

PROPERTY ACQUISITION POLICY

Cabinet Date	27 September 2017
Finance & Change	Cllr Ray Theodoulou
Key Decision	Yes
Background Documents	<u>Policy for the Disposal of Property</u> - Cabinet December 2012
Location/Contact for inspection of Background Documents	The above document is available on the County Council website, through the link above.
Main Consultees	Property Board, Legal Services, Strategic Finance and Senior Officers
Planned Dates	Ongoing
Divisional Councillor	All
Officers	Neil Corbett, Head of Property 01452 328813 neil.corbett@gloucestershire.gov.uk
Purpose of Report	To seek approval for the Property Acquisition Policy.
Recommendations	<ol style="list-style-type: none"> 1. To approve the Policy, which sets out a governance framework to acquire property and request that Officers implement with immediate effect. 2. To request that Officers provide to Cabinet the Schedule of Acquisitions, as referred to in the Policy, in February 2018.
Reasons for recommendations	Adoption of the Policy will ensure that there is an agreed governance framework to acquire and develop property, both for operational and investment purposes.
Resource Implications	The adoption of this policy will have no direct resource implications. The purpose of the Policy is to set out the process that would be followed, with the financial implications of each individual acquisition being considered on its merits on a case-by-case basis.

MAIN REPORT CONTENTS

1. Background

1.1 While there is an existing Cabinet endorsed Policy for the Disposal of Property, there is no equivalent for the acquisition of property. This Cabinet report is intended to address that need. The proposed Property Acquisition Policy will enable both operational and investment property to be acquired.

1.2 The background is as follows: Asset Management and Property Services (AMPS) have, since the commencement of the Meeting the Challenge Programme, been focussed on optimising the property footprint and generating capital receipts, achieving £45m in MTC1 and targeting a further £60m in MTC2. During this six year period AMPS have sought to both reduce the property portfolio and increase the efficiency of its use.

1.3 More recently there have been a number of enquiries from service areas who are contemplating acquiring properties to enable them to deliver services in a different way. Therefore a key intention of the proposed policy is to provide a governance framework to facilitate the acquisition of operational property.

1.4 Regarding investment property, currently none of the existing portfolio is reserved exclusively for investment purposes. Indeed, while the tenanted farm estate generates both revenue, from rents, and substantial capital, from disposal receipts, it also has a long established and well recognised role in providing opportunities for new entrants into agriculture.

1.5 While it is acknowledged that AMPS do not currently have, with the exception of the Rural Estate, a significant portfolio of investment properties it is recognised that from time to time opportunities present themselves. In order that such opportunities can be pursued there is a need for an agreed property acquisition and investment process. Therefore the other principle intention of the proposed policy is to provide a governance framework to facilitate the acquisition and/or development of investment property, which is being acquired or improved with the principle intention of generating a blend of both revenue income and capital appreciation.

2. Options

The options which exist are as follows:

2.1 To support the Policy and thereby provide a governance framework to facilitate the acquisition of property.

2.2 To do nothing.

3. Risk Assessment

3.1 It is acknowledged that the risks associated with the acquisition of operational property are different from the risks associated with the acquisition and development of investment property.

3.2 However, the purpose of the proposed policy is to provide a clear governance framework. It is not a strategy and as such, it does not seek to set out and to justify what operational property should be acquired or what property investments should be pursued. Rather, it sets out the sequence of steps that need to be followed in order for a property acquisition and/or property investment decision to be properly taken.

4. Officer Advice

4.1 Option 2.1 is recommended, namely to support the Property Acquisition Policy.

5. Equalities considerations

5.1 The Property Acquisition Policy is generic in nature and is not the most appropriate vehicle to fully address equality and due regard issues, which would, more meaningfully be considered on an individual case-by-case basis. Indeed, in the context of the acquisition of operational property, there will be a clear need that equality and due regard considerations are clearly set out within each business case, submitted by the Service Area, in support of each and every acquisition proposal.

6. Performance Management/Follow-up

6.1 In parallel with the Policy for the Disposal of Property, officers will provide an update on all property acquisitions and investments to Cabinet in February 2018.

Report Title	Property Acquisition Policy
Statutory Authority	The Local Government Act 1972, Section 20 The Local Government Act 2000 The Localism Act 2011
Relevant County Council policy	Policy for the Disposal of Property (2012)
Resource Implications	The adoption of this policy will have no direct resource implications. The purpose of the Policy is to set out the process that would be followed, with the financial implications of each individual acquisition being considered on its merits on a case-by-case basis.
Sustainability checklist:	
Partnerships	The Policy offers the opportunity to work with our public sector partners in the sharing of information around the acquisition of operational property.
Decision Making and Involvement	Cabinet are the key decision maker in this process, with authority to acquire and/or invest in property being delegated to the Head of Property Services.
Economy and Employment	The acquisition of sites may in some cases present opportunities for redevelopment and/or regeneration.
Caring for people	There may be a need to acquire operational sites to help or improve the delivery of social care services.
Social Value	Opportunities to seek social value will be carefully considered.
Built Environment	The acquisition of sites might present opportunities to conserve or improve the built environment.
Natural Environment' including Ecology (Biodiversity)	
Education and Information	There may well be occasions where the policy will assist with the acquisition of land or property required for education purposes.
Tackling Climate Change	Carbon Emissions Implications? Neutral Vulnerable to climate change? Maybe

<p>Due Regard Statement</p>	<p>Has a Due Regard Statement been completed? Yes/No Yes - considerations included in main body of report</p> <p>A copy of the full Due Regard Statement can be accessed on GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk.</p>
<p>Human rights Implications</p>	<p>More likely to be applicable in the context of <i>compulsory purchase procedures</i>, which this Policy specifically excludes.</p>
<p>Consultation Arrangements</p>	