

# **Disposals Policy 2025-2030**

# Introduction

The Disposals Policy outlines the legislative framework and guidance notes that the Council is required to comply with when disposing of its property assets.

Sevenoaks District Council regularly reviews its property portfolio to ensure its property portfolio meets its operational and strategic requirements. Where property assets are identified as surplus, they are considered as part of a disposals programme. The Council's disposals programme is evaluated on an ongoing basis.

A disposal, in the context of this policy, means the sale of a freehold interest, an assignment or grant of a lease for more than seven years, and the granting of easements and options.

Leases of less than 7 years or an assignment of a term with less than 7 years to run which are exempt from the statutory requirement to obtain best consideration, are outside of this policy, although in such cases there will be a general presumption that officers will follow the policy's principles.

The intention of the disposals programme is to provide capital receipts to help deliver the Council's approved Capital Programme, reduce the revenue burden associated with holding properties (i.e. reduced maintenance and compliance costs), reduce other liabilities (i.e. risk and insurance), stimulate economic activity, support communities and deliver operational services.

When disposing of assets, the Council is subject to statutory requirements, in particular to the overriding duty, under section 123 of the Local Government Act 1972, to obtain the best consideration (see Appendix B) that can be reasonably obtained for a disposal. The rules made under the Act provide powers for the Council to arrange its functions and s.1 of the Localism Act 2011.

This duty is subject to certain exceptions (see Appendix C) that are set out in the General Disposal Consent (England) 2003. Within financial limits, this gives councils wider powers to dispose of land and property at less than market value where it could be demonstrated that they promoted the economic, social and environmental well-being of the area.

Disposals by public bodies also need to take into account various other legislative frameworks and guidance notes.

This policy ensures that disposals are dealt with in a consistent and transparent manner and should be considered in conjunction with the Council's Constitution and Scheme of Delegations.

## **Legislative framework**

In disposing its property assets, the Council is required to follow various statutory instruments and guidance notes. In particular, the Council needs to have regard to:

- The Local Government Act 1972 and Circular 06/03
- The Local Government Transparency Code 2015
- The Localism Act 2011 and the Community Right to Challenge Regulations 2012
- Deregulation and Contracting Out Act 1994
- Local Government, Planning and Land Act 1980 - The Levelling Up and Regeneration Act 2023
- Government Guidance on the Disposal of Local Authority Assets (2016)
- RICS (2011) Practice Note 07: Local Authority Asset Management: Disposal of Land at Less than Best Consideration
- RICS Valuation Standards
- Crichton Down Rules (if applicable, this applies to land that was acquired by compulsory purchase but is no longer needed, and therefore the land should be disposed of by way of return to the original owner or their descendants)
- property that was bequeathed to the Council and has restrictions on its transfer especially where the Council is acting as a trustee.

### **Local Government Act (LGA) 1972**

The LGA 1972 empowers local authorities to dispose of assets. The Act requires the disposal of land to be at best consideration, and where public open space is to be disposed of, that public consultation is undertaken in a prescribed manner. Together with the General Disposal Consent Order 06/03, the regulations allow for asset disposals at less than best consideration provided the undervalue does not exceed £2,000,000 and social, economic and environmental well-being benefits can be demonstrated. Assets where the undervalue is greater than £2m requires the consent of the Secretary of State.

### **Local Government, Planning and Land Act 1980**

Since the Levelling-up and Regeneration Act came into force in December 2023, both the public and private companies can request the disposal of publicly owned land that is vacant, derelict or underutilised under the 1980 Act, with land sold by default, unless there is a very compelling reason not to do so. The Government's objective is to ensure that public land is being used effectively and its potential is maximised. Public bodies are required to dispose of assets at best consideration and are required to have plans in place for the intended future use of vacant/underutilised land, particularly if they are to avoid a requirement to sell.

## **Localism Act 2011 (Community Right to Challenge)**

While not directly relevant to asset disposals, the Council needs to be mindful of the principles of openness and fairness established under Community Right to Challenge. The Community Right to Challenge (CRC) is the right for community organisations to submit an expression of interest in running services of local authority and fire and rescue authorities on behalf of that authority. The legislative framework is contained within the Localism Act 2011.

CRC requires transparency in the “release” of assets. This legislative provision is aimed at creating the conditions for communities to play a bigger part in shaping their community - whether that involves shaping and running local services through the community right to challenge, taking over local assets of community value through the community right to bid, community-led development using the community right to build, or adopting a neighbourhood plan under neighbourhood planning.

Through this legislation Government expects local authorities to engage with communities about how services can be reformed and improved to better meet local needs, and work with groups who believe they can run services differently and better, which may include the transfer or use of assets. The Council, therefore, has an implicit obligation to ensure the transfer of assets is transparent.

