

# Clackmannanshire Council Housing Service Asset Disposal Policy June 2025



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# Contents

1.	Scope	of the Policy	4
2.	. Aims of the Policy		4
3.	Legislative Framework		4
4.	Dispos	al of Assets	5
	4.1.	Considerations for asset disposals	5
	4.2.	Conditions for asset disposal	5
5.	Equal Opportunities and Diversity		6
6.	Privacy Statement		7
7.	Complaints		7
8.	Monitoring and Reviewing		8



### 1. Scope of the Policy

Clackmannanshire Council's Housing Service may seek to dispose of housing revenue account (HRA) owned assets as necessary where the Service has identified that these are surplus to requirements and no longer offer best value to the HRA and its tenant base.

The Clackmannanshire Council's Asset Disposal Policy sets out a framework for disposing of HRA owned assets.

The policy sits alongside and supports the aims of Clackmannanshire Council's Strategic Housing Investment Plan (SHIP) 2024-2029, the HRA Business Plan and the Strategic Housing Asset Management Plan, all of which are key to realising the Council's future housing investment priorities.

### 2. Aims of the Policy

This policy aims to:

- Facilitate the disposal of assets deemed surplus to requirements and to sell these on the open market;
- Minimise the risks arising from retaining assets whose management or maintenance needs can no longer be adequately met;
- Minimise the potential for void rent loss resulting from the retention of assets that are in low demand;
- Provide a means to dispose of assets where they no longer fulfil their original purpose in benefiting tenants or, in the case of investment properties, may not generate a financial return to the HRA;
- Provide means to generate an income from the disposal of assess that can be utilised to the benefit of Council tenants and the HRA;
- Provide means to dispose of assets where the Council is in minority ownership within mixed tenure blocks, minimising the risk of deterioration to Council housing stock and the resulting impact that this has on tenants.

### 3. Legislative Framework

The housing revenue account (HRA) must comply with legislation, statutory guidance and accounting codes of practice. Assets must provide, or be likely to provide a positive return to the HRA. Assets not benefitting tenants must be considered for disposal, transfer or change of use and decisions to retain or dispose of assets must be explained to tenants. Scottish Ministers' consent is required if assets are sold for less than the market value (March 2015 Scottish Government Guidance, Disposal of assets from HRA's).



Clackmannanshire Council will ensure that this policy adheres to all legislative requirements under relevant legislation and gives due regard to statutory guidance.

The main legislative framework for disposal of assets is set out in the following legislation:

- Disposal of Land by Local Authorities (Scotland) Regulations 2010
- Housing (Scotland) Act 1987
- Local Government Act 2003
- Local Government (Scotland) Act 1973

### 4. Disposal of Assets

### 4.1. Considerations for asset disposals

Clackmannanshire Council's Housing Service may consider the disposal of its assets in the following circumstances:

- The Service deems the asset to be surplus to requirements and not longer fit for purpose and/or offering best value to the HRA;
- The asset has no identified potential for future use or other redevelopment purposes permitted under HRA financial guidance;
- There is no demonstrable need and/or demand for the asset;
- The asset is a property within a mixed tenure block where the Council has a minority share and it is unlikely the Council will obtain a majority share;
- The asset is a property, and the level of repair and/or maintenance required to meet Scottish Housing Quality Standard and energy efficiency requirements does not constitute value for money to the Housing Revenue Account;
- The disposal of the asset would not be detrimental to Council tenants and/or to the management of existing Council stock.

### 4.2. Conditions for asset disposal

In line with legislative requirements, the Housing Service may dispose of its assets valued under £10,000 at less than market value without seeking General Consent. Assets valued above £10,000 require General Consent to be granted.

The Scottish Government Guidance on Disposal of assets from HRA's (March 2015) outlines that "In the main, General Consent is granted when two key considerations have been met: that the disposal price is in line with a best consideration valuation performed by someone accredited to the Royal Institution of Chartered Surveyors (RICS) and that an appropriate level of consultation with tenants has taken place. Best consideration is the amount for which an asset could be exchanged between 1 knowledgeable, willing parties in an arm's-length transaction. Best consideration is the amount that would be paid for an asset in its highest and best use, i.e. market value."



