

Reading Borough Council

Land & Property Asset Disposal Policy

**Date
Published** **December 2025**

Approved By **Policy Committee – 17th December 2025**

Author **Assistant Director Property & Asset Management**

Service **Property & Asset Management**

Directorate **Directorate of Economic Growth and Neighbourhood
Services**



Reading
Borough Council

1. INTRODUCTION

This Asset Disposal Policy establishes the framework through which Reading Borough Council (RBC) manages the disposal of land and property assets. The policy seeks to ensure disposals are conducted transparently, deliver value for money and support the Council's strategic objectives, including economic development, regeneration, and community wellbeing.

The overarching policy that identifies and determines the disposal of property is the Council's Asset Strategy which balances Service and Corporate needs with optimising asset performance and delivering capital receipts in accordance with the Medium-Term Financial Strategy (MTFS).

2. SCOPE

This Policy applies to all property held by the Council in whatever capacity:

- Freehold disposals
- Any leasehold disposals whether for a premium, on a commercial market rent basis or subsidised community use basis
- Any Disposal at less than best consideration (where adherence to this Policy will ensure legal compliance)
- Longer term regeneration or development projects and partnerships that involve the sale or transfer of Council assets to unlock the scheme
- An exchange of Council owned land or buildings
- Granting of easements, options and other interests in land

It excludes:

- Residential properties within the Housing Revenue Account (HRA) (where Right to Buy rules will apply), statutory lease extensions and shared ownership disposals.

This Policy applies to every Member and Officer of the Authority and anyone acting on its behalf. This document complies with statutory duties and is in line with Government advice recommending that local authorities should have a document of this nature available for inspection and it is intended for use by Council Officers, Local Councillors, members of the public, third sector bodies and developers.

3. OBJECTIVES

Before disposing of any interest in land, the Council in accordance with the Council's Strategic Asset Management Strategy considers the combination of Service and Corporate needs and requirements. It will also consider the individual property and related portfolio performance including capital/revenue holding costs, service and property statutory compliance, income opportunity/opportunity cost, and the estimated capital value in the context of the Council's Medium Term Financial Strategy.

Assets will be reviewed on a cyclical basis or when Service needs change. An asset may be declared surplus when:

- It does not contribute to the Council's operational service delivery;
- The Council's strategic and corporate objectives are not supported;
- A more cost-effective alternative opportunity has been identified;
- It has no strategic or regeneration potential in the future;
- Whole or part of a site is vacant and likely to remain so for the foreseeable future and residual functions can be accommodated elsewhere;
- Services can be provided at other sites or by alternative means with partners;
- The income available from a commercial site is uneconomical;
- There is additional value generated from a capital receipt more than the value of the passing income or there is a unique market opportunity
- The asset is otherwise physically or economically not fit for purpose.

Recognising that land and property is a key enabler to promote economic, housing and community activity in the Borough, the Council has key objectives as set out in the Strategic Asset Management Plan in relation to the disposal of our property and landholdings:

- Being transparent about our property assets and our disposal principles to promote opportunities to others in a transparent and fair way that creates a level playing field for potential end users to access sites when they are declared surplus and brought to market.
- Not holding land or buildings longer than necessary.
- Making sure assets are disposed of to support local growth.
- That the disposal is completed in a timely and efficient manner.
- Carrying out disposals on terms that promote development, economic activity and growth, social wellbeing, and raise income and capital.
- In disposing of assets, the Council will be guided by its obligation to secure Best Consideration. Disposals are expected to be at market value predicated on the nature of the asset and any agreed mix of potential uses; however, disposal at less than best consideration may be considered in exceptional circumstances in accordance with legislation and this Policy.

Overall, the Council's Disposal Principles are:

- **Value for Money:** Achieve Best Consideration unless justified otherwise.
- **Efficiency:** The disposal is completed in a timely and efficient manner.
- **Transparency:** Clear processes and documentation.
- **Community Benefit:** Consider opportunities to promote social, economic, and environmental wellbeing of the area.
- **Sustainability:** Support net zero and biodiversity goals.
- **Equality:** Assist the Council to achieve the Public Sector Equality Duty.

