

# **Appendix 2**

## **South Oxfordshire District Council**

### **LAND AND PROPERTY ASSET DISPOSAL POLICY**

#### **Policy and Guidance Document**



# South Oxfordshire District Council

## Land and Property Asset Disposal Policy

### 1.0 INTRODUCTION

- 1.1 The disposal or relinquishment of surplus or underperforming council land and property assets is a key part of South Oxfordshire District Council's ("the council") strategy to meet the aims outlined in its Corporate Plan 2020-2024.
- 1.2 This disposal policy document provides a framework by which the council might consider how surplus or underperforming assets within its existing land and property asset portfolio can deliver and maximise capital receipts and/or income revenue, in order to facilitate the council's provision of existing and future services and locality needs.
- 1.3 The policy document will ensure that a common, robust disposal and governance process is adopted in order to support effective property disposal decision making within the council and to ensure that requests to purchase council-owned assets are dealt with in a fair and consistent manner.
- 1.4 All actions recommended within this disposal policy document will strive to promote the disposal of assets in a way that positively supports the delivery of the council's Corporate Plan 2020-2024.
- 1.5 This document sets out a 5-stage procedure to be adopted by the council in connection with the disposal of its surplus and underperforming assets. Whilst this procedure will normally be followed, it should be noted that there may be occasions where these procedures may require adapting – particularly for larger, more complex land/property sales.
- 1.6 To comply with legislation and accepted best practice, it is essential that the procedures adopted for land and property disposal are, where reasonable, directed:
  - Ensuring that assets are only disposed of where appropriate
  - To obtaining the best terms reasonably available.
  - Allowing all credible interested parties an equal opportunity to purchase.
  - Avoiding partiality or bias.
- 1.7 Each asset disposal should be treated on its own merits and nothing in this policy document binds the council to a particular course of action in respect of a disposal. Alternative methods of disposal, not specifically mentioned in this

policy, may be used where appropriate and subject to obtaining proper authority.

## **2.0 OBJECTIVES**

2.1 The objectives of the council's disposal strategy are intended to align with the council's Corporate Plan 2020-2024, with reference to reducing the funding gap between income and expenditure in adherence to the council's Medium Term Financial Plan, and aim to:

- Complement the council's policy of only holding assets that meet the council's objectives for operational, socio-economic or investment purposes.
- Enable actual and latent capital value tied up in potentially surplus assets to be realized.
- Eliminate liabilities.
- Unlock the benefits of regeneration.
- Enable local Development Plan/Framework policies to be realised.
- Maximise the proceeds or land use benefit from disposals for the benefit of the council and its community.

## **3.0 THE ROLE OF COUNCIL-OWNED PROPERTY**

3.1 The council owns many properties ranging in type and size with a portfolio including offices, shops, and leisure and community centres as well as parcels of land such as parks and amenity space.

3.2 The council utilises its property in several ways, including:

- Operational accommodation for corporate use.
- The provision of residents' health and wellbeing facilities through managed leisure centres and swimming pools, outdoor sports pitches and parkland and nature reserve facilities.
- Encouragement of economic development in the district through the provision of commercial property to let, resulting in subsequent income generation.
- Car parks are provided to ensure a joined-up approach to traffic management, strategic planning, and economic development.
- The provision of community space for community events and club meetings, exercise classes, children's parties, and community meetings.
- The holding of property as an investment to produce an income.

## 4.0 DEFINITION OF A DISPOSAL

- 4.1 For the purposes of this policy, a disposal of property is considered to be a disposal if it consists of the transfer of the freehold interest or the surrender, assignment of a leasehold interest held by the council.
- 4.2 In respect of the grant of new leases these will not be considered to be a disposal (but they will be de-recognised from the council's fixed assets and added to long-term debtors in the balance sheet) where the following applies: -
- The grant of leases to community groups charities or other organisations where the primary objective is the provision of a service to the community.
  - In respect of properties held at least partially for investment purposes unless it is for an unbroken lease term in excess of 25 years.

## 5.0 DISPOSAL PROPERTY

- 5.1 The Strategic Property Review (SPR) process will help determine the suitability of existing council property assets for retention (in their existing condition or after refurbishment), redevelopment or disposal.
- 5.2 In the case of the latter option, these property assets will be classed as 'surplus' properties where some or all of the following criteria are met:
- The property in question makes a nominal or nil contribution to the delivery of the council's services or Corporate Plan objectives, either directly or indirectly (nor generates appropriate income and has limited potential for future service delivery or community regeneration projects).
  - A more suitable alternative property for the delivery of the council's services or Corporate Plan objectives has been identified which would achieve a lower cost and/or more cost-effective service delivery.
  - Following the property being vacated by the council there is no potential for future alternative service delivery or regeneration.
  - The property suffers from a lack of condition, suitability, or environmental factors compared with service standards or has adverse running costs.
  - Better public value can be obtained by transfer of the asset to another public or community body.
  - Part of the property is vacant and is likely to remain vacant for some time.
  - The alternative use value is higher, and the service can be relocated elsewhere and still leave a net capital receipt.
  - The beneficial use or financial return (both revenue and capital growth) from the property is below that which could be achieved from an alternative use, or a disposal and alternative investment opportunity.
  - The property repeatedly performs poorly in property performance assessments owing to a lack of condition, suitability, sufficiency, or

environmental factors compared with service standards, or has adverse running costs.

- The property being subject to option agreements or pre-existing commitments for disposal.
- For anomalies in the council's property asset portfolio which require remedying (such as previous transfers of ownership through the Large Scale Voluntary Transfer which left small parcels of land incorrectly remaining in the council's ownership even though the intention was for a transfer to the acquiring party).

5.3 It should be noted that some land or property assets which meet the 'surplus' or 'underperforming' criteria may still be held by the council with the aim of enabling long term development or future infrastructure projects, as part of wider strategic regeneration or place shaping. Further, some property disposals may be compulsory transfers driven by statute rather than the identification of surplus or underperforming assets.

## **6.0 STATUTORY POWERS**

6.1 The council's power of disposal is a general power contained in Section 123 of the Local Government Act 1972, which provides that the consideration should not (except with the consent of the Secretary of State) be less than that which can reasonably be obtained.

6.2 There are, however, exceptions where, for example, a disposal might be considered by the council to contribute to the promotion or improvement of the economic, social and environment wellbeing in the district. In such circumstances, the Local Government Act - General Disposal Consent (England) 2003 gives the council more flexibility to dispose of land at less than market value, known as an 'undervalue' (the difference between the market value of the property and the actual consideration) - provided that any undervalue does not exceed £2million. In cases where the undervalue exceeds £2million, consent to the proposed disposal will need to be obtained from the Secretary of State.

