


Agenda Item No:	7	
Committee:	<b>CABINET</b>	
Date:	<b>16<sup>th</sup> December 2024</b>	
Report Title:	<b>PROPOSED DISPOSAL OF PROPERTY ASSETS</b>	

## **1.0 Purpose / Summary**

1.1 The purpose of this Cabinet report is to confirm that the properties as listed in Appendix 1 are surplus to the Council's requirements and recommended for disposal.

## **2.0 Key issues**

2.1 The Council faces stark choices regarding funding the services it delivers, compounded by continuing pressures on its budget and the need to become much more commercial in its approach.

2.2 To support the Council's aspirations and the future capital programme it is necessary to dispose of surplus assets which the Council owns.

2.3 18 sites from have been identified as suitable for disposal. These sites have been identified and described at Appendix 1.

2.4 These proposed sites have been considered alongside the emerging Investment Strategy and are not considered to meet the current criteria for retention.

## **3.0 Recommendation**

3.1 Members are requested to consider the report, and it is recommended that:

- 1) Members approve the list of sites listed at Appendix 1 to this report as surplus and recommended for disposal
- 2) If Members are agreeable to the above recommendation, then it is further requested that authority to determine:
  - a) The method and terms of sale either by way of auction, openly marketed private treaty or by special purchaser private treaty and
  - b) The acceptance of an offer to purchase by private treaty or via auction is delegated to the Head of Property, Assets and Major Projects and the Corporate Director (Finance). Where the likely and actual sale price exceeds the existing delegated authority of the aforementioned officers then the decision will be made in consultation with the Leader of the Council and / or Portfolio Holder for Economic Growth in respect of properties.

<b>Wards Affected</b>	Various
<b>Forward Plan Reference No.</b>	
<b>Portfolio Holder(s)</b>	Cllr Chris Boden – Leader & Finance Portfolio Holder Cllr Ian Benney – Portfolio Holder for Economic Growth & Assets
<b>Report Originator</b>	Peter Lapham– Interim Disposals Surveyor Peter Catchpole – Corporate Director and S151 Officer (Finance) Mark Greenwood – Head of Property, Assets and Major Projects
<b>Background Paper(s)</b>	None

## **Report: PROPOSED DISPOSAL OF PROPERTY ASSETS**

### **1.0 Background**

- 1.1 In order to support the Council's aspirations, mitigate budget constraints and fund the future capital programme it is necessary to dispose of surplus assets. Such assets are those which the Council owns but it no longer requires to deliver its core services and functions, or to develop itself and can therefore be declared surplus and prepared for disposal. This is a rationale that's has been previously agreed previously by Members via the adopted Asset Management Plan.
- 1.2 Officers are tasked with preparing such surplus sites for disposal and have previously opted to dispose of such sites by a mixture of auction sales and sale by private treaty.
- 1.3 Unfortunately, private treaty disposals can become protracted over many months, either by unknown site impediments, third party claims to rights of way or buyers seeking to renegotiate or withdraw from the sale. Such unforeseen difficulties increase the amount of officer time required to resolve such matters and increase the amount of time from preparing the site for sale to receive the capital receipt.
- 1.3 There are some sites that Officers will still consider selling on a Private Treaty basis, where for instance securing Planning permission could provide a worthwhile increase to the capital value of the site.
- 1.4 As an alternative disposal option or where surplus sites may have limited development potential or suffer from obvious impediments, commercial property auctions offer a cost-effective method of realising a capital receipt at 'best value' without the delays often attributed to private treaty disposals. Commercial property auction is considered the best option to optimise value at low cost and upon the fall of the hammer a purchaser is 'locked in' as contracts for sale exchange and a deposit is taken from the purchaser in the auction room (usually 10% of purchase price). On occasion, early offers or post auction offers, if a property fails to meet its reserve price, can be negotiated and accepted, and the Purchaser is required to sign the auction contract under auction conditions, again providing the same benefit of an immediate exchange as would be achieved in the auction room.
- 1.6 This report therefore seeks Cabinet's approval for the disposal of surplus assets with the delegation of the method of disposal, acceptance of offers and setting of reserve prices to the Head of Property, Assets and Major Projects and the Corporate Director (Finance) within their delegated authorities or otherwise in consultation with the Leader of the Council and Portfolio Holder for Economic Growth.

### **2.0 Proposal**

- 2.1 A list of 17 surplus sites have been identified as suitable for disposal at this time. These sites have been identified and are listed below and detailed further in Appendix 1. Each property will be considered on its own merits, considering current and future development potential and use, likely purchasers, authorised and unauthorised third-party rights, access arrangements and likely proceeds. This will inform an Officer recommendation to submit for delegated approval as to the method of sale, whether FDC should submit a planning application to sell with a consent and additionally whether any form of overage is to be placed upon a sale.

Site	Town	Postcode
The Elms (Various parking sites)	Chatteris	Various
Edinburgh Drive r/o 132-138	Wisbech	PE13 3LP
South Green	Coates	PE7 2BJ
Land to the rear of Russell Avenue	March	PE15 8EN
Land at Junction of Coalwharf Road and South Brink	Wisbech	PE13 2FP
Land Opposite 26 Morley Way	Wimblington	PE15 0NR
Station Road Recreation Ground, Whittlesey	Whittlesey	PE7 1UF
High Street	Benwick	PE15 0XA
Former Chapel Building, Wisbech Cemetery	Wisbech	PE13 3NE
Haighs Close	Chatteris	PE16 6HU
Cricketers Way	Wisbech	PE13 1RN
Woodgate Road, Richmond Way and Leafere Way	Leverington	PE13 5AU
6 North Street	Wisbech	PE13 1NP
adj 15 Neneside	Benwick	PE15 0YF
R/o 41 Ireton Way	March	PE15 9DN
Land South of 7 Eastwood	Chatteris	PE16 6RU
Land at Brewin Avenue	March	PE15 9SL

2.2 In order to provide clarity and update approvals, the recommendation for delegation of all other matters allows a dynamic process to be adopted, able to adapt to any changes in planning policy, site impediments, market conditions and buyer sentiment.

### **3.0 Land Value and Method of Sale**

- 3.1 Disposal by auction is often considered to be the ultimate test of 'market value', exposing the property to a live market, where purchasing is open and transparent. A sale by auction will satisfy FDC's need to secure best value and will also enable a much faster and efficient method of disposal particularly for low value and/or complex sites.
- 3.2 Disposal by private treaty on the open market will require full and open marketing by all suitable means by a local agent, to include website listings, for sale boards and local advertising. Such activity will maximise interest from potential purchasers and in most cases generate competitive bidding. Offers will then be considered on all terms such as sources of funding, timing, track record and any conditionality attached to the offer. If the offer is subject to the grant of planning consent, what would constitute a satisfactory planning consent, terms of any overage requested or offered for future uplift in value created by the grant of a planning consent or improved planning consent.
- 3.3 Disposal to a special purchaser by private treaty would typically be a sale to FFL or to a neighbouring owner to whom combining their existing property with FDC's interest would create additional value over and above that which would be enjoyed by any other third party purchasing the land from FDC. Such transactions would seek to extract additional value to FDC and seek to include overage provisions to share in future enhancements in value through the grant of planning consent.
- 3.4 Where appropriate, officers will seek to protect any future uplift in value by the inclusion of a clawback or overage provision. In the event that an initial lower sales value gives rise to increased value at a later date, say for example where Planning permission might be granted or enhanced, the Council will be entitled to a fair share of such uplift in value.
- 3.5 The Council's in-house Surveyors will assess reserve values, these values will be cross-checked and agreed in principle with the Auctioneers subject to approval under delegated powers

### **4.0 Ward Member Notification & Marketing**

- 4.1 It is intended, subject to Cabinet approving the proposals contained within this report, that Officers will provide advance notification (no less than 1 month) to Ward Councillors to make them aware of the planned disposals within their wards. Such an approach will ensure that Councillors are aware of the timing of such disposals and will enable them to forward enquiries onto the relevant Council Officer.
- 4.2 As local resident interest is likely to be piqued by the proposed disposal of surplus assets, it is planned, to notify (where appropriate) adjoining owners/residents of the potential sales. This will afford neighbouring residents the opportunity to know what is happening and to bid or to make an offer for the land, in the same way that any interested party could, should they so wish.

