

**Report to:** Cabinet

**Date:** 28 October 2019

**Title:** Property Disposal and Transfer Policy Revision

**Report of:** Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning

**Cabinet member:** Councillor Zoe Nicholson, Leader of the Council

**Ward(s):** All

**Purpose of report:** For Cabinet to agree revisions to the Property Disposal and Transfer policy to include reference to Community Asset Transfer and Devolution.

**Decision type:** Key Decision

**Officer recommendation(s):** To agree that revisions to the Policy Disposal and Transfer Policy to include provision for Community Asset Transfer be adopted by Cabinet.

**Reasons for recommendations:** The Policy Disposal and Transfer Policy needs to be updated to include provision for Community Asset Transfer.

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## **1 Introduction**

1.1 On 1<sup>st</sup> July 2019, Cabinet was presented with a report entitled 'Enabling the development of Community Assets – Market Tower, Lewes and 2 Fisher Street, Lewes'; the report asked Cabinet for in principle agreement to the disposal of these community assets to Lewes Town Council and stated that a further report would be brought back to Cabinet regarding a future Community Asset Transfer (CAT) policy. This report sets out proposed revisions to the Property Disposal and Transfer Policy in order to include reference to CAT.

## **2 Proposal**

2.1 Cabinet adopted the Corporate Asset Management Plan (AMP) in 2017. The AMP focuses on 4 key areas:

- Improving yield from the investment portfolio.
- Reducing maintenance costs and liabilities.

- Delivering efficiencies through smarter procurement.
- Increasing the capital value of the Council's asset base.

The AMP provides the strategy framework for the Council to manage and maximise the potential of its property portfolio. A key part of the AMP is the need to unlock potential through Asset Challenge and ensure that retained assets combine social, cultural, environmental and economic benefits.

- 2.2 A number of policies were adopted in support of the AMP, including a Property Disposal and Transfer Policy; this policy has now been revised to include reference to CAT and Devolution.
- 2.3 CAT is the transfer of management and/or ownership of property to an organisation where there is an identified social, economic or environmental benefit. Community-based organisations can sometimes be better placed than local authorities at securing investment through sources such as the National Lottery, crowdfunding, sponsorship and legacies. Having control over their assets can enable these organisations to become more self-sufficient, secure and sustainable whilst also ensuring the long-term community benefit of assets. The revised policy is attached at Appendix A.
- 2.4 The Property and Disposal Policy has been updated to ensure future assets disposal considers the financial impacts on the Council's Medium Term Finance Plan. Other updated sections include–
- Working strategically with partners to reduce the Council's Carbon Footprint through identifying the least efficient properties and ensuring disposal properties are compliant with all existing and future energy requirements;
  - Definition of surplus asset for disposal;
  - Disposal of surplus assets by freehold or leasehold disposal;
  - Financial criteria for disposals;
  - Valuations for disposal and updating the Council Asset Register;
  - Procedures re the disposal of land.
- 2.5 The AMP itself is due for a refresh in 2020 and reference to CAT will be included at that time.

### **3. Corporate plan and council policies**

- 3.1 The Property and Disposal Policy is a key part of the AMP which meets the following aspirations of the Corporate Plan: Resilient, healthy and engaged communities - protecting the future of assets for local communities and enabling their future investment; Improved customer service and Delivering sustainable services – by reducing on-going liabilities and expenditure by the Council; and, Prosperous economy – enabling future community uses;
- 3.2 In addition, this proposal meets the aims of the adopted Corporate Asset Management Plan by reducing maintenance costs and liabilities and ensuring that the Council only holds property that meets corporate aims and objectives.

## **4. Financial appraisal**

- 4.1 There are no immediate financial implications arising from the recommendation in this report other than those already contained within existing budgets. Future assets disposal activity arising from adoption of this revised policy will be subject to viability analysis and due financial diligence.

## **5. Legal implications**

- 5.1 The revisions to the policy relate to Community Asset Transfers (“CAT”) and the policy includes the additional legal considerations required when considering a CAT which relate to disposals at an undervalue and state aid.
- 5.2 The revisions to the policy also relate to devolution of open spaces to Town and Parish Councils and state that devolution is guided via the Devolution Committee. The policy also includes the further procedural requirements relating to advertisement that must be complied with on disposal of open space land.

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## **6. Risk management implications**

- 6.1 The proposals in this report do not create any additional risks for the Council. Revision of the Disposals and Transfer Policy to include provision for Community Asset Transfer will provide a clear and transparent process for dealing with future proposals where transfer of a property to a community organisation is considered.

## **7 Equality analysis**

- 7.1 An equality analysis has been undertaken and has not identified any equality impacts as a result of this policy revision. Where proposals are brought forward for Community Asset Transfer, these will require individual assessments to ascertain any equality impacts.

## **8. Sustainability implications**

- 8.1 There are no sustainability implications as a result of this policy, which is essentially about protecting assets for future community use.

## **9 Appendices**

- Appendix A: Property Disposal and Transfer Policy – Revised Version

## **10. Background papers**

- Corporate Asset Management Plan 2017-2020  
<https://www.lewes-eastbourne.gov.uk/resources/assets/inline/full/0/259505.pdf>