## **7.0 PROCEDURE FOR ASSET DISPOSALS**

7.1 There are five distinct elements of the council's asset disposal procedure:

- **PROCESS** – to identify the assets as 'surplus' or 'underperforming'.
- **PREPARATION** - for disposal, including obtaining confirmation that the property is suitable for disposal.
- **DETERMINATION** - of the method of disposal.
- **ONGOING MANAGEMENT** - for managing the asset in the run up to disposal.

- DISPOSAL of the asset.

## 8.0 PROCESS FOR IDENTIFICATION OF SURPLUS PROPERTY

8.1 There are several circumstances or initiatives which might result in land or property assets belonging to the council being identified as either surplus or underperforming properties. These include, but are not limited to:

- Strategic Property Reviews and recommendation of Asset Management Group (AMG; see Appendix 1).
- Identification of development opportunities.
- Condition surveys.
- Regeneration schemes.
- Local Plan designation.
- Capital Accounting Valuation processes.
- Direct approaches from interested 3<sup>rd</sup> parties (i.e., developers, adjoining owners)
- Where a disposal has been identified as helping to deliver other objectives to the council, such as the provision of housing.
- Where management of the council's land/property is considered suitable for community.

8.2 The council regularly receives direct approaches from interested third parties wishing to acquire an interest in property owned by the council. In a number of instances, these applications are received from adjacent or neighboring owners to purchase the freehold interest in small or inconsequential areas of land in the council's ownership. Set out at **Appendix 2 (Enquiries for Minor Land Disposals)** is the procedure for dealing with these third-party enquiries where the 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.

8.3 In these instances, a departure from open marketing may be considered on the advice of the Property team. In addition, 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 relating to the transfer process (see **Appendix 3 – Disposal of Open Space**).

8.4 In the case of land/property being considered suitable for community ownership, 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 the Parish or Town council or a charity or community group, known as a Community Asset Transfer.

- 8.5 A 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).
- 8.6 A Community Asset Transfer to a community, a charity or another public body should only take place if supported by a robust business case (e.g., the transferee has sound long-term management and governance arrangements, the proposed use of the property meets the authority's objectives/community strategy, there is certainty of funding if applicable and there is an agreed timescale for the disposal to be completed).
- 8.7 Further explanation regarding the Community Asset Transfer process is given in **Appendix 4 – Community Asset Transfers Policy**.
- 8.8 A Community Asset Transfer is distinct from a surplus property that has been listed as an 'Asset of Community Value', and if an 'Asset of Community Value' is earmarked by the council for disposal, the council should ensure that an opportunity for a Community Right to Bid is given before a wider disposal process is progressed. Under the Community Right to Bid section of the Localism Act 2011, groups that have succeeded in having an asset listed as being of community value are allowed 6 weeks to express an interest in buying it should it come up for sale and a further 6 months in which to develop a bid. They may then bid alongside any other potential purchasers in the market.
- 8.9 Once identified as surplus or underperforming, a property should be earmarked for disposal and appropriate notification should be given to internal stakeholders (for example, the Head of Development and Regeneration, the Cabinet Member, and the relevant ward member). It is acknowledged that members, because of their local knowledge of the ward they represent, may be able to contribute to the discussion as to the value or otherwise of the continued retention of the asset and also potentially provide useful market intelligence – such as identification of potential special purchasers – hence engagement with them should be sought and encouraged at an early stage of the disposal process.

## **9.0 PREPARATION FOR DISPOSAL (PRE-MARKETING)**

- 9.1 Once confirmed as surplus and a prospect for disposal, the property should be logged on the council's surplus land register.
- 9.2 Once a property has been declared surplus where appropriate external consultation of partner and other public sector organisations and community

groups is to take place prior to market disposal. If appropriate, the Community Enablement Team will be consulted.

- Details, if appropriate, to be sent to partner organisations (e.g., Parish or Town councils, the police/fire/ambulance services, NHS, PCT etc.) and housing associations.
- Details, if appropriate, to be sent to the relevant community groups to establish any potential interest.

- 9.3 Where consultation with the above groups is undertaken best practice is to follow the same timetable as Community Right to Bid for all expressions of interest from partner organisations and community groups. Expressions of interest in the surplus property must therefore be made within 6 weeks of notification of the property being declared surplus and should include supporting documentation sufficient to demonstrate a serious intention to proceed.
- 9.4 Where a property is deemed unsuitable or unviable for use by either a partner organisation or the local community, then the council should proceed to market disposal following the due authority process. Before deciding whether to formally dispose of land or property, a report setting out all relevant information, including the planning position, potential use, current or proposed development restrictions and estimated value should be commissioned to help inform the Asset Management Group and therefore aid the decision-making process.
- 9.5 Under the council's constitution published 1 November 2020, the Head of Development and Regeneration can authorise the disposal of surplus land and property assets with an estimated value of up to £10,000 (although consultation, evidenced in writing, with the Cabinet member is required for disposals of land and property with a book value of between £5,000-£10,000).
- 9.6 Above a value of £10,000, disposals must be authorised by Cabinet or relevant Cabinet member.
- 9.7 The relevant Property surveyor should seek to inspect the site in order to assess any development potential and any matter, such as on-site physical constraints, that is likely to materially affect the disposal. In addition, and where relevant, building condition surveys, health and safety certification and Environmental Performance Certificates should be collated (through Facilities Management/Property helpdesk) and the VAT position should be established (through Finance).
- 9.8 Where development potential has been identified, early engagement with the council's Planning department should be made in order to establish the authorised use of the property and what potential alternative uses might be considered in order to assess the means by which maximum sale proceeds can

be generated. Where the council wishes to ensure a desired use of the property to achieve its policy objectives, it will be necessary to introduce absolute user clauses (in leases) and restrictive covenants (for sales) where appropriate. Overage and clawback provisions might also be considered, in order that the council might share in the benefits of any future increase in value due to a more alternative planning consent being secured by the purchaser of any property.

