

Title of Report	CORPORATE DISPOSALS POLICY	
Presented by	Cllr Bayliss Portfolio Holder for Housing, Property and Customer Services	
Background Papers	<u>Corporate Scrutiny Report – Jan 2021</u>	Public Report: Yes
		Key Decision: Yes
Financial Implications	The proposed new consolidated Corporate Disposals Policy will provide a single governance environment to control the disposal of all surplus assets by the Council. This will ensure all disposals take place in a transparent way that maximises the Value For Money return to the Council.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	The policy sets out a unified approach to disposals of assets, and provides for the unique issues for some types of disposal to comply with additional legislation. The bringing together of the disposal policies helps to solidify and simplify the control environment and addresses the updated constitutional issues.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	No direct staffing or Corporate implications bar those covered in the report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To approve a consolidated disposal policy document which will provide a robust governance framework for all land, property and other surplus asset disposals to be actioned.	
Reason for Decision	To approve an updated and consolidated disposal policy document	
Recommendations	THAT CABINET APPROVE THE CORPORATE DISPOSALS POLICY ATTACHED AS APPENDIX 1	

1. Background

- 1.1 The Corporate Disposals Policy attached as Annex A to this report has been produced in response to a Capital Accounting internal audit recommendation that we bring together into one document our approach to disposals of all surplus assets.
- 1.2 Historically the Council have operated separate policies for the disposal of Housing Revenue Account (HRA) and General Fund (GF) land and property assets, despite there being considerable overlap in the processes used to arrive at disposal decisions and subsequently the method of disposal. There is also a need to have a consistent and

clearly documented policy approach to the disposal of other surplus plant and equipment. Bringing these three areas together in one document will provide a more robust governance framework within which to make these decisions, and make clear the delegated authority thresholds applicable to the various types of disposal activity.

- 1.3 The aim of the new policy is to ensure that decisions to dispose of assets are made in a comprehensive and consistent way, and that the disposal process is transparent, and maximising the income from sales where this is the required outcome. Funds released from disposals will be available within the Councils overall budget to support reinvestment in alternative assets or to support service provision.
- 1.4 The Council is under a duty to secure Best Value when disposing of its assets, and for some specific types of asset (eg Land) it is under further restrictions such as the Local Government Act 1972 (as amended) section 123 ; *“a council shall not dispose of land under this section... for a consideration less than the best that can reasonably be obtained”*. There are other restrictions on some disposals which are case specific – eg if the Council were to dispose of Open Space etc. where different restrictions apply. Where possible these have been included in the policy, but as the policy is generic in nature these individual issues will be addressed on a case by case basis. This is done through engaging legal services as part of any significant disposal process ensuring that we follow the correct process in individual cases and is directly referred to in the policy.
- 1.5 Corporate Scrutiny Committee considered the draft Corporate Disposals Policy at their meeting on Wednesday 21 January 2021 and an extract from the minutes of that meeting is attached at Annex B. A number of minor amendments to add clarity have been made to the draft policy document following the Scrutiny meeting. Comments regarding the focus on gaining income, whilst are acknowledged are in contradiction to the legislation that the Council must accord set out above. Hence no changes have been made in this regard.
- 1.6 The recommendation is adoption of the new strategy by Cabinet.

Policies and other considerations, as appropriate	
Council Priorities:	<ul style="list-style-type: none"> - Support for businesses and helping people into local jobs - Local people live in high quality, affordable homes - Our communities are safe, healthy and connected
Policy Considerations:	Replaces HRA Disposal Policy (approved 2015), and GF Disposal Policy (approved 2008).
Safeguarding:	None direct
Equalities/Diversity:	None Direct
Customer Impact:	None Direct, unless acting as a possible purchaser – covered in report
Economic and Social Impact:	The Council has a duty to achieve best value and for land disposals the best price. These issues have been address in the policy
Environment and Climate Change:	None direct
Consultation/Community Engagement:	Draft policy has been to Corporate Scrutiny and comments are incorporated. No other consultation has been undertaken, but all legislation will be complied with at the time of any disposal.
Risks:	Failure to dispose of assets in a consistent and

	transparent way introduces a risk of not achieving value for money from disposals and/or negative public perception of the Council.
Officer Contact	Andy Barton Strategic Director Andy.barton@nwleicestershire.gov.uk