## **Deregulation and Contracting Out Act 1994**

The Secretary of State under section 70 of the Deregulation and Contracting Out Act 1994 has authorised particular organisations to carry out specified local authority functions. In addition, local authorities may have arranged for other local authorities (which includes town/parish councils) or named committees or officers to discharge their functions, using powers in section 101 of the Local Government Act 1972. Where this is done the authority remains ultimately responsible for the discharge of the function. Services relating to those functions therefore remain within the scope of the right, unless they are excluded in the Regulations. Assets required to undertake these functions can therefore not be transferred.

## **Local Government Transparency Code 2015**

Local Government Transparency Code 2015 is aimed at ensuring transparency and should be seen as a key instrument of the Localism Act 2011, where the spirit is to ensure fairness and transparency.

## **Government Guidance on the Disposal of Local Authority Assets (2016)**

Government Guidance on the disposal of Local Authority Assets (2016) reinforces the need for transparency in the disposal/transfer of assets. The focus is on assets that could be made surplus thereby allowing assets to be used more productively and support growth and efficiency. Where an asset is identified surplus, Government suggests the following principles are adhered to:

- every disposal has a clear objective from the outset (i.e. reduce costs, maximise receipts, maximise housing capacity).

- Disposals should be rooted in the local plan (i.e. they should help deliver land supply requirements).
- Early and meaningful engagement with other public bodies and the market must take place.
- The appropriate level of investment is determined prior to disposal to achieve best return (i.e. obtaining planning permission or investment in infrastructure).

The guidance also notes that there are various ways disposals can take place but clarifies that it is for the local authority to determine the most appropriate sales mechanism (i.e. formal tender, informal tender, public auction, private sale). An underlying objective to the sales mechanism is to ensure best consideration.

Government guidance further clarifies that disposals at less than best consideration are possible where the requirement is to comply with Circular 06/03 and the guidance provided by the Royal Institute of Chartered Surveyors (RICS)) as well as the RICS valuation standards are adhered to.

### **RICS (2011) Local Authority Asset Management 07: Disposal of Land at Less than Best Consideration**

The Royal Institute of Chartered Surveyors (RICS) notes that disposals at less than best consideration may only be justified if they involve indirect benefits and they cannot be taken into account in assessing best consideration. Such disposals would need to demonstrate how they would maximise value for money in pursuit of wider strategic objectives and outcomes. There are many instances where this may arise, provided always that the local authority has the powers to seek the benefits involved.

The RICS also notes that if a local authority is to meet its legal obligations (and avoid legal challenge), it must demonstrate that a consistent, transparent and well-structured approach has been taken, and that value for money will be obtained.

The RICS therefore recommends that a business case should be prepared and that a clear audit trail in decision-making is held. The RICS helpfully outlines key essential information that should be contained in this business case, viz.:

- The best consideration that would otherwise be received;
- The consideration likely to be received on the proposed particular terms and conditions
- Any direct and indirect benefits associated with the disposal in monetary terms where possible.

The RICS also advises that a local authority should also note in its decision report an assessment of the likely on-going holding and opportunity costs and any benefits arising from the retention of the assets so that a balanced view about the costs and benefits to the authority are noted.

It recommends that the approach must be commensurate to the complexity of the case, and that the assessments undertaken should be both quantitative and qualitative. In terms of approach, a three-stage process is recommended, but this can

be collapsed or expanded depending on the complexity of the transaction being proposed. In brief it outlines the requirement of these three stages as follows:

**Feasibility:**

- Planned disposal is consistent with Council's strategies, policies and programmes.
- If disposing at less than best consideration, the Council must identify the social, economic or environmental objectives and benefits it wishes to achieve through a disposal.

**Outline business case (Appendix D):**

- Business case required to account for the amount by which the disposal price is being foregone in favour of receiving an alternative benefit.
- The opportunity cost must be noted.

**Detailed business case:**

- Set out the strategic context of the organisation's corporate strategic objectives, spatial plans and property asset management plan and how this disposal will achieve these goals and objectives.
- Identify and estimate the value of the benefits, whenever possible in monetary terms, which give rise to the proposed less than best consideration disposal.
- Estimate the cash consideration likely to be received from the proposed purchaser in the light of the benefits being sought.
- Make an initial value for money assessment.
- Identify any legal, auditing and good practice requirement that should be met.

The RICS strongly recommends that the agreement to proceed with a disposal at less than best consideration is explicitly recorded and involves the sponsoring department(s), the property team, any corporate property group(s) and councillors of a local authority. It also recommends that the local authority's Auditors be consulted in advance.

The RICS also highlights that Subsidy Control implications are investigated and complied with, as this may impact on a local authority's ability to dispose of an asset to a particular organisation.

The RICS concludes that such disposals are also made subject to:

- the monitoring of benefits; and
- clawback provisions if benefits are not achieved or land is not used as envisaged.

# Asset Challenge

The Council regularly reviews its property portfolio to ensure its estate meets operational, investment and strategic requirements of the Council. This process is overseen by the Council's Property team. All assets undergo the asset challenge process outlined in the diagram below.



