

## **Portfolio Holder Decision**

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**Report Title:** Cranage Farms Estate – Disposal

**Portfolio Holder:** Councillor Arnold

**Senior Officer:** Frank Jordan - Executive Director of Place

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### **1. Report Summary**

- 1.1. Following the review of the estates target structure, it was concluded that the farmhouse and buildings of Mill Lane Farm, Cranage would not be required for the provision of opportunities to farm. On the 17th August 2016 the sale of the farmhouse, buildings and an area of land shown edged red on plan A on the open market upon terms to be determined and approved by the Assets Property Manager was approved.
- 1.2. Following a period of marketing, this report seeks approval to vary the approved decision, to amend the boundary of the property to be sold from that shown in Plan A to that shown in Plan B.

### **2. Recommendation**

- 2.1. That a variation of the decision of the 17th August 2017 concerning the area to be sold to authorise the sale of land shown edged red in Plan B be approved.

### **3. Reasons for Recommendation**

- 3.1. The sale of this property is consistent with the approved management strategy for the Farms Estate and the variation does not prejudice the Councils retained interest in the adjacent land.

### **4. Other Options Considered**

- 4.1. Other options include referral back to the market unchanged but this has been rejected for the reasons set out in 5.4 below.

## **5. Background**

- 5.1. The overarching farms estate strategy was approved by Cabinet in January 2012, supplemented by the findings of a Cabinet Review Group during 2013 and the Corporate Property Board in 2015.
- 5.2. The reviews concluded that the farmstead of Mill Lane Farm should not continue to be used to offer an entry level opportunity to farm independently.
- 5.3. Vacant possession was secured in 2015 and the property has subsequently been managed on short term arrangements whilst consideration has been given to the use of the property for other Council purposes. In accordance with normal practice the potential for the buildings to be converted for higher value alternative uses has also been explored prior to disposal.
- 5.4. Marketing resulted in a sale but after considerable time, the buyer withdrew their offer. Subsequent discussions with underbidders have concluded that rather than remarketing, a sale of the property with boundaries varied to those shown in Plan B (total 2.47 acres or thereabouts) is achievable at an acceptable level. Whilst the farmstead and land shown in both Plans A & B are not required for the farms estate or other purposes, the surrounding land is currently considered to be required. The amended boundary does not prejudice the use of the Councils retained land.

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

- 6.1.1. Relevant consideration must be given for each transaction to the level of authority required under the Constitution.
- 6.1.2. The Council has the power to grant a lease of the land pursuant to s123 of The Local Government Act 1972 subject to any disposal for 7 years or more being at the best consideration that can reasonably be obtained.
- 6.1.3. Notwithstanding the above powers the Council has a fiduciary duty to the taxpayers and must fulfil this duty in a way which is accountable to local people.

### **6.2. Finance Implications**

- 6.2.1. The disposal of this property generates a capital receipt and contributes towards the reduction of ongoing maintenance liabilities. The amended

boundary is not considered to be significant in increasing the valuation of the property.

**6.3. Policy Implications**

6.3.1. The proposal is consistent with approved management policy

**6.4. Equality Implications**

6.4.1. None

**6.5. Human Resources Implications**

6.5.1. None

**6.6. Risk Management Implications**

6.6.1. The legal and financial risks associated with the decisions relate to:

6.6.1.1. Impact on total net income - Considered in the development of the overarching strategy which seeks to underpin and improve the financial performance of the estate assets, addressed by proactively reducing the liability for maintenance corresponding to the number of properties and increasing rental value through investment.

6.6.1.2. The potential for a failure to sell - addressed by commissioning selling agents who are expert in the sale of this type of property and advertising on the open market.

6.6.1.3. Accountability - addressed through normal accounting procedures.

**6.7. Rural Communities Implications**

6.7.1. The sale of surplus property is consistent with the corporate and service asset management plan, progresses the implementation of the estate strategy and underpins the viability of the individual farms, estate and service.

**6.8. Implications for Children & Young People**

6.8.1. There are no direct implications for children and young people.

**6.9. Public Health Implications**

6.9.1. There are no direct implications for public health.

**7. Ward Members Affected**

7.1. Dane Valley - Councillors L Gilbert & A Kolker.

## **8. Consultation & Engagement**

8.1. Ward Councillors were consulted about the originating decision.

## **9. Access to Information**

9.1. The originating decision to dispose of this property was made by Cabinet Member for Regeneration 17<sup>th</sup> August 2017.

## **10. Contact Information**

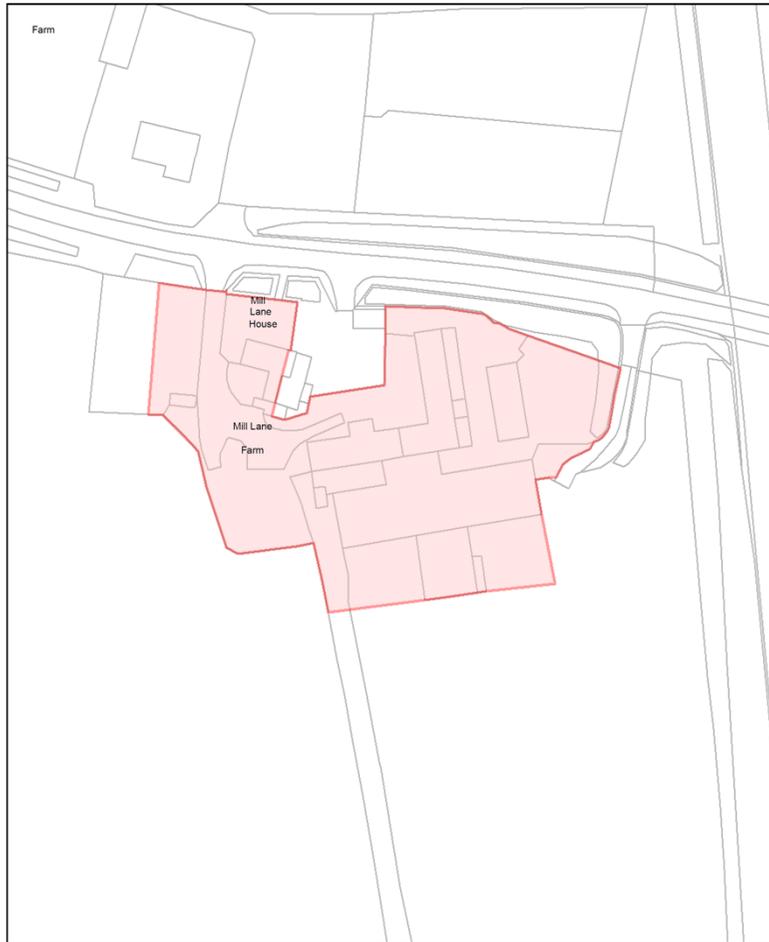
10.1. Any questions relating to this report should be directed to the following officer:

Name: David Job

Job Title: County Land Agent

Email: [david.job@cheshirewestandchester.gov.uk](mailto:david.job@cheshirewestandchester.gov.uk)

### Plan A



 **Mill Lane Farm, Cranage**   
1:1,000  
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### Plan B



 **Mill Lane Farm, Cranage**   
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