

<b>Report of:</b>	Strategic Director of Finance Governance & Support – James Bromiley Executive Member for Finance & Governance – Councillor Nicky Walker
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<b>Submitted to:</b>	Corporate Affairs and Audit Committee – 7th February 2019
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<b>Subject:</b>	Update of Asset Disposal Policy
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**Summary**

<b>Proposed decision(s)</b>
It is recommended that Corporate Affairs and Audit Committee notes the updates to the Asset Disposal Policy intended to clarify the distinction between pipeline and active disposals.

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Is the report urgent?<sup>1</sup></b>
<i>Decision</i>	<i>No</i>	<i>No</i>	<i>No</i>

<b>Contribution to delivery of the 2018-22 Strategic Plan</b>		
<b>Business Imperatives</b>	<b>Physical Regeneration</b>	<b>Social Regeneration</b>
Ensuring that the Council operates efficiently and effectively to facilitate physical regeneration.	Ensuring that the Council follows correct processes on the disposal of assets in order to support successful physical regeneration.	Ensuring that asset disposals are conducted in such a way that the required support for social regeneration objectives is available

<b>Ward(s) affected</b>
No wards are affected.

**What is the purpose of this report?**

1. To The purpose of the report is to update Asset Disposal Policy adopted in December 2016 in order to clarify the distinction between pipeline and active disposals under the policy.

2. This update was approved by Executive Sub-Committee for Property on 23<sup>rd</sup> January 2019 and is being submitted to Corporate Affairs and Audit Committee for information.
3. The updated Asset Disposal Policy is attached at Appendix 1.

### **Why does this report require a Member decision?**

4. The Asset Disposal Policy sets the framework for the governance of the disposal of Council assets including the appropriate delegations for decision making. Therefore amendments to this policy require a decision by Executive Sub-Committee for Property.

### **Why is this report necessary?**

5. As part of the work of External Audit on the 2017/18 accounts which resulted in an unqualified opinion on the Value for Money statement the Council's auditors recommended that the Council should consider amending the Asset Disposal Policy to improve the clarity around when disposals should be classified as pipeline and when they become active.
6. This update makes clear that a disposal becomes active at the point that the Asset Disposal Business Case is approved, and that ahead of this approval, any discussions that take place about a potential disposal are to be treated as pipeline. These discussions will be updated on the Asset Disposal Control Sheet for completeness and transparency but are, by their nature, less advanced and will not necessarily have all of the documentation that would be expected for an active disposal.

### **What decision(s) are being asked for?**

7. It is recommended that Corporate Affairs and Audit Committee:
  - a. notes the updates to the Asset Disposal Policy intended to clarify the distinction between pipeline and active disposals.

### **Why is this being recommended?**

8. In line with the recommendations of External Audit it is desirable that additional guidance is added to be clear about which disposals are pipeline and which are active.

### **Other potential decisions and why these have not been recommended**

9. That Executive decide not to update the policy. This has not been recommended because it would be contrary to the External Audit recommendation which suggested a sensible approach to improving clarity

### **Impact(s) of recommended decision(s)**

10. The recommended decision improves the clarity of the Asset Disposal Process.

### **Legal**

11. The Asset Disposal Policy allows the Council to discharge its responsibilities under the Section 123 of the Local Government Act 1972 as amended by the General Disposal Consent of 2003.

### **Financial**

12. There are no direct financial implications of this decision.

### **Policy Framework**

13. The decisions requested are in line with the Council's Policy Framework.

### **Equality and Diversity**

14. The decisions requested do not have an undue impact on individuals or groups with a protected characteristic.

### **Risk**

15. Proper asset disposal processes support the Council in its duty to secure Best Value and as such reduce the risk failure to deliver on financial and strategic targets.

### **Actions to be taken to implement the decision(s)**

16. Further reports to be brought forward in due course.

### **Appendices**

17. Appendix 1 – Revised Asset Disposal Policy

### **Background papers**

18. None