



# CAPITAL RECEIPTS DISPOSALS PROGRAMME

TOWN COUNCIL MEETING

13 AUGUST 2012

The purpose of this Report is to summarise the Isle of Wight Council's recently published Capital Receipts Disposal Programme for 2012-2015.

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## No. DETAIL

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### 1) THE PROGRAMME

- a) Delegated decision report 27/12 sets out which council owned land and property is expected to be disposed of in the financial years 2012-15: a total of 75 are listed in an Appendix, 46 in this financial year, 13 in 2012/14, 9 in 2014/15 and a further 7 listed for future years.
  - b) Of the 75 total, 7 are in Ventnor:
    - o Market Street toilets: currently being marketed
    - o Wheelers Bay toilets: solicitors instructed
    - o Land off Chestnut Close, Lowtherville: in negotiations with purchaser
    - o Church View, Church Street: potential purchaser identified
    - o Winter Gardens: Solicitors instructed
    - o Coastal Management Centre: 2013/14
    - o Garden Estate, Lowtherville, off Newport Road: 2014/15
  - c) The main body of the report sets out the Background, Strategic Context, Consultation, and the Financial, Legal and Property Implications. A copy is attached to this report.
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### 2) CONSULTATION

- a) Under Consultation, paragraph 16 states: *the capital receipts programme will be shared with town and parish councils and their views taken into account before the final decisions are made.*
  - b) The response to a query as to when that consultation would take place was *the opportunity for town and parish councils to make representations is at this, current, stage - after the report has been published and before it is approved.*
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### 3) MARKETING

- a) The report identifies three forms of marketing the listed items:
    - o Open market without restrictions will be the rule: *disposal of all property will be on the open market and without any restrictions being imposed on the future use of the property in order to achieve the best financial offer to the council for the property.*
    - o Restricted marketing: *In a limited number of situations where a strong business case supports the proposal, a property might be disposed of through restricted marketing to a single party or a very limited number of parties.*
    - o Open market with conditions on use: *the council may wish to see a property continue to be used for its current purposes and will therefore condition its disposal on this basis. By so doing the council may be foregoing the maximum capital receipt that it could achieve for the property on the open market without restriction but could be securing an important asset for the community in the future.*
  - b) The policy position is set out in paragraph 24: *Sale of property at less than best consideration is not proposed in relation to any of the assets identified in the appendix other than in cases where the council has agreed to a disposal with restricted use, and then the value will reflect the restrictions applied. The final decisions in relation to such properties will identify clearly the community benefit being achieved in the disposal, and the decision for any such disposal will be a cabinet member delegated or cabinet decision .*
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#### 4) COMMUNITY RIGHT TO BID

- a) Although the paper refers to the Isle of Wight Council's Community Asset Transfer Policy, it neither mentions nor takes account of the soon to be implemented Community Right to Bid, which takes a very different approach to the disposal of surplus to requirements land and buildings.
- b) The Community Right to Bid is one of four new community rights incorporated in the Localism Act 2011. It was originally due to be implemented in July following the issue of related Statutory Guidance; that has now been postponed until September, but it will then be in force for the remaining 30 months of the Capital Receipts Disposals Programme.
- c) The government is clearly taking this, as the other new rights, very seriously: it has, for example, set up its own web site to provide information and advice on exercising them: it is available by clicking [this link](#).
- d) Its Home page is clear: *The Community Right to Bid will give people the chance to bid to buy and take over the running of assets that are of value to the local community*,
- e) In addition, the government is funding a national Charity, the Asset Transfer Unit, to assist organisations in the asset transfer process: [www.atu.org.uk](http://www.atu.org.uk).
- f) The Community Right to Bid is very different from the previous practice of Community Asset Transfer:
  - The Right to Bid is available not only to voluntary and community sector organisations as before, but also to Town and Parish Councils.
  - The Isle of Wight Council will be required to compile a formal list of *Assets of Community Value*.
  - Town and Parish Councils as well as third sector organisations will have the right to nominate land and property for inclusion on that list.
  - Town and Parish Councils will have the Right to Bid for the transfer of any land or property on the list to them and will be given 6 months to prepare a developed bid and Business Plan during which time the land or property cannot be sold to any other interested party.
  - The government is making a significant amount of funding available to assist organisations in preparing Bids and Business Plans.

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#### 5) RESPONSE

- a) In this context it is surprising that the impact of these changes has not been included in the Capital Receipts Disposal Programme report.
  - b) Some other local authorities have welcomed the new rights with very positive responses and are already making plans for implementation.
  - c) The Town Council could consider responding to the consultation period within the Delegated Decision process by asking the Isle of Wight Council to consider signalling in this report their commitment to the effective implementation of the new rights.
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