

Birmingham City Council
Report to Economy, Skills and Culture
Overview and Scrutiny Committee

08 January 2025



Title:	ASSET DISPOSAL PROGRAMME UPDATE
Lead Member:	Councillor Sharon Thompson, Deputy Leader of the Council
Relevant Overview and Scrutiny Committee:	Economy, Skills & Culture Overview and Scrutiny Committee
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Authorised by:	Philip Nell, Strategic Director Place, Prosperity and Sustainability Directorate
Is this a Key Decision?	No
If this is a Key Decision, is this decision listed on the Forward Plan?	Not Applicable
Reason(s) why not included on the Forward Plan:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late:	Not Applicable
Is this decision eligible for ‘call in?’	Not Applicable
If not eligible, please provide reason(s):	Not Applicable

Wards: All

Does this report contain exempt or confidential information?

Yes

Exempt Information

The Appendix 1 is exempt from disclosure by virtue of the following Paragraphs of schedule 12A to the Local Government Act, 1972 as amended:

Paragraph 3 - Information relating to the financial or business affairs of a particular person (including the authority holding that information).

Has this decision been included on the Notification of Intention to consider Matters in Private?

Not Applicable

Reasons why not included on the Notification:

Not Applicable

1 EXECUTIVE SUMMARY

- 1.1 This report provides a Quarter two update to the Economy, Skills and Culture Overview and Scrutiny Committee, in the Exempt Appendix, on the current progress of the Asset Disposals Programme.
- 1.2 This report contains details of the sales completed up to 6 December 2024 and properties under offer which we expect to complete by 31 December 2024. This report will be shared with the monthly Cabinet Committee Property (CCP), which will next meet on 14 January 2025.

2 COMMISSIONERS' REVIEW

- 2.1 Commissioners note the progress being made in meeting the capital receipt targets and the hard work of all involved in delivering this element of the overall recovery programme.

3 RECOMMENDATIONS

That the Committee:

- 3.1 Notes the assets disposed of between 1 October 2023 to 6 December 2024 and those anticipated to complete by 31 December 2024.
- 3.2 Notes current progress in the disposals of assets where authority has been approved with a view to realising capital receipts to help address corporate financial challenges and for utilisation in the context of exceptional financial support to address identified pressures

4 KEY INFORMATION

Context

- 4.1 The disposal of assets is an integral part of the Council's Improvement Recovery Plan (IRP).
- 4.2 To provide oversight on the delivery of the Asset Disposals Programme and the rationalisation of the property portfolio and enable the Council to focus on its core activities and services.
- 4.3 Agreement to the recommendations in this report will contribute to the reduction in the Council's future financial commitments, general disposal receipts at the earliest opportunity and reduce the Council's borrowing.
- 4.4 The disposal strategy supports the priority of the new Corporate Plan for 'a Council that lives within its means, balances the budget and delivers best value for taxpayers and service users'.

5 RISK MANAGEMENT

- 5.1 Appendix 1 (exempt) sets out the risk management implications.

6 IMPACT AND IMPLICATIONS

Legal

- 6.1 A local authority has a statutory duty under section 123 of the Local Government Act 1972 when disposing of an interest in land to obtain the best consideration reasonably obtainable. It is for the authority to demonstrate that it has achieved best consideration. If the authority is proposing to dispose of its interest at an undervalue it must obtain the consent of the Secretary of State unless the undervalue does not exceed £2,000,000 and the authority consider that the disposal will help it to secure the promotion or improvement of economic, social or environmental well-being of its area and the disposal is made in accordance with the General Disposal Consent 2003 issued under circular 06/03: Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can reasonably be obtained. X

Finance

- 6.2 The financial implications are set out in Appendix 1.

Equalities

- 6.3 Equality Impact Assessments (EIA's) have been carried out for all individual and groups of assets, disposed of as part of the Asset Disposals Programme. This has been in accordance with the Council's Governance arrangements and the Equality Act 2010. To date the respective assets have been sold via solus negotiation, auction and or open market tender. For each transaction to date, the respective EIA's have identified no adverse impacts on the protected characteristics within the Equality Act 2010.

7 APPENDICES

- 7.1 Appendix 1 (exempt): Update on Asset Sales, additional financial implications and risk management implications

8 BACKGROUND PAPERS

- 8.1 There are no background papers.