintain a list of land in its area that is land of community value.
- (2) The list maintained under subsection (1) by a local authority is to be known as its list of assets of community value.
- (3) Where land is included in a local authority’s list of assets of community value, the entry for that land is to be removed from the list with effect from the end of the period of 5 years beginning with the date of that entry (unless the entry has been removed with effect from some earlier time in accordance with provision in regulations under subsection (5)).
- (4) The appropriate authority may by order amend subsection (3) for the purpose of substituting, for the period specified in that subsection for the time being, some other period.
- (5) The appropriate authority may by regulations make further provision in relation to a local authority’s list of assets of community value, including (in particular) provision about—
  - (a) the form in which the list is to be kept;
  - (b) contents of an entry in the list (including matters not to be included in an entry);
  - (c) modification of an entry in the list;
  - (d) removal of an entry from the list;
  - (e) cases where land is to be included in the list and—



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- (i) different parts of the land are in different ownership or occupation, or
  - (ii) there are multiple estates or interests in the land or any part or parts of it;
  - (f) combination of the list with the local authority's list of land nominated by unsuccessful community nominations.
- (6) Subject to any provision made by or under this Chapter, it is for a local authority to decide the form and contents of its list of assets of community value.

## **88 Land of community value**

- (1) For the purposes of this Chapter but subject to regulations under subsection (3), 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.
- (2) For the purposes of this Chapter but subject to regulations under subsection (3), a building or other land in a local authority's area that is not land of community value as a result of subsection (1) is land of community value if in the opinion of the local authority—
- (a) there is a time in the recent past when an actual use of the building or other land that was not an ancillary use furthered the social wellbeing or interests of the local community, and
  - (b) it is realistic to think that there is a time in the next five years when there could be non-ancillary use of the building or other land that would further (whether or not in the same way as before) the social wellbeing or social interests of the local community.
- (3) The appropriate authority may by regulations—
- (a) provide that a building or other land is not land of community value if the building or other land is specified in the regulations or is of a description specified in the regulations;
  - (b) provide that a building or other land in a local authority's area is not land of community value if the local authority or some other person specified in the regulations considers that the building or other land is of a description specified in the regulations.
- (4) A description specified under subsection (3) may be framed by reference to such matters as the appropriate authority considers appropriate.
- (5) In relation to any land, those matters include (in particular)—
- (a) the owner of any estate or interest in any of the land or in other land;
  - (b) any occupier of any of the land or of other land;
  - (c) the nature of any estate or interest in any of the land or in other land;
  - (d) any use to which any of the land or other land has been, is being or could be put;
  - (e) statutory provisions, or things done under statutory provisions, that have effect (or do not have effect) in relation to—

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- (i) any of the land or other land, or
- (ii) any of the matters within paragraphs (a) to (d);
- (f) any price, or value for any purpose, of any of the land or other land.

(6) In this section—

“legislation” means—

- (a) an Act, or
- (b) a Measure or Act of the National Assembly for Wales;

“social interests” includes (in particular) each of the following—

- (a) cultural interests;
- (b) recreational interests;
- (c) sporting interests;

“statutory provision” means a provision of—

- (a) legislation, or
- (b) an instrument made under legislation.

## **89 Procedure for including land in list**

- (1) Land in a local authority’s area which is of community value may be included by a local authority in its list of assets of community value only—
  - (a) in response to a community nomination, or
  - (b) where permitted by regulations made by the appropriate authority.
- (2) For the purposes of this Chapter “community nomination”, in relation to a local authority, means a nomination which—
  - (a) nominates land in the local authority’s area for inclusion in the local authority’s list of assets of community value, and
  - (b) is made—
    - (i) by a parish council in respect of land in England in the parish council’s area,
    - (ii) by a community council in respect of land in Wales in the community council’s area, or
    - (iii) by a person that is a voluntary or community body with a local connection.
- (3) Regulations under subsection (1)(b) may (in particular) permit land to be included in a local authority’s list of assets of community value in response to a nomination other than a community nomination.
- (4) The appropriate authority may by regulations make provision as to—
  - (a) the meaning in subsection (2)(b)(iii) of “voluntary or community body”;
  - (b) the conditions that have to be met for a person to have a local connection for the purposes of subsection (2)(b)(iii);
  - (c) the contents of community nominations;
  - (d) the contents of any other nominations which, as a result of regulations under subsection (1)(b), may give rise to land being included in a local authority’s list of assets of community value.