- 9.9 The council's Legal department should be engaged at an early stage to produce a report on title for the property to be disposed of, to include any rights or obligations which might affect it. Consideration should also be given as to whether there is an obligation to offer the land back to a former owner under the Crichel Down Rules (see **Appendix 5 – Crichel Down Rules**) or whether the property has been the subject of funding in the past, which requires the repayment of grant monies.
- 9.10 In accordance with Paragraph 61 of Financial Procedural Rules (FPR) an internal or external valuation should be completed by a RICS registered valuer early within the process. Where an asset is likely to be valued at more than £100,000 two valuations will be required one of which will be external. There may be some instances where an offer may be accepted conditional on a satisfactory valuation being obtained.
- 9.11 There is a need for continual liaison/communication with all stakeholders between a property being declared surplus and the completion of a disposal. In particular, the party responsible for the day-to-day management of the property is to be kept regularly informed of developments to an agreed timescale.
- 9.12 The council should, in most cases, seek to obtain the best consideration by the most appropriate method of disposal. To protect the council's interest in the event of subsequent (onward) sales, it should include where appropriate, the right for the council to have a 'first call' on the property in the event of a proposed subsequent sale (to be based on the council paying no more than the original transfer amount). As well as the clawback or overage clauses and restrictive covenants mentioned earlier, ransom strip retention or user rights may also be introduced where relevant.
- 9.13 To avoid the possibility of a challenge to a decision to sell at less than best price (e.g., by a Council Taxpayer or other interested party), it is important that there is a clear link to the furtherance or corporate objectives.

## 10.0 DETERMINATION OF METHOD OF DISPOSAL

- 10.1 The most appropriate method of disposal should be determined from the following table and the necessary approvals sought.
- 10.2 In every occasion when a land disposal is undertaken, consideration will be given to whether an overage provision or restrictive covenant is appropriate. Inclusion of either of these will ensure the council benefits from any potential future development.
- 10.3 In accordance with Financial Procedure Rules 61 all disposals over £5k require to be put on the open market and competitive bids sought (unless otherwise agreed by the Chief Finance officer and Monitoring officer).

BASIS	METHOD	When to adopt
Open market	Private Treaty	Limited interest and narrow valuation band. The most common form of concluding a sale and one used for all types of properties mainly as it affords the seller the greatest degree of flexibility and time. Can have a closing date and by progress by the way of informal tender where considerable interest is shown during marketing
	Auction	Wide interest anticipated, no obvious purchaser and easy to allocate a reserve. Speed and best price can be demonstrated. Effectively promotes an immediate sale.  Often appropriate for residential assets not suitable for third party lending, land sales where there is limited prospect of development or alternative use and commercial property investments.  Requires 'up front' authority to allow setting of appropriate reserve and may result in no sale if reserve is not met.
	Formal Tender	Wide interest, land ownership not complex, no uncertainties regarding the grant of planning consent and any obligations that are to be placed on a purchaser are clear and capable of specification in advance. Not commonly used due to its complex nature and the rigid structure of the formal tender process.
	Informal Tender	To identify a preferred bidder and enable further detailed terms or proposals for development to be negotiated. Appropriate for sales where there are uncertainties (particularly planning) and for large or complex development or regeneration sites and where the proposal may need to be developed in co-operation with the council to achieve best consideration. Allows for the use of conditional contracts, including clauses which allow for further sums to become payable

		(clawback) upon the grant of planning in the future or improvement in market conditions (overage).
Special purchaser		<p>Sale to adjoining owner where special circumstances prevail. Typical examples include a conditional disposal where the council is selling for a particular purpose (i.e., to a developer for regeneration or to a nominated housing association for social housing development) or where there is a small area in size and value and the adjoining or locally located landowner is the only potential or likely purchaser (e.g., for garden extension).</p> <p>See separate draft policy for land sales to enquiring parties (<b>Appendix 2 – Enquiries for Minor Land Disposals</b>).</p>
		<p>Sale to former owners under the Crichel Down Rules.</p> <p>See <b>Appendix 5 – Crichel Down Rules</b>.</p>

- 10.3 Until a legally binding contract has been entered into, the council has a duty to consider any late offers or bids. This should be made clear to any prospective purchaser when disposing of land by private sale or negotiated/informal tender. In considering late bids, the council should take into account the likelihood of the late bid proceeding to completion in a timely manner and the possibility of it being used as a spoiling or delaying tactic, and the council may reject bids for sound commercial reasons such as these.
- 10.4 In cases where the council does not wish to exercise any control over the future use of the property, other than through the planning process, then the disposal of the freehold will obtain the best price. However, where the council wants to exercise some control of the future use of the land, a leasehold disposal for a term necessary to ensure the satisfactory completion of the scheme is usually required.
- 10.5 In the case of the latter, these are often highly complex agreements and a development agreement will usually be entered into before a formal disposal is concluded – plus, in many instances, a Section 106 Agreement (setting out conditions and contributions to the community through the planning system). Major regeneration disposals are now more commonly negotiated by dedicated teams of valuation, finance and legal professionals representing local authorities, it is recommended that the property disposal and S106 Agreement are negotiated in tandem by appropriate private sector specialists for these types of disposals, in order to maximise the benefits to the council.

## 11.0 ONGOING MANAGEMENT IMMEDIATELY PRIOR TO DISPOSAL

- 11.1 In times when the market is not appropriate for a disposal, the council should attempt to find a temporary use for the property to mitigate against the council's

holding costs for the asset (i.e., void rates, security, etc.). In cases where there is a letting to an external party, this should be by way of a contracted-out lease so that vacant possession can be easily obtained.

11.2 Consideration should be given to how the management costs associated with holding the property (between it being declared surplus and the point of disposal) are dealt with.

## **12.0 PROPERTY DISPOSAL**

12.1 An appropriate marketing strategy should be developed for use by either the in-house Property team or external agents undertaking the disposal, with all costs (legal, consultants, marketing, and agency fees) being charged against the receipt.

12.2 Marketing materials should be produced in draft form whether inhouse or by the appointed disposal agent the latter for approval by the relevant council surveyor and arrangements made for the erection of a 'For Sale' board where appropriate.

12.3 Where formal sales particulars are prepared these should be forwarded, as a minimum, to:

- relevant ward members
- be posted on the council website page (Property for Sale – <https://www.southoxon.gov.uk/south-oxfordshire-district-council/about-the-council/property-and-council-land/property-to-let-or-for-sale-commercial-use/>)
- any relevant potential buyers whose interest is registered on the 'Disposal Enquiries Register'
- the relevant town or parish council clerk.

12.4 This list is not exhaustive, and the relevant member of the Property team will determine other appropriate recipients on a case-by-case basis to ensure as broad exposure as possible.

12.5 Consideration should be given to advertising the availability of the property on social media and the local press/property websites.

12.6 All negotiations for disposal should be conducted by a suitably qualified property professional, preferably a member of the Royal Institution of Chartered Surveyors.

12.7 If appropriate, for example a community group together with a developer submit a bid to acquire the asset and assessment of potential purchasers will be

conducted by way of an appropriate weighted scoring matrix (this will ensure compliance with S123 requirements), like the one attached as **Appendix 6**.

12.8 Once a purchaser is found, following confirmation in respect of proof of funding and ability to proceed then Heads of Terms (subject to contract) are to be agreed. The necessary authority to dispose will be sought at this point.

