

# Essex Police, Fire and Crime Commissioner Fire and Rescue Authority

# **Decision Report**

## Please ensure all sections below are completed

Report reference number: 075-21		
Government security classification Not protectively marked but subject to redaction		
Title of report: Day Crewing Houses – Sale of Surplus assets		
Area of county / stakeholders affected: Countywide		
Report by: Paula Carter (Property Services Admin Asst)		
Date of report: 22 Nov 2021		
Enquiries to: Paula Carter – Property Services Admin Asst paula.carter@essex-fire.gov.uk		

#### 1. Purpose of the report

To seek approval for the sale of

#### 2. Recommendations

- To proceed with the sale of sum of £335,000 with a completion date to be agreed.
- To sign attached Engrossment Contract and TP1 in order to formalise the sale document and transfer legal ownership to the buyer.
- To reverse the prior decision sheet (previously signed off decision sheet 031-21) due to reason in background and proposal section 4 below

#### 3. Benefits of the proposal

The proposal disposes of surplus to Essex County Fire and Rescue Service requirements and provides a substantial capital receipt.

#### 4. Background and proposal

The service owns a number of properties that have been used for day crew housing.

The property is deemed to be surplus to Essex County Fire and Rescue Service requirements and under decision sheet 011-20 was approved to be listed for sale. The property valuation as at 31 March 2020 was £315,000. A Relevant extract from the Lambert Smith Hampton report attached as an **appendix**.

Three Estate agents were approached for quotes for the fees associated with selling of the day crew properties listed under decision sheet 011-20. The fees quoted were consistent for each of the Estate Agents and therefore the properties listed for sale were split amongst the Estate Agents, so that we were not solely reliant upon 1 Supplier.

One offer was made on the property for £320.000 and this offer was accepted, but it was later withdrawn as the buyer didn't think he would meet the stamp duty holiday deadline of the 31 March 2021. Following the withdrawal of this offer we received and agreed a second offer of £315,000 this offer was accepted through decision report 031-21.

The offer for £315,000 has since been withdrawn and a further offer of £335,000 from a first-time buyer has been received. This decision report recommends that this offer is accepted.

#### 5. Alternative options considered and rejected

The Commissioner could decide to reject the offers and return the property to the market, however, given amount the offer this option is not recommended.

#### 6. Strategic priorities

The sales of these properties is a result of these properties becoming surplus to requirements as the Service's operating model has changed. This is in line with the 2016-2020 IRMP, 2020–2024 IRMP and enables delivery of the priorities set out in the 2019-2024 Fire and Rescue Plan.

Plans to sell surplus day crewing housing have previously been communicated:

- As part of the benefit realisation of the day crewed conversion programme
- Within paragraph 60 of the 2020-21 budget paper which was approved by the Police, Fire and Crime Panel on the 6 February 2020.
- At the SLT Meeting on 26<sup>th</sup> May 2020 and the Strategic Board on 11<sup>th</sup> June 2020.

#### 7. Operational implications

There are no adverse operational implications arising from these sales.

The proceeds from the sales will provide capital receipts to fund other transformation or capital projects in line with the priorities set out in the Fire and Rescue Plan 2019-2024.

#### 8. Financial implications

The property has followed a robust marketing process with the offer being accepted being in line with the 2020 valuation.

Given the process followed, it is recognised that the offer reflects the current market conditions and as such is in the best interest of the Authority to accept.

The Capital receipts arising will be allocated to the Capital Receipts Reserve after deduction of allowable disposal costs associated with conveyancing and marketing.

If the sale is not undertaken, it is likely that the sales process will be more protracted.

A failure to maximise the sales value of the property could place the Commissioner in breach of the fiduciary duty to sell assets for best consideration.

The sale of the day crew housing will be reported in the monthly Finance report that is included within the Performance and Resources Board.

## 9. Legal implications

Legal representation for the conveyancing would be required.

#### 10. Staffing implications

There are no staffing implications, as staff have already vacated this property.

We have considered whether individuals with protected characteristics will be disadvantaged as a consequence of the actions being taken. Due regard has also been given to whether there is impact on each of the following protected groups as defined within the Equality Act 2010:

Race	No	Religion or belief	No
Sex	No	Gender reassignment	No
Age	No	Pregnancy & maternity	No
Disability	No	Marriage and Civil Partnership	No
Sexual orientation	No		

#### 11. Equality and Diversity implications

There are no Equality and Diversity Implications.

#### 12. Risks

There was a risk that Covid 19 has an adverse effect on the property market, and therefore it has a potential impact on the expected sales proceeds and timing of the sales. However, the offer for this property and the valuation provide reassurance that this has not be the case.

#### 13. Governance Boards

At the SLT meeting on the 26 May 2020, it was agreed by the SLT that:

- The listed day crewed houses were deemed to be surplus assets.
- The surplus assets should be sold.

The paper was progressed, as per governance arrangements, to the Strategic Board on 11 June 2020 where the board supported the recommendations.

# 14. Background papers

Decision Sheet 011-20



Decision Sheet 031-21



# Decision Process (031-21)

be informed of the decision.

	pacity as the Head of Paid Service to comment on			
the proposal.)				
I support the recommendations				
BALL				
Sign:				
Date 07/12/21				
Step 1B – Consultation with representative bodies  (The Chief Fire Officer is to set out the consultation that has been undertaken with the representative bodies)				
N/A				
Step 2 - Statutory Officer Review				
The report will be reviewed by the Essex Police, Fire and Crime Commissioner Fire and Rescue Authority's ("the Commissioner's") Monitoring Officer and Chief Finance Officer prior to review and sign off by the Commissioner or their Deputy.				
Monitoring Officer	Sign: DHasmas			
	Print: Darren Horsman - Deputy MO			
	Date: 08.12.2021			
Chief Finance Officer	Sign:			
	Print:Neil Cross			
	Date: 07/12/2021			
	Date 07/12/2021			
Step 3 - Publication				
Is the report for publication? YES (Subject to redaction)  If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'none' if applicable)				
If the report is not for publication, the Mo	nitoring Officer will decide if and how the public can			

Step 4 - Redaction					
If the report is for publication, is redaction required:					
1	Of Decision Sheet	YES			
2	Of Appendix	NOT FOR PUBLICATION			
If 'YES', please provide details of required redaction:					
Addre	ess of property to be redacted through	nout			
Engrossment contract and TP1 not to be published as they are commercially sensitive					
Valuation Report not to be published as it is commercially sensitive					
Date redaction carried out: 14 December 2021					
If redaction is required, the Chief Finance Officer or the Monitoring Officer are to sign off that redaction has been completed.  Sign:					
Print: Neil Cross					
Step 5 - Decision by the Police, Fire and Crime Commissioner or Deputy Police, Fire and Crime Commissioner					
I agree the recommendations to this report: Sign: (PFCC)					
Print: Roger Hirst					
Date signed: 10 December 2021					
I do not agree the recommendations to this report because:					