

## **Property Sub-Committee**

### **Membership and Terms of Reference**

#### **Purpose:**

1. To exercise full delegated executive powers to consider and make decisions on all land and property transactions where the County Council has an interest and the value of that transaction is between £200,000 and £2 million as defined in the schedule of decision making authority appended to these Terms of Reference.
2. To advise the Cabinet on the contents of the property strategy for the use of land and property in which the County Council has an interest, including Economic Regeneration Sites, County Farms and Enterprise Centres

#### **Meetings Arrangements**

The Sub-Committee will be convened in accordance with the Access to Information Rules and will meet at monthly intervals on dates published in advance in the County Council's calendar of meetings

The Director of Strategy, Governance and Change, as Monitoring Officer, shall be the Proper Officer for the purpose of administering the Sub-Committee

The provision for County Councillors to attend Cabinet meetings in accordance with the 'Local Member' provisions in the Constitution will be extended to permit attendance at Sub-Committee meetings.

#### **Membership**

The Sub- Committee will comprise:

- The Leader of the Council
- The Deputy Leader of the Council
- Cabinet Member for Commercial
- Cabinet Member for Economic Growth
- Cabinet Member for Learning and Employability

#### **Chairman**

The Sub-Committee will be chaired by the Leader of the Council

#### **Quorum**

No business shall be considered or transacted unless either the Leader or Deputy Leader of the Council are present. In circumstances where both the Leader and Deputy Leader are unable to participate in discussions on an item (eg. due to non-attendance or the need to declare an interest), that item will be referred to Cabinet for determination.

The meeting will be adjourned if, having been quorate at the start, the Leader and/or Deputy Leader leave the meeting resulting in the meeting no longer being quorate and a reconvened meeting will be arranged or the remaining business will be carried over to the next scheduled meeting.

Any business which cannot wait until the reconvened or next meeting will be forwarded to cabinet for consideration if a meeting of the cabinet is scheduled prior to the reconvened or next scheduled Sub-Committee meeting.

### **Voting**

Decisions will be made by majority vote. Where the votes cast are equal the chairman shall have a second or, casting vote.

### **Sub-Committee Decisions**

The Sub-Committee may consider items referred to it from other levels in the decision making structure appended to these Terms of Reference and may also refer to full Cabinet any issue within the Sub-Committees remit, on which it requires a wider view.

The Proper Officer shall decide whether a matter should be submitted to the Sub-Committee.

Any reports on which a member of the Sub-Committee has a conflict of interest shall be referred to full Cabinet for consideration

Decisions made by the Sub-Committee shall relate to the responsibilities of the Executive only and are subject to the County Council's Budget and Policy Framework Rules, Call-in provisions, Access to Information Rules and Financial Regulations.

All decisions shall be taken on the basis of detailed written reports from the Cabinet Member and Lead Officer for Property Matters, such reports shall include relevant advice from other County Council Officers including, where appropriate, the Head of Scrutiny.

All decisions of the Sub-Committee shall be formally recorded and submitted to the next meeting of the Cabinet for information.

## Appendix 1

### SCHEDULE OF DECISION MAKING LEVELS FOR PROPERTY MATTERS (December 2017)

TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS  Director of Finance and Resources  (see note 1 below)
<b>Acquisitions</b>	All acquisitions at market value of £2m or above.  Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder	All acquisitions at market value of between £200,000 and £2m Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder	All acquisitions at market value of up to £200,000, and all Terms for those transactions
<b>Disposals</b>  1 Freehold –at best consideration         2 Freehold –at undervalue	All disposals for best consideration at a market value of £2m or above.  Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder  Any disposal of a freehold at an undervalue, where the undervalue	All disposals for best consideration, at a market value between £200,000 and below £2m  Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder  Any disposal of a freehold at an undervalue, where the undervalue	All disposals for best consideration, at a market value of below £200,000, and all Terms for those transactions

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<p>3 Leasehold <b>at best consideration</b>(Granting or surrendering (including farm business tenancies)</p> <p>4 Leasehold <b>at undervalue</b></p>	<p>value is £2M or more</p> <p><b>NB:</b> For an undervalue of £2m or more approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003</p> <p>Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder</p> <p>All leasehold disposals for best consideration at a total rent over the term or a premium plus the total rent of £2m or above.</p> <p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p> <p>Any disposal of a leasehold interest</p>	<p>value is £2m or less</p> <p>Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder</p> <p>All leasehold disposals for best consideration at a total rent over the term or a premium plus the total rent of between £200,000 and below £2m</p> <p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p> <p>Any disposal of a leasehold interest in</p>	<p>All leasehold disposals for best consideration at a total rent over the term or a premium plus the total rent of below £200,000, and all Terms for those transactions,</p>

