

CABINET

**Disposal Strategy
17th March 2009**

Report of Corporate Director (Regeneration)

PURPOSE OF REPORT			
To consider adopting a Disposal Strategy for the Council as part of a Medium Term Corporate Property Strategy			
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Cabinet	<input checked="" type="checkbox"/>
Date Included in Forward Plan	N/A		
This report is public.			

RECOMMENDATIONS OF COUNCILLOR ARCHER

- (1) That the Disposal Strategy be adopted to act as guidance to the Council in the disposal of assets to achieve the need for capital receipts.

1.0 Introduction

1.1 At the meeting on 17th February 2009, cabinet considered a review of potential asset sales but referred consideration of the Disposal Strategy to this meeting of Cabinet.

1.2 Currently, the management of the Council's assets is informed by the Corporate Property Strategy adopted in 2005. This Strategy is now due for review and a Medium Term Corporate Property Strategy is being prepared. As a part of this, a separate Disposal Strategy (attached as appendix A) has been prepared which, in view of the current concerns over capital receipts, is proposed for adoption at this stage.

2.0 Disposal strategy

2.1 The Corporate Property Strategy adopted in 2005 informs the management of the Council's assets. As indicated above, the Strategy is now due for review and a Medium Term Corporate Property Strategy is being prepared. As a part of this, a Disposal Strategy has been prepared which, in view of the current concerns over capital receipts, is proposed for adoption at this stage.

- 2.2 The Strategy builds on the Property Review that was undertaken at the start of the year and presented to Star Chamber. Whilst the latter part of the Strategy sets out procedural issues, the main basis of the Strategy is to identify a framework within which it identifies those properties which should be retained by the Council, and the reason for doing so, and those where there is opportunity for disposal.
- 2.3 The draft Medium Term Corporate Property Strategy will identify the following “Corporate Asset objectives” against which the council’s assets should be measured:
- Fit for Purpose
 - Affordability
 - Compliance with Statutory/Regulatory codes
 - Improved corporate management
 - Sustainability
 - To serve the Council’s key aims
 - Enabling
- 2.4 The Disposal Strategy expands on these objectives with further detail and examples and it is recommended that the Strategy be adopted.

3.0 Details of Consultation

- 3.1 There has been no consultation on this matter.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 Option 1 – That the Disposal Strategy be adopted. This would build on the Corporate Property Strategy provide an improved framework for managing the Council’s asset disposal process.
- 4.2 Option 2 - That the Disposal Strategy is not adopted. The existing guidance of the Corporate Property Strategy would be maintained although this is now out of date and does not meet the Council’s current priorities.

5.0 Officer Preferred Option (and comments)

- 5.1 Option 1 is the preferred option. The adoption of the Disposal Strategy provides an improved framework for managing the Council’s asset disposal process.

RELATIONSHIP TO POLICY FRAMEWORK

There is a direct link to the policy framework with the priority to keep the City Council element of Council Tax increase to acceptable levels.

In addition the Corporate Property Strategy identifies the need to use the Council’s assets to meet the Council’s corporate priorities.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

The disposal strategy links to the wider draft Medium Term Corporate Property Strategy which itself identifies issues of sustainability in property.

FINANCIAL IMPLICATIONS

Since January Cabinet, the position regarding capital receipts / asset sales has only changed in respect of assumptions regarding land at Mossgate, and other minor miscellaneous receipts. Should any further development opportunities arise in the coming months, then these will need to be factored into the monitoring of the Council's Capital Investment Strategy and Capital Programme, approved by Council in March 2009.

Similarly, should Members resolve to adopt the Disposal Strategy being put forward then this will also need to be considered in the above.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no comments to add.

LEGAL IMPLICATIONS

There are no legal implications directly arising out of this report. The implementation of the disposal strategy, if approved, will require consideration of the provisions of Section 123 of the Local Government Act 1972 and Circular 06/2003: Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can reasonably be obtained.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Public Cabinet reports and minutes

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