

Cabinet Member for Finance

Agenda

Date:Wednesday 6th August 2014Time:10.00 am

Venue: Committee Suite 1 & 2, Westfields, Middlewich Road, Sandbach CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

To receive any apologies for absence

2. Declarations of Interest

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. Public Speaking Time/Open Session

In accordance with Procedure Rules Nos.11 and 35 a period of 10 minutes is allocated for members of the public to address the meeting on any matter relating to the work of the body in question. Individual members of the public may speak for up to 5 minutes but the Chairman or person presiding will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers. Members of the public are not required to give notice to use this facility. However, as a matter of courtesy, a period of 24 hours' notice is encouraged.

Members of the public wishing to ask a question at the meeting should provide at least three clear working days' notice in writing and should include the question with that notice. This will enable an informed answer to be given.

4. **Farms Estate - Property Disposal** (Pages 1 - 6)

To consider the disposal of property from the Gawsworth Farms estate

CHESHIRE EAST COUNCIL

Cabinet Member for Finance

Date of Meeting:6 August 2014Report of:Cheshire FarmsSubject/Title:Farms Estate – Property DisposalPortfolio Holder:Councillor P Raynes

1.0 Report Summary

- 1.1 This report considers the principle of disposing of property from the Gawsworth Farms estate.
- 1.2 In 2011/12 the Council conducted a full review of the farms estate leading to a policy decision to retain, modernise and restructure the service. The strategy recognised and accommodated the need for investment, identifying disposals to fully fund infrastructure requirements and the value of opportunities to improve estate structures and performance by strategic and opportunistic acquisitions and disposals.
- 1.3 A review of the assets was undertaken and it was concluded that given the nature, location, type and physical attributes, the property identified as Holding 16, Woodhouse Green Farm, Gawsworth (shown coloured red on the attached plan) would not be retained.
- 1.4 The property is let within a full agricultural tenancy that commenced in 1958 providing security of tenure for the life time of the tenant and the tenant has expressed interest in acquiring the property.
- 1.5 Whilst the disposal of surplus vacant property would normally be advertised publicly, the existence of the tenancy has a significant influence on options to secure the full value and discussions with a sitting tenant will realise a premium in excess of the market value.

2.0 Recommendations

- 2.1 The Portfolio Holder approve that Woodhouse Green Farm be declared surplus to requirements.
- 2.2 The property be sold to the tenant on terms to be approved by the Director of Economic Growth & Prosperity.
- 2.3 To authorise Officers to take all necessary actions to implement the proposal.

3.0 Reasons for Recommendations

3.1 The disposal of the identified property is consistent with the objectives of the farms estate management strategy providing an opportunity to improve the structure of the estate, the service it provides and the financial performance of the estate as a whole.

4.0 Wards Affected

4.1 Gawsworth

5.0 Local Ward Members

5.1 Councillor L Smetham

6.0 Policy Implications

6.1 The proposal is consistent with current policy to reorganise the estate.

7.0 Implications for Rural Communities

7.1 The Farms Estate provides opportunities to farm at an entry level for suitably qualified applicants, supporting the agricultural industry and associated supporting structures in rural areas.

8.0 Financial Implications

- 8.1 The Farms Strategy Capital Budget of £3.8m was originally approved in 2012/13 profiled over a five year time period. The strategy aims to generate £13.5m in capital receipts from the disposal of surplus assets and will therefore create a net receipt in the region of £10m to fund the Council's investment plans. The current Farms Strategy Budget was reapproved by Full Council on 27th February 2014.
- 8.2 This strategy has generated to date and this disposal would contribute towards delivering the annual average target for receipts amounting to £2.7 million.
- 8.3 The value of the property exceeds the financial limit considered to be a 'Key' Decision.

9.0 Legal Implications

- 9.1 The property must be sold in accordance with the obligation contained within section 123 of the Local Government Act 1972 to obtain the best consideration reasonably obtainable.
- 9.2 The Council is empowered to hold property for the purposes of providing opportunities to farm as a Smallholdings Authority under the Agriculture Act 1970.

10.0 Risk Management

10.1 None

11.0 Background and Options

11.1 The proposal is considered in the context of the Corporate Asset management Plan and the associated Farms Estate Management Strategy.

The alternative option is to retain the property until the death of the tenant when following resumption of possession by notice, the property could be sold with vacant possession.

12.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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