## **5 Legal Implications**

- 5.1 The sale of assets reduces the risk to FDC arising from the duties under the Occupiers Liability Act 1957 and 1984.
- 5.2 There are no risks relevant to the consideration of this decision. The declaration of the land as surplus to FDC's requirements will allow these assets to be sold at best value. Risks may exist as to the sale price and timing of a sale due to the various issues outlined above, however with a flexible process through delegated powers FDC Officers will be enabled to act quickly and effectively to maximise the opportunity on each sale

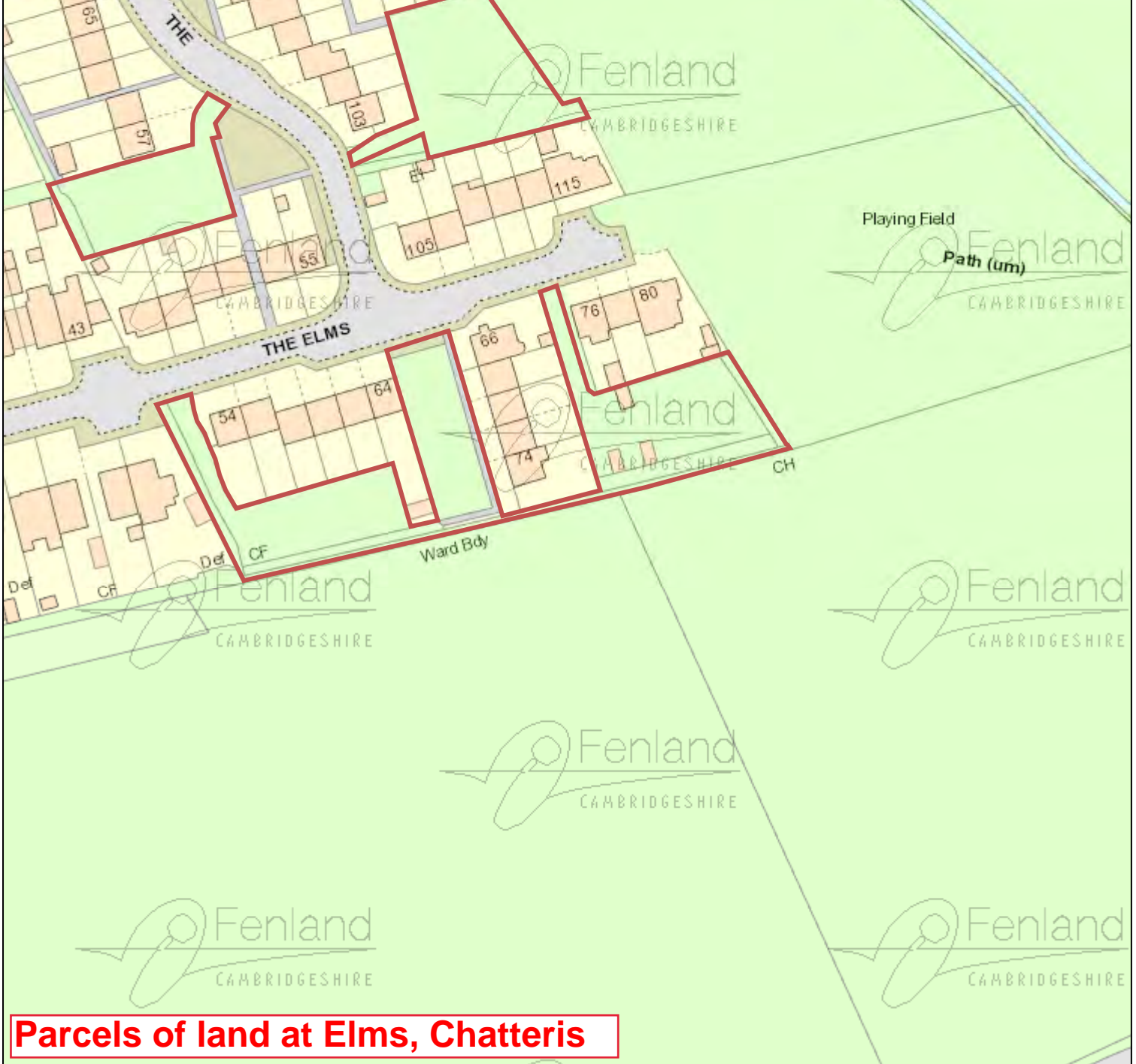
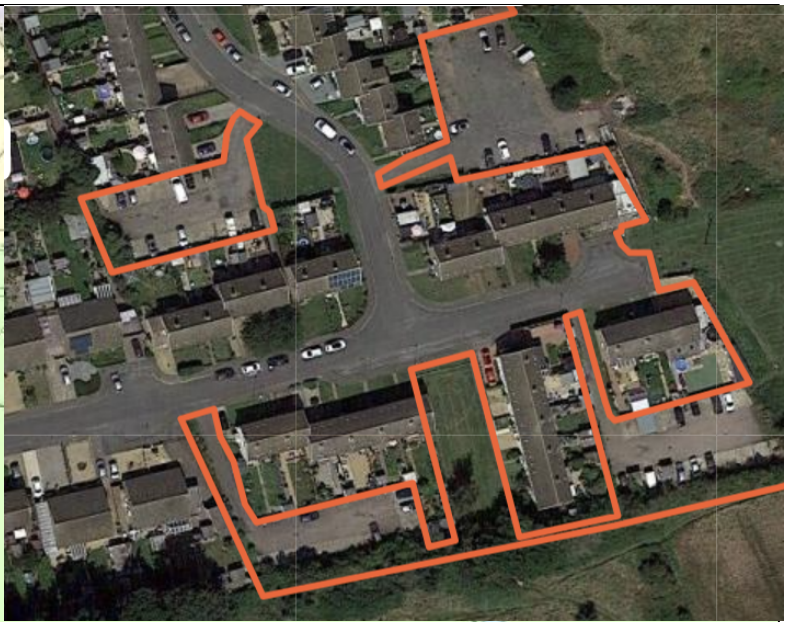
## **6.0 Financial Implications**

- 6.1 Revenue Implications – The disposal of these surplus sites will reduce, by a modest amount, the sums expended in keeping the sites tidy, safe & secure and will remove the ongoing liabilities associated with holding such sites.
- 6.2 Capital Implications – The disposal will contribute towards the Council's need to secure additional capital receipts

## **7 Conclusions:**

- 7.1 Following previous approvals of sites the approval of this in line with the Recommendations will enable a clear and flexible strategy to be implemented to generate capital receipts, reduce ongoing maintenance and public liability for these sites. In some cases, the disposals will enable further residential development, increasing the number of houses within the district and playing a part in increasing Council Tax income and New Homes Bonus income to FDC

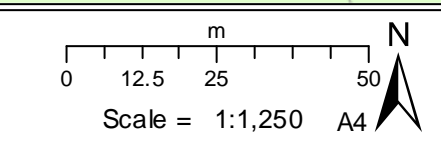
## **Appendix 1 - Sites to be declared Surplus and available for disposal**