12.9 Websites/marketing boards should be updated to reflect the property being 'under offer' and the Legal team should be instructed by the relevant Property surveyor to prepare the relevant legal documentation.

## **13.0 RESOURCE AND RISK IMPLICATIONS**

13.1 An individual disposal policy should set milestones, manage risk, and regularly report progress.

13.2 The Disposal Policy will be delivered and supported by key officers in Property, Finance and Legal Services. With regard to finance and legal resources, key activities will typically be delivered in-house to provide reassurance to the council ensuring that there are appropriate 'checks and balances' in place. Where appropriate, specialist external suppliers and advisors may be utilised – for example, for more complex legal transactions and the provision of specialist tax advice.

13.3 Returns to the council will be impacted by the level of resource required and the particular disposal option authorised.

13.4 There are inherent risks in property ownership and capital receipts derived from property and their capital value will increase and decrease in line with the market and their location and specification attributes. The disposal report setting out all relevant information (i.e. the planning position, potential use, current or proposed development restrictions and estimated value of the subject property) will also consider the risks of ongoing property ownership weighed up against the level of returns expected, taking into account the point in the market cycle.

## **14.0 CONCLUSION**

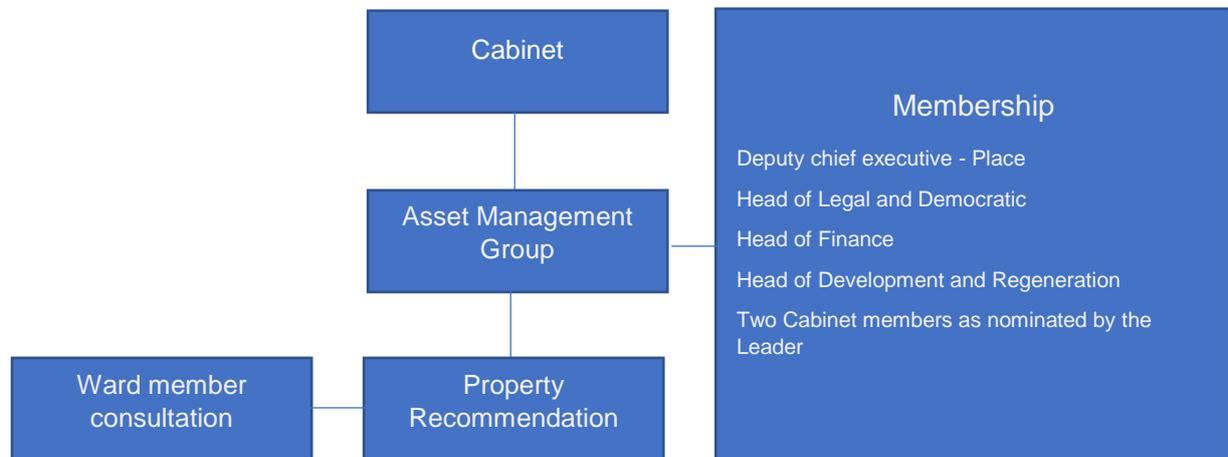
14.1 The Disposal policy will streamline the delivery of the SPR ensuring the council purely holds assets that support service delivery and corporate objectives.

14.2 The Disposal policy will result in no longer holding assets that incur costs whilst not supporting service delivery.

14.3 The financial returns in the form of capital receipts delivered from this policy will support the council in its delivery of essential services to residents.

# Appendix 1

## ASSET MANAGEMENT GROUP STRUCTURE



Note: this is an advisory group. Formal decision making for any disposal will follow consideration by the group

# APPENDIX 2

## ENQUIRIES FOR MINOR LAND DISPOSALS

### 1.0 Background

- 1.1 The Property team receives a number of requests to purchase land for use either as gardens or for parking purposes. The challenges facing the council are to respond to enquiries in a timely way and to achieve a balanced and consistent approach to applications so as to ensure that disposals if they do occur do not have unintended consequences for adjacent occupiers and landowners.
- 1.2 This sets out how disposals of small parcels of land, which typically may be council-owned amenity land, can be agreed/progressed.
- 1.3 The attached procedure for disposing of parcels of council-owned land strikes a balance by setting out a transparent process for assessing applications and a fee and charges process so that the costs of considering an application are met.
- 1.4 In the current climate of ongoing budget pressures, it is vital, that all local authorities make the most of their property assets. This proposal is consistent with this objective in that it ensures best value is obtained, covers the administrative costs of processing enquiries, and sets out an indicative timetable for processing enquiries.

### 2.0 Proposed Procedure

- 2.1 In cases where an enquiry is made to the council for the sale of a piece of land by a neighbouring owner and the land is surplus to requirements, is unlikely to have any developable or open market opportunity for sale and has a market value of less than £10,000, it is permissible (under FPR 61) in these instances with the agreement of the Chief Finance officer and Monitoring Officer to adopt 'confined negotiations' with the adjacent or neighbouring owner to achieve the most advantageous financial result or for reasons of good estate management (e.g. if the land is 'landlocked' or is difficult or expensive to maintain).
- 2.2 Furthermore, it is likely that the sale of such parcels of land will be considered where:
  - There is a broader community benefit to the disposal e.g. rationalisation of small parcels of 'backland' open space, either rarely used or often misused.

- There are management/financial issues for the council e.g. that the land is costly to maintain.
- The enquiring party has extenuating circumstances e.g. there are health grounds in relation to the application and/or progressing the sale of the land would improve the quality of life and would not adversely affect the quality of life of others in the neighbourhood.

2.3 These owners are considered ‘special purchasers’ as these particular assets have special value to those owners only – the advantages arising from the ownership of a particular piece of land would unlikely be available to other buyers in a market. It may also be in the council’s interest to initiate and/or pursue these minor disposals in order to reduce the ongoing maintenance liabilities and obligations associated with holding these (sometimes isolated) pockets of land.

2.4 Each request should be dealt with on a case-by-case basis, but the following should be considered in every request:

- A requirement to get obtain the ‘best price’ for the parcel of land
- Whether any pre-emption rights exist
- Whether market testing has or should take place
- How the land is accessed (can the enquiring party gain access without going over other council-owned property)?
- What the land is required for
- Whether the land is a ransom-strip
- Whether a disposal of the land would have a negative or positive impact on council operations or services, including maintenance
- Would the disposal have a detrimental impact on the remaining land, where only a proportion has been requested
- Is there any relevant historical background to the land?
- Should any restrictive covenants or special conditions be attached to the disposal?
- Is the land to be disposed of a revenue generating asset?

