

## RECORD OF EXECUTIVE DECISION

Tuesday, 19 March 2024

**Decision No:** (CAB 23/24 44995)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Economic Development
SUBJECT:	Asset Development and Disposal Programme (ADDP)
AUTHOR:	Gaetana Wiseman

### THE DECISION

- (i) To consider the principles of Aecom's report (Appendix 1) when determining recommendations ii to iv below on the retention, development and disposal of council-owned assets across the council's corporate and operational portfolio.
- (ii) To approve the Asset Development and Disposal Programme and progression of the corporate and operational properties recommended for disposal/ development as detailed in Appendix 2 of this report).
- (iii) To approve the Asset Development and Disposal Programme and progression of investment properties for disposal and regeneration (as outlined in Appendix 3 of this report).
- (iv) To delegate authority to the Executive Director Growth and Prosperity, following consultation with the Cabinet Member for Economic Development, the Cabinet Member for Finance and Change, the Executive Director Corporate Services, and the Director of Legal and Governance, to progress and implement asset disposal and asset development and regeneration opportunities within the scope of the ADD Programme (as outlined in Appendix 2 and Table 1 & 2 of Appendix 3).

### REASONS FOR THE DECISION

1. The purpose of this report is to introduce the council's ADDP. To outline the recommendations relating to disposal and development of corporate and operational assets (Appendix 2). Additionally, to outline recommendations for the disposal and regeneration of properties within the council's investment portfolio (Appendix 3). The rationale for disposal and development of sites is outlined in Appendix 1.
2. The report also seeks approval for delegated powers be given to officers following consultation with relevant cabinet members to progress discrete asset disposals and asset development and regeneration opportunities within the scope of the ADDP. Appendix

4 provides an outline of the type of information that will be gathered to make robust decisions under delegated powers.

### **DETAILS OF ANY ALTERNATIVE OPTIONS**

Option 1. Do nothing: The council has a sizeable asset portfolio containing c.330 corporate and operational properties, as well as other investment and commercial properties. Assets within the General Fund incur significant maintenance and operational costs, including energy and business rates. If the council does not act and look to dispose of a proportion of these assets, and redevelop and regenerate sites across the city, there is a risk that properties may fall into disrepair. There is a risk the council is therefore unable to fund the future investment required to meet its ongoing liabilities. Doing nothing will also fail to meet the council's capital receipts target and ensure the financial benefit and stability of the council.

Option 2: Bring each property individually to Cabinet/ Council for approval once finalised. The current approach for disposal of council-owned properties is for reports on individual assets to be considered (and recommendations made) to Cabinet or Council, depending primarily on value. This approach would benefit from revision when consideration is being given to progressing a significant number of disposals in a 1-2 year timeframe. Discrete properties are identified in Phase 1 and therefore delegated authority is sought within this report to action. Members will be kept updated regarding both those discrete disposals and wider property matters as appropriate.

Option 3: Explore alternative options that do not involve disposal of assets. One of the key outcomes of the ADDP is securing £85M in capital receipts to benefit the future financial stability of the council and fund the Capitalisation Direction, approved by the Government as part of the Council's application for Exceptional Financial Support (EFS). The only realistic opportunity to realise this capital benefit is through property disposal. It should also be highlighted that maintaining the council's property portfolio incurs substantial costs in terms of maintenance/repairs and rates. Disposing of these assets will help to reduce long-term revenue implications and create savings.

### **OTHER RELEVANT MATTERS CONCERNING THE DECISION**

None.

### **CONFLICTS OF INTEREST**

None.

**CONFIRMED AS A TRUE RECORD**

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 19 March 2024

Decision Maker:  
The Cabinet

Proper Officer:  
Claire Heather

**SCRUTINY**

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*