- (5) The appropriate authority may by regulations make provision for, or in connection with, the procedure to be followed where a local authority is considering whether land should be included in its list of assets of community value.

## **90 Procedure on community nominations**

- (1) This section applies if a local authority receives a community nomination.
- (2) The authority must consider the nomination.
- (3) The authority must accept the nomination if the land nominated—
- (a) is in the authority’s area, and
  - (b) is of community value.
- (4) If the authority is required by subsection (3) to accept the nomination, the authority must cause the land to be included in the authority’s list of assets of community value.
- (5) The nomination is unsuccessful if subsection (3) does not require the authority to accept the nomination.
- (6) If the nomination is unsuccessful, the authority must give, to the person who made the nomination, the authority’s written reasons for its decision that the land could not be included in its list of assets of community value.

## **91 Notice of inclusion or removal**

- (1) Subsection (2) applies where land—
- (a) is included in, or
  - (b) removed from,
- a local authority’s list of assets of community value.
- (2) The authority must give written notice of the inclusion or removal to the following persons—
- (a) the owner of the land,
  - (b) the occupier of the land if the occupier is not also the owner,
  - (c) if the land was included in the list in response to a community nomination, the person who made the nomination, and
  - (d) any person specified, or of a description specified, in regulations made by the appropriate authority,
- but where it appears to the authority that it is not reasonably practicable to give a notice under this subsection to a person to whom it is required to be given, the authority must instead take reasonable alternative steps for the purpose of bringing the notice to the person’s attention.
- (3) A notice under subsection (2) of inclusion of land in the list must describe the provision made by and under this Chapter, drawing particular attention to—
- (a) the consequences for the land and its owner of the land’s inclusion in the list, and
  - (b) the right to ask for review under section 92.
- (4) A notice under subsection (2) of removal of land from the list must state the reasons for the removal.

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## **92 Review of decision to include land in list**

- (1) The owner of land included in a local authority's list of assets of community value may ask the authority to review the authority's decision to include the land in the list.
- (2) If a request is made—
  - (a) under subsection (1), and
  - (b) in accordance with the time limits (if any) provided for in regulations under subsection (5),the authority concerned must review its decision.
- (3) Where under subsection (2) an authority reviews a decision, the authority must notify the person who asked for the review—
  - (a) of the decision on the review, and
  - (b) of the reasons for the decision.
- (4) If the decision on a review under subsection (2) is that the land concerned should not have been included in the authority's list of assets of community value—
  - (a) the authority must remove the entry for the land from the list, and
  - (b) where the land was included in the list in response to a community nomination—
    - (i) the nomination becomes unsuccessful, and
    - (ii) the authority must give a written copy of the reasons mentioned in subsection (3)(b) to the person who made the nomination.
- (5) The appropriate authority may by regulations make provision as to the procedure to be followed in connection with a review under this section.
- (6) Regulations under subsection (5) may (in particular) include—
  - (a) provision as to time limits;
  - (b) provision requiring the decision on the review to be made by a person of appropriate seniority who was not involved in the original decision;
  - (c) provision as to the circumstances in which the person asking for the review is entitled to an oral hearing, and whether and by whom that person may be represented at the hearing;
  - (d) provision for appeals against the decision on the review.

*List of land nominated by unsuccessful community nominations*

## **93 List of land nominated by unsuccessful community nominations**

- (1) A local authority must maintain a list of land in its area that has been nominated by an unsuccessful community nomination (see sections 90(5) and 92(4)(b)(i)).
- (2) The list maintained under subsection (1) by a local authority is to be known as its list of land nominated by unsuccessful community nominations.
- (3) Where land is included in a local authority's list of land nominated by unsuccessful community nominations, the entry in the list for the land—
  - (a) may (but need not) be removed from the list by the authority after it has been in the list for 5 years, and

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- (b) while it is in the list, is to include the reasons given under section 90(6) or 92(3)(b) for not including the land in the authority’s list of assets of community value.
- (4) Subject to any provision made by or under this Chapter, it is for a local authority to decide the form and contents of its list of land nominated by unsuccessful community nominations.

*Provisions common to both lists*

**94 Publication and inspection of lists**

- (1) A local authority must publish—
  - (a) its list of assets of community value, and
  - (b) its list of land nominated by unsuccessful community nominations.
- (2) A local authority must at a place in its area make available, for free inspection by any person, both—
  - (a) a copy of its list of assets of community value, and
  - (b) a copy of its list of land nominated by unsuccessful community nominations.
- (3) A local authority must provide a free copy of its list of assets of community value to any person who asks it for a copy, but is not required to provide to any particular person more than one free copy of the same version of the list.
- (4) A local authority must provide a free copy of its list of land nominated by unsuccessful community nominations to any person who asks it for a copy, but is not required to provide to any particular person more than one free copy of the same version of the list.
- (5) In this section “free” means free of charge.