It is for the Council to determine whether a disposal accords with its policies and procedures. Where an asset is identified as potentially being eligible for disposal, the Council should consider both freehold and long-term leasehold options.

The Asset Challenge process considers the how the asset is classified, as defined by Chartered Institute of Public Finance (CIPFA). Assets are broadly classified into the following categories:

- Operational assets that are required to fulfil the Council's operations or statutory functions. These assets should normally not be transferred unless the acquiring authority/organisation can demonstrate it will continue to provide that statutory service. Such requests are normally made through the Community Right to Challenge process, for which the Council has an established policy.
- Commercial/Income producing assets that are required for the financial benefit and stability of the Council - therefore should be retained.
- Surplus assets or assets held for development. If assets are declared surplus in accordance with International Financial Reporting Standard (IFRS) 13, the Council is required to obtain best consideration and will need to comply with the Property Procedure Rules and its disposals procedures. Subject to legislative requirements and Government Guidance, an asset could be disposed of at less than best consideration provided its potential capital receipts are not required by the Council.

When the Council makes a decision which affects the services that are provided it must do so in accordance with the law.

Land will be deemed surplus to the Council's requirement where it does not contribute to the Council's services or its strategic and corporate objectives, or a cost-effective alternative site has been identified, and it has no strategic or regeneration potential in the near future. Under-used land will be where the whole or part of a site is vacant and likely to remain so for the foreseeable future, or the income available from the site is uneconomic, or the site is only partially used and such use could be accommodated elsewhere. It is important to note that assets may not necessarily be declared surplus and may be held for development as they may be of strategic importance to the Council.

## General principles

It is for the holding authority (the Council) to determine whether a disposal accords with its policies and procedures.

Land and buildings become surplus usually as a result of service reviews or as part of a review (see Asset Challenge above) carried out by the Property team

A recommendation to declare an asset surplus to requirements will be based on the following considerations:

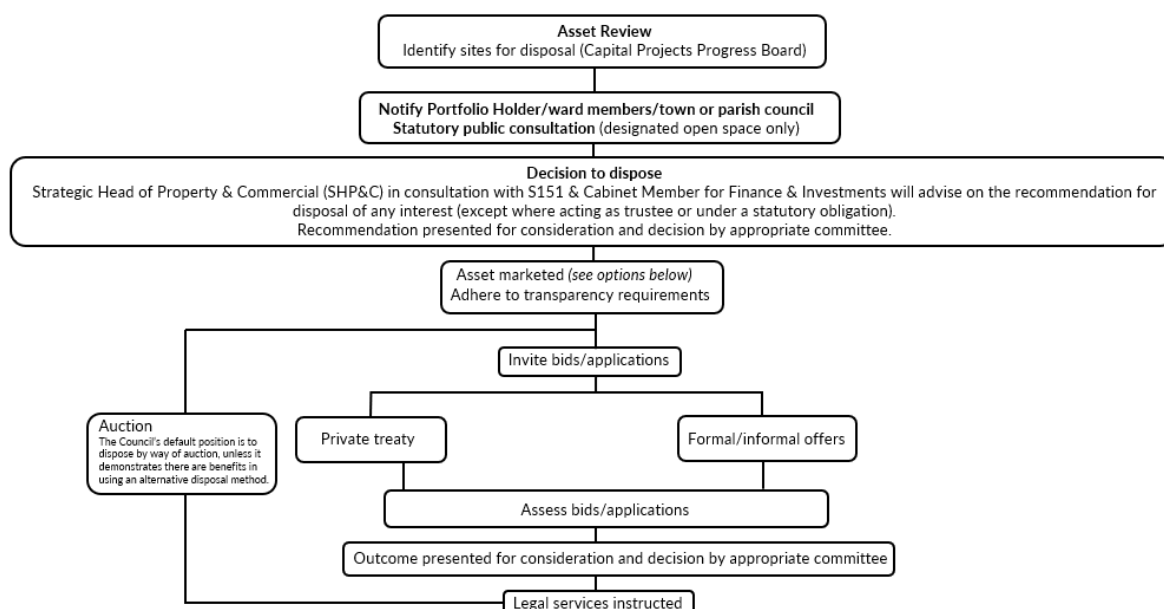
- **Is it an operational asset that is required for it to fulfil its operations or statutory functions?** - if so, the asset should not be transferred unless the acquiring authority demonstrates it will continue to provide that statutory service.
- **Is it an income producing asset that is required for the financial benefit and stability of the Council?** - therefore should be retained.
- **Is it a surplus asset?** - which if declared as such, will need to comply with our disposals procedures, but could be disposed of at less than best consideration provided its potential capital receipts are not required by the Council.
- **Is it a strategic asset that should be transferred to the successor in title?** Here we have a prudential and fiduciary role to ensure the successor in title is not compromised in fulfilling its future statutory duties



# Disposals Process

The Council follows a clear process with the disposal of its assets which is aligned with the Council's plans, strategies and with government legislation and guidance. The process is outlined in the diagram below.