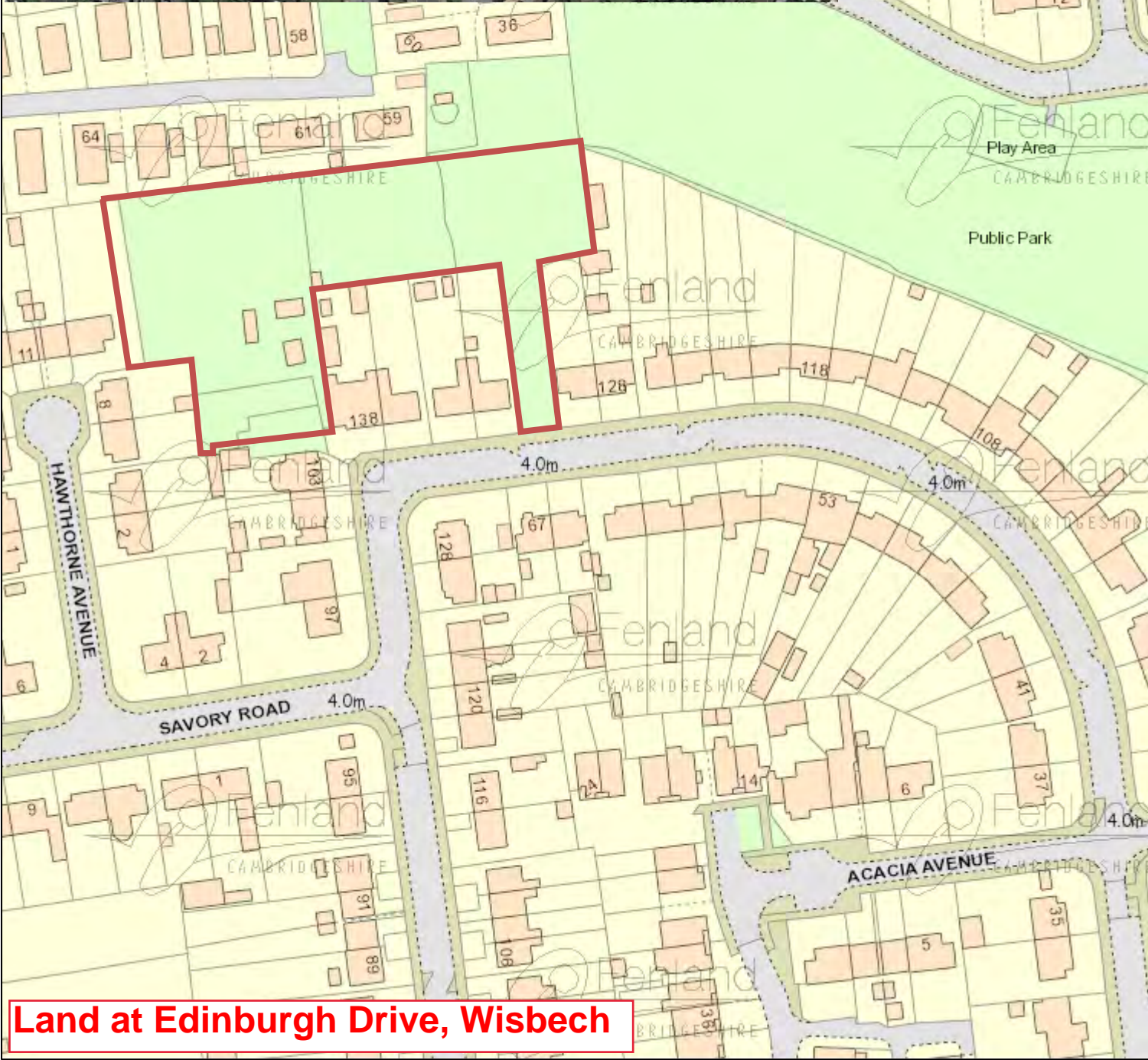


**Parcels of land at Elms, Chatteris**

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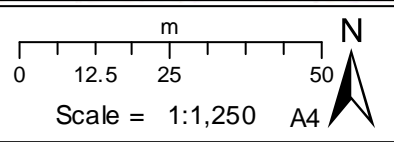




**Land at Edinburgh Drive, Wisbech**

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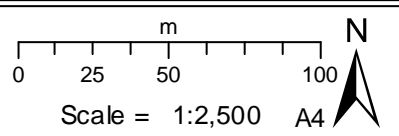


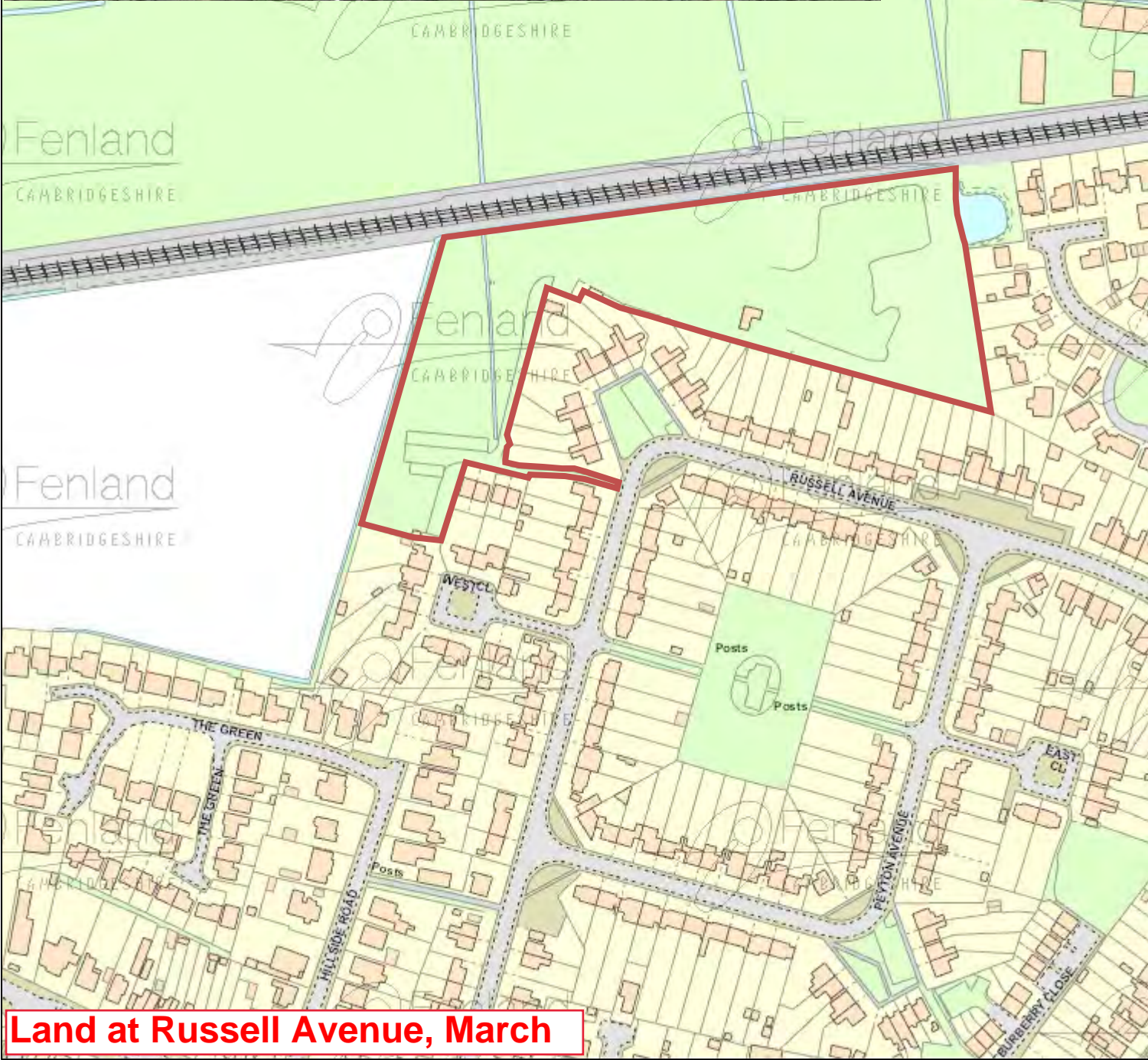


**Land at South Green, Coates**

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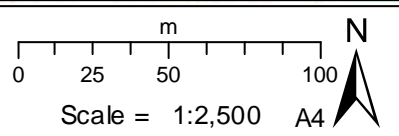


