

East Herts Council Report

Executive

Date of meeting: Tuesday 1 October 2024

Report by: Councillor Carl Brittain – Executive Member for Financial Sustainability

Report title: Capital Receipts Programme – Authority to Dispose of Assets by sale

Ward(s) affected: (All Wards);

Summary – To seek permission to dispose of property by auction as part of the capital receipts programme.

RECOMMENDATIONS FOR EXECUTIVE:

(A) Approve the sale by auction of the properties listed at paragraph 1.3.

1.0 Proposal(s)

1.1 The budget for 2024/25 includes capital receipts being generated to reduce debt and thus reduce Minimum Revenue Provision and interest payments in the Medium Term Financial Plan from 2025/26.

1.2 The list has been consulted on by the Executive Member via his reference group of Members.

1.3 In order to now action the disposals permission is now sought to dispose of the following assets by public auction:

1.3.1 Land at Widford Road, Hunsdon

1.3.2 22 Great Innings North, Watton at Stone

1.3.3 Land at King George Road Ware

1.3.4 Southern Maltings, Ware

1.3.5 Land adjacent to 65 Sele Road, Hertford

1.3.6 Elizabeth Road, Bishop's Stortford

1.4 Appendix 1A to 1F shows the location of each asset. Appendix 2 shows the current existing use value of the assets and any rental income and the VFM test to ensure the loss of income is justified by the saving in interest and Minimum Revenue Provision.

1.5 The public auction route is considered best compared to placing them with local agents or inviting sealed bids. The sale will be quicker and involve less administration. Officers will ensure there is a reserve placed on each asset.

2.0 Background

2.1 The capital receipts programme to reduce debt was included in the 2024/25 Medium Term Financial Plan.

3.0 Reason(s)

3.1 To gain capital receipts from the assets to be sold for auction and reduce borrowing and its revenue financing costs

4.0 Options

4.1 NOT RECOMMENDED – not to sell the assets on the list and gain the capital receipts

5.0 Risks

5.1 There is the risk that none of the assets sell or fail to reach the reserve price.

6.0 Implications/Consultations

6.1

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes – see **Appendix 2**

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendices:

1A Map Land at Widford Road, Hunsdon

1B Map 22 Great Innings North, Watton at Stone

1C Map Land at King George Road Ware

1D Map Southern Maltings, Ware

1E Map Land adjacent to 65 Sele Road, Hertford

1F Map Elizabeth Court, Havers Road, Bishop's Stortford

2 Financial Appendix **Restricted**

Contact Member

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