

13 October 2014

Agenda Item: 5b

## **REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT**

### **APPROVAL TO SELL (MARKET) SURPLUS PROPERTIES – VARIOUS LOCATIONS**

#### **Purpose of the Report**

1. To seek approval to the principle of disposal of a number of surplus properties as detailed in the exempt appendix.

#### **Information and Advice**

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt annex.
3. As part of the ongoing rationalisation of the County Council's property portfolio, a number of properties or parcels of land have been declared surplus to the operational requirements of the Council. In accordance with the requirements of the Council's Financial Regulations, Committee approval is sought to the disposal of these properties, including the proposed method of sale.
4. This Report is not seeking approval to the terms and conditions for the sale of any *individual* properties outlined in this Report. Approval is sought only to the *principle* that the properties are surplus and *can* be sold. The terms and conditions for the sale of individual properties will be brought before Committee for approval (or otherwise) following marketing, in the normal manner.
5. If approval is given to the matters covered by this Report, this will enable Officers to move forward with the detailed work needed to prepare the properties for sale in the market. This includes:-
  - a. Appointment of Agents (subject to the approval, by Operation Decision, to the terms under which individual Agents would be appointed).
  - b. Where relevant, and subject to capital funding approvals the carrying out of any necessary technical and/or ground investigation reports needed to secure offers for the properties, together with any town planning pre-development work considered necessary to secure the best price from the disposal of an individual property.

- c. Detailed market testing of the properties for sale.
  - d. Where relevant, work to secure approvals to sell former school sites as required by section 77 of the School Standards and Framework Act 1998 or Schedule 1 to the Academies Act 2010. This can be a lengthy process and so the efficient management of surplus assets makes it prudent to commence the application process at the earliest possible date if eventual disposal is not to be unnecessarily delayed.
6. Several of the sites listed are existing or former school sites. A number of these sites will only become surplus to requirements once replacement school facilities have been constructed on alternative sites. The new school building programme will therefore impact upon the timing of disposal of some of the sites listed under this Report. Furthermore, the approval of The Secretary of State for Education is required to the sale of former school sites by virtue of section 77 of the School Standards and Framework Act 1998 or Schedule 1 to the Academies Act 2010. The decisions of the Secretary of State will also have a bearing on the timing of any disposals affected by this requirement.
7. It will be noted that several of the properties covered by this Report are sizeable plots of land (or land and buildings), many with development or redevelopment potential (subject to planning). Given the size and location of these development sites, it is likely that the County Council will achieve best value by selling the larger of these sites *in phases* over several years. The Report (Exempt Appendix) identifies where this scenario is likely.

### **Other Options Considered**

8. Each of the sites detailed in this Report have been assessed by Officers and found to be surplus to the strategic or operational requirements of the County Council. As surplus properties they can be marketed for sale to generate future capital receipts.
9. Freehold sales are considered preferable to leasehold transactions on the properties covered by this Report, as this would present the best opportunity to maximise capital receipts and the mitigation of the Council's liabilities when holding properties.

### **Reason/s for Recommendation/s**

10. To confirm the properties as being surplus to the Council's requirements and seek approval to market them for disposal.

### **Statutory and Policy Implications**

11. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION/S**

- 1) That the list of properties detailed in the Exempt Appendix be confirmed as surplus and available for sale.

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact: Ian Brearley 0115 9774840**

### **Constitutional Comments (CEH 21.08.14)**

12. The recommendation falls within the remit of the Finance and Property Committee by virtue of its terms of reference.

### **Financial Comments (TR 14.08.14)**

13. Sales will generate a capital receipt which will be used to help fund the Capital Programme.

### **Background Papers and Published Documents**

14. None.

### **Electoral Division(s) and Member(s) Affected**

15. Ward(s): Calverton, Mansfield South, Blidworth, Hucknall, Retford West, Farnsfield and Lowdham, Radcliffe on Trent, Blyth and Harworth, Oakham and Berry Hill, Sutton in Ashfield North, Rufford, Eastwood, Mansfield West, Kirkby in Ashfield North, Sutton in Ashfield East, Selston, Mansfield South, Misterton, Sutton in Ashfield West, Worksop East, Warsop, West Bridgford Central and South, Worksop East, West Bridgford West
16. Member(s): Councillor Boyd Elliott, Councillor Mrs Kay Cutts, Councillor John Wilmott, Councillor John Wilkinson, Councillor Alice Grice, Councillor Darren Langton, Councillor Diana Meale, Councillor Yvonne Woodhead, Councillor Tom Hollis, Councillor Roger Jackson, Councillor Liz Plant, Councillor Steve Calvert, Councillor John Peck, Councillor Andy Sissons, Councillor Stephen Garner, Councillor Sheila Place, Councillor Liz Yates, Councillor Keith Longdon, Councillor Gordon Wheeler, Councillor Glynn Gilfoyle, Councillor Ian Campbell, Councillor John Allin, Councillor John Knight, Councillor Steven Carroll, Councillor Jason Zadrozny, Councillor Gail Turner.