

EAST HERTS COUNCIL REPORT

EXECUTIVE

DATE: 18 November 2025

Report by: Cllr Carl Brittain, Executive Member for Financial Sustainability

Report title: Disposal of Council-owned Assets Surplus to Requirements

Ward(s) affected: Sawbridgeworth, Hertford Kingsmead

Summary

This report identifies assets for disposal and seeks approval for disposal by the most appropriate means.

RECOMMENDATIONS FOR EXECUTIVE:

That Executive agree that:

- (A) land at Harlow Mill, Sawbridgeworth be disposed of for best consideration, with authority to determine the method and management of the disposal delegated to the Director for Communities
- (B) land in Hertford be disposed of for best consideration, with authority to determine the method of disposal delegated to the Director for Communities and confirmation to proceed to actual disposal delegated to the Executive Member for Financial Sustainability, acting in consultation with the Director for Communities.

1.0 Proposal

- 1.1 To dispose of two land assets by the sales method best able to achieve best consideration for the council. Site plans and further information are attached at the EXEMPT Appendix A.

2.0 Background

- 2.1 In support of the Medium-Term Financial Plan, the council has embarked on a programme of disposal of assets which are of no or very limited value to the council by virtue of them not generating any income and/or representing a financial liability in terms of maintenance or other costs subject to disposal not impairing any adjoining council asset.
- 2.2 The Executive first considered a list of assets at their meeting on 1 October 2024, this report now presents the next tranche of assets that have been identified for potential disposal.
- 2.3 Generation of capital receipts enables the council to pay down debt and thus relieve it of interest payments and the need to make a minimum revenue provision (MRP). For every £1m of debt repaid, the council makes a revenue saving around £85,000 in combined interest and MRP avoided.
- 2.4 The estimated value of the assets proposed for disposal in this report is presented in the EXEMPT Appendix A.

3.0 Reasons

Land at Harlow Mill

- 3.1 The land in question was acquired by the War Department in 1939 under CPO to place septic tanks on to dispose of sewage from war department camp. The land was never used for this intended function and passed via Sawbridgeworth Urban District Council into the East Herts Council's ownership. The site contains a large number of trees and is overgrown and inaccessible. The site has limited access from Harlow Road.
- 3.2 The site may have limited value or opportunity for development. Of note, it is not adjacent to any of the Gilston Garden Villages sites. Interest in acquisition, however, may come from adjoining owners and farmers who may wish to increase their landholdings for agricultural purposes.

- 3.3 This site is isolated from any other council landholdings such that its disposal would not sever any large council landholding nor impair the value of any adjacent council owned site. Furthermore, a sale or reduction in the ownership of this land would save the council from the liability of ongoing inspections and tree surveys.

Land in Hertford (further information in Appendix A - exempt by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 – ‘Information relating to the financial or business affairs of any particular person (including the authority holding that information)’).

- 3.4 The Land in Hertford is owned by East Herts Council but it is subject to two long leasehold interests, at very low returns to the council. Both leaseholds were granted in the late 1960s. The two buildings on the land are now at the end of their useful lives.
- 3.5 The tenants would like to work in partnership with East Herts to sell the site for best consideration. Council officers have negotiated an approach to disposal that would see the splitting the purchase price between the two leaseholds and the council on terms acceptable to the council. Proceeds from disposal of this site could be considered as a ‘windfall bonus’ for the council given there was no indication before now that the leaseholds wished to consider any alternative to seeing out the remaining c50 years of their leases. This means that the council has not previously anticipated any capital value being derived from this site the end of the leases.
- 3.6 Given the unusual nature of this disposal, that is, that the council would be acting partnership with two leaseholds, and thus the inherent greater complexity when compared with other disposals, the recommendation in this report is that, confirmation of the actual disposal be delegated to the Executive Member for Finance, acting in consultation with the Director for Communities.
- 3.7 Disposal of this site would not sever a larger contiguous landholding nor would disposal impair the value of any adjacent council owned site. A reduction in the ownership of this land would save the council from the liability of ongoing road and street lighting

maintenance as the access road to these sites are not public highway and are maintained at East Herts expense but would be within the area it is proposed to dispose of.

4.0 Options

- 4.1 Retain some or all of the assets discussed in this report. NOT RECOMMENDED as it is in the council's interest to dispose of underused assets and/or those which are a financial liability subject to the this not impairing the value of any adjacent assets.

5.0 Risks

- 5.1 As with any property disposal, there is a risk that an acceptable sales price cannot be achieved. This risk will be mitigated by disposing of each site in line with officers' and their agents' professional advice and expertise as, indeed, the council is obliged to achieve best consideration.
- 5.2 Also, as with any sale there is the risk that the neighbours or close community may not welcome a change in ownership and/or use of the land or buildings. Any alternative use would be subject to planning approval which affords interested parties the opportunity to raise their objections or concerns.

6.0 Implications/Consultations

- 6.1 Should members approve for disposal any/all of the assets presented in this report, prior to actual disposal ward members of the wards affected would be notified and briefed. As noted above, any change of use would be subject to the appropriate planning permission.

Community Safety

None arising directly from this report.

Data Protection

None arising directly from this report.

Equalities

None arising directly from this report.

Environmental Sustainability

Any future works, redevelopment or change of use of any of the assets covered in this report would be subject to planning permission and building control. This is likely to maximise environmental sustainability improvements.

Financial

Finance colleagues have been consulted about these disposals. As noted in the report, every £1m of receipts would enable the paying down of a commensurate level of debt and thus relieve the council of around £85,000 of revenue liabilities. Future disposals are being modelled in the council's Medium Term Financial Plan.

Health and Safety

Disposing of surplus assets or aging assets relieves the council of any future health and safety responsibilities, which are only set to increase as the condition of those assets deteriorates.

Human Resources

None arising directly from this report.

Human Rights

None arising directly from this report.

Legal

For any site approved by the Executive for disposal, the Director for Communities shall work with colleagues to ensure an appropriate means of disposal such that s123(2) is adhered to, that is, the council will **not** dispose of any site '*for consideration less than the best that can be reasonably obtained*'.

Ward(s) affected: Sawbridgeworth, Hertford Kingsmead

7.0 Background papers, appendices and other relevant material

7.1 Appendix A - Part II exempt information relating to each proposed disposal.

Contact Member

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