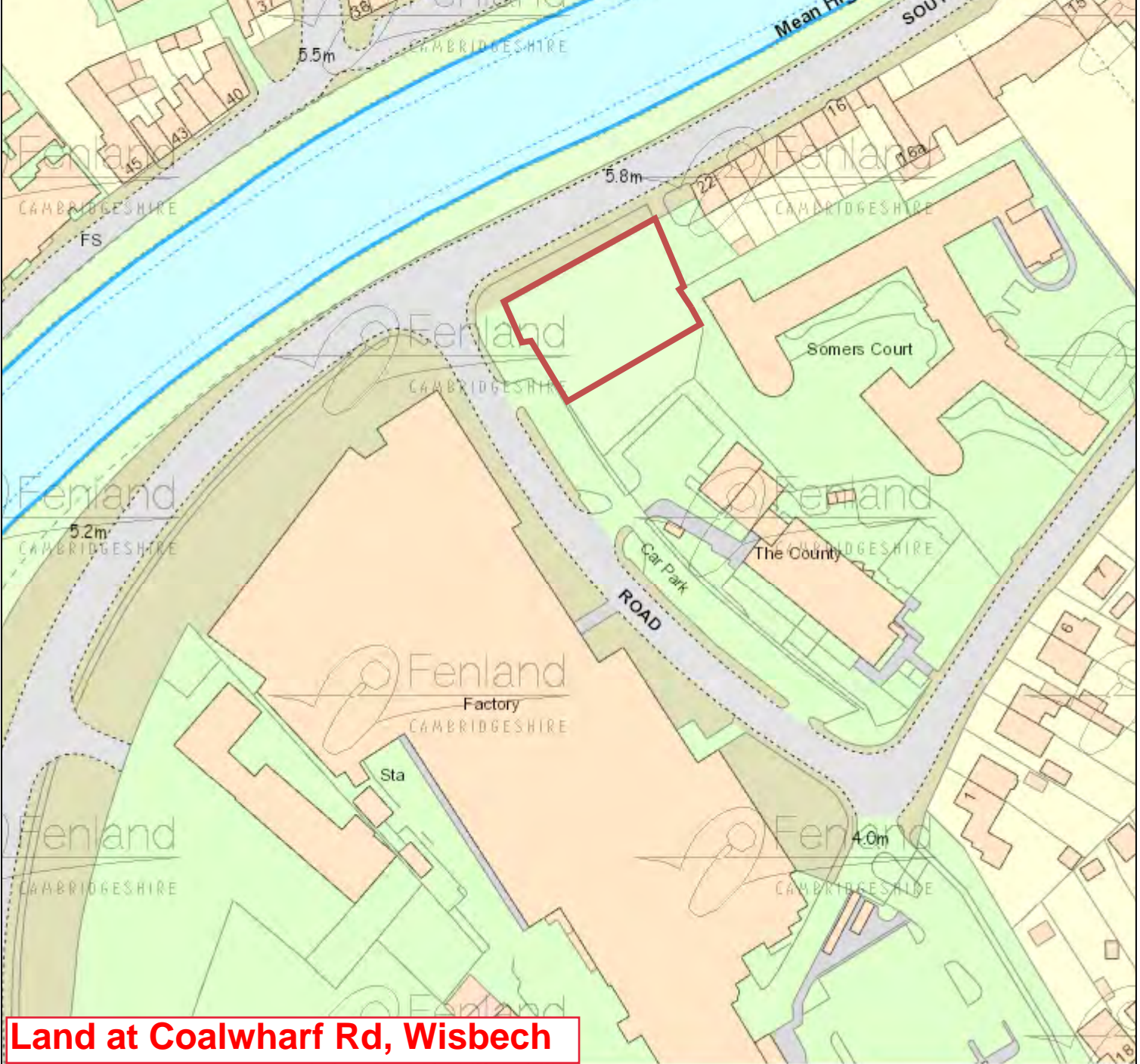
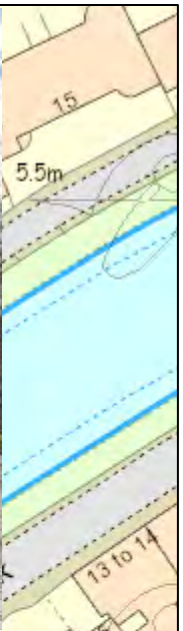


**Land at Russell Avenue, March**

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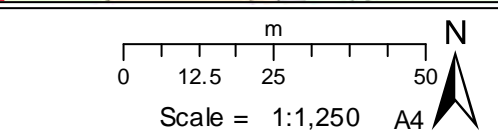




**Land at Coalwharf Rd, Wisbech**

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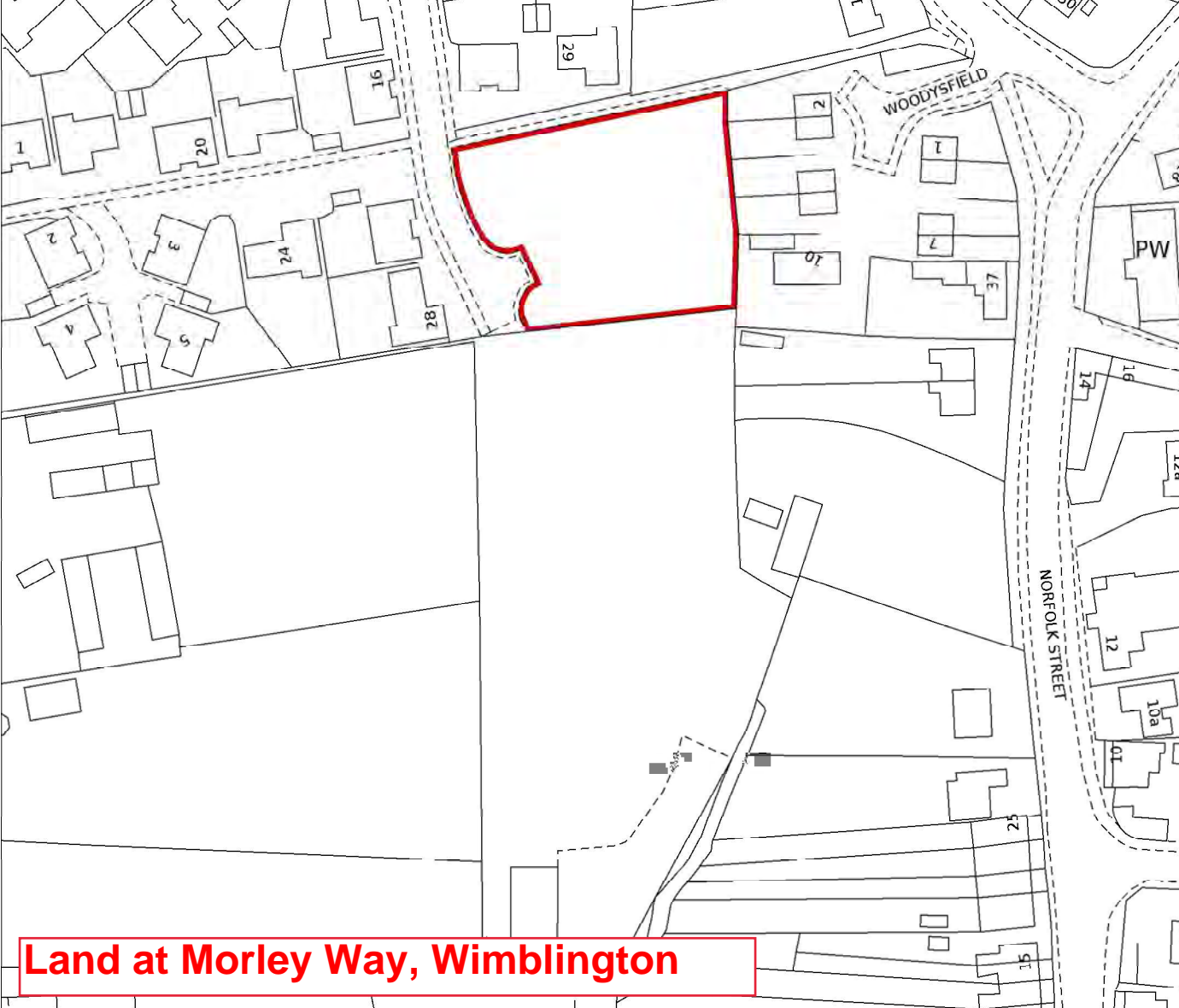
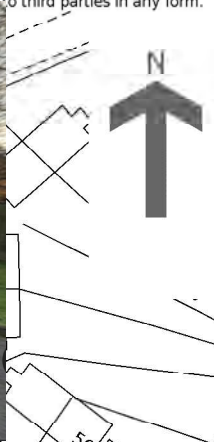


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Official copy of  
title plan

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Ordnance Survey map reference **TL4192SW**  
Scale **1:1250 enlarged from 1:2500**  
Administrative area **Cambridgeshire :**  
**Fenland**