## Disposals process



The Council's default position is to dispose by way of auction, unless it demonstrates there are benefits in using an alternative disposal method.

For example, the Council regularly receives direct approaches from interested third parties wishing to acquire an interest in property owned by the Council. In some instances, these applications are received from adjacent or neighbouring owners to purchase the freehold interest in small or inconsequential areas of land in the Council's ownership. Such land is typically:

- surplus to Council requirements
- has no inherent development value
- has no inherent open market opportunity
- a market value of less than £10,000.

In these instances, a departure from open marketing may be considered, but it is also recognised that, in some of these cases, such disposals may involve inconsequential or incidental public open space which in turn is governed by additional requirements e.g. public consultation (see Appendix E).

## Marketing

A marketing strategy will determine the disposal of surplus or under-used land/property. The marketing strategy may be conducted either in-house or through an external agent. Costs should be recovered from the eventual purchaser.

## Valuation

In preparing for the disposal or acquisition of a Council interest in property, the Strategic Head of Property and Commercial shall ensure that a valuation report is provided for the property in question.

Best consideration is not necessarily the highest financial offer available, it can also reflect the also the substance and strength of any supporting information submitted with an offer including the financial security of a bidder and the commitment of the bidder to a proposed scheme (except in the case of an auction).

The Council must test whether an offer is the best that can reasonably be obtained having regards to any restrictions or the effect on value of any conditions placed on the use of the land, including whether the offer under consideration is reliable, advice on possible changes to the price that may flow from changes to the planning position etc.

Consideration should be given to the most appropriate pricing structure. It may be appropriate to use an overage arrangement whereby the Council receives future payments representing any uplift in value of the land/property once it has been developed / sold on. A calculation of the overage that the Council is likely to receive and the likelihood of that sum being correct given changing market conditions will be essential to assessing the business case for disposal of surplus property.

## Method of sale

The where, when, who to, and for how much, elements of a disposal will depend on what the Council is hoping to achieve or deliver through the sale of the particular asset.

The Property team will advise on the best method of sale and whether the sale should be freehold or leasehold. A freehold sale gives the purchaser the greatest freedom to do what they want with the land or building. Covenants and restrictions can be imposed upon the sales but these may restrict value and may be difficult to enforce. A leasehold disposal will give the purchaser fewer freedoms and thus may lower the receipt achieved, but will allow the Council greater control over the future use of the asset.

Method	Advantages	Disadvantages	When to use
<b>Public auction</b>	Open and transparent. Reserve Price is fixed in advance. Sale completes in a fixed time period.	May not reach all potential purchasers. Some buyers will not purchase in this format. Difficult to control end use	Simple and straightforward sales
<b>Formal tender</b>	Fixed sale objectives. Prescribed timescale.	May be off putting to potential purchasers. Bids may vary – cannot guarantee a particular price will be reached.	When specific outputs are required and these outweigh considerations of price

Method	Advantages	Disadvantages	When to use
<b>Informal tender</b>	Fixed sale objectives. Scope for negotiation.	Bids may vary and values may fall during negotiations. May be subject to legal challenge if negotiations stray from advertised objectives.	Where certain objectives need to be met but there is scope for variation.
<b>Private treaty</b>	Most common form of sale. Wide audience. Can treat with a number of different parties.	Wide range of offers. No contractual obligation to proceed. Time consuming.	Off market sales. Community asset transfers. Specialist property types.

The asset will be offered for sale by the most appropriate method which will depend on the asset and the circumstances around the purpose for sale.

The Council is not obliged to offer an asset for sale on the open market and is able to consider off market and private treaty sales if considered appropriate to do so. This is governed by the Local Government Act 1972 Act which allows a local authority to dispose of an asset in any manner they wish. The only constraint is that a disposal must be for the best consideration reasonably obtainable, as outlined in section 123 of the Act.

For example, the Council may consider an off-market sale on the grounds of good estate management practice or to facilitate regeneration. The Council is not obliged to consider or accept any offer made to purchase a land or property asset. There is no statutory right to buy and no formal appeal process in the event of a refusal.

### **Approval process**

The Strategic Head of Property and Commercial will provide initial approval of any asset disposal, to provide assurance that the asset is no longer required by the Council for operational purposes.

The approval to market, and final approval to dispose/not sell, will be taken depending on the estimated value of the asset. The Council's financial delegations set out the thresholds and process for decision making. As applicable, recommendation will be presented for consideration and decision by the appropriate committee.

### **Instructions to legal**

Once a sale has been agreed and the appropriate approval obtained the Property team will instruct Legal Services to complete the transaction.

If the sale does not proceed, the asset will be reclassified as a legacy disposal, and go back to the 'Method of Sale' stage.

## Minor Disposals

The Council regularly receives direct approaches from interested third parties wishing to acquire an interest in property owned by the council.

