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**Meeting:** Corporate Resources Overview & Scrutiny Committee  
**Date:** 23 October 2012  
**Subject:** Assets Disposals List  
**Report of:** Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Services  
**Summary:** The report proposes that Executive delegate authority to Alan Fleming, Service Director, Business Services, in consultation with Cllr Maurice Jones, to dispose of all of the properties on the Assets Disposals List, attached as Appendix A, at the best values obtainable.

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**Advising Officer:** Alan Fleming, Service Director, Business Services  
**Contact Officer:** Peter Burt, Head of Assets Strategy  
**Public/Exempt:** Exempt under category number 10.4.1 as the appendix contains sensitive financial information.  
**Wards Affected:** All  
**Function of:** Council

## **CORPORATE IMPLICATIONS**

### **Council Priorities:**

1. The Capital receipts from the Disposals List will support all of CBC's Priorities:
  - Supporting and caring for an ageing population
  - Educating, protecting and providing opportunities for children and young people
  - Managing growth effectively
  - Creating safer communities
  - Promoting healthier lifestyles

### **Financial:**

2. The Capital Receipts will support the Medium Term Financial Plan and the Capital Programme.
3. Finance have been provided with a copy of the Disposal List.

### **Legal:**

4. The Council has power under section 123 of the Local Government Act 1972 to dispose of land it holds. Normally, such disposals must take place at the best price that can reasonably be obtained.

### **Risk Management:**

5. If the disposals do not proceed, the following risks have been identified:
- a. Non delivery of Corporate Asset Management Strategy (CAMS) and Disposal Strategy.
  - b. Failure to realise capital receipts
  - c. Failure to support the Medium Term Financial Plan and the Capital Programme, and
  - d. Consequential failure to deliver Council priorities.

**Staffing (including Trades Unions):**

6. Not Applicable.

**Equalities/Human Rights:**

7. Public authorities have a statutory duty to advance equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations.
8. As part of the process of disposal, consideration is given to the potential future use of the property and whether it might be appropriate for transfer as residential accommodation to the HRA.

**Public Health**

9. During the period from becoming surplus to completion of a sale Assets use their endeavours to make the properties secure and safe.

**Community Safety:**

10. The Council has a duty to consider community safety in all of the functions that it exercises. Whilst the actual disposal of the properties has no immediate community safety issues, the council must ensure that it meets its statutory duties by ensuring that the site remains secure and appropriate interventions are put in place to ensure that the site is not used for criminal or anti social behaviour.

**Sustainability:**

11. Selling the properties will, with refurbishment and redevelopment, bring them back to use for the community and provide additional housing. S106 agreement and infrastructure requirements will be negotiated by the planning team. When sold, these properties will no longer be counted in the Council's Carbon Reduction Commitment (CRC) burden, reducing the amount payable by the Council in the CRC carbon tax.

**Procurement:**

12. Where we seek to employ an agent to assist with the sale we carry out a tender process to find the most efficient result.

**RECOMMENDATION(S):**

**The Committee is asked to:-**

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| <p><b>1. consider the proposals set out in this report regarding the disposal of surplus properties and the transfer of suitable properties to the HRA and to submit any comments it may have on these proposals to the Executive.</b></p> |
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## **Background**

13. The Assets Disposals List (ADL) covers all current properties surplus to the requirements of services and available for disposal for the period 2012-2017.
14. It is recommended that these properties are disposed of to achieve the best value for money and to realise the capital receipt as soon as possible.
15. Under the Constitution only properties with a value in excess of £500,000 have to be brought to Executive for approval and it is for these properties that the delegation is required and Executive will be asked to give their approval to a disposal at best value but in advance of a sale being agreed.
16. Three properties on the ADL were very suitable for transfer to the HRA and would enhance their property portfolio whilst it was considered would not reduce the capital receipts to the General Fund. It has now been established that whilst HRA is a separate account its balance sheet is amalgamated with CBC's at the year end and is not therefore eligible as a capital receipt to the General Fund.
17. However, other financial benefits will be delivered to the GF as the Capital Financing Requirement (CFR) will be reduced by the certified value of the property. This will result in a reduced requirement for Minimum Revenue Provision (MRP), saving the Council 4% of the certified value annually. In addition the use of these assets by the HRA could deliver savings to the GF as a result of reduced temporary accommodation costs.
18. It is recommended that in circumstances that deliver assets suitable for the HRA that these properties continue to be transferred to HRA despite there being no capital receipt for the General Fund that could be delivered through a sale by private treaty to the community at large.

## **Appendices:**

Appendix A – Assets Disposals List (Exempt)