

# PERTH AND KINROSS COUNCIL

15 May 2024

## DISPOSAL OF LAND AND BUILDINGS AMENDMENT

**Report by Strategic Lead - Property Services**  
(Report No. 24/150)

### 1. PURPOSE

- 1.1 The purpose of the report is to seek approval to update and amend the Council's Disposal of Land and Buildings Policy ([Report 3/13/1](#)) adopted in January 2013, to reflect the need to prioritise affordable housing when the Council is reviewing its assets and disposing of land and buildings and:
- better align with the Council's strategic priorities as set out in its Corporate Plan
  - reflect the principles as set out in its approved Financial Strategy
  - facilitate effective implementation of its approved Corporate Asset Management Framework ([Report No 24/18](#))
- 1.2 Perth and Kinross Council recognises the importance of efficiently managing its land and buildings portfolio to meet the strategic needs of the Council as well as the community. This requires policy amendments to ensure policies and service delivery are aligned with the Council's Corporate Strategic priorities and Financial Strategy.
- 1.3 The Council approved the Corporate Property Asset Management Plan and Strategy through the Corporate Asset Management Framework ([Report No 24/18](#)). The action plan committed to updating the disposal of land and building policy with a revised strategy and process to actively deal with surplus properties.
- 1.4 It is likely that land and building assets will be identified as being surplus to requirements as part of the Asset Challenge process detailed within the Corporate Asset Management Framework. The Council must make the most of the potential opportunities to rationalise the Council's land and buildings portfolio and ensure that any decisions for the disposal of surplus assets meet the Council's priorities.
- 1.5 At its first meeting in March the Strategic Investment and Advisory Group considered progress in relation to the Pitlochry Asset Review. As part of this discussion, officers were asked to review the Disposal of Land and Buildings Policy to ensure that the delivery of affordable housing was clearly prioritised in relation to any decisions around disposals.

- 1.6 This paper seeks Council approval for a revised policy position in relation to the disposal of assets which prioritises the delivery of affordable / social housing when any buildings or land are declared surplus or vacant.

## 2. RECOMMENDATIONS

- 2.1 It is recommended that Council approve:
- the revised Disposal of Land and Buildings Policy (Appendix 1) to prioritise affordable / social housing provision when disposing of any land or building assets

## 3. BACKGROUND

- 3.1 In January 2024 Council approved the Corporate Asset Management Framework ([Report No 24/18](#)). This comprises an overarching Corporate Asset Management Policy and Strategy which describes the corporate approach to the management of assets to deliver the Councils strategic priorities.
- 3.2 The establishment of the asset challenge process and locality reviews within the Corporate Property Asset Management Strategy and Plan are expected to rationalise the property estate to make best use of assets and subsequently allow disposal of assets in line with the Financial strategy action ([link](#)):-
- to reduce the overall public estate and we will dispose of assets which no longer best support the delivery of our strategic objectives.

### Affordable Housing

- 3.3 The [Local Housing Strategy 2022-2027](#) (LHS) sets as its vision that ‘Everyone in Perth and Kinross has access to the right home, in the right place and at the right cost’. The LHS sets a target of 1,050 new supply affordable homes over its five year period. The LHS Action Plan sets a number of actions to achieve this, however a key challenge is the lack of suitable land or buildings for redevelopment for affordable housing. The annual Strategic Housing Investment Plan ([SHIP](#)) identifies sites for the Council and its partners to deliver affordable housing, however more are needed if the target is to be met. There are **3,305** live applicants expressing demand for Council housing in Perth & Kinross on the Common Housing Register. The ratio of applications to available lets is three applicants to every vacancy.
- 3.4 The requirements for affordable housing have been fully detailed within the Housing Needs and Demand Analysis for Perth & Kinross as part of the Local Housing Strategy- [HNDA Final Report for Perth Kinross.pdf \(pkc.gov.uk\)](#) [A definition and examples of affordable housing tenures is available on the Council’s website here.](#)

- 3.5 Whilst significant quantities of land is allocated for development of housing in [Local Development Plan 2](#) (2019) this is generally not in the control of Perth and Kinross Council and will only yield a portion of affordable housing (typically 25%) over long term timescales. As a result the targets for delivery of affordable / social housing are at risk of not being achieved within the time period they are needed. The policy change proposed within this report will assist achievement of these targets.