### **3.0 Principles of Disposal**

3.1 The general principles to be applied for the disposal of minor land assets are as follows:

- All disposals must follow council approval process.
- Where negotiations on price are required, these should be conducted by the council’s surveyor and/or agent.
- Advice should be sought from the council’s surveyor and/or agent on the most appropriate method of disposal.
- Enquiring parties will be required to meet the council’s reasonable legal and other relevant professional fees as outlined below.

ITEM	FEE
Initial Application fee	£250 (refundable against sales price)
Land valuation fee (varies depending upon complexity)	£TBC
Statutory Notice charges for disposal of public open space	£TBC
Informal Pre-Application Planning review	See Planning Portal
Change of Use planning application fee	See Planning Portal
Council's legal fees (varies depending upon complexity)	£TBC

- 3.2 The level of fees chargeable will be reviewed annually.
- 3.3 Fees need to be paid in advance of work being carried out and there are no exemptions.
- 3.4 The fees are a contribution towards the cost of administering the applications and it is proposed that these would be non-refundable unless the enquiry leads to the open marketing of the property.
- 3.5 It is proposed that an online application process is adopted for enquiries for minor land disposals, in order that application forms can be made available online or from the Property team. A draft application form (Land Purchase Application Form) is attached, and it is proposed that forms would be completed by the enquiring party and returned to the Property helpdesk, together with the initial application fee, for uploading to Concerto before the case is allocated to the council's Property surveyor.
- 3.6 The process for deciding whether to progress with an enquiry will depend on the nature and value of the transaction and it should be made clear to the enquiring party, at every stage of the process, that the council is not obliged to sell the asset.

#### **4.0 Stage 1 - Application**

- 4.1 Once it has been established that it appears the council owns the land the enquiring party is interested in purchasing the Land Purchase Application Form will be issued. The Land Purchase Application Form should be returned to the Property team at the council with the enquiring party to ensure that the form is fully completed and signed/dated and is accompanied by an on-line payment for the non-refundable application fee (£250).
- 4.2 The Guidance Notes forming part of the Land Purchase Application Form will assist with the correct completion of the application and the enquiring party should ensure that the proposed future intended use is accurately stated (to include any proposed method of enclosing the land) – the council's internal

processes will consult based upon this information and any subsequent changes may require a new application.

- 4.3 The council will confirm receipt of the application and the Property team will check:
- That the council owns the land the enquiring party is interested in purchasing.
  - Legal are instructed to prepare a title report to establish among other things that the title does not contain any restrictions that would prevent the sale.
  - That known 'exclusions' don't apply (see Reasons for the council Retaining the Land Ownership see below).
  - That the council service department responsible for the land will support the sale.
- 4.4 Subject to completion of the necessary steps outlined within this procedure, the Property team will then begin the consultation process with the local Ward and Town and Parish council elected members. Providing they are supportive of the sale proceeding, the relevant Cabinet member will be informed.
- 4.5 A quotation for the provision of a Red Book valuation of the subject piece of land will be obtained from external RICS Registered Valuers drawn from the council's Panel of Surveyors if approval to the proposed sale is confirmed.
- 4.6 It is at this stage that the enquiring party will then be advised whether or not the sale can progress to the next stage (to include the placing of any conditions upon which the sale can proceed) and, if relevant, any reasons for refusal.
- 4.7 If the proposed sale is supported by the council, the enquiring party will be asked for confirmation as to whether they wish to proceed to the next stage (suggested time limit of 21 days for confirming this) and asked to supply the Valuation Fee due before the valuation can be instructed.

(Indicative timescale for council's decision 10-12 weeks)

*NOTE - Open market sale: The council is, with certain exceptions, obliged by law under the Local Government Act 1972, to sell land for the best price reasonably obtainable. This means that if, following consultation, it is considered that the land the enquiring party has asked to purchase could be of interest to other parties or could be sold for development land, the council must advertise it for sale on the open market. In such a case, the more usual disposal process as outlined in the council's Disposal Policy should be adopted with the enquiring party to be sent sales details once prepared. The enquiring party will be able to make an offer for the land during this marketing phase along with any other interested party. In such cases, it is proposed that the enquiring party's initial application fee **will** be refundable.*

## **5.0 Stage 2 – Valuation**

- 5.1 The council is obliged by statute, under the Local Government Act 1972, to sell the land for the best price reasonably obtainable. In order to comply with this requirement, it will ascertain the market value of the land for the use proposed.
- 5.2 Providing that the enquiring party has supplied the Valuation Fee within the indicated time limit, the council will appoint the successful RICS Registered Valuer to undertake the Red Book valuation of the land and, once produced, the Property team will then invite the enquiring party to make an offer to purchase the land based upon the valuation for the proposed use (subject to satisfactory completion of the following stages and subject to contract).
- 5.3 As the valuation will be based upon the use that the enquiring party originally indicated, the proposed land sale may include strict conditions on the disposal (to ensure that it cannot be used for other/alternative purposes in the future). It should be pointed out to the enquiring party that if the sale completes with restrictions applied, it may be possible to remove these conditions at a later stage – subject to the council requiring the land is re-valued and any uplift in value paid prior to these restrictions being released, along with any cost incurred by the council in administering this.
- 5.4 The enquiring party will be asked whether they wish to proceed to the next stage, (suggested time limit of 21 days for confirming this) and, if the disposal relates to Public Open Space - asked to supply the Statutory Notice Charges Fee due before the relevant advertisements can be placed.

(Indicative timescale for confirmation of council's decision 2-3 weeks)

## **6.0 Stage 3 – Statutory Notices for Disposal of Public Open Space**

- 6.1 If the amenity land that the enquiring party would like to purchase is deemed to be Public Open Space, the council is obliged by statute under the Local Government Act 1972 to advertise the proposed sale within a local newspaper for two consecutive weeks and consider any objections received.
- 6.2 In order to comply with this requirement, the necessary authority will be obtained and then the council will advertise the proposed land disposal within the appropriate media and the enquiring party will be required to pay for the charges associated with placing the advertisement. If objections are received following the advertisement, the matter will be referred to the relevant Cabinet member for a decision.
- 6.3 The enquiring party will be advised of the outcome of the Statutory Notices, whether or not the sale can proceed to the next stage and any reasons for refusal. If the proposed disposal is supported by the council, the enquiring party will be asked to secure planning permission, where required, for the change of use from Public Open Space to the proposed use.