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	<p>in land for a term of 7 years or more where the undervalue value is £2M or more.</p> <p><b>NB:</b> For an undervalue of £2m or more approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003. However, disposals by way of a <b>short tenancy</b> (which is granted for seven years or less, or the assignment of a term, which has not more than seven years to run) do not need consent.</p> <p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p> <p>Any disposal of a leasehold interest in land for a term of 7 years or more where the undervalue value is £2M</p>	<p>land for a term of 7 years or more where the undervalue value is £2m or less</p> <p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p>	<p>including <i>Right of Renewal</i></p>

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	<p>or more.</p> <p><b>NB:</b> For an undervalue of £2m or more approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003. However, disposals by way of a <b>short tenancy</b> (which is granted for seven years or less, or the assignment of a term, which has not more than seven years to run) do not need consent.</p> <p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p>		
<b>Easements and Wayleaves</b>	Any Easement or Wayleave where the total premium, consideration and/or rent over the term is £2m or more	Any Easement or Wayleave where the total premium, consideration and/or rent over the term is between £200,000 and below £2m	Any Easement or Wayleave where the total premium, consideration

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			<p><b>Director of Finance and Resources</b></p> <p><b>(see note 1 below)</b></p>
<p><b>Charges</b> – to be granted to SCC over land disposed of with payments by instalments</p>	<p>Where land is disposed of with payment of a consideration in instalments in the future with a <i>total</i> value of £2m or more</p>	<p>Where land is disposed of with payment of the consideration in instalments in the future with a <i>total</i> value of below £2m</p>	<p>and/or rent over the term is below £200,000</p>
<p><b>Leases(where SCC is the Tenant) - Taking or surrendering</b></p>	<p>Any lease where the total rent over the term or a premium plus the total rent is £2m or more</p>	<p>Any lease where the total rent over the term or a premium plus the total rent is between £200,000 and below £2m</p>	<p>Any lease entered into where the total rent over the term or a premium plus the total rent is below £200,000</p>
<p><b>Licences (and tenancies at will) – Taking or granting</b></p>	<p>Any licence where the total licence fee over the licence period is £2m or more</p>	<p>Any licence where the total licence fee over the licence period is between £200,000 and below £2m</p>	<p>Any licence where the total licence fee over the licence period is below £200,000.</p>
<p><b>Appropriations of Land</b></p>	<p>All Appropriations as authorised under section 122 of the Local</p>		

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	Government Act 1972 (or any subsequent re-enactment thereof) including land for planning purposes as defined in section 246(i) of the Town and Country Planning Act 1990 (or any subsequent re-enactment thereof)			
<b>Other Transactions</b>	Any disposal of land by Staffordshire County Council which contains overage or clawback should be reported to Property Sub-Committee but escalated to Cabinet if required.			
<b>Notices to Terminate a Lease</b>	)			
<b>Rent Review</b>	)To be covered by general delegations to Director of Finance and Resources (Head of Property) and Director of Economy Infrastructure and Skills ) )			
<b>Authorised Guarantee Agreements (where SCC is the tenant)</b>	Any departure from the policy of SCC of not entering into Authorised Guarantee Agreements in the capacity of Tenant – to be reported to Property Sub-Committee for initial consideration.			
<b>Dilapidations- Settling of claims where SCC has been the tenant</b>	Any claim totalling £2m or above	Any claim totalling between £200,000 and below£2m	Any claim totalling below £200,000	
<b>Acquisition of land by private treaty in connection with a Compulsory Purchase</b>	Acquisitions made in furtherance of a compulsory purchase order to be delegated to the relevant Director in accordance with the original cabinet authority for the compulsory purchase order			



<b>TRANSACTION</b>	<b>CABINET</b>	<b>PROPERTY SUB CTTEE</b>	<b>OFFICERS</b>  Director of Finance and Resources  (see note 1 below)
<b>Order</b>			
<b>Development Agreements</b>	-	All <i>[but escalated to Cabinet if required]</i>	-
<b>Joint Use Agreements</b>	Covered in main Scheme of Delegation to SLT members		
<b>Removal of Restrictive Covenants</b>	Any removal where the payment is £2m or more	Any removal where the total payment is between £200,000 and below £2m	Any removal where the total payment is below £200,000
<b>Exclusivity/Lock out Agreements</b>	-	All <i>[but escalated to Cabinet if required]</i>	-
<b>Memorandum of Understanding</b>	Covered in main Scheme of Delegation to SLT members		
<b>Pre-emptions and Options</b>	Where the total value of the property is £2m or above	Where the total value of the property is between £200,000 and below £2m	Where the total value of the property is below £200,000

#### Notes

1 Officers are reminded that before exercising any of the delegated powers below consideration should be given to whether there are any wider issues which should be taken into account which make it more appropriate for the decision to be made at member level.

To assist the following criteria is provided as a guide (although not exhaustive):

Officer Decision	Uncontroversial
	Covered by the sub scheme of delegation
	In accordance with agreed policy and budget provision
	Related to current/existing service provision
Member Level Decision	Controversial
	Direct impact on 'Customers'
	Politically Sensitive
	Not covered by policy or budget provision
	Related to new service provision/innovation

2. All decisions can be referred to a higher tier in the decision making structure