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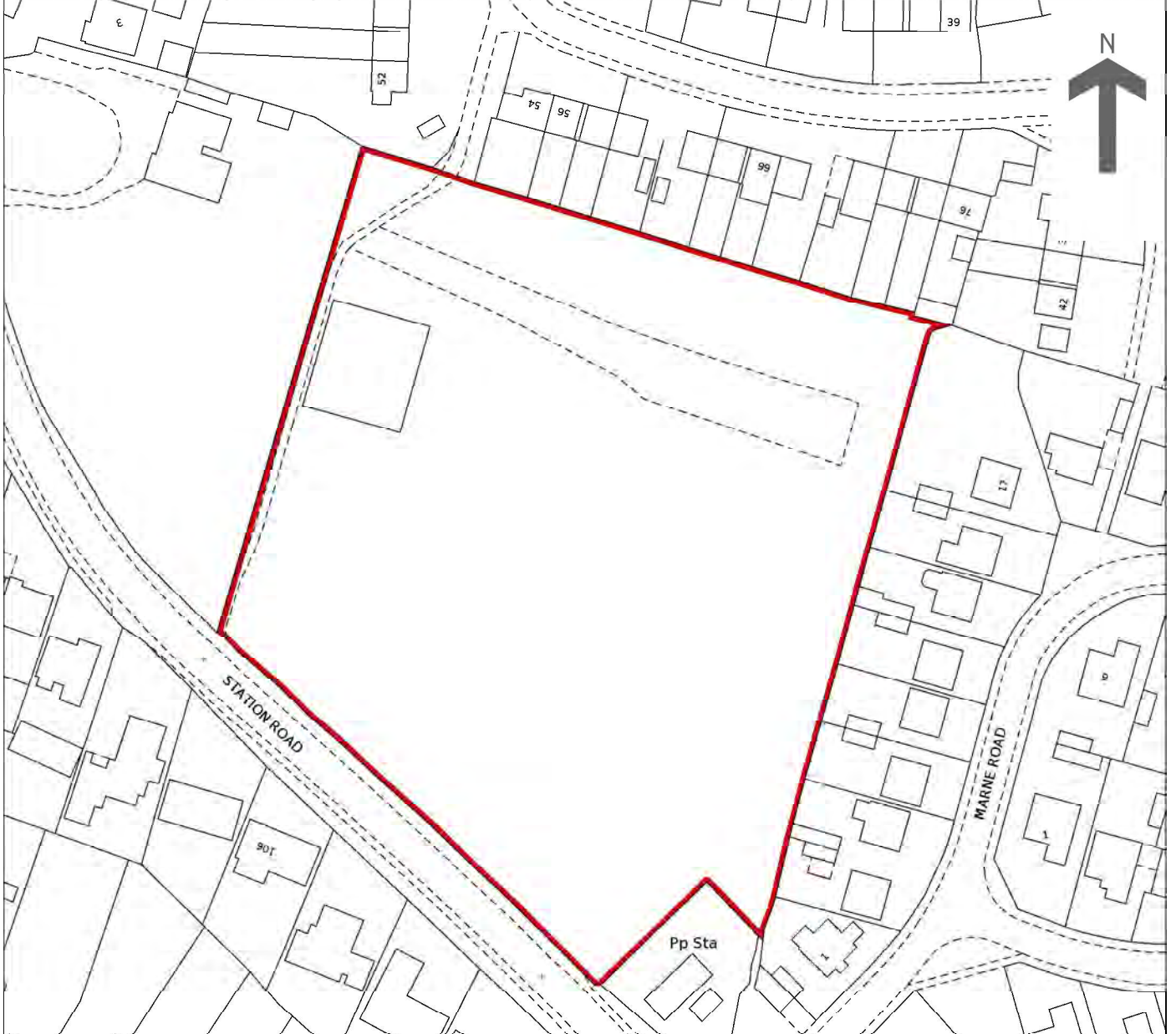
**Land at Morley Way, Wimblington**

HM Land Registry  
Official copy of  
title plan

Title number **CB337316**  
Ordnance Survey map reference **TL2796SW**  
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**Fenland**



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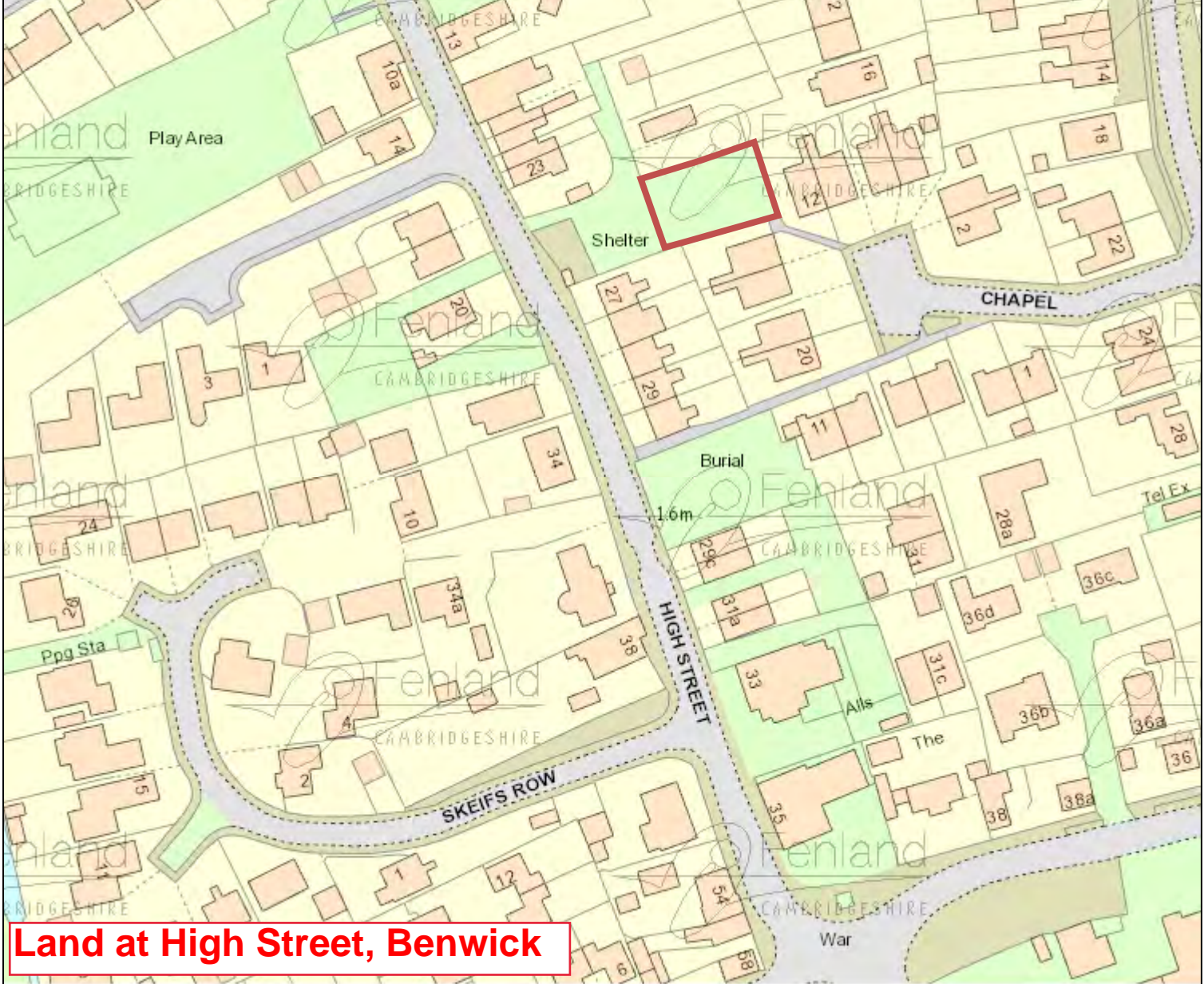


