

EXECUTIVE SUB COMMITTEE FOR PROPERTY

RECORD OF DECISION

A meeting of the Executive Sub-Committee for Property was held on 4th April 2012 at 12.30pm.

PRESENT:

Councillor D Budd (Chair) Councillors M Carr, C Rooney and NJ Walker

**OFFICIALS:

Susie Blood and Paul Stephens

**APOLOGIES FOR ABSENCE:

B Coppinger

**DECLARATION OF INTEREST

There were no declarations of interest made at this point of the meeting.

REVIEW OF NON STRATEGIC ASSETS

The Executive Director of Regeneration submitted a report to update Executive Sub-Committee for Property on the ongoing review of the Council's non-strategic assets and to seek agreement on arrangements for any disposals of land and property agreed by the Sub-Committee as a result of this review.

The report outlined that The Council had established with Mouchel a programme to explore jointly the transformation of services under the scope of the existing partnership contract.

Currently the programme comprises three projects, one of which is a comprehensive review of the Council's non-strategic property assets. The Executive Director of Regeneration was the sponsor for this project.

The report gave information on the following areas, further details of which were outlined in the report:

- Definition and categorisation
- Analysis
- Quality assurance
- Approval process
- Timescales
- Disposal process, and
- Consultation

During the meeting it was agreed that Streetscene services would be consulted on the standards of cleaning and maintenance of vacant sites.

ORDERED

1. **That Executive Sub-Committee for Property notes the objectives, governance and timescales of the Review of Non-Strategic Assets.**
2. **That the proposed disposal process outlined at paragraph 16 be considered and approved.**

REASON

The decisions were supported by the following reason:

To ensure that the Council drives the maximum value from its asset portfolio and that agreed sums for disposals are achieved as quickly as possible.

REVIEW OF NON-STRATEGIC ASSETS - FIRST PHASE DISPOSALS PART A

The Executive Director of Regeneration submitted a report to advise Executive Land and Property Sub-Committee of the findings of the reviews of Agricultural Property, Residential Development Sites, Ground Leases and Industrial Sites undertaken as part of the Non-Strategic Assets Transformation Project, and to propose a small first phase of advantageous disposals under these asset categories.

The report stated that The Council has agreed a review of non-strategic assets as part of its joint transformation programme with Mouchel. For the purposes of the review, 'non-strategic assets' are defined as land and property that the Council does not use for service delivery purposes.

Ten categories of non-strategic assets have been agreed. Under the terms of the Partnership contract, the Council has requested that Mouchel prepare a series of Detailed Business Cases outlining potentially economically advantageous options for disposals of land and property under each category.

Capital monies accrued from this process will be used by the Council to repay or avoid capital borrowing and so improve the Council's revenue position by avoiding interest payments.

The Sub-Committee was asked to approve the disposal of 25 assets and a reserve price for each. The reserve prices are based on average capital value less fees, with appropriate adjustments for potential development value and lost income, where relevant, and were listed in the confidential Part B of the report. Once approved, sales would be progressed through existing delegated authorities (outlined in paragraphs 25-27 of the report).

There were three options available:

- Option 1: Dispose of none of the sites – not recommended
- Option 2: Dispose of some of the sites – not recommended
- Option 3: Dispose of all of the sites – recommended

During the meeting it was agreed that clarity would be sought as to whether the Thistle Hotel site also included Jack Hatfield square.

ORDERED

1. **That Executive Land and Property Sub-Committee notes the findings of the reviews of Agricultural Property, Residential Development Sites, Ground Leases and Industrial Sites undertaken as part of the Non-Strategic Assets Transformation Project.**
2. **That disposals outlined at below are approved, and that, provided the recommended reserve price be achieved (listed in the confidential Part B of the report), sales be progressed through existing delegated authorities.**

REASON

The decisions were supported by the following reason:

To ensure that the Council drives the maximum value from its asset portfolio and that agreed sums for disposals are achieved as quickly as possible.

**** EXCLUSION OF PRESS AND PUBLIC****

THAT THE PRESS AND PUBLIC BE EXCLUDED FROM THE MEETING DURING CONSIDERATION OF ITEM 6 BUSINESS ON THE GROUNDS THAT, IF, PRESENT, THERE WOULD BE A DISCLOSURE TO IT OF EXEMPT INFORMATION FALLING WITHIN PARAGRAPH 3 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972

**REVIEW OF NON-STRATEGIC ASSETS -
FIRST PHASE DISPOSALS PART B**

The Director of Regeneration and Director of Resources submitted a report that gave information on the proposed reserve price for each asset recommendation.

ORDERED

That the contents of the report be noted.

The decision will come into force after five working days following the day the decision was taken unless the decision becomes subject to the call-in procedure.