#### 4. DISPOSAL OF LAND AND BUILDINGS POLICY

- 4.1 Following approval of the Corporate Property Asset Management Plan, the attached Disposal of Land and Buildings Policy, previously approved in 2013, has been reconsidered to align with Corporate Strategic priorities and the Financial Strategy (Appendix 1).
- 4.2 Where there are multiple property disposal options that contribute to the many corporate priorities, disposal at less than best consideration (the default) will be considered in the following order:
- a) Affordable / social housing;
  - b) Assist community development / sustainability;
  - c) Economic development or regeneration;
  - d) Other corporate priorities.

#### 5. CONCLUSION

- 5.1 The current Disposal Policy does not prioritise delivery of affordable housing as a priority for the use of surplus / vacant Council land and assets. This report summarises the current housing need and makes recommendations on future disposal policy. The impact of this will take time as through the corporate asset challenge process buildings are made surplus / vacant.

#### Author

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#### Approved

Name	Designation	Date
Clare Mailer	Director (Strategy, People and Resources)	6 May 2024

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Local Outcomes Improvement Plan	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>Yes</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>None</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>None</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>None</b>
<b>Communication</b>	
Communications Plan	<b>Yes</b>

### 1. Strategic Implications

#### Local Outcomes Improvement Plan

1.1 This Policy impacts on the following aspects of the Local Outcomes Improvement Plan

- (i) Poverty and cost of living
- (ii) Mental and physical wellbeing

#### Corporate Plan

1.2 This Review impacts on the following priorities within the Council's Corporate Plan:

- Working in Partnership with communities.
  - Tackling Poverty.
  - Tackling Climate Change and supporting sustainable places.
  - Enabling our children and young people to achieve their full potential.
  - Protecting and caring for our most vulnerable people.
  - Supporting and promoting Physical and mental wellbeing.
- [Corporate Plan 2022-27 Final.pdf \(pkc.gov.uk\)](#)

## 2. Resource Implications

### Financial

- 2.1 There may be financial implications as a result of this policy in the future but these will be fully considered in future reports.

### Workforce

- 2.2 There are no immediate workforce implications to this report.

### Asset Management (land, property, IT)

- 2.3 The asset management implications are contained within the report.

## 3. Assessments

- 3.1 The report has been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) Assessed as **not relevant** for the purposes of EqIA. Equalities Impact Assessments will be prepared for any consolidation/disinvestment recommendations if approved.

### Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.3 The report has been considered under the Act and, no action is required as the Act does not apply to the matters presented in this report. This is because the Committee are requested to note the contents of the report only and the Committee are not being requested to approve, adopt, or agree to an action or to set the framework for future decisions.

### Sustainability

- 3.4 Under the provisions of the Local Government in Scotland Act 2003 the Council must discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change and, in exercising its functions must act:
- in the way best calculated to delivery of the Act's emissions reduction targets;
  - in the way best calculated to deliver any statutory adaptation programmes; and
  - in a way that it considers most sustainable.

- 3.5 If approved the recommendations from this report will support the Council's discharging of its duties in relation to the Act.

#### Legal and Governance

- 3.6 There are no immediate legal and governance implications to this report.

#### Risk

- 3.7 A risk profile will be prepared to support implementation of these recommendations if approved.

### **4. Consultation**

#### Internal

- 4.1 The Strategic Lead for Property Services, Strategic Lead for Planning and Development, Strategic Lead for Legal and Governance services and Strategic Lead, Finance have been consulted in the preparation of this report.

#### External

- 4.2 No external parties have been consulted as part of this paper.

### **5. Communication**

- 5.1 A Communications Plan will be prepared to support implementation of the recommendations if approved.

## **2. BACKGROUND PAPERS**

- 2.1 Appendices:
- Disposal of Land and Buildings Policy