4. LEGAL & STRATEGIC FRAMEWORK

4.1 Statutory Context

Under Section 123 of the Local Government Act 1972, the Council must obtain the **best consideration reasonably obtainable** when disposing of land and property. This is the Council's overarching legal duty and is the mainstay of all disposals. Best consideration means the highest price or most advantageous terms that can reasonably be obtained for the property. It relates to obtaining the highest financial offer and can include other property elements with commercial value that are assessable by a qualified Valuer or other elements with commercial value assessable by other appropriate or qualified officers. All property disposals will be marketed and sold for best consideration. This enables the Council to demonstrate compliance with the law, its fiduciary duties, and to assist with financial planning particularly in respect of scheduling receipts for the Capital Programme.

For the purposes of Section 123, a disposal includes the sale of a freehold, the grant of a lease of more than 7 years, assigning any unexpired term of a lease, and the grant of an easement. It may also extend to the grant of an option to purchase a freehold or to take a lease. Section 123 does not apply to the grant of a short-term tenancy of less than seven years or an assignment of an existing term with no more than seven years to run, however the Council will normally seek to apply the same principles to such disposals in order to demonstrate compliance with its over-riding duty to achieve Best Value.

4.2 Disposals at an Undervalue

It is recognised that there may be circumstances where an authority considers it appropriate to dispose of land at an undervalue.

Authorities should clearly not divest themselves of valuable public assets unless they are satisfied that the circumstances warrant such action, however, when disposing of land at an undervalue, authorities must remain aware of the need to fulfil their fiduciary duty in a way which is accountable to local people.

The General Disposal Consent 2003 removes the requirement for authorities to seek specific consent from the Secretary of State under S123 Local Government Act 1972 for any disposal where the difference between the unrestricted value of the interest to be disposed of and the consideration accepted ("the undervalue") is £2m or less.

If a sale at undervalue is greater than £2m then a Secretary of State specific consent is required.

The General Disposal Consent was issued to give local authorities a degree of autonomy to carry out their statutory duties and functions, and to fulfil such other objectives as they consider necessary or desirable.

The criteria require that the Council considers the purpose for which the asset is to be disposed is likely to contribute to the achievement of any one or more of the following objectives as set out in the General Disposal Consent:

- (i) The promotion or improvement of economic well-being

- (ii) The promotion or improvement of social well-being
- (iii) The promotion or improvement of environmental well-being

The General Consent does not lessen the requirement for the Council to exercise sound judgement in considering the economic, social, and environmental benefits of a disposal at less than best consideration, weighed against the foregone value of the asset.

There has been much case law confirming a council must exercise its fiduciary duties reasonably. The public law principles require the Council to have regard to the material consideration on the financial accounts with respect to capital and revenue impacts of any decision.

In determining whether to dispose of land at an undervalue, the Council will ensure that it complies with normal prudent commercial practices. This includes:

- Obtaining written confirmation from a professionally qualified Valuer as to the amount of the undervalue between the highest market offer or independently assessed open market value and the proposed purchase price as part of a section 123 Best Consideration Certification.
- In considering a proposal for any disposal at an undervalue, there must be demonstrable evidence that the outcome will be beneficial as compared to a disposal at market value and will be for the well-being of the whole or part of the area.
- If possible, the social, economic, or environmental benefits, which are the basis for justifying a disposal at an undervalue, should ideally be quantified in monetary terms.
- Where a disposal is undertaken at less than Best Consideration, then to protect the Council's interest in the event of subsequent sales, it will include appropriate restrictions on title or a commercial mechanism to capture a share in any future uplift in value.
- Exercise extreme caution is considering any sale at less than best consideration because of the risk of the sale being regarded as a subsidy and therefore liable to state aid rules and competition laws. Therefore, the advice of the Assistant Director of Legal and Democratic Services will be sought in such cases.

