

## **Cabinet**

---

**Date of Meeting:** 11 June 2019

**Report Title:** Mobberley Farms Estate – Blakeley Farm - Disposal

**Portfolio Holder:** Cllr Nick Mannion, Environment and Regeneration

**Senior Officer:** Frank Jordan, Executive Director Place

---

### **1. Report Summary**

- 1.1. This report considers the disposal of the farmhouse, buildings and paddock land of Blakeley Farm on the Mobberley Farms Estate identified on the attached plan (“the Property”).
- 1.2. The Property was vacated on the 30th May 2018. Subsequent marketing of the Property through externally appointed agents by private treaty has resulted in the receipt of an acceptable offer which is in excess of £1million and therefore authority to dispose of the Property is required from Cabinet.
- 1.3. It is to be noted that this offer would represent best consideration for this property.

### **2. Recommendations**

That Cabinet

- 2.1. Approve to the disposal of the Mobberley Farms Estate – Blakeley Farm.
- 2.2. Authorise the Executive Director - Place in consultation with the Monitoring Officer and Section 151 officer to take all necessary actions and enter into all legal agreements required to enable the disposal of the Property.

### **3. Reasons for Recommendations**

- 3.1. The disposal is consistent with the management strategy of the farms estate and actions flowing from its reorganisation. The principle of disposal of the Property has previously been approved by the Portfolio Holder for Regeneration.
- 3.2. The capital receipt will contribute to funding of the Council's capital programme.

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

- 4.1. The Council could retain the asset, however this is contrary to the farms strategy and given that the Council has no requirement for the asset this asset would be held vacant. Taking this step would mean that there would be an ongoing financial obligation placed upon the Council. In addition, holding a vacant asset would represent an additional risk for the Council and as a result this would also go against prudent asset management.

### **5. Background**

- 5.1. In advance of receiving vacant possession as part of the reorganisation of the Mobberley Farms Estate the disposal of the Property was originally considered and approved by the Portfolio Holder for Regeneration on the 17th August 2017. This was subject to investigating and submitting an application for planning consent for the conversion of the barns prior to disposal.
- 5.2. Thereafter a planning application was submitted and planning consent obtained for the conversion of the barns into four dwellings on the 21st November 2018, under planning application reference 18/4798M.
- 5.3. The Property was vacated on the 30th May 2018; thereafter a planning application was submitted and planning consent obtained for the conversion of the barns into four dwellings on the 21st November 2018, under planning application reference 18/4798M.
- 5.4. Subsequent marketing of the Property through externally appointed agents by private treaty has resulted in the receipt of an acceptable offer which is in excess of £1million and therefore authority to dispose of the Property is required from Cabinet.

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

### **6.1. Legal Implications**

- 6.1.1. The Localism Act 2011 introduced the General Power of Competence, which allows the Council to do anything an individual can do, provided it is not prohibited by other legislation. These powers have replaced the previous wellbeing powers, however, the use of these powers must be in support of a reasonable and accountable decision made in line with public law principles.
- 6.1.2. The Council has the power to dispose of 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. The Property has been advertised on the open market and as such the offer put forward meets the best consideration requirement and a certificate of value will be provided to verify the same.
- 6.1.3. The disposal of the Property in accordance with s123 of the Local Government Act 1972 complies with State aid rules.
- 6.1.4. 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 decision facilitates the generation of a capital receipt net of disposal costs for a surplus property. In accordance with the Capital Strategy cash receipts from the disposal of surplus assets are used to fund new capital investment or offset future debt or transitional costs, included within the new flexibilities provisions.
- 6.2.2. In terms of the impact of sales on the revenue budget, any loss of rent will be substantially offset by reduced maintenance requirements, rental growth and underpinning the stability of rental income from the amalgamation of the retained land. It is expected that the overall impact on revenue is expected to be minimal and this can be managed within the Farms overall budget position. Taking these steps make the Council's lettable landholdings more commercially sustainable and therefore underpins the stability of rental income to the Council into the future.

### **6.3. Policy Implications**

- 6.3.1. The decision is consistent with the management policy and strategy for the farms estate.

#### **6.4. Equality Implications**

6.4.1. Not applicable.

#### **6.5. Human Resources Implications**

6.5.1. None.

#### **6.6. Risk Management Implications**

6.6.1. The key risk associated with the decision relates to the impact on total net income. The sale of any Council property asset results in the loss of income and future capital gains from that particular property. This was considered in the development of the overarching policy and strategy which seeks to underpin and improve the financial performance of the farms estate, addressed by a corresponding reduction in the liability for maintenance and increasing rental income via investment in improvements in retained assets.

#### **6.7. Rural Communities Implications**

6.7.1. There are no direct implications for rural communities although the proposal is clearly relevant to the agricultural industry and improving the standards of service offered through the Farms Estate.

#### **6.8. Implications for Children & Young People/Cared for Children**

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. Mobberley – Cllr C Leach

### **8. Consultation & Engagement**

8.1. None.

### **9. Access to Information**

9.1. [Decision of Cabinet Member For Regeneration 17th August 2017](#)

## **10. Contact Information**

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

Name: David R Job

Job Title: County land Agent

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