In some instances, these applications are received from adjacent or neighbouring owners to purchase the freehold interest in small or inconsequential areas of land in the Council's ownership.

Such land is typically:

- surplus to Council requirements
- has no inherent development value
- has no inherent open market opportunity
- a market value of less than £10,000.

In these instances, a departure from open marketing may be considered.

It is recognised that, in some of these cases, such disposals may involve inconsequential or incidental public open space which in turn is governed by additional requirements e.g. public consultation.

## Community Asset Transfer

If an asset is used for social, community and public purposes and the benefits of that service are deemed to outweigh the value of continuing ownership by the Council on behalf of its residents, the Council may consider the transfer of the asset to a parish or town council or a charity or community group, known as a Community Asset Transfer.

Community Asset Transfer is a voluntary process which allows the transfer of management and/or ownership of public land and buildings from the council to a community organisation for less than market value in order to achieve a local social, economic or environmental benefit (i.e., through the powers conferred on the council by the General Disposal Consent (England) 2003).

A Community Asset Transfer to a community, charity or another public body can only take place if supported by a business case (for example, the transferee has sound long-term and sustainable management and governance arrangements, the proposed use of the property meets the authority's Council objectives, it is affordable to the transferee (e.g. certainty of funding) and there is an agreed timescale for the disposal to be completed.

Not all assets will be capable of transfer to third party organisations and circumstances of where Community Asset Transfers may not be possible are given as examples below:

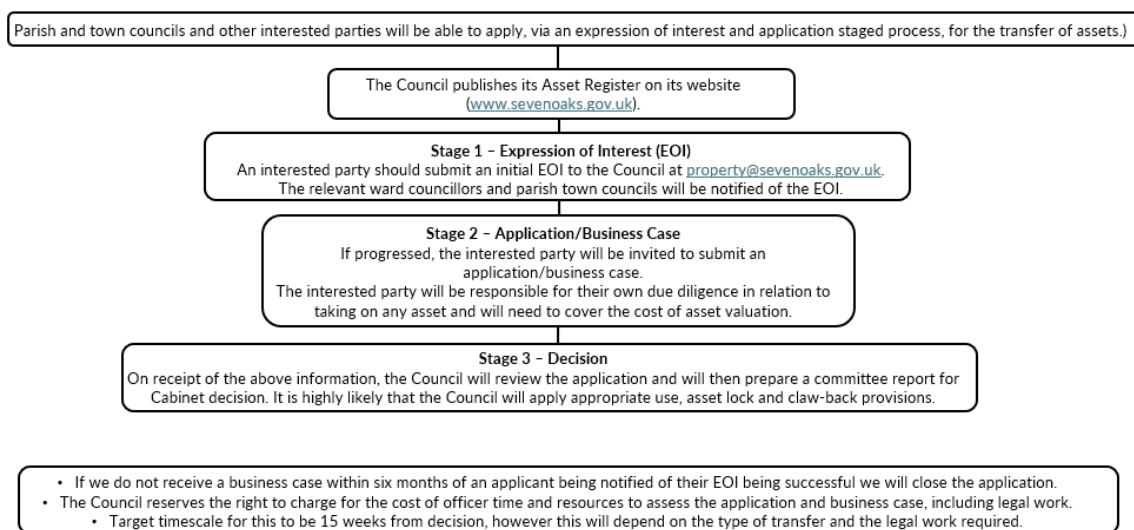
- The asset is surplus, but proceeds of sale are required as a capital receipt to fund the Council's capital programme.
- The asset is held by the Council to earn revenue in the form of rental/receipts income, which in turn is used to fund service delivery.

- The asset is held for regeneration or housing purposes.
- The asset is required for operational purposes for use by the Council.

It is the Council's role to determine whether an asset is deemed surplus and may be released for Community Asset Transfer or not.

However, since Government's announcement to, in principle, progress Local Government Reorganisation in Kent, the Council has received multiple requests from town and parish councils to transfer assets.

## Community Asset Transfer process



Given the resource intensive nature of these requests outside of the Council's standard asset review and disposals process, we are recommending running two Community Asset Transfer bidding rounds in 2025/26. These will be publicly advertised to comply with transparency requirements and ensure fairness and equity.

Parish and town councils and other interested parties will be able to apply, via an expression of interest and application staged process, for the transfer of assets.

The Council publishes its Asset Register on its website ([www.sevenoaks.gov.uk](http://www.sevenoaks.gov.uk)). Details of the Community Asset Transfer process and application process will be made available on its website.

An interested party should submit an initial Expression of Interest (EOI) to the Council at [property@sevenoaks.gov.uk](mailto:property@sevenoaks.gov.uk). The relevant ward councillors and parish town councils will be notified of the EOI.

If progressed, the interested party will be invited to submit an application and business case. The interested party will be responsible for their own due diligence in relation to taking on any asset and will need to cover the cost of asset valuation.