5. GOVERNANCE & RESPONSIBILITIES

The Council's agreed Key Decision criteria provide that all capital expenditure items over £2.5m are to be matters reserved to Policy Committee as are capital receipts.

Below the Key Decision criteria threshold, the Assistant Director has power to dispose of assets. Normally, Lead Councillors will be consulted on all disposals to allow them to call-in any matter to Policy Committee where there is a wider public interest for the decision to be made in public at Committee.

5.1 Delegation is as below -

Role	Responsibilities
Executive Director Economic Growth & Neighbourhood Services	Strategic oversight agreement in all disposals.
Assistant Director Legal & Democratic Services / Monitoring Officer	Legal compliance, conflict checks, and documentation, confirming legal compliance. Legal input, contractual and legal documentation.
Chief Finance Officer (S151 Officer)	Financial oversight and reporting and agreement in all disposals of whatever value as these will need to assure the auditors that the procedures in this document are working correctly. Financial, input, recording and audit trail.
Assistant Director of Property & Asset Management	Asset identification, business cases, negotiation, recommendation, and disposal execution. Delegation for capital up to £2.5m or Revenue matters up to £500k per annum.
Policy Committee	Agreement to disposals above £500k per annum Revenue or £2.5m Capital.

When disposing of a surplus council asset, the report recommending the disposal will include the following documentation -

- Robust evaluation and comparison of bids by Property & Assets in consultation with Services.
- Officer report from the RBC Voluntary & Community Sector Partnership Management Team evaluating any third sector bids.
- Recommended Heads of Terms
- Appropriate officer delegation
- Section 123 Certificate, normally from an independent/external Chartered Valuation Surveyor.
- Location Plan.

5.2 Responsibilities

Assistant Director Property & Asset Management ,

- To negotiate and agree terms for the disposal of land and property by the most appropriate method of sale and in accordance with such policy as may be determined by Council and to consult with and subsequently instruct the Assistant Director of Legal and Democratic Services to contract the transaction accordingly.
- To negotiate and agree, terms for the disposal by the most appropriate method of sale of areas of land and premises up to a value of £2.5 million and to instruct the Assistant Director of Legal and Democratic Services to contract the transaction accordingly.

- In consultation with the Executive Director for Economic Growth & Neighbourhood Services, to offer land and/or premises for disposal at auctions where the estimate of value does not exceed £2.5 million, subject to compliance with this policy.
- Identifying assets surplus to service or corporate requirements;
- The disposal of any parcel of land or property which is surplus to council requirements ensuring compliance with this policy and S123 and therefore best consideration when recommending the successful bidder;
- The grant of leases to third parties and/or organisations;

Assistant Director of Legal and Democratic Services & Monitoring Officer

- To sign off and authorise on behalf of the Council any express or implied undertakings for the disposal and acquisition of land to be given by a Council officer.
- To confirm that all necessary statutory or other authorities in connection with the disposal have been agreed.
- Be consulted by the Assistant Director Property & Asset Management on terms for the disposal of land and property if there is a potential conflict including where there is a relevant entry in the Members Register of Interests and the Employees Register of Interests.
- Be consulted by the Assistant Director Property & Asset Management on the offer land and/or premises for disposal at auctions
- Be consulted by the Assistant Director Property & Asset Management if there is a potential conflict including where there is a relevant entry in the Members Register of Interests and the Employees Register of Interests.

Legal Services is responsible for providing necessary and appropriate legal advice as required and for completion of all legal paperwork including contract documentation for the acquisition and/or disposal of land and/or property whether the transaction is on a freehold or leasehold basis, together with associated legal advice.

Director of Finance / Chief Finance Officer (Section 151 Officer)

The Chief Finance Officer is responsible for maintaining a continuous review of Financial Regulations and Procedures and checking that this policy aligns with the Financial Regulations, as well as responsibility for reporting breaches of Financial Regulations and Procedures to Council.

