Item 6 - Paper F

Sandown Canoe Lake ACV
Interim Moratorium Period
Full Council Briefing Note – 27 July 2026

Prepared by Town Clerk/RFO

1. BACKGROUND

1.1. Sandown Canoe Lake was listed as an Asset of Community Value (ACV) following nomination by the Town Council on 13 March 2026.

1.2. This is now registered as a land charge under reference number PF812750

1.3. On 11 July 2026, the Isle of Wight Council received notice under section 95(2) of the Localism Act 2011 that the owner intends to make a relevant disposal of Sandown Canoe Lake, which is listed as an Asset of Community Value.

1.4. This triggered the statutory six-week interim moratorium period, during which eligible community interest groups may notify the Isle of Wight Council of their intention to bid for the asset.

1.5. If no expression of interest is received within this period, the owner may proceed with the disposal.

1.6. If an eligible community interest group expresses an interest, a full six-month moratorium period applies from the date of the owner's notification, allowing time for a community bid to be prepared.

2. PURPOSE

2.1. Members are asked to consider whether the Town Council should notify the Isle of Wight Council of its intention to bid for the Asset of Community Value.

2.2. Such notification, if accepted as valid by the Isle of Wight Council, would trigger the statutory six-month full moratorium period.

2.3. It would not commit the Council to submitting a bid or purchasing the asset.

3. IMPLICATIONS OF EXPRESSING AN INTEREST

3.1. If the Council expresses an interest in bidding during the six-week interim moratorium period, a full six-month moratorium will be triggered to allow time for a community bid to be prepared.

3.2. If no community bid is submitted, or if any bid is unsuccessful, the owner may proceed with the disposal during the remainder of the protected period.

3.3. The protected period lasts for 18 months from the date the owner notified the Isle of Wight Council of the intended relevant disposal.

3.4. Once the protected period expires, the moratorium process restarts, and the owner must notify the Council again before making any further relevant disposal, providing a new opportunity for the Council or an eligible community interest group to express an interest in bidding.

4. FURTHER INFORMATION REQUIRED

4.1. Clarification was requested from the Isle of Wight Council on 24 July 2026 and, at the time of writing this report, a response has not yet been received.

4.2. Clarification has been requested regarding the following:

(a) Which part of Sandown Canoe Lake is the subject of the owner's notification of intended relevant disposal, namely:

- the privately owned land;
- the Isle of Wight Council-owned land; or
- both.

(b) Whether the proposed disposal falls within one of the exempt disposals prescribed by Schedule 3 of the Assets of Community Value (England) Regulations 2012, in which case the moratorium provisions would not apply.

5. EXEMPT DISPOSALS (SCHEDULE 3);

5.1. Certain disposals of Assets of Community Value are exempt from the moratorium provisions under Schedule 3 of the Assets of Community Value (England) Regulations 2012. Where an exemption applies, the owner may dispose of the property without the interim or full moratorium periods applying.

5.2. This means the owner can dispose of the property without having to wait for the 6-week or 6-month moratorium.

5.3. The main exempt disposals include:

5.3.1. Gifts – where the property is transferred without payment.

5.3.2. Transfers on death – transfers by will or under the rules of intestacy, or by personal representatives administering an estate.

5.3.3. Transfers between family members – such as between spouses, civil partners, parents, children, grandparents, grandchildren and certain other close relatives as defined in the legislation.

5.3.4. Court-ordered transfers – for example, following divorce or other court orders.

5.3.5. Bankruptcy or insolvency disposals – where property is sold by a trustee in bankruptcy, administrator, liquidator or similar office holder.

5.3.6. Sale of a business as a going concern – where the land is sold together with the operating business to someone who will continue running it (for example, a pub sold as a continuing pub business).

5.3.7. Part of a larger estate – in certain circumstances where the listed land forms only part of a larger property or estate being disposed of.

5.3.8. Sale to a qualifying community interest group during the moratorium – although the moratorium has been triggered, the owner may complete a sale to a qualifying community group without waiting for it to end.

6. LEGISLATION

6.1. The Localism Act 2011, Part 5, Chapter 3[1] (Assets of Community Value), in particular:

Section 87 – Listing of assets of community value.

Section 88 – Land of community value.

Section 89 – Review of listing.

Section 95 – Moratorium on relevant disposals.

Section 96 – Compensation.

Section 97 – Regulations.

6.2. The Assets of Community Value (England) Regulations 2012 (SI 2012/2421)[2], which set out:

- The procedure for listing and nominations;
- The moratorium periods (interim and full);
- Exempt disposals (Schedule 3);
- Notices and compensation arrangements.

6.3. For the specific issue of the owner's notification and moratorium, the key provisions are:

- Section 95 of the Localism Act 2011 – establishes the requirement for owners to notify the local authority before making a relevant disposal and provides for the moratorium process.
- The Assets of Community Value (England) Regulations 2012 – prescribe the six-week interim moratorium, the six-month full moratorium, and the categories of exempt disposals.

6.4. It should be noted that the moratorium provisions do not give the Council or any community interest group a right of first refusal, nor do they oblige the owner to sell to a community bidder. The legislation simply provides additional time for a community bid to be prepared.

6.5. There are no Crime and Disorder implications.

Equality and Diversity Implications

6.6. There are no direct equality implications arising from this report.

6.7. The statutory process under the Localism Act 2011 applies equally to all eligible community interest groups.

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[1] Localism Act 2011

[2] The Assets of Community Value (England) Regulations 2012

6.8. Any subsequent decisions regarding acquisition or management of the asset will be subject to consideration of the Council's Public Sector Equality Duty where appropriate.

Biodiversity Implications

6.9. Sandown Canoe Lake is located within a designated Site of Importance for Nature Conservation (SINC) and an Area of Nature Recovery.

6.10. This report relates solely to the statutory process for the proposed disposal of an Asset of Community Value and does not authorise any changes to the use or management of the site. As such, there are no direct biodiversity implications arising from this report.

6.11. However, acquisition of the site could further the Council's statutory biodiversity duties.

7. FINANCIAL IMPLICATIONS

7.1. Expressing an intention to bid during the statutory interim moratorium period does not commit the Council to purchasing the asset, nor does it create any contractual obligation or immediate financial liability.

7.2. The only immediate financial implications are any officer time and professional advice required during the moratorium period.

7.3. Should the Council subsequently decide to submit a bid, a further report would be brought forward setting out the financial implications, funding arrangements, valuation and any ongoing revenue and capital costs for Members' consideration.