On receipt of the above information, the Council will review the application and will then prepare a committee report for Cabinet decision. It will be for the Cabinet to

determine the nature of the tenure (i.e. licence, leasehold, commonhold or freehold) to be disposed of, but it is highly likely that the Council will apply appropriate use, asset lock and claw-back provisions.

If we do not receive a business case within six months of an applicant being notified of their EOI being successful we will close the application. Applicants will be kept informed on the status of their application and the recommendations being presented

### **Recommending a Community Asset Transfer**

Any transfer for less than best consideration will require the following:

- Officers will submit a committee report for Cabinet decision, recommending a disposal at less than best consideration, structured as follows:
- **The property (plan, description, location)**
  - Title (description of title held, leases, encumbrances)
  - Purposes for which, and powers under which property is held
  - Current uses and planning context (current use, planning permissions, alternative planning uses likely to be permitted, planning policy relevant)
- **Proposed transaction and justification**
  - Details of proposed purchaser
  - Aims and objectives of purchaser
  - Nature of organisation and governance structure
  - Evidence of purchasers financial ability to fulfil the obligations of the transaction (recent accounts should be included)
  - Details of what purchaser intends doing with it
  - Details of consultation with users, local people, service users
  - Details of how proposed transaction benefits the organisation's key objectives
  - Indication of local demand and need for the identified benefits
  - Details of key terms and restrictions proposed
  - Compliance with State Subsidy
  - Details of how disposal relates to our strategic plans
  - Details of options appraisal and Cost Benefit Analysis (CBA)
  - Valuation report

**All reports will be notified to the local ward member and parish council.**

The Council reserves the right to charge for the cost of officer time and resources to assess the application and business case, including legal work.

If your application is successful, you will also need to pay the Council's legal fees to transfer the asset which will be between £650 and £1,250. The transfer actioned by Sevenoaks District Council Property and Legal teams. Target timescale for this to be 15 weeks from decision, however this will depend on the type of transfer and the legal work required.

## Appendix B

### Definition: Disposal – best consideration

- The Local Government Act 1972 s123 provides a power for the Council to dispose of land but provides that (except with the specific consent of the Secretary of State) the Council may not dispose of land for a consideration less than the best that can reasonably be obtained other than by way of granting or assigning a short tenancy. A short tenancy is one not exceeding seven years.
- This legislation ensures that public property is disposed of at the best price obtainable subject to certain exceptions.
- To ensure transparency in all property transactions as a matter of general principle, disposals or lettings to any organisation, including charitable, voluntary or non-profit organisations, must be on the basis of market value, with any financial assistance or other gratuitous benefit to be provided by way of a grant rather than reduction in the disposal terms.
- The Council is highly unlikely to dispose of a Property Asset at less than best consideration, but where this is approved by Cabinet under exceptional circumstances, and the benefits of such a disposal are clearly outlined, the Council is potentially providing a subsidy to the new owner, developer and/or the occupier of the Property Asset such that there may be a distortion of competition. Where this occurs, the Council must ensure that the nature and amount of subsidy complies with UK subsidy control regime, as defined by Subsidy Control Act 2022, particularly if there is no element of competition in the sales/disposals process.
- The Council may need to secure valuation advice that sets out the unrestricted (best price obtainable) and restricted values, together with the value of any proposed conditions.
- Assets where the undervalue is greater than £2 million require the consent of the Secretary of State.

## Appendix C

### Definition: Disposal – less than best consideration

The disposal of Local Authority assets is governed by the General Disposal Consent (2003) under the Local Government Act 1972. This consent gives Councils the power to dispose of assets for market value or for less than the market value for the following reasons.

Assets can be disposed for less than best consideration provided the under-value is no greater than £2 million. However:

- There needs to be a clearly defined reason (economic, social, wellbeing to the local community) as to why an asset is being disposed or transferred at less than best consideration.
- The interested party needs to demonstrate that it can manage the assets and that they are affordable to it on a sustainable basis.
- It is for the interested party to submit an application (Business Case) to the Council outlining a clear rationale for its acquisition, demonstrate it can manage the assets and confirm it is affordable on a sustainable basis.

It is therefore for the interested party (the requesting organisation) to provide the evidence to assist the Council in making its decision, which includes, but is not limited to:

- A description of the nominated land including its proposed boundaries. These boundaries must be the same as the ownership boundaries, for instance as shown on the Land Registry plan if the land is registered and must be in the Council's ownership.
- The reasons for requesting the asset, explaining how it meets the requesting organisation's objectives, plans and fulfils (its) statutory duties if applicable.
- Information about the outcomes to be achieved by the requesting organisation in providing the service.
- How the asset will be used and further the aims and objectives of the requesting organisation and/or fulfil the statutory obligations of the disposing authority (the Council).
- How the requesting organisation will promote or improve the social, economic or environmental well-being of the relevant authority's area; and (b) How it will meet the needs of the users of the relevant service.
- Why the requesting organisation believes the asset transfer provides social, economic and environmental well-being reasons negating the need for best consideration and clearly describes these benefits.
- Quantifies and/or qualifies the benefits outlined above.
- Provide an unrestricted open market valuation for the site.
- How the asset will be maintained and confirmation that there is sufficient budget to maintain and continue the use/service.