*Moratorium on disposing of listed land*

**95 Moratorium**

- (1) A person who is an owner of land included in a local authority’s list of assets of community value must not enter into a relevant disposal of the land unless each of conditions A to C is met.
- (2) Condition A is that that particular person has notified the local authority in writing of that person’s wish to enter into a relevant disposal of the land.
- (3) Condition B is that either—
  - (a) the interim moratorium period has ended without the local authority having received during that period, from any community interest group, a written request (however expressed) for the group to be treated as a potential bidder in relation to the land, or
  - (b) the full moratorium period has ended.
- (4) Condition C is that the protected period has not ended.
- (5) Subsection (1) does not apply in relation to a relevant disposal of land—

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- (a) if the disposal is by way of gift (including a gift to trustees of any trusts by way of settlement upon the trusts),
  - (b) if the disposal is by personal representatives of a deceased person in satisfaction of an entitlement under the will, or on the intestacy, of the deceased person,
  - (c) if the disposal is by personal representatives of a deceased person in order to raise money to—
    - (i) pay debts of the deceased person,
    - (ii) pay taxes,
    - (iii) pay costs of administering the deceased person’s estate, or
    - (iv) pay pecuniary legacies or satisfy some other entitlement under the will, or on the intestacy, of the deceased person,
  - (d) if the person, or one of the persons, making the disposal is a member of the family of the person, or one of the persons, to whom the disposal is made,
  - (e) if the disposal is a part-listed disposal of a description specified in regulations made by the appropriate authority, and for this purpose “part-listed disposal” means a disposal of an estate in land—
    - (i) part of which is land included in a local authority’s list of assets of community value, and
    - (ii) part of which is land not included in any local authority’s list of assets of community value,
  - (f) if the disposal is of an estate in land on which a business is carried on and is at the same time, and to the same person, as a disposal of that business as a going concern,
  - (g) if the disposal is occasioned by a person ceasing to be, or becoming, a trustee,
  - (h) if the disposal is by trustees of any trusts—
    - (i) in satisfaction of an entitlement under the trusts, or
    - (ii) in exercise of a power conferred by the trusts to re-settle trust property on other trusts,
  - (i) if the disposal is occasioned by a person ceasing to be, or becoming, a partner in a partnership, or
  - (j) in cases of a description specified in regulations made by the appropriate authority.
- (6) In subsections (3) and (4)—
- “community interest group” means a person specified, or of a description specified, in regulations made by the appropriate authority,
- “the full moratorium period”, in relation to a relevant disposal, means the six months beginning with the date on which the local authority receives notification under subsection (2) in relation to the disposal,
- “the interim moratorium period”, in relation to a relevant disposal, means the six weeks beginning with the date on which the local authority receives notification under subsection (2) in relation to the disposal, and
- “the protected period”, in relation to a relevant disposal, means the eighteen months beginning with the date on which the local authority receives notification under subsection (2) in relation to the disposal.
- (7) For the purposes of subsection (5)(d), a person (“M”) is a member of the family of another person if M is—
- (a) that other person’s spouse or civil partner, or

- (b) a lineal descendant of a grandparent of that other person.
- (8) For the purposes of subsection (7)(b) a relationship by marriage or civil partnership is to be treated as a relationship by blood.
- (9) For the meaning of “relevant disposal”, and for when a relevant disposal is entered into, see section 96.

#### **96 Meaning of “relevant disposal” etc in section 95**

- (1) This section applies for the purposes of section 95.
- (2) A disposal of the freehold estate in land is a relevant disposal of the land if it is a disposal with vacant possession.
- (3) A grant or assignment of a qualifying leasehold estate in land is a relevant disposal of the land if it is a grant or assignment with vacant possession.
- (4) If a relevant disposal within subsection (2) or (3) is made in pursuance of a binding agreement to make it, the disposal is entered into when the agreement becomes binding.
- (5) Subject to subsection (4), a relevant disposal within subsection (2) or (3) is entered into when it takes place.
- (6) In this section “qualifying leasehold estate”, in relation to any land, means an estate by virtue of a lease of the land for a term which, when granted, had at least 25 years to run.
- (7) The appropriate authority may by order amend this section.