**Station Rd, Recreation  
Ground, Whittlesey**





Part only



**Land at High Street, Benwick**

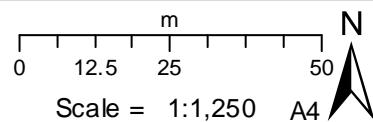
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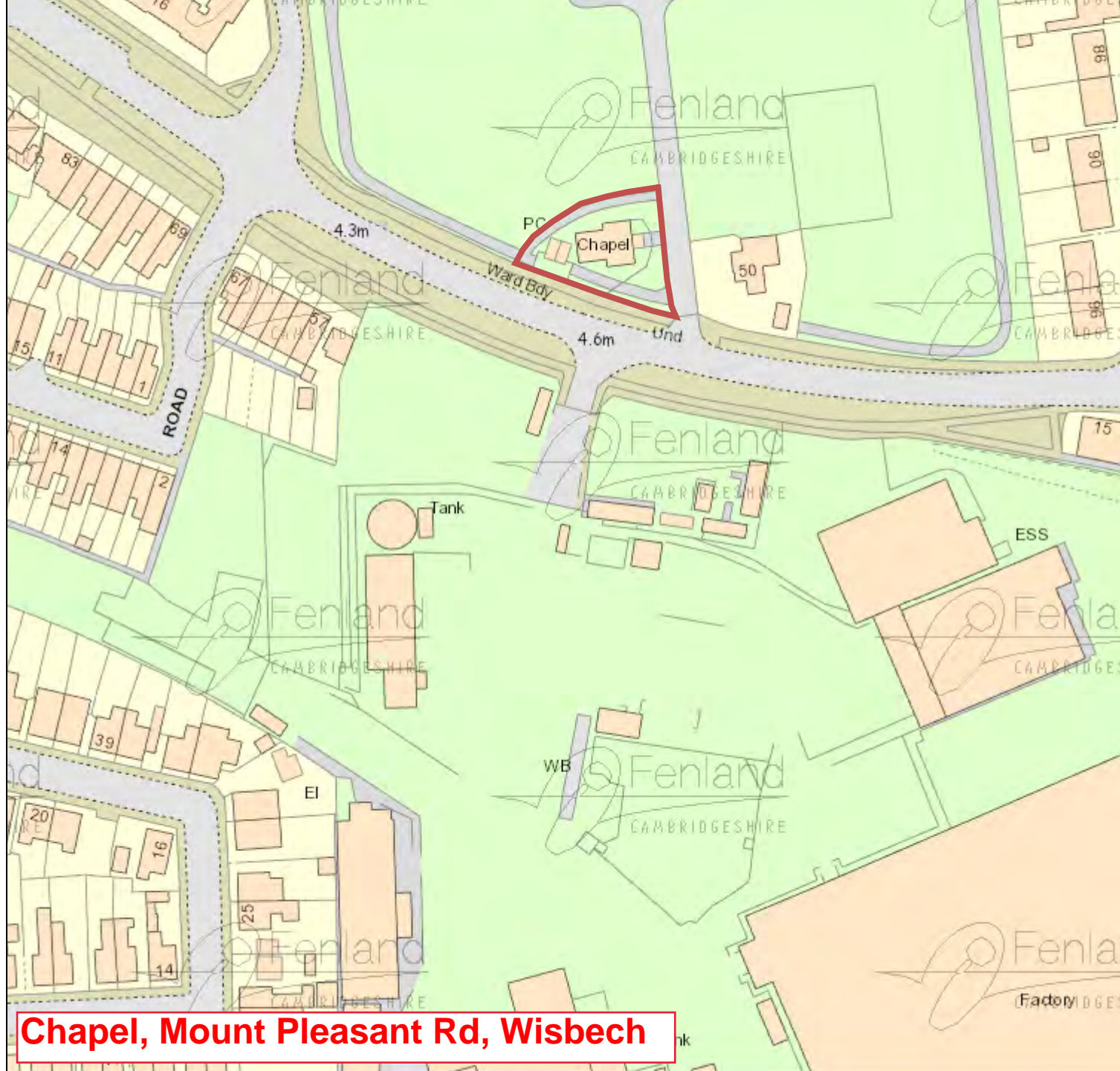
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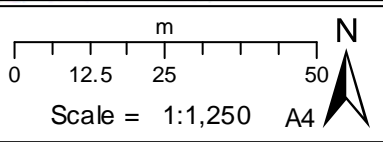


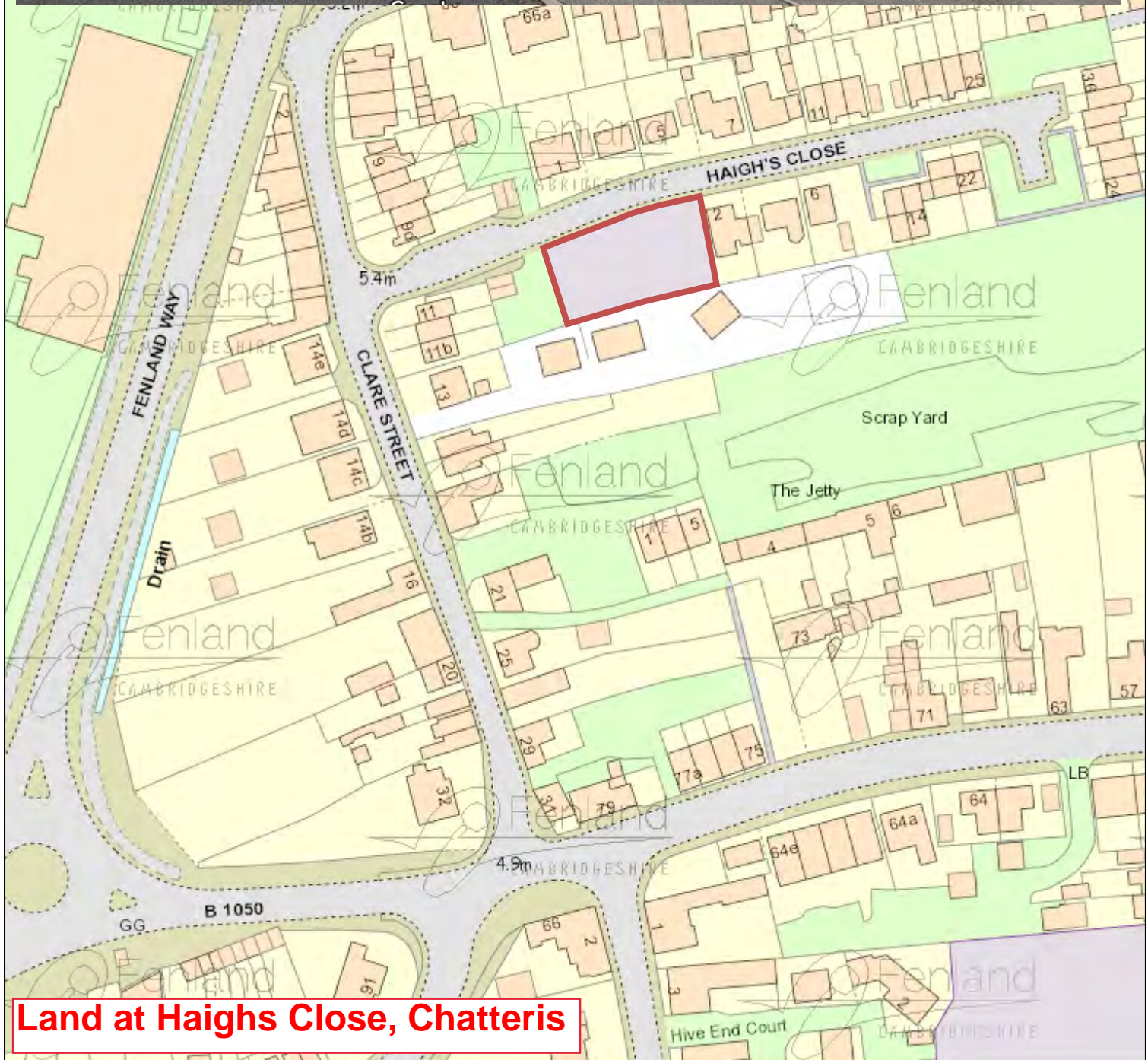


**Chapel, Mount Pleasant Rd, Wisbech**

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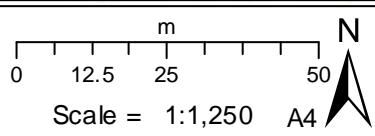




