

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Disposals & Acquisitions Policy: Land and Property –
Update on Thresholds

Meeting/Date: Corporate Governance Committee – 20th July 2016

Executive Portfolio: Deputy Executive Leader and Executive Member for
Strategic Resources

Report by: Head of Resources

Ward(s) affected: All

Executive Summary:

The Disposals & Acquisition Policy: Land and Property was approved by Council in July 2015. The Policy included a requirement to review the disposal and acquisition thresholds included within it.

Considering the wishes of the Executive and Deputy Leader and the relatively slow use of the Policy over the past 12 months, it is proposed that the current thresholds should remain as they are at present. However, if the pace of acquisition increases, then it is anticipated that the “urgent report” provisions will be used more frequently. In light of this, it is recommended that the thresholds are looked at again in 12 months time.

The Corporate Governance Committee is

RECOMMENDED, to review the:

- i. report and comment as it considers necessary.
- ii. Acquisition and Disposal Policy thresholds in 12 months time.

1. PURPOSE OF THE REPORT

1.1 To update members on the Disposals & Acquisitions Policy.

2. BACKGROUND

The [Disposals & Acquisition Policy](#) (Policy) (please follow the link to the document) was approved by Council on the 29th July 2015, following recommendation from the Corporate Governance Panel held on the 15th July 2015.

2.1 The Policy is a key element in the successful delivery of the Commercial Investment Strategy (CIS). As the Policy has itself been in place for 12 months and the CIS for 6-months, it is considered opportune to review the Disposal and Acquisition thresholds, which are as shown in Table 1.

Thresholds for the Acquisition & Disposals Policy		Table 1
£0 - £500,000	Managing Director (as Head of Paid Service) & Head of Resources (as Section 151 Officer), following consultation with Executive Councillor for Resources	
£500,000 to £2,000,000	Treasury and Capital Management Group	
£2,000,000 +	Cabinet	

3. REVIEW OF THRESHOLDS

3.1 Since the Policy was approved, the Council has:

- disposed of 1 property with a value of £144k.
- acquired two commercial properties, one below the Cabinet threshold the other being above. The impact of being above the threshold has been that an urgent report had to be considered by the Cabinet and then there was retrospective reporting to Overview and Scrutiny.

3.2 Considering the current commercial market it is anticipated that the value of the majority of prospective CIS acquisitions will be above the £2m threshold. However, because it is still early-days of the CIS Strategy, at this time it is the view of the Executive and Deputy Leaders of the Council that the thresholds should remain as they are at present; it therefore expected that the urgent report provisions will be used more frequently. However, it is recommended that the thresholds are reviewed in 12 months time.

4. KEY IMPACTS

4.1 With regard to the acquisition and disposal of land and property, the current safeguards and controls are considered to be operating effectively. The only other impact is the potential increase in the use of the urgent report provisions noted in paragraph 3.1.

5. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

5.1 The Policy will support the achievement of the Corporate Plan requirement of “Ensuring we are a customer focused and service led council” by “becoming more business-like and efficient in the way we deliver services”.

6. CONSULTATION

6.1 None

7. LEGAL IMPLICATIONS

7.1 As there is no change to the current thresholds, no changes will be required to both the Constitution and the Code of Procurement.

8. RESOURCE IMPLICATIONS

8.1 The Policy supports the CIS. This will in turn assist the Council in generating additional revenue income through the development of a commercial asset portfolio.

9. REASONS FOR THE RECOMMENDED DECISIONS

9.1 To continue to support the Council in achieving the CIS.

BACKGROUND PAPERS

[Disposals & Acquisition Policy](#) as approved by Council on the 29th July 2015.

CONTACT OFFICER

Clive Mason/Head of Resources
Tel No: 01480 388157
Email: clive.mason@huntingdonshire.gov.uk