(Indicative timescale for council's decision 4 - 5 weeks)

## **7.0 Stage 4 – Planning Permission**

- 7.1 Planning consent may be required for change of use and/or development of the land that the enquiring party proposes to purchase or for other matters such as fencing and boundary treatment.
- 7.2 The enquiring party is wholly responsible for finding out whether planning consent is required and should make their own enquiries with the council's Development Control Planning team, highways, and any other authorities. It is the enquiring party's responsibility to ensure that any consent required is gained.
- 7.3 Planning offers a pre-application service which is an informal option as to whether planning permission is likely to be granted. Although there may be a charge for this service, the enquiring party may want to consider this option before making a formal application, as it could save time and money in the long run.
- 7.4 The enquiring party may be required to serve notice on the council when the application is made and should be mindful that applications involving council owned-land have to be determined by Planning Committee which can impact on timescales for a decision (as the Planning Committee meet on average every 3 weeks).
- 7.5 Once planning permission has been secured for change of use then the enquiring party must inform the council's Property team, provide evidence that planning permission has been secured and confirm that they wish to proceed to the next stage.

*NOTE - Any decision by the council to sell the land is separate from any decision to grant planning consent and the enquiring party should not assume that planning consent will be granted automatically just because the council has agreed to sell the land and vice versa.*

(Indicative timescale 5-6 weeks but may vary depending on the Planning Committee cycle).

## **8.0 Stage 5 – Sale Contract**

- 8.1 Approval will need to be sought from Chief Finance officer and Chief Monitoring officer following the requisite approvals process. The council will issue the enquiring party with a final offer letter, subject to contract, and the enquiring party will be given a time limit for confirming that they want to proceed.
- 8.2 Once the enquiring party has confirmed that they wish to proceed, the council's Legal team will be instructed to issue and complete the land transfer documentation. The enquiring party will be required to pay the council's reasonable legal fees which will depend upon the complexity of the case, the

time taken and the number and extent of queries that are received from the solicitors acting on behalf of the enquiring party. The Legal team will provide an indication of their fees and where appropriate will request an on account payment prior to commencing work. The enquiring party will also be responsible for charges and disbursements as well as land registry fees for registering the new land ownership and any stamp duty land tax post-completion. The council's Legal team will collect the land purchase price and any associated charges/fees not invoiced prior from the enquiring party as part of the land sale completion process.

- 8.3 The acquiring party must appoint their own solicitors to deal with the land purchase and provide up to date contact details to the council.

(Indicative timescale 8-12 weeks)

## **9.0 Appeals**

- 9.1 There is no appeals procedure. However, if the enquiring party feels that they have additional information or justification to support their application that has not previously been considered, it may be possible to process the application again, based on the new information.
- 9.2 The enquiring party may be charged further administration fees if a revised application involves undertaking the consultation process again.

*The council reserves the right to review and amend this procedure at any time*

## **10.0 Reasons for the Council Retaining the Land Ownership**

- 10.1 In certain circumstances the council will not be able to consider an application for the purchase of amenity land. The majority of these circumstances are set out below:

### **A) PLANNING AND HIGHWAYS CRITERIA**

- Land forms part of an existing or potential strategic or locally important open space.
- Ward is deficient in public open space as defined in the adopted Local Plan.
- Area contains a Scheduled Ancient Monument / Tree Preservation Order or encompasses Protected Hedgerows.
- Land is subject to adopted Highway rights.
- Land encompasses a right of way, cycle, or footpath.
- Land has a title covenant that restricts its use or requires it to be retained as public open space.
- Land sale will cause detrimental effects within neighbouring or nearby properties.
- Boundary of land to be sold is shared by more than one neighbouring property.

## B) HEALTH AND SAFETY CRITERIA

- Land sale will reduce the width of any public rights of way corridors.
- Land sale will adversely affect highway sight lines.
- Land forms part of riparian buffer zones or flood plain protection.
- Land contains services or land drains and the sale of the land would incur additional costs for the council (e.g. re-siting of lamp posts or telephone cables).

## C) AMENITY CRITERIA

- Area acts as a wildlife corridor
- Land has specific habitat / species protection / biodiversity
- Land sale would impact upon or cause loss of local amenity / recreational value
- Land contains public art
- Land acts as a residential buffer
- Land is part of a SUDS or adjacent to a drainage system

## D) MAINTENANCE CRITERIA

- Land sale would inhibit access to other council land and/or increase maintenance costs for any retained landscaped areas
- Land sale would result in loss of trees / shrubs / hedges

## E) BEST VALUE CRITERIA

- The land is suitable for development and / or may be of interest to other parties and best value will only be obtained if it is offered for sale on the open market
- The council has other foreseeable operational use of the land

## F) OTHER

- The land offers or would offer regeneration or development opportunities for the council
- There are management or other issues that would cause inconvenience to the council if the land was to be sold
- The applicant has outstanding debts with the council

## Land Purchase Application Form

South Oxfordshire District Council  
135 Eastern Avenue  
Milton Park  
Milton  
Oxfordshire OX14 4SB

Tel: 01235 422660  
Email: [property@southandvale.gov.uk](mailto:property@southandvale.gov.uk)  
<https://www.southoxon.gov.uk/>

### Enquiry for Potential Purchase of Amenity Land – APPLICATION FORM

FORM MUST BE COMPLETED IN CAPITALS USING BLACK INK

<b>Enquiring Party's Full Name:</b>	
<b>Enquiring Party's Address:</b>	
<b>Home Tel. No. :</b>	
<b>Mobile Tel. No. :</b>	
<b>Email Address:</b>	

<b>Address of Site:</b>	
<b>Comments:</b> [Please draw an indicative sketch showing the approximate position of the land you are expressing an interest in, in relation to your property. Use a separate sheet if necessary]	

<b>Proposed Use:</b>	
<b>Comments:</b> [Please describe your proposed use as fully as possible and use a separate sheet if required]	

<b>Proposed Boundary Features:</b> [If you intend to enclose the land with boundary features, please identify/explain the proposed wall, fencing, hedging etc together with proposed dimensions and height. Please use a separate sheet if required]
---

**PLEASE NOTE:**

Please complete the declaration below to confirm that you have read and fully understand the contents of the 'Enquiries for Minor Land Disposals' webpage produced by South Oxfordshire District Council. This application is an initial enquiry only into a potential purchase of Council-owned land and does not constitute an offer or legally binding contract. The matter is therefore subject to contract and the formal approval of the Council in accordance with its Constitution

**DECLARATION:**

<b>Name:</b>	
<b>Signature:</b>	
<b>Date:</b>	

**ONCE FULLY COMPLETED AND SIGNED, PLEASE SUBMIT THE FORM TO THE ADDRESS AT THE TOP OF THIS FORM TOGETHER WITH PAYMENT OF £250 (THE INITIAL APPLICATION FEE) TO:**

[Bank account Details to be inserted]

By Checking this box  you agree to the terms and conditions and also confirmed you have reviewed our Privacy Policy on how we treat the information you have provided to us.

