



## **POLICY AND RESOURCES COMMITTEE**

**Thursday 7 October 2021**

<b>REPORT TITLE:</b>	<b>PROPERTY DISPOSALS</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF LAW AND GOVERNANCE</b>

### **REPORT SUMMARY**

This report seeks approval to the disposal of three of the Council's property assets.

The associated Report of the Director of Regeneration and Place is appended and the full minutes of the Economy, Regeneration and Development Committee of the 29 September have been circulated to Members of the Committee in advance of this meeting.

### **RECOMMENDATION/S**

The Policy and Resources Committee is requested to consider the request from the Economy, Regeneration and Development Committee to approve that:

1. 27 Balls Road, Oxton be declared surplus to requirements and authority be given to the Director of Law and Governance, in consultation with the Director of Regeneration and Place, to arrange for its disposal by auction on the terms described in paragraphs 3.2 and 3.3 of the appended report to Economy Regeneration and Development Committee;
2. Plymyard Cemetery Lodge, 996 New Chester Road, Eastham, be declared surplus to requirements and authority be given to the Director of Law and Governance, in consultation with the Director of Regeneration and Place, to arrange for its disposal through a local estate agency on the terms described in paragraphs 3.4 and 3.5 of the appended report to Economy Regeneration and Development Committee;
3. In the event that a sale of Plymyard Cemetery Lodge through an estate agency is not achieved expeditiously, the Director of Law and Governance, in consultation with the Director of Regeneration and Place, be authorised to arrange for its disposal by auction on the terms described in paragraphs 3.4 and 3.5 of the appended report to Economy Regeneration and Development Committee;
4. The Director of Law and Governance, in consultation with the Director of Regeneration and Place be authorised to sell the Laser Engineering Centre to the current tenant, Quinnovations, for £340,000 (excluding VAT plus fees of £1,500).

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 To meet targets for the generation of capital receipts from the sale of property assets and to dispose of surplus and non-operational assets.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Other options have been considered and are included within the appended report.

### **3.0 BACKGROUND INFORMATION**

- 3.1 Set out in the appended report is the description and background to three properties which have been identified for disposal. Each has been considered by the Capital and Assets Group with an officer recommendation that they be sold to generate capital receipts which have been factored into the Council's financial forecast.

### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The sales will generate capital receipts as indicated in the report. The actual sale prices in respect of 27 Balls Road and Plymyard Cemetery Lodge will only be established at the time of sale.
- 4.2 The sale of the former Laser Centre will generate a capital receipt of £340,000 (excluding VAT) plus a contribution towards the Council's costs. The receipt will be in lieu of the annual rent of £28,000
- 4.3 In accordance with the Council's Constitution any amendment to the Capital Programme requested by a Committee or officer in excess of £100,000 is reserved to Policy & Resources Committee

### **5.0 LEGAL IMPLICATIONS**

- 5.1 In accordance with Part 3B of Constitution (Committee Terms of Reference), the Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.
- 5.2 The Policy and Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision on any amendment to the Capital Programme requested by a Committee or officer in excess of £100,000.
- 5.3 As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's resolution is presented as a recommendation.

5.4 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

5.5 Other legal considerations are as set out in the appended report(s).

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

6.1 There are no IT or staffing implications arising from the disposal of this land.

6.2 The asset implications are the subject of this report.

## **7.0 RELEVANT RISKS**

7.1 Failure to conclude the sales will impact on the anticipated capital receipts programme.

7.2 When selling by auction reserve sale prices will be set based on the recommendation of the auctioneer. Should bidding not meet or better the reserve, the sales will not proceed.

7.3 The Laser Engineering Centre benefitted from European Regional Development Funding in 2006 under the project heading "Engineering and Construction Centre". The total grant was £890,652 but with a maximum re-payable element in the sum of £545,652 should the terms of the grant fail to be complied with. The repayable element is also based on a diminishing scale over the 20-year life of the grant. On the face of it, the terms of the grant will still be met by the current occupier but will be subject to verification by the grant funding body. There is therefore a risk that the grant funding body may take a different view and an element of the grant will be repayable. This would, however, be the case whether or not the Council sells the freehold. If the Council sells the freehold there will at least be a capital receipt in place to cover the clawback.

## **8.0 ENGAGEMENT/CONSULTATION**

8.1 There are no engagement or consultation implications arising from the proposals set out within this report.

## **9.0 EQUALITY IMPLICATIONS**

9.1 There are no implications relevant to equality arising directly from this report.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

10.1 The sale of these properties will not have any direct implications for the environment or climate.

## **11.0 COMMUNITY WEALTH IMPLICATIONS**

11.1 This report seeks to dispose of surplus assets which will bring them back in to us

### **APPENDICES**

Appendix 1 Property Disposals full report

### **BACKGROUND PAPERS**

Marketing advice from the agent and auctioneer.

Independent valuation appraisal

### **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>