#### **97 Publicising receipt of notice under section 95(2)**

- (1) This section applies if a local authority receives notice under section 95(2) in respect of land included in the authority’s list of assets of community value.
- (2) The authority must cause the entry in the list for the land to reveal—
  - (a) that notice under section 95(2) has been received in respect of the land,
  - (b) the date when the authority received the notice, and
  - (c) the ends of the initial moratorium period, the full moratorium period and the protected period that apply under section 95 as a result of the notice.
- (3) If the land is included in the list in response to a community nomination, the authority must give written notice, to the person who made the nomination, of the matters mentioned in subsection (2)(a), (b) and (c).
- (4) The authority must make arrangements for those matters to be publicised in the area where the land is situated.

#### **98 Informing owner of request to be treated as bidder**

- (1) Subsection (2) applies if—
  - (a) after a local authority has received notice under section 95(2) in respect of land included in the authority’s list of assets of community value, and
  - (b) before the end of the interim moratorium period that applies under section 95 as a result of the notice,

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the authority receives from a community interest group a written request (however expressed) for the group to be treated as a potential bidder in relation to the land.

- (2) The authority must, as soon after receiving the request as is practicable, either pass on the request to the owner of the land or inform the owner of the details of the request.
- (3) In this section “community interest group” means a person who is a community interest group for the purposes of section 95(3) as a result of regulations made under section 95(6) by the appropriate authority.

## **99 Compensation**

- (1) The appropriate authority may by regulations make provision for the payment of compensation in connection with the operation of this Chapter.
- (2) Regulations under subsection (1) may (in particular)—
  - (a) provide for any entitlement conferred by the regulations to apply only in cases specified in the regulations;
  - (b) provide for any entitlement conferred by the regulations to be subject to conditions, including conditions as to time limits;
  - (c) make provision about—
    - (i) who is to pay compensation payable under the regulations;
    - (ii) who is to be entitled to compensation under the regulations;
    - (iii) what compensation under the regulations is to be paid in respect of;
    - (iv) the amount, or calculation, of compensation under the regulations;
    - (v) the procedure to be followed in connection with claiming compensation under the regulations;
    - (vi) the review of decisions made under the regulations;
    - (vii) appeals against decisions made under the regulations.

### *Miscellaneous*

## **100 Local land charge**

If land is included in a local authority’s list of assets of community value—

- (a) inclusion in the list is a local land charge, and
- (b) that authority is the originating authority for the purposes of the Local Land Charges Act 1975.

## **101 Enforcement**

- (1) The appropriate authority may by regulations make provision—
  - (a) with a view to preventing, or reducing the likelihood of, contraventions of section 95(1);
  - (b) as to the consequences applicable in the event of contraventions of section 95(1).
- (2) The provision that may be made under subsection (1) includes (in particular)—
  - (a) provision for transactions entered into in breach of section 95(1) to be set aside or to be ineffective;



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- (b) provision about entries on registers relating to land.
- (3) The provision that may be made under subsection (1) includes provision amending—
  - (a) legislation, or
  - (b) an instrument made under legislation.
- (4) In subsection (3) “legislation” means—
  - (a) an Act, or
  - (b) a Measure or Act of the National Assembly for Wales.

## **102 Co-operation**

If different parts of any land are in different local authority areas, the local authorities concerned must co-operate with each other in carrying out functions under this Chapter in relation to the land or any part of it.

## **103 Advice and assistance in relation to land of community value in England**

- (1) The Secretary of State may do anything that the Secretary of State considers appropriate for the purpose of giving advice or assistance—
  - (a) to anyone in relation to doing any of the following—
    - (i) taking steps under or for purposes of provision contained in, or made under, this Chapter so far as applying in relation to England, or
    - (ii) preparing to, or considering or deciding whether to, take steps within sub-paragraph (i), or
  - (b) to a community interest group in relation to doing any of the following—
    - (i) bidding for, or acquiring, land in England that is included in a local authority’s list of assets of community value,
    - (ii) preparing to, or considering or deciding whether or how to, bid for or acquire land within sub-paragraph (i), or
    - (iii) preparing to, or considering or deciding whether or how to, bring land within sub-paragraph (i) into effective use.
- (2) The things that the Secretary of State may do under this section include, in particular—
  - (a) the provision of financial assistance to any body or other person;
  - (b) the making of arrangements with a body or other person, including arrangements for things that may be done by the Secretary of State under this section to be done by that body or other person.
- (3) In this section—
  - (a) the reference to giving advice or assistance includes providing training or education,
  - (b) “community interest group” means a person who is a community interest group for the purposes of section 95(3) as a result of regulations made under section 95(6) by the Secretary of State, and
  - (c) the reference to the provision of financial assistance is to the provision of financial assistance by any means (including the making of a loan and the giving of a guarantee or indemnity).

