

**To:** Cabinet  
**Date:** 11 December 2024  
**Report of:** Executive Director Development  
**Title of Report:** Disposal of City Council Land

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To seek approval for the disposal of City Council owned land with development potential
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Ed Turner Deputy Leader and Cabinet Member for Finance & Asset Management
<b>Corporate Priority:</b>	Well Run Council
<b>Policy Framework:</b>	Medium Term Financial Plan

<b>Recommendation(s):</b> That Cabinet resolves to:	
1	Note the contents of the report
2	Agree the disposal of the land as set out in the report
3	Delegate to the Executive Director Development in consultation with the Deputy Leader and Cabinet Member for Finance and Asset Management and the Head of Law and Governance and Head of Financial Services the agreement of the detailed terms for the sale and to enter into all the necessary agreements to effect the disposal of the land on the basis that the terms comply with S123 of the Local Government Act 1972.

<b>Appendices</b>	
Appendix 1	Confidential Report
Appendix 2	Confidential Risk Register

## Introduction and background

1. The Council has a portfolio of land and buildings that produce revenue to the Council to support the delivery of services for the City and its population. The Council has a responsibility to effectively manage the assets in accordance with the Asset Management Strategy
2. An opportunity has arisen to dispose of a site with development potential. This report and the confidential appendix set out the details of the proposed transaction. This report is being brought to Cabinet in accordance with Section 19.29 of the Council's Constitution as the value of the land is more than £500,000.
3. The appendix to the report is confidential as it contains commercially sensitive information.

### **Proposal**

4. The proposal is to dispose of land currently in agricultural use. Details are provided in the confidential appendix attached to the report.

### **Options**

5. The following options were considered;
  - a. To pursue the development of the land by the Council or in partnership. This option was rejected in view of the cost and resources required for pursuing this approach and the risk and uncertainty of the timing of any return.
  - b. Sale of the land. This option is recommended in the light of the contribution it can make to the Council's financial plan.
  - c. The continuation of the current use. This option provides only a limited return to the Council and therefore was rejected in favour of option b.

### **Financial implications**

6. The disposal of the asset would support the Council's Medium Term Financial Plan (MTFP), at a time when local government, including this Council are facing unprecedented financial pressures. The detailed terms are commercially sensitive.
7. The cost of resources to support the disposal of the site will be funded from existing budgets or the capital receipt received.
8. Further details are contained in the confidential appendix.

### **Legal issues**

9. Section 123 Local Government Act 1972 empowers a local authority to dispose of land, by way of lease or sale. The disposal of land cannot be for a consideration less than the best that can be reasonably obtained, unless consent of the Secretary of State is obtained. The proposal is in line with S.123 requirements.

### Level of risk

10. The risk register is attached in the confidential appendix

### Equalities impact

- 11. The disposal of land does not give rise to any direct equalities issues. Any future development of the land will be by a third party.
- 12. The development of land is controlled through the planning application process. Planning decisions should be in accordance with adopted Local Plan policies, unless material considerations indicate otherwise, which will have considered equality in their formulation.

### Carbon and Environmental Considerations

- 13. This report does not give rise to any direct carbon or environmental considerations.
- 14. The future development of the site will have carbon and environmental considerations. These will be controlled through the need for planning permission for any development and will be the responsibility of the developer in pursuing proposals for the land.

### Conclusion

15. The Council is having to look at all options to manage its budget in the Medium Term Financial plan, and the disposal of this land will generate a capital receipt that will support the Council's financial position with certainty over the timing of the receipt. Disposal of the land will be in accordance with best value requirements.

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<b>Background Papers:</b> None
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