The Chief Finance Officer will lead in obtaining approval by Policy Committee for the proposed Medium Term Financial Strategy for the forthcoming financial year which will incorporate the upcoming disposals schedule.

Finance is responsible for ensuring transactions relating to the disposal of land and/or property are properly recorded in the financial records of the Council.

6 THE DISPOSAL PROCESS

As part of its Asset Management Strategy, the Council will regularly review the purpose, value and condition of its assets and consider whether a business case for disposing of an asset should be explored.

The decision-making process will be informed by its Asset Challenge Tool contained in the Strategic Asset Management Strategy that will enable officers to consider the relative value of assets within the Council's portfolio, considering financial value alongside environmental, social, and economic wellbeing considerations.

6.1 Capital Planning and Governance

The annual budget setting process will require the Asset Management Service to provide a business case outlining all recommended disposals for the upcoming year.

The associated business case will outline which properties will be advertised on the open market only because the key aim is to generate the highest capital receipt to support the MTFS.

Where there is a possibility of the asset offering additional economic, environmental, or social well-being then this will be identified to allow Councillors to explore a business case which may involve a disposal at an undervalue.

Where an asset is identified with that potential, it will be advertised via the Council's Voluntary Sector Partner to invite third sector bids as well as open market bids with the objective to still achieve best consideration, but also allow for bids which offer economic, environmental or social well-being benefits to the Council.

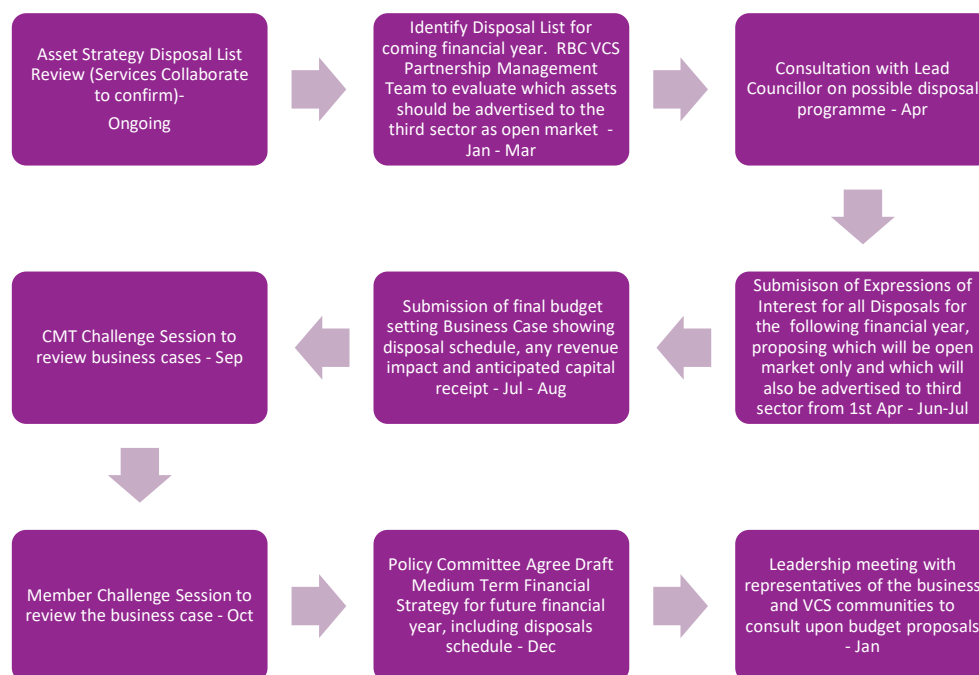
Any identified assets will be considered and approved by Council as part of the MTFS annual budget-setting process.

The process requires a business case to be produced during the annual budget setting stage by the Assets Team. This will detail all the upcoming assets for disposal, the estimated value of the asset, reason officers are declaring the asset surplus and the marketing approach. Once senior officers and members agree the list of assets to be disposed through the annual budget setting process, only then will assets progress through to marketing.