On receipt of the above information, the Council will review the application and will then prepare a committee report recommending a disposal, should it align with the Council's policies, plans and strategies.

It will be for the Council to determine the nature of the tenure (i.e. licence, leasehold, commonhold or freehold) to be disposed of, but it is highly likely that the Council will apply appropriate use, asset lock and claw-back provisions.

# Appendix D

## Asset Disposal Business Case

(internal use)



## 1. Details of the asset

Name of Asset	
Unique Property Reference Number (UPRN)*	
Current use	
Valuation at current use (if available)	
Reason for disposal	

\*Refer to [https://www.sevenoaks.gov.uk/downloads/download/202/land\\_and\\_property\\_assets](https://www.sevenoaks.gov.uk/downloads/download/202/land_and_property_assets)

## 2. Asset disposal stream (please select)

Generate capital receipt	
Stimulate economic activity	
Support communities	

(In the event of more than one stream being relevant, please rank in order of preference - 1, 2 and 3)

**3. Could the asset be disposed of for an alternative use that may give a higher capital receipt to the Council?**

Yes		no	
If yes, please outline the potential use			
Estimated value at alternative use		£	

(To be completed by Property Team)

**4. Is the Council proposing to dispose of the asset at an undervalue?**

Yes		no	
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(To be completed by Property Team)

## 5. Key factors to be considered when assessing potential disposals

1.	
2.	
3.	
4.	

**6. Any additional financial factors to be considered other than immediate capital receipt**

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**7. Could the asset be used for Biodiversity Net Gain (BNG) to offset the impact of development? BNG makes sure development has a measurably positive impact or 'net gain' on biodiversity. This is compared to what was there before development.**

Yes		no	
If yes, please provide details			

(To be completed by Property Team)

Once completed, please email to [property@sevenoaks.gov.uk](mailto:property@sevenoaks.gov.uk)

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**To be completed by Strategic Head of Property and Commercial**

**Asset not needed by the Council – approved to proceed**

Strategic Head of Property and Commercial	Yes	No	Date

**Preferred method of marketing**

Method	✓	Reason
Formal offers		
Informal offers		
Private treaty		
Auction		
Community Asset Transfer		

**Method for final approval**

Estimated value	Approval required	✓	Date
	Strategic Head of Property and Commercial		
	Chief Officer Finance and Trading		
	Cabinet		
	Council		

(To be completed by Property team prior to marketing)

## **Appendix E**

### **Consultation and engagement**

#### **Council officers**

Internal consultation with the relevant services /officers will be carried out at an initial stage to consider the merits of a disposal along with any potential operational service issues or problems that might need dealing with in advance of bringing a property to market or that might make a disposal inadvisable.

In addition, early consultation with the Planning Policy, Development Management and Legal Services teams will be encouraged.

Proposals will also be considered by an internal senior officer group (Corporate Programme Board or Strategic Management Team or both) to consider the potential disposal in the context of the Council's wider strategy and objectives. These groups will make suggestions and either promote or alternatively not support the disposal proposed.

#### **Councillors**

Having secured an internal officer recommendation to progress a disposal to the next stage, initial consultation will be held with the Capital Projects Progress Board, which includes the Leader of the Council and the Portfolio Holders for Finance and Investments and Improvement and Innovation.

As appropriate, further engagement will be undertaken with the appropriate ward councillors and town or parish council, outlining the proposals and invite comments and suggestions.

Where matters are necessarily expressed to be confidential, Councillors will be under a duty to respect that status.

#### **Public**

Disposals may be subject to a statutory duty to consult, i.e., the proposed sale of public open space. Any objections received must be considered by the appropriate Committee before any decision upon the disposal is made S.123(2A) LGA 1972. The duty to consult on proposed disposals of open space also applies to Leases of less than 7 years duration.

## Appendix F

### Community Asset Transfer (Property and Land)

#### Stage 1: Expression of Interest Form



Your name:	
Position held:	
Organisation:	
Organise type:	Parish or Town Council, Voluntary and Community Sector, Charity – <i>please delete as appropriate</i>
Address:	
Postcode	
Email:	
Telephone:	
Mobile Telephone:	
Website:	

#### Details of the asset

What asset is being applied for?	
Unique Property Reference Number (UPRN)*	
Basic details on the asset (e.g. current use, if known)	
Proposed use of the asset	
Benefit of the asset being transferred	

\*Refer to [www.sevenoaks.gov.uk/downloads/download/202/land\\_and\\_property\\_assets](http://www.sevenoaks.gov.uk/downloads/download/202/land_and_property_assets)

Please send the completed Expression of Interest to: [property@sevenoaks.gov.uk](mailto:property@sevenoaks.gov.uk).