# APPENDIX 3

## PUBLIC OPEN SPACE DISPOSALS

### 1.0 Background

1.1 Section 10 of the Open Spaces Act 1906 states:

"A local authority who have acquired any estate or interest or control over any open space or burial ground under this Act shall, subject to any conditions under which the estate, interest or control was acquired:

- (a) hold and administer the open space or burial ground in trust to allow, and with a view to, the enjoyment thereof by the public as an open space within the meaning of this Act and under proper control and regulation and for no other purpose; and
- (b) maintain and keep the open space or burial ground in a good and decent state..."

1.2 The case of *Muir v Wandsworth Borough Council* [2017] EWHC 1947 (Admin) (28 July 2017) provided guidance to local authorities on the scope of the restrictions that apply to disposals of open spaces.

1.3 Further, open space is defined in the Town and Country Planning Act 1990 as any land 'laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground'. It is generally considered to be a valuable community resource, to be enjoyed by the wider community and there will be a general presumption against the disposal of these assets.

1.4 The council will not normally dispose of any core recreational open spaces by way of freehold transfers, but may consider applications for the disposal of 'incidental' open space and areas of landscaping, particularly where it will improve the management of land benefitting the wider public or where a disposal would remedy the anomalies of past land sales, acquisitions and transfers.

1.5 It is anticipated that potential disposals of this 'incidental' land to enquiring parties will generally follow the principles outlined in **Appendix 2** (Enquiries for Minor Land Disposals) with the requirement that any proposed disposal of public open space be adequately advertised.

## **2.0 Procedure**

- 2.1 In the event that a disposal of 'incidental' public space is proposed (typically where the area in question does not provide a valued opportunity for sport, recreation or leisure), there is a legal requirement for the council to give notice of the intention to dispose by placing a notice in a local newspaper for two consecutive weeks and consider any objections that are received as a result.
- 2.2 All costs of advertising the proposed sale must be met by the enquiring party.
- 2.3 Any objections that are received must be adequately considered.
- 2.4 In agreeing to the disposal of such land, the council should consider whether the personal safety for users of any remaining nearby open space will be detrimentally affected (e.g., where a narrow alleyway is created). Furthermore, sales which lead to a loss or destruction of the visual quality of the surrounding area should not be contemplated unless there are covenants imposed on the sale to retain the open nature of the landscaped area and/or to require certain standards of new boundary fencing, walling or delineation are met.

# APPENDIX 4

## COMMUNITY ASSET TRANSFERS POLICY

### 1.0 Background

- 1.1. A Community Asset Transfer involves the transfer of management and/or ownership of property/land asset from the council to a third party (community or voluntary) organisation. Such transactions are typically conducted through a lease arrangement or, in largely exceptional circumstances, ownership of a community-based asset at less than best consideration in order to achieve a public benefit and/or unlock 'social value'.
- 1.2. Third party organisations eligible for Community Asset Transfers include registered charities, parish and town councils and community groups. Such groups must be properly constituted and must be a legal entity capable of entering into a lease agreement with the council.
- 1.3. This policy does not cover the 'Community Right to Bid' which was introduced in the Localism Act 2011 which has its own legal process and is discussed within the main framework of the council's Disposal Policy document.

### 2.0 Best Consideration v Social Value

- 2.1 Although the council is usually required to dispose or transfer its land and property assets on the basis of obtaining the best consideration reasonably obtainable, disposal at an undervalue of up to £2m is permissible provided the council considers that a disposal will help it secure the promotion or improvement of the economic, social or environmental well-being of its area.
- 2.2 Social value in the context of the council's Community Asset Transfer Policy is about ensuring that when a council-owned property is transferred to a third party organisation, the business case for the transfer explains how it will help maximise economic, social and/or environmental benefits to local residents, the neighbourhood and/or the community.

### 3.0 Principles of Community Asset Transfers

- 3.1 The council holds a number of community assets which include parks, play areas, allotments, toilets, and shelters which may be suitable for transfer, subject to the Community Asset Transfer process.
- 3.2 However, 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 projects.
- The asset is held to support housing requirements.
- The asset is required for operational purposes for use by the council.

3.3. It is the council's role to determine whether an asset may be released for Community Asset Transfer or not.

3.4. The key principles for the council's Community Asset Transfer policy are:

- Any transfer application must support the aims and priorities of the council as set out in its Corporate Plan.
- Community Asset Transfer is not an automatic right and all applications will be treated on a case by case basis.
- Approved transfers will generally be on a leasehold basis and although freehold transfers may be considered, such transactions are likely only in exceptional circumstances.
- Some transfer applications may require committee approval in addition to the decision-making process outlined further in this Appendix 4.

3.5. The reasons for a Community Asset Transfer may include:

- Supporting the third-party organisation to continue delivery of a key activity for residents when the transfer will allow the organisation to bid for and secure funds and/or to support a more sustainable business model.
- Supporting the third-party organisation to deliver a specific service in line with the council's objectives where the service can best be provided through a council-owned asset.
- Protecting a heritage or otherwise important council asset that may fall into disrepair if stewardship is not provided by a third sector organisation.
- When a third-party organisation is considered to be best placed to provide an alternative delivery model for an existing council service from an existing council-owned asset.

<b>Benefits to Community</b>	<b>Benefits to Council</b>	<b>Benefits to Third Party Organisation</b>
Increased/improved local based service provision	More efficient use of a public-sector asset (the use of volunteers and their local knowledge and hands-on management can result in lower overheads/VFM)	Increased sustainability for organisations and increased leverage with other public and private sector organisations – a well-managed asset can provide a third sector organisation with greater financial viability and reduce dependency on grants
Improved sense of community identity/pride and potential for improved community cohesion	Enable external organisations to complement public service provision in ways that are more responsive and better related to local need	Enables an external organisation to apply for funding that is not available to the council and/or even to secure loan finance on the value of the asset
<b>Benefits to Community (cont.)</b>	<b>Benefits to Council (cont.)</b>	<b>Benefits to Third Party Organisation (cont.)</b>
Potential to provide additional jobs, training, and business opportunities locally	Enables effective partnerships between public sector and third sector organisations to enhance local services	Facilitates collaboration and resource sharing amongst organisations
Contribution to physical regeneration		
Potential to increase skills, confidence, and aspirations locally		

## 4.0 Application Process

4.1. The council is responsible for ensuring that a transfer of the asset achieves not only the reason for the transfer but also that the community organisation has demonstrated that they have the skills and financial stability to become a new custodian of the council-owned asset.

4.2. Only recognised third sector organisations should apply and evidence of the applicant's status will be required as part of the application process described below.

