

Report of:	Strategic Director of Finance Governance & Support – James Bromiley Executive Member for Finance & Governance – Councillor Nicky Walker
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Submitted to:	Executive Sub Committee for Property Panel – 23rd January 2019
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Subject:	Update of Asset Disposal Policy
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Summary

Proposed decision(s)
It is recommended that Executive: a) approves the updates to the Asset Disposal Policy intended to clarify the distinction between pipeline and active disposals.

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

Contribution to delivery of the 2018-22 Strategic Plan		
Business Imperatives	Physical Regeneration	Social Regeneration
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

Ward(s) affected
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. The updated Asset Disposal Policy is attached at Appendix 1.

Why does this report require a Member decision?

3. 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?

4. 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.
5. 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?

6. It is recommended that Executive:
 - a. approves the updates to the Asset Disposal Policy intended to clarify the distinction between pipeline and active disposals.

Why is this being recommended?

7. 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

8. 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)

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

Legal

10. 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

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

Policy Framework

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

Equality and Diversity

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

Risk

14. 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)

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

Appendices

16. Appendix 1 – Revised Asset Disposal Policy

Background papers

17. None