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#### **104 Advice and assistance in relation to land of community value in Wales**

- (1) The Welsh Ministers may do anything that they consider appropriate for the purpose of giving advice or assistance—
  - (a) to anyone in relation to doing any of the following—
    - (i) taking steps under or for purposes of provision contained in, or made under, this Chapter so far as applying in relation to Wales, or
    - (ii) preparing to, or considering or deciding whether to, take steps within sub-paragraph (i), or
  - (b) to a community interest group in relation to doing any of the following—
    - (i) bidding for, or acquiring, land in Wales that is included in a local authority’s list of assets of community value,
    - (ii) preparing to, or considering or deciding whether or how to, bid for or acquire land within sub-paragraph (i), or
    - (iii) preparing to, or considering or deciding whether or how to, bring land within sub-paragraph (i) into effective use.
- (2) The things that the Welsh Ministers may do under this section include, in particular—
  - (a) the provision of financial assistance to any body or other person;
  - (b) the making of arrangements with a body or other person, including arrangements for things that may be done by the Welsh Ministers under this section to be done by that body or other person.
- (3) In this section—
  - (a) the reference to giving advice or assistance includes providing training or education,
  - (b) “community interest group” means a person who is a community interest group for the purposes of section 95(3) as a result of regulations made under section 95(6) by the Welsh Ministers, and
  - (c) the reference to the provision of financial assistance is to the provision of financial assistance by any means (including the making of a loan and the giving of a guarantee or indemnity).

#### **105 Crown application**

This Chapter binds the Crown.

#### *Interpretation of Chapter*

#### **106 Meaning of “local authority”**

- (1) In this Chapter “local authority” in relation to England means—
  - (a) a district council,
  - (b) a county council for an area in England for which there are no district councils,
  - (c) a London borough council,
  - (d) the Common Council of the City of London, or
  - (e) the Council of the Isles of Scilly.
- (2) The Secretary of State may by order amend this section for the purpose of changing the meaning in this Chapter of “local authority” in relation to England.

- (3) In this Chapter “local authority” in relation to Wales means—
  - (a) a county council in Wales, or
  - (b) a county borough council.
- (4) The Welsh Ministers may by order amend this section for the purpose of changing the meaning in this Chapter of “local authority” in relation to Wales.

#### **107 Meaning of “owner”**

- (1) In this Chapter “owner”, in relation to land, is to be read as follows.
- (2) The owner of any land is the person in whom the freehold estate in the land is vested, but not if there is a qualifying leasehold estate in the land.
- (3) If there is just one qualifying leasehold estate in any land, the owner of the land is the person in whom that estate is vested.
- (4) If there are two or more qualifying leasehold estates in the same land, the owner of the land is the person in whom is vested the qualifying leasehold estate that is more or most distant (in terms of the number of intervening leasehold estates) from the freehold estate.
- (5) In this section “qualifying leasehold estate”, in relation to any land, means an estate by virtue of a lease of the land for a term which, when granted, had at least 25 years to run.
- (6) The appropriate authority may by order amend this section—
  - (a) for the purpose of changing the definition of “owner” for the time being given by this section;
  - (b) for the purpose of defining “owner” for the purposes of this Chapter in a case where, for the time being, this section does not define that expression.

#### **108 Interpretation of Chapter: general**

- (1) In this Chapter—
  - “appropriate authority”—
    - (a) in relation to England means the Secretary of State, and
    - (b) in relation to Wales means the Welsh Ministers;
  - “building” includes part of a building;
  - “community nomination” has the meaning given by section 89(2);
  - “land” includes—
    - (a) part of a building,
    - (b) part of any other structure, and
    - (c) mines and minerals, whether or not held with the surface;
  - “land of community value” is to be read in accordance with section 88;
  - “local authority” is to be read in accordance with section 106;
  - “owner”, in relation to any land, is to be read in accordance with section 107;
  - “unsuccessful”, in relation to a community nomination, has the meaning given by sections 90(5) and 92(4)(b)(i).
- (2) For the meaning of “list of assets of community value” see section 87(2).

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*Status: This is the original version (as it was originally enacted).*

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- (3) For the meaning of “list of land nominated by unsuccessful community nominations” see section 93(2).