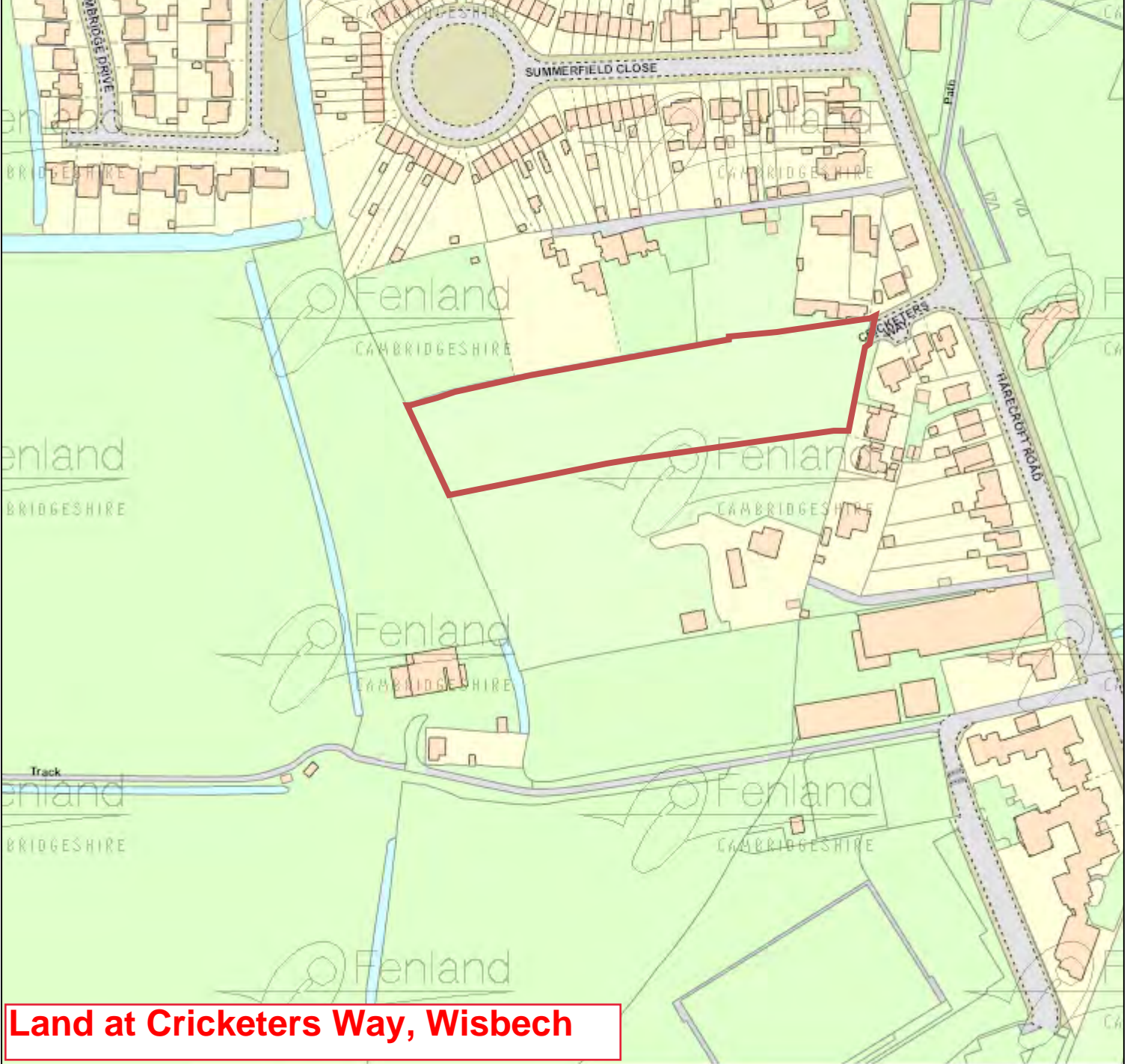
**Land at Haighs Close, Chatteris**

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**Land at Cricketers Way, Wisbech**

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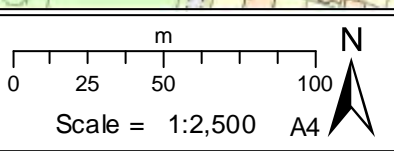


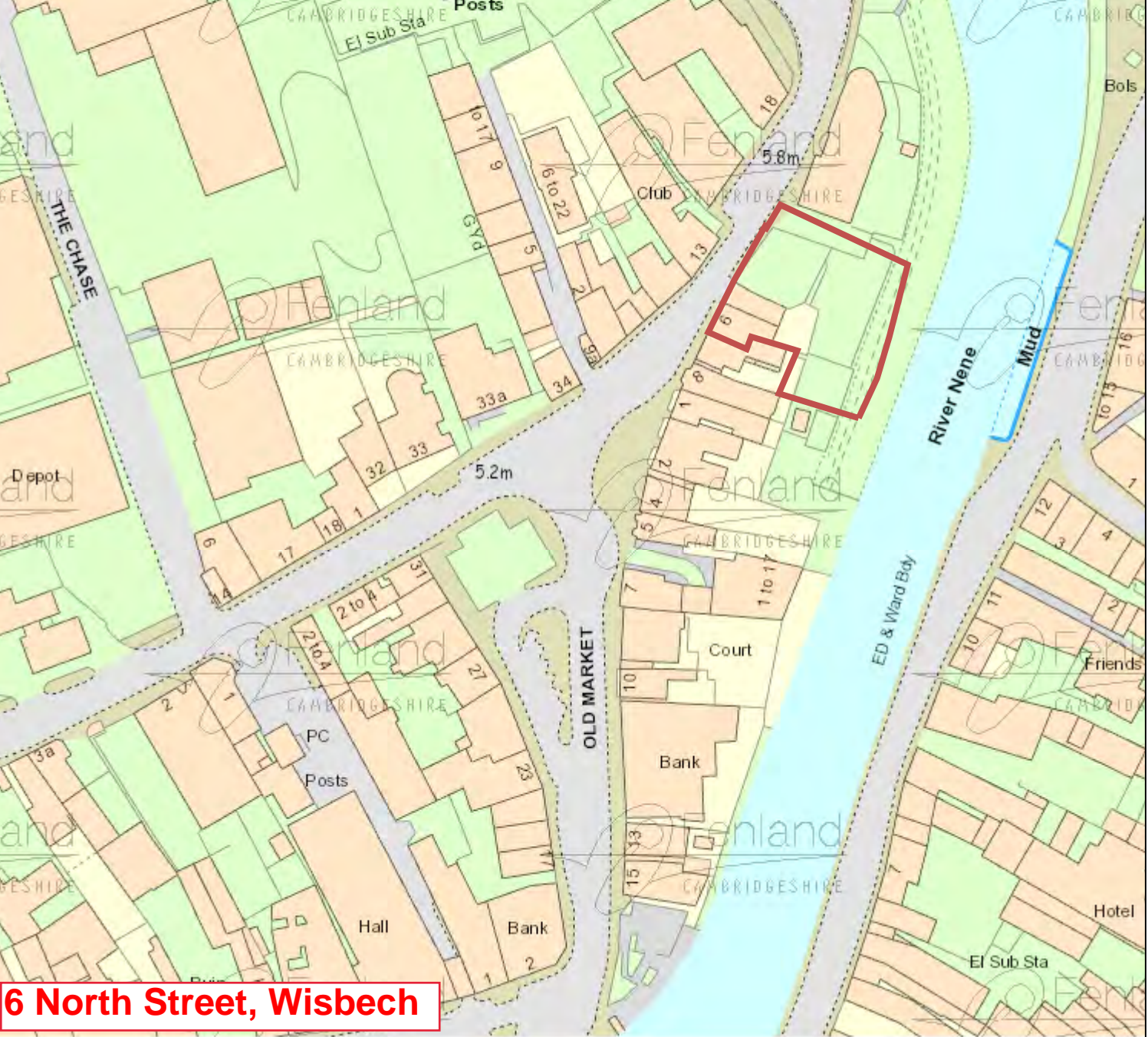
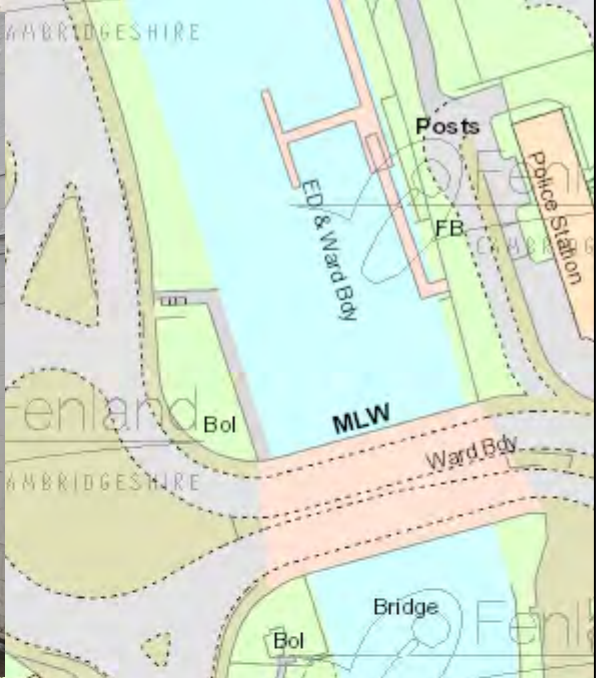