### 4.3. STAGE 1 – EXPRESSION OF INTEREST ('EOI STAGE')

4.3.1. To be submitted by the applicant with the following information provided, in order that the council can decide whether formal application for a Community Asset Transfer is appropriate:

- confirmation that the applicant is a third sector organisation
- summary details of the third sector organisation, where they are based, their purpose, their service offer and an outline of the outcomes they expect to achieve
- details of the council-owned land or building asset that the organisation is interested in, what service delivery they intend to provide and brief details of the proposed transfer
- an explanation of why the organisation is applying for a Community Asset Transfer
- a declaration to confirm the applicant organisation has read and understood the Community Asset Transfer policy, can evidence their support and promotion of the council's vision, values and objectives, is able to provide a robust and sustainable business case and has the experience or necessary resources to manage the asset.

4.3.2. The EOI Stage information will be assessed by the council. All ward councillors will be consulted on the EOI and the applicant will be notified of the decision ideally within 15 working days of receipt of the EOI application.

#### 4.4. STAGE 2 – TRANSFER APPLICATION

4.4.1. Once a third sector organisation has been notified that the EOI Stage application has been successful, it may proceed to full application. Information required at this stage includes:

- Full details of the organisation's intended use of the building and how it can be used to raise additional funds and achieve additional social value aligned to the council's aims and objectives.
- Full details of when these benefits will be achieved and how they will be monitored and reported to the council.
- Evidence to support a local demand for the service.
- Full details of the organisations experience in managing property and providing the intended service including governance and constitution arrangements.
- Full details of the applicants transfer requirements and proposed lease terms.
- Full details of the organisations business case.
- Identification and mitigation of any risks associated with the transfer.

4.4.2. Authorisation to this transfer will be required by Chief Financial Officer and Chief Monitoring Officer under FPR 61. Once obtained a DA will be required approved by Head of Development and Regeneration.

4.4.3. The Community Asset Transfer will be assessed by the council and the requisite authority obtained then the third sector party will normally be

expected to be notified of the decision within 30 working days of the council receiving the Transfer Application.

## 5.0 Decision Making Process

- 5.1. It is important that a consistent, transparent, and well-structured approach is taken and that economic, social, or environmental benefits will be obtained by the council in place of a financial return.
- 5.2. The council must seek to assess:
  - The best consideration that would otherwise be receivable under normal market conditions, i.e. the financial value of the disposal to the council if the use of the property were not restricted
  - The financial value likely to be received on the proposed terms and conditions of the application; and
  - Any direct and indirect social value benefits associated with the disposal (economic, social, or environmental benefits), expressed in monetary terms wherever possible.
- 5.3. The focus then turns to whether the social value benefits assessed at **C)** match or exceed the financial undervalue (i.e. the value at **A)** less the value at **B)**).
- 5.4. Each application is to be reviewed by the Property team with additional input by the relevant council team, who benefit from or may be impacted by the application. Feedback from ward councillors will also be considered.
- 5.5. Successful applicants will be required to sign an undertaking to monitor or evidence that the social value proposal in their application is being achieved and to provide a report on their findings to the council at least annually.
- 5.6. The council reserves the right to review the terms of the transfer if the third sector organisation is found to be failing to meet the social value elements of the agreement.
- 5.7. New opportunities for Community Asset Transfers should be identified by the council and advertised through the website and by press release where appropriate.

# APPENDIX 5

## CRICHEL DOWN RULES

### 1.0 Background

- 1.1 In 2015 the Department for Communities and Local Government updated a circular entitled “Compulsory Purchase and the Crichel Down Rules” which prescribed the way in which all Government departments and executive agencies that are subject to a power of direction from a Minister must manage the disposal of land previously acquired by the use of compulsory powers. Local authorities, which are not subject to a ministerial power of direction, are not subject to such a prescription but are still recommended to also follow the rules.
- 1.2 In particular the General Rule of these guidelines states that “where a department wishes to dispose of land to which the Rules apply, former owners will, as a general rule, be given the first opportunity to repurchase the land previously in their ownership, provided that its character has not materially changed since acquisition.” Disposals to former owners under these arrangements will be at current market value.
- 1.3 This principle was established in the 1954 Crichel Down case and has been used as a guideline ever since.
- 1.4 It is recommended that the council has regard to these rules when disposing of land that was formerly acquired by compulsory means subject to the following guidance.

### 2.0 Stage 1 Identification of land

- 2.1 Crichel Down rules relate to land that has been compulsorily acquired by the council and is no longer required, subject to the following exceptions:
  - Agricultural land acquired before the 1st April 1935.
  - Agricultural land acquired on or after the 30 October 1992 that becomes surplus to requirements more than 25 years after its acquisition.
  - Non-agricultural land that becomes surplus and available for disposal more than 25 years after its acquisition.
  - Land which has materially changed since acquisition.
  - Land where boundaries of agricultural land have been obliterated.
- 2.2 The date of acquisition is the date of the conveyance, transfer, or vesting declaration.

- 2.3 There is also an exception in relation to the disposal of small areas of land where the attempted identification of an absent former owner who has now disposed of his/her interest in land adjacent to the subject property would be out of proportion to the value of the land. Only where the current market value of the subject is likely to exceed the value of £25,000 will the council be obliged to take steps as specified within the Rules to identify a previous owner.
- 2.4 Despite these exceptions it is acknowledged it may still be appropriate to first offer to the adjacent landowner unless there are overriding local circumstances or best value may not be achieved.
- 2.5 Recent guidance indicates that the Rules will not apply where land is to be transferred to another body which is to take over some or all of the functions or obligations of the authority that currently owns the land. In this case the transfer itself does not constitute a “disposal” for the purpose of the Rules.
- 2.6 Disposals for the purposes of Private Finance Initiative/Private Public Partnership projects also do not fall within the Rules and the position of any land surplus once the project has been completed would be subject to the Private Finance Initiative/Private Public Partnership contract.

### **3.0 Stage 2 Consultation**

- 3.1 Consultation shall take place with Asset Management Group.
- 3.2 Local Authorities as previously stated are not under a statutory obligation to comply with the Crichel Down rules. Therefore, any compliance with these rules will be at the discretion of Head of Development and Regeneration in consultation with the Head of Legal and Democratic.
- 3.3 For instance where it is concluded that there is an overriding local or community interest such as a disposal to a parish council, registered charity or other properly constituted body where best value may not be achieved, then upon the direction of the Head of Property disposal may proceed to such a body even when it was not the former owner of the property.

# APPENDIX 6

## SCORING MATRIX

Bidder	Price	Score (55)	AMG Approval	Score (10)	Due Diligence	Score (10)	Community Value	Score (25)	Total (100)
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