In accordance with Councils Corporate Asset Strategy the process for identifying disposals will entail internal consultation with the relevant Services at an initial stage to consider the merits of a disposal along with any potential operational service issues or problems that might need resolving in advance of bringing a property to market or that might make a disposal inadvisable.

The assessment will consider the asset being used for other purposes that respond to the Council's Corporate or Service objectives i.e. Housing, Regeneration, Special Educational Needs provision, Adult Social Care, Children's Home etc.

6.2 Council Disposal Process



Where the value exceeds £2.5 million, the matter will be submitted to Policy Committee in line with the Key Decision criteria for approval.

The report seeking authority to sell the property will include:

- Ownership/Title summary;
- Asset summary;
- Market summary and marketing proposal;
- Estimated value;
- Location plan;
- Outcome of Service/ Corporate use review;
- Summary of financial implications;
- Legislation and Secretary of State guidance, governing the disposal process;
- The proposed method of disposal and explanation as to why that option has been chosen;
- Confirmation from legal whether any case specific legislative or common law criteria apply;
- Confirmation from procurement as to whether the transaction is caught by the public procurement rules;

- Confirmation from Finance as to the timing and priority of a capital receipt.

6.3 Record Keeping

Files will be maintained for every disposal by the Strategic Asset Manager (property file) and the Monitoring Officer (legal file), and these files will be accessible by Internal/External audit.

The property file will contain all correspondence to verify how the authority made the decision to dispose, including a copy of the appropriate Policy Committee minute authorising the sale or an Officer Decision form, initial estimate of market value and the Section 123 report by a qualified Valuer or Property Agent confirming that the offer to be accepted is Best Consideration by a Chartered Valuation Surveyor or commercial agent as applicable.

The legal file will contain a copy of the Legal Instructions, any correspondence in relation to the matter, any necessary specific legal advice the contract documentation, confirmation of all checks, searches and investigations in relation to the title of the property, money laundering compliance, any relevant legal advice provided, best value confirmation from the instructing officer and a completion statement.

A completion statement will be passed to:

- Executive Director of Economic Growth and Neighbourhood services
- Assistant Director of Property and Asset Management
- Monitoring Officer
- Chief Finance Officer

Receipts from the disposal of General Fund assets will be treated as a corporate resource for use by the Chief Finance Officer in the most appropriate manner and not earmarked for specific projects.

Receipts for the disposal of Housing Revenue Account (HRA) assets will be used in accordance with the Housing asset strategy and appropriate business.

6.4 Method of Disposal – Open Market

- a. A surplus asset will be advertised on the open market unless in a Special Purchaser situation. A special purchaser is a party who has a particular reason to pay more than the open market value, usually by virtue of an existing leasehold interest or an adjoining freehold interest. This is often referred to as having 'marriage value'. In the context of property, 'marriage value' refers to the increase in a property's overall value when a leaseholder extends their lease or buys the freehold, compared to the combined value of the separate interests before the extension or purchase. It is the additional value created when the leasehold and freehold interests are combined. It may also occur when the

owner of an adjoining property buys the subject property as it facilitates a more comprehensive development or buys out a ransom strip. As this process will not involve using a market process to assess best consideration, RBC will engage an independent valuer who will provide a professional opinion backed up by professional indemnity insurance cover.

- b. Bidders are required to provide information necessary to make a clear determination of Best Consideration including price, purchase terms, contextual information (i.e. proposed use including any change of use, development etc.), buyer covenant and proof of finance and funding.
- c. Decision to dispose to a preferred bidder is made in accordance with the Council's Constitution (including the Scheme of Delegation) with explicit reference to the Section 123 Best Consideration requirement.

Sales of properties on the open market will be by way of one of the following methods:

- Formal tender
- Auction

In special purchaser situations, the method of disposal will be by way of private treaty.

The method of disposal will be selected according to the type of property being disposed and other factors such as the time requirement. For example, the disposal of a former dwelling in need of refurbishment may best be sold by way of auction, particularly if a capital receipt is required before the end of the financial