
Report to:	Cabinet	Date of Meeting:	27 th March 2014
Subject:	Property Asset Disposal Policy	Wards Affected:	All
Report of:	Director of Built Environment		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary: To seek approval to the adoption of a formal Property Asset Disposal Policy

Recommendation:

That Cabinet :

- i. Approve the adoption the draft Property Asset Disposal Policy annexed in Appendix A.
- ii. Note that a further report will be presented in relation to a formal Community Asset Transfer Policy.

How does the decision contribute to the Council’s Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

Reasons for the Recommendation:

To agree to the adoption of the formal Property Asset Disposal Policy and note that a formal Community asset Transfer Policy will be produced for adoption in due course.

Alternative Options Considered and Rejected:

The council could continue to operate using established custom and practice without a formal policy in place.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional costs arising out of the recommendations of this report

(B) Capital Costs

There are no additional costs arising out of the recommendations of this report. Members are reminded that the sale of assets generate capital receipts which, in summary, may only be used for capital works and assets or the repayment of debt. Capital receipts may not be used to fund revenue expenditure.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial		
None		
Legal		
None		
Human Resources		
Equality		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

Impact of the Proposals on Service Delivery:

There are no direct impacts

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD.2862/14) has been consulted and notes that the report indicates no direct financial implications for the Council
Head of Corporate Legal Services have been consulted and has no comments on the report (LD2167/14)

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Background Papers:

None

1.0 Introduction/Background

1.1 Cabinet at its meeting on 7th November 2013 considered the report of the Director – Built Environment and agreed the adoption of a new Strategic Asset Management Plan.

1.2 Cabinet noted that a further report would be presented relating to a formal Property Asset Disposal Policy.

1.3 The asset management plan has been developed to facilitate a cohesive approach to the Council’s asset management and to reflect the various changes in policy, legislation and governance over recent years.

1.4 The key elements of the asset management plan are;

- A definition of the role property assets play in the conduct of the Council’s business.
- A consideration of national policy and governance matters that influence decision-making in respect of the property portfolio
- How the level of backlog maintenance will be addressed
- Property reviews utilising gap analysis techniques
- A review of potential funding options to support investment and project delivery
- The proposed formal governance arrangements.
- Setting the context for more detailed policy development to govern key activity such as asset disposal.

2.0 The Property Asset Disposal Policy

2.1 The Property Asset Disposal Policy contains the detailed exposition in terms of how assets will be chosen for disposal and which method of disposal will be selected. It should be noted that it is intended that Members (Cabinet or individual Cabinet Members) will decide which operational and non-operational assets are released for disposal and ultimately continue to make the decision to sell on the reported terms in accordance with the Council’s Constitution.

- 2.2 When a decision has been made to dispose, the Council will adopt the most appropriate method to dispose of a particular asset or portfolio of similar assets.
- 2.3 The intention will be to secure best value for the Council by way of financial return or other valuable outputs compatible with the Council's established priorities and operational objectives. This may include utilising sites as a Council contribution to a partnership approach such as an asset backed vehicle.
- 2.4 Where appropriate the Council will seek to secure a planning brief or outline planning consent prior to marketing and then seek to ensure that the chosen disposal method enables a sufficient degree of control to be retained in the case of disposals of buildings in need of refurbishment or sites to be redeveloped.
- 2.5 The policy will be reviewed periodically to ensure that it reflects best practice and any relevant change in Statute and Policy guidance.

3.0 Community Asset Transfer Policy

- 3.1 The advent of Community Right to Bid under the Localism Act 2011 has raised interest in how the Council might deal with a desire to acquire Council owned buildings in this context.
- 3.2 Although the Property Asset Disposal Policy provides some general indication of practice and process it would be beneficial to have a more detailed exposition tailored to property assets of interest to VCF organisations and the wider community.
- 3.3 It is intended that a formal Community Asset Transfer Policy will be drafted and brought forward for consideration by Elected Members in due course.