

# BIRMINGHAM CITY COUNCIL

## PUBLIC REPORT

<b>Report to:</b>	<b>Leader of the Council and Strategic Director – Projects &amp; Programmes</b>
<b>Report of:</b>	<b>Director of Property</b>
<b>Date of Decision:</b>	<b>June 2016</b>
<b>SUBJECT:</b>	<b>DISPOSAL OF SURPLUS PROPERTIES</b>
<b>Key Decision: No</b>	<b>Relevant Forward Plan Ref: N/A</b>
<b>If not in the Forward Plan: (please "tick" box)</b>	<b>Chief Executive Approved</b> <input type="checkbox"/> <b>O &amp; S Approved</b> <input type="checkbox"/>
<b>Type of decision:</b>	<b>Executive</b>
<b>Relevant Cabinet Member:</b>	<b>Councillor John Clancy - Leader of the Council</b>
<b>Relevant O&amp;S Chairman:</b>	<b>Chair Corporate Resources and Governance</b>
<b>Wards affected:</b>	<b>Billesley, Ladywood, Kingstanding, Lozells &amp; East Handsworth, Nechells, Shard End, Soho, Tyburn.</b>

### 1. Purpose of report:

- 1.1 The continued review of the Council's land and property portfolio has identified the individual property interests listed in Appendix 1 of this report as being surplus to Council requirements.
- 1.2 It is proposed that these property interests form part of an agreed programme of land and property sales to be implemented during financial years 2016-17.

### 2. Decision(s) recommended:

The leader and Strategic Director are recommended to:

- 2.1 Approve the sales programme detailed in Appendix 1 of this report, authorising the sale of the surplus property interests listed.
- 2.2 Note that in accordance with existing surplus property procedures no internal re-use of the properties listed in Appendix 1 has been identified.
- 2.3 Authorise the City Solicitor where necessary, to advertise the permanent loss of public open space in accordance with Section 123(2a) of the Local Government Act 1972.
- 2.4 Authorise the City Solicitor to negotiate, execute and complete all necessary legal documents to give effect to the above recommendations.

<b>Lead Contact Officer:</b>	<b>Rob King -Business Centre Manager Birmingham Property Services</b>
<b>Telephone No:</b>	<b>0121 303 3928</b>
<b>E-mail address:</b>	<b>robert.king@birmingham.gov.uk</b>

<p><b>3. Consultation</b></p> <p>3.1 <u>Internal</u> The Leader of the Council and has been consulted regarding the contents of this report, and are fully supportive of the report proceeding to an executive decision.</p> <p>3.1.1 The Strategic Director – Projects &amp; Programmes, the Strategic Director – Finance &amp; Legal, the City Solicitor and other relevant officers from the Economy, People and Place Directorates have been involved in the preparation of this report. The relevant Executive Members and Ward Members for each property have been consulted, and no adverse comments have been received to the reports content.</p> <p>3.2 <u>External</u> No external consultation has taken place regarding the content of this report.</p>	
<p><b>4. Compliance Issues:</b></p> <p>4.1 <u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>4.1.1 The proposal contributes towards the strategic outcomes outlined in the 'Council Business Plan and Budget 2016+', specifically to help deliver a balanced budget and contribute to the Councils plan to rationalise its property portfolio as part of its asset management programme.</p> <p>4.2 <u>Financial Implications</u></p> <p>4.2.1 The disposal of surplus assets will generate capital receipts for the Council to help support the Council Business Plan and Budget 2016+, and contribute to key business priorities.</p> <p>4.2.2 As some of the properties to be sold are within the HRA, then in those cases the appropriate adjustment will be made to the capital financing charge to the HRA.</p> <p>4.3 <u>Legal Implications</u> The power to acquire, dispose and manage assets in land and property is contained in Section 120 and 123 of the Local Government Act 1972, and Section 32 of the Housing Act 1985 in respect of HRA controlled assets.</p> <p>4.4 <u>Public Sector Equality Duty</u></p> <p>4.4.1 Having carried out an initial screening, there is no requirement to undertake a full equality analysis.</p>	

<b>5.</b>	<b>Relevant background/chronology of key events:</b>
5.1	The on-going review of the Council's various land and property portfolios has identified those individual property interests listed in Appendix 1, as being surplus to Council requirements. It is proposed that these interests will form part of an agreed programme of property sales to be implemented during 2016-17.
5.2	All the sites listed are surplus to Council requirements, and have been fully considered in accordance with current surplus property procedures with no alternative internal use identified.
5.3	In addition to this schedule of property it is anticipated that the ongoing review will identify further surplus property interests to supplement the programme going forward. All such opportunities will be the subject of further reports.
5.4	The sales methodology to deliver the programme will fully recognise market sentiment and individual circumstance. Accordingly, the interests will be sold via public auction or solus negotiation. The proposed delivery strategy and mode of sale adopted is tailored to maximise both the prospect of a sale completion, receipt realisation and demonstrate best consideration.

<b>6.</b>	<b>Evaluation of alternative option(s):</b>
6.1	The sites have accordingly been considered in accordance with current surplus property procedures with no alternative internal use identified.
6.2	As these sites are not considered to be of strategic importance there is no merit in retaining the sites, and their sale will remove an ongoing management liability to the Council.
6.3	Options have been considered for the disposal methodology for these assets and the chosen route is considered to be the best in order to maximise both the prospect of a sale completion, receipt realisation and demonstrate best consideration
6.4	The preferred option, as recommended, is to deliver a focussed disposal programme of land and property sales.

<b>7.</b>	<b>Reasons for Decision(s):</b>
7.1	To agree a programme of land and property sales to be implemented during financial years 2016-17.

<b>Signatures</b>	<b><u>Date</u></b>
Cllr John Clancy - Leader of the Council .....	.....
Peter Jones - Director of Property: .....	.....

<b>List of Background Documents used to compile this Report:</b>
Relevant Officers file(s) save for confidential documents
<b>List of Appendices accompanying this Report (if any):</b>
1. Appendix 1 – Sales Programme
2. Appendix 2 – Site Plans