

Policy

Title: **Disposals Policy**

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A policy should be a short statement which describes in general terms or objectives what a service area's principles and key objectives are on a particular subject and should be no longer than a 2 pages in length. The aim of the policy is to give practical effect of the strategy it supports.

Translations available on request by phoning 0151 510 5000

यदि आपनि এই तथा अन्य भाषा पढ्ने छान, अहले दुरा करे 0151 510 5000 नयले फोन करुन।

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Introduction

Disposing of property or land may from time to time be required in order for the Trust to manage its estates properly and maintain them at the high standard that the Trust wants to.

In some cases there may also be some commercial gain that can be accrued from disposing of property or land.

This policy is designed not to enable the Trust to dispose of property or land on a regular or frequent basis but to deal with the small number of exceptional cases that from time to time may arise.

Aims / Objectives

The aims of the Trust's Disposals Policy are to:

- Ensure that property and land is only disposed of after proper consideration
- Ensure that all other options have been considered and ruled out for whatever reason before considering disposal as an option
- Ensure that the Trust follows the correct procedures for any disposal
- Ensure that if property or land is disposed then it is only disposed of to people or companies with the right intentions

Performance Measures / Monitoring

The Board must approve all disposals of property and any disposals of land will be reported to them as soon as practicably possible after the sale has taken place.

Scope

This policy mainly affects staff working in the Housing Management, Asset Management and Commercial Services teams in;

- identifying the property and/or land to be disposed of;
- dealing with the disposal in line with the Trust's Rules and government regulation and legislation.

Responsibility

The Director of Resources is responsible for the effective implementation of this policy.

The Director of Resources carries overall responsibility for the disposal of property or land, and is liable to be called to account by the Board and the Tenant Services Authority for specific failures.

Responsibility for the day to day implementation of dealing with property and land disposals will rest with the Commercial Services Manager.

Service Standards

The Trust has a stated objective to maintain and manage its properties at/to a high standard. If for whatever reason the Trust is unable to fulfil this objective then it will consider disposing of the property or land in question.

Policy Statement

The disposal of any property or land should be undertaken in the manner as set out within the Trust's Standing Orders and Financial Regulations.

The provisions of Schedule 1 of the Housing Act 1996 apply to the sale of property to Employees, Board Members and their relatives

The Trust should make sure that the appropriate consents are obtained prior to disposing of any property or land. As a general rule any housing or land (with a current value greater than £5,000) which came across at the point of transfer from the Local Authority requires Section 133 consent whereas housing and land acquired after the transfer (with a current value of greater than £10,000) requires Section 9 consent.

Section 133 consent is from the Secretary of State at the CLG, rather than from the Tenant Services Authority.

Prior to the disposal of any property or land (with a value in excess of the levels mentioned above) the Trust should make sure that it has obtained an appropriate up to date independent valuation. If the Trust is in any doubt about whether or not the value is within the limits mentioned earlier then an independent valuation should be obtained. All disposals of property and land must be made at the appropriate market rate.

The Trust must ensure that the proposed disposal will not conflict with any assurances given to customers as part of any consultation prior to the stock transfer process.

Disposal should only be considered as a last resort once all other stock investment options have been considered.

The disposal of property or land should not be progressed unless the following applies

- the disposal is to an individual (or to two or more individuals);
- the disposal does not extend to any other house; and
- the Trust reasonably believes that the individual or individuals intend to use the house as their principal dwelling.
- Disposals must not be made to a person or organisation listed in Part I of Schedule I to the Act. This includes Trust officers, employees, and their relatives, and any businesses trading for profit in which those parties have an interest.

When disposing of property the Trust should look to giving priority to the categories of key workers who are:

- Nurses and other NHS staff
- Teachers in schools and in further education and sixth form colleges

- Police officers and some civilian staff in some police forces
- Prison service and probation service staff
- Social workers, educational psychologists, planners (in London) and occupational therapists employed by local authorities; and whole-time junior fire officers and retained fire fighters (all grades) in some fire and rescue services

This policy does not apply to possible disposals of properties to existing customers made under Right to Buy regulations. A separate procedure guide has been developed for dealing with such applications.

Consultation arrangements

The appropriate employees who are directly involved in the disposal of property or land have been consulted on this policy.

Customers effected by the disposal of any property or land will be consulted as part of the decision making process of whether to dispose or not.

Benchmark Analysis

Any review undertaken will look to ensure that the policy continues to operate in line with best practice and that service improvements are made and implemented.

Regulatory or Legal Compliance

Housing and land which came across at the point of transfer from the Local Authority requires Section 133 consent whereas housing and land acquired after the transfer requires Section 9 consent.

KLOE's affected

In the Value for Money section of the Stock Investment and Asset Management KLOE, an organisation delivering an excellent service is described having “undertaken a thorough assessment of the resources required and potentially available, to support investment in the DHS, including (where appropriate) private finance, social housing grant, recycled grant funds, **proceeds from the disposal of properties** and regeneration resources (for example, Market Renewal Fund (MRF) as well as Single Regeneration Budget (SRB), Neighbourhood Renewal Fund (NRF) and European Union (EU) funding), as well as internal budgets

Links to Strategies, Procedures and Associated Documents

- Financial Regulations and Standing Orders
- Asset Management Strategy
- Sales Policy

Equality and Diversity Considerations

The Trust will undertake to complete an Equality Impact Assessment (EIA) for this policy. Any changes required to be made to the policy following the assessment will be incorporated accordingly. This will be carried out by the Director of Resources and Diversity Officer by August 2009. The outcomes of the assessment will be reported to the Resources Committee and RFTS Group.

Business Impact

Levels of property and land disposals will be monitored by the Trust

The Trust will normally arrange for external consultants to carry out an Annual Revaluation of its stock as part of its Business Planning process. Account will need to be taken of current and projected levels of property and land sales, as these can have implications on current and future levels of capital receipts received and on rent streams, which in turn will need to be factored into the Trust's Business Plan accordingly.

Self Assessment Compliance Statement (SACS) Considerations

It is not envisaged that this policy will have any impact on the SACS document or that any changes/amendments will be required.