**Land at Leafere Way, Woodgate Rd and Richmond Way, Leverington**

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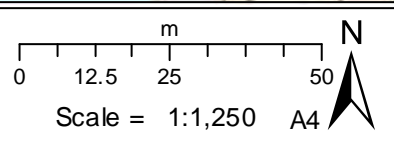




**6 North Street, Wisbech**

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**Land at Neneside, Benwick**

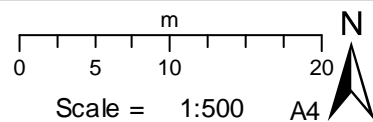
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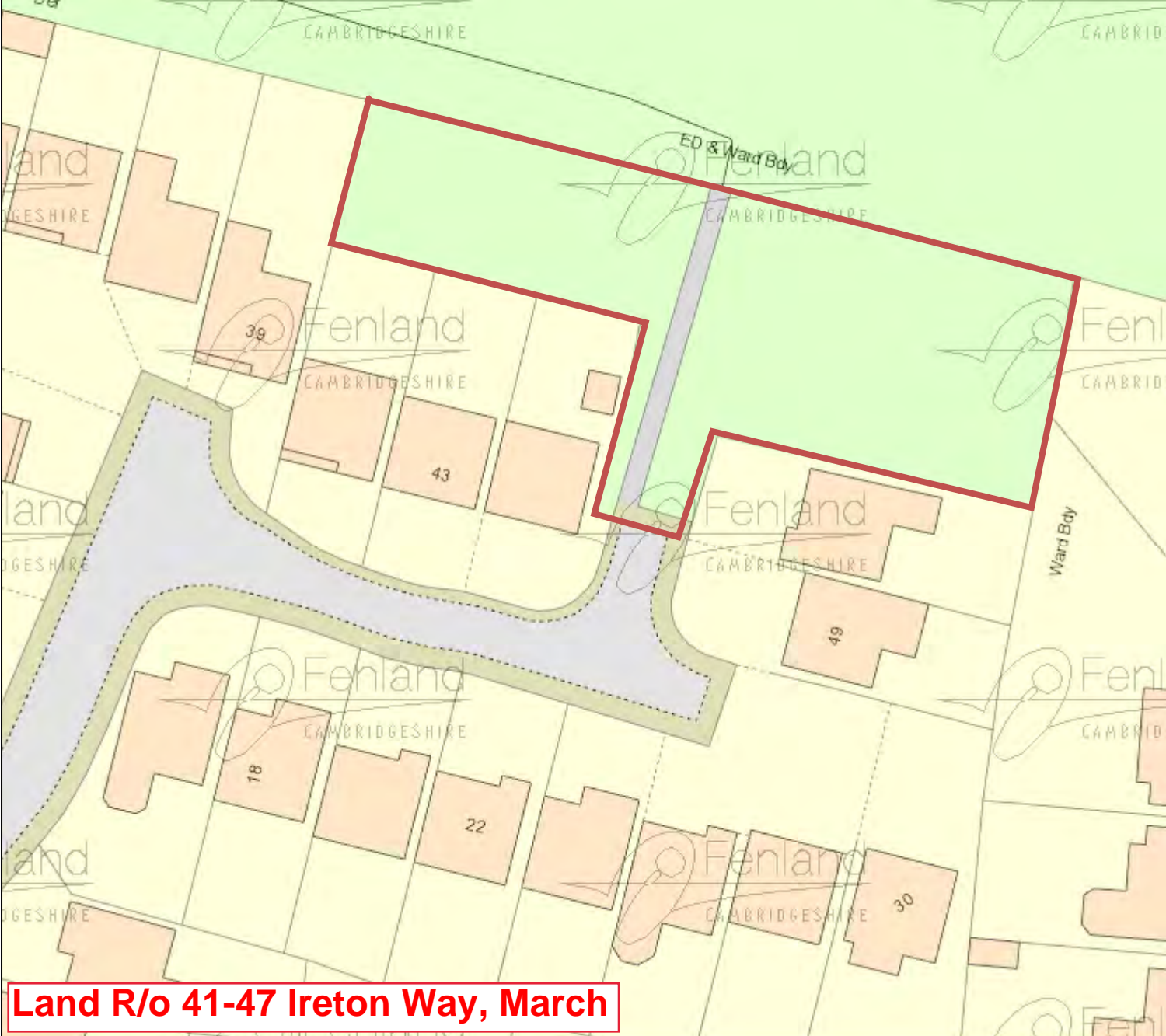
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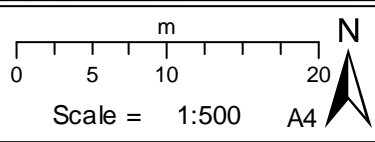




**Land R/o 41-47 Ireton Way, March**

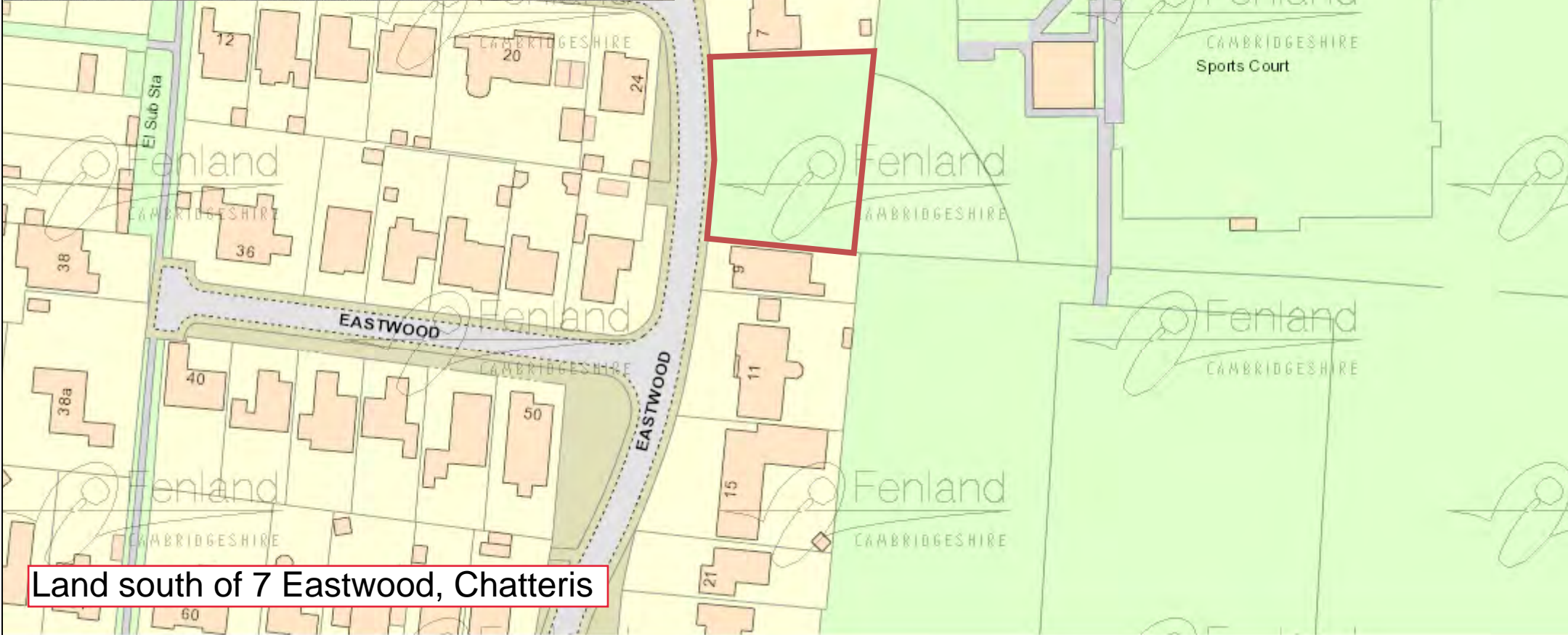
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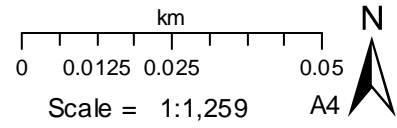
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Land south of 7 Eastwood, Chatteris

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### Land at Brewin Avenue, March

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