The Housing Service may seek to dispose of its assets valued over £10,000 at market value where a General Consent is deemed to be granted in line with the below noted circumstances:

- The disposal price of the asset is at least 75% of market value;
- The disposal price of the asset is below 75% of market value, and the end use is social housing;

Under General consent, the Council has 'self-certified' the consent without seeking consent from the Scottish Minister. As noted above, General Consent will be granted when the following circumstances are met:

- The asset disposal price is in line with a best consideration valuation carried out by a Chartered surveyor;
- The Housing Service has carried out an appropriate level of consultation with the tenants.

The type and level of consultation undertaken will vary on a case-by-case basis, will include the tenants' views on the use of HRA assets, and will be taken into account when reaching final decision about the disposal of the assets.

If the Housing Service seeks to dispose of its assets where the disposal price of the asset is below 75% of market value, and the end use is not social housing, the Council will need to seek consent from the Scottish Ministers.

### 4.3 Approval for Asset Disposal

The Strategic Director (Place) will approve to dispose of HRA owned assets, following confirmation having been provided by the Senior Manager (Housing) and the Chief Finance Officer that the asset is surplus to requirements, disposal is the best value option for the Council and the HRA and the proposed action meets with relevant legislation. Ahead of any proposed disposal action, an appropriate level of consultation will be had with the Housing Spokesperson and with council tenants, a clear and detailed audit trail will be kept to evidence the process followed and the engagement activity undertaken.

### 5. Equal Opportunities and Diversity

Clackmannanshire Council is committed to the elimination of unlawful discrimination, advancing equality of opportunity and fostering good relations between people.

The Council believes that equality of opportunity should be a guiding principle in all of its activities. The Council aims to ensure that its commitment to equality is embedded in all council services and in the organisations that it funds.

In accordance with the Equality Act 2010, the Council is actively working towards the elimination of policies and practices that discriminate unfairly on grounds including age; disability; gender



reassignment; marriage and civil partnership; pregnancy and maternity; race including colour, nationality, ethnic or national origin; religion or belief; sex; and sexual orientation.

### 6. Privacy Statement

Clackmannanshire Council must adhere with its legal obligations under Data Protection Legislation as set out in the Data Protection Act 2018 and UK General Protection Regulation (GDPR).

In order to provide the required and/or requested services, the Council will collect, store and process relevant personal information or data.

Personal information may also be shared with other partner agencies and organisations.

Personal information will be kept securely, as long as required by law and/or by specific service requirements. Once the data is no longer required, it will be securely disposed of. The Council has a Record Retention Schedule which sets out the period of time and reasons for keeping particular records. The Retention Schedule is available on request.

Under the Data Protection Act 2018 and the Freedom of Information (Scotland) Act 2002, individuals have the right to access personal information and data held about them by Clackmannanshire Council as well as the right to access information from records held by the Council.

To submit a Subject Access or Freedom of Information request, please follow the link.

To make a complaint in relation to the Council's handling and processing of personal data and information, please contact the <u>Information Commissioner's Office</u>.

For further information on Clackmannanshire Council's data protection practices, please visit the Council's <u>Data Protection Statement</u>. For the Council's <u>Data Protection Policy</u>, please follow the <u>link</u>. For further information on freedom of information laws, please visit the <u>Scottish Information Commissioner webpage</u>.

### 7. Complaints

If the service user is dissatisfied with the conduct, treatment by or attitude of a member of staff, please follow the Council's Complaints Procedure. Complaints can be made in person, in writing, by email or online. For further information on the Complaints Procedure and how to make a complaint, please visit the Council's Complaints Procedure webpage.

If the service user remains dissatisfied with the final decision or the way the complaint has been handled following the Council's Complaints Handling Procedure, they can make a complaint to the Scottish Public Services Ombudsman (SPSO) by completing a <u>complaints form found online</u> or calling on 0800 377 7330.

For further information on how to make a complaint to SPSO, please visit the SPSO website.



## 8. Monitoring and Reviewing

The policy will be continuously monitored to ensure that it is performing efficiently against the aims set out in the policy.

The Council will review and evaluate this policy every 3 years to ensure the adherence to the relevant legislation and statutory guidance as well as changes in organisational practices and policies.