**Note:** The Council will notify the relevant local ward members and parish or town council of any Expressions of Interest.

## Appendix G

### Community Asset Transfer (Property and Land)

#### Stage 2: Application Form



- There needs to be a clearly defined reason (economic, social, wellbeing to the local community) as to why an asset is being transferred at less than best consideration.
- The applicant (recipient authority) needs to demonstrate that it can manage the assets and that they are affordable to it.
- It is for the applicant (recipient authority) to submit an Asset Transfer application form to Sevenoaks District Council.
- Approved transfers will generally be on a leasehold basis and although freehold transfers may be considered, such transactions are likely only in exceptional circumstances.

<b>Your name:</b>	
<b>Position held:</b>	
<b>Organisation:</b>	
<b>Address:</b>	
<b>Postcode</b>	
<b>Email:</b>	
<b>Telephone:</b>	
<b>Mobile Telephone:</b>	
<b>Website:</b>	

**Does your organisation have a governing document (Constitution, Articles and Memorandum of Understanding, etc.)?**

Yes ☐

*(please attach a copy with your application)*

No ☐

**Does your organisation hold an Annual General Meeting (AGM) or similar governance meeting?**

Yes ☐

*Please provide the date of the last meeting: 00/00/0000*

No ☐

**Does your organisation produce annual reports or returns for Companies House, The Charity Commission or other governing body?**

Yes ☐

*(please attach a copy with your application)*

No ☐

**Does your organisation employ staff or is it run by volunteers?**

Employs staff ☐

*(please attach your staffing structure to the application)*

Run by volunteers ☐

Please confirm the overall number of people involved with running your organisation/delivering its activities

**Has your organisation got an audited or independently check set accounts for its last financial year?**

Yes ☐

*(please provide a copy of the latest accounts)*

No ☐

**Does your organisation have a bank account in its own name for which it receives bank statements?**

Yes ☐

*(please provide a copy of the most recent statement)*

No ☐

**Does your organisation currently own or have a lease on an asset; or has it previously owned or had a lease on an asset?**

Yes ☐

*(please give details below)*

No ☐

**As part of Sevenoaks District Council's Community Asset Transfer application process your organisation needs to submit a Business Plan along with its application. This needs to be a concise, but robust document and as a minimum requirement it needs to cover/contain the following key areas:**

1.	A statement of the aims and objectives of your organisation.
2.	A description of who the organisations clients/users are, its target group.
3.	Details of asset: please include exact location, address, postcode, size, boundaries, access points and a map if possible
4.	Details if the site a heritage asset
5.	An executive summary of why your organisation requires the proposed asset; what difference it will make to your organisation.
6.	Community use: details of what activities, services, events and uses the asset will be required for, and how your organisation intend to deliver these; please identify any new/additional activities/services will be delivered as a result of managing the asset.
7.	Suitability for purpose: please explain why this asset is suitable for the intended purpose.
8.	How your application supports the priorities of Sevenoaks District Council as set out in its Council Plan? (please see <a href="#">Council Plan</a> ) and what outcomes will be delivered as a result of your organisation managing the asset.
9.	Community and stakeholder (including local ward councillors and town or parish council) support and consultation: set out who you have consulted about your proposal and how you have addressed any concerns raised.
10.	Explain how your organisation will use the site to help maximise economic, social and/or environmental benefits to local residents, the neighbourhood and/or the community.
11.	Set out how you will address any legal, planning, insurance and health and safety matters associated with the asset.
12.	Financial matters: how will you fund future running costs, repairs and maintenance?
13.	A cash flow forecast and budget detailing the financial viability and sustainability of your organisation. This should demonstrate your organisations ability to manage the asset and meet all resulting costs.



14.	The capacity for your organisation to manage the asset: <ul style="list-style-type: none"> <li>• Expertise and skills of the Board/Managing Group of the organisation</li> <li>• Experience/history of the organisation in managing assets and delivering activities, services, managing health and safety requirements and projects</li> <li>• Arrangements for on-going business planning</li> <li>• Experience in managing property and ensuring compliance</li> </ul>
15.	Arrangements to be put in place to ensure effective management of the asset and compliance with relevant statutory regulation (and confirm that there is sufficient budget in place).
16.	Succession Planning – how your organisation will replace people on its Board/Managing Group and ensure the right skills and knowledge is maintained.
17.	Future management: how will you manage the asset and ensure that it continues to contribute to the wellbeing of the local community in the future?
18.	Details of the applicant's transfer requirements and proposed lease terms (if applicable)

## DECLARATION

I can confirm the details included in this application are correct.

Signed	
Name (please print)	
Organisation	
Date	

## Checklist

Have you:	✓
Completed all sections within the application form and attached required documentation.	
Enclosed an unrestricted open market valuation for the site	
Signed and dated the declaration	

Please send the completed application and any appendices to:

[property@sevenoaks.gov.uk](mailto:property@sevenoaks.gov.uk).