



## REPORT TO THE MEETING OF CABINET 17 JULY 2024

### PORTFOLIO: SPECIAL PROJECTS & ASSETS

#### – CLLR T GIBSON

### REPORT FROM DIRECTOR: COMMERCIAL & ASSETS

### ASSET REVIEW BOARD QUARTERLY UPDATE

#### 1 PURPOSE OF REPORT

- 1.1 To provide Members with an update on the work of the Asset Review Board (ARB).

#### 2 LINKS TO COUNCIL'S PRIORITIES AND OBJECTIVES

- 2.1 The work set out in this report supports delivery of the Council's priorities and objectives as presented in the Corporate Plan (2021-2024) of Economy & Growth (Productivity and Business Growth).

#### 3 RECOMMENDATION

- 3.1 It is proposed that Cabinet **RESOLVES**
- (1) To note the contents of the report.

#### 4 INTRODUCTION

- 4.1 The Council keeps under review the sufficiency, suitability, condition and cost of retaining the property (land and buildings) which it owns.
- 4.2 In order to ensure a transparent and consistent approach to the acquisition and disposal of Council owned land and buildings the Council approved a new Acquisition and Disposal Policy in February 2024.

#### 5 ASSET REVIEW BOARD

- 5.1 The Asset Review Board (ARB), a Member Working Group of the Cabinet, applies the Council's Acquisition and Disposal Policy in order to discharge its functions as follows:

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- 5.2 To provide advice and recommendations to the Director, Commercial and Assets in relation to the administration of policy relating to the acquisition and disposal of the Council owned land and buildings.
  - 5.3 To ensure transparency in the execution by the Director, Commercial and Assets of his delegations.
  - 5.4 To work alongside the Director, Commercial and Assets to review the Council's landholdings and building assets and provide Member oversight and input into their use and management aligned to corporate objectives.
  - 5.5 Officers collate and update the work to explore the potential acquisitions and disposal of assets and provide information to members for consideration. Key information such as: current status of assets, maintenance responsibilities, interdependencies, potential income/costs (capital and revenue) resourcing matters and high level options for the site(s).

## **6 ACQUISITION AND DISPOSAL**

- 6.1 For the purpose of the work of the ARB, it is important to define both acquisitions and disposal in relation to Council assets.
- 6.2 Acquisitions and disposals of Property are not ordinarily functions of the Cabinet and so fall to be dealt with by officers of the Council. However, to ensure Member oversight and transparency, all proposals to acquire or dispose of assets are reviewed by the ARB and, if necessary, would be reported via the Council's relevant corporate governance processes for a formal decision to be made in respect of any disposal or acquisition.
- 6.3 The term 'disposal' for the purposes of the work of the ARB means to sell either the Council's freehold interest in the asset or to grant a leasehold interest to a buyer with the Council retaining its freehold interest in the asset. This excludes licences where no legal right is granted to the third party under the Landlord and Tenant Act 1985.
- 6.4 The term 'acquisition' for the purposes of work of the ARB means the purchase by the Council of a freehold, or a leasehold from a third party, but excludes licences that do not grant the Council legal rights under the Landlord and Tenant Act 1985.

## **7 COUNCIL OFFICES AT KILN ROAD (1<sup>st</sup> FLOOR OF THE WEST WING)**

- 7.1 The ARB considered the office space within the Council Offices at Kiln Road as part of its work. Following a review, Officers concluded that the large area of the office space on the first floor of the west wing is not currently used efficiently as a workspace. While it is used on an ad hoc basis for meetings, analysis has demonstrated that these meetings can be held in alternative meeting spaces within the Kiln Road office. The asset has been used in this way for approximately the last four years. Officers have therefore concluded that it does not meet the Council's operational or strategic requirements and is deemed surplus.

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- 7.2 In accordance with the Acquisition and Disposal Policy, a proposal to lease the surplus office space to the USP College was discussed at the Asset Review Board on 16 April and 4 June 2024. The terms, agreed in principle, represent best consideration and value for money for the asset. As such, the proposal was supported by members of the Board with a recommendation that a report be taken to Cabinet for formal approval. The details of the proposal are set out in a separate report to Cabinet on 17 July 2024 with a recommendation to approve the Heads of Terms and grant the lease to the USP College.

## **8 RISK IMPLICATIONS**

- 8.1 There are no direct risk implications arising from this report. Where a formal decision is to be made in respect of any disposal or acquisition the risk implications will be set out within separate reports.
- 8.2 In general terms failure to properly review the sufficiency, suitability, condition and cost of retaining the property which the Council owns would represent a strategic failure to manage the Council's estate.
- 8.3 This could result in loss of rental revenue, increased costs and failure to bring forward strategic acquisitions or disposals to deliver corporate priorities.

## **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1 None directly relating to this report. These would be taken on a case by case basis regarding any future decision of the ARB.

## **10 ENVIRONMENTAL IMPLICATIONS**

- 10.1 None directly relating to this report. These would be taken on a case by case basis regarding any future decision of the ARB.

## **11 FINANCIAL IMPLICATIONS**

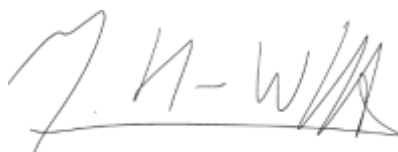
- 11.1 There are no financial implications arising from this update report.

## **12 LEGAL IMPLICATIONS**

- 12.1 There are no legal implications arising from this update report.

## **13 EQUALITY AND DIVERSITY IMPLICATIONS**

- 13.1 An Equality Impact Assessment has not been completed as no decision is being taken.

A handwritten signature in black ink, appearing to read 'M. Harwood-White', with a horizontal line drawn underneath the signature.

Matt Harwood-White

Director of Commercial & Assets

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**Background Papers:-**

None.

For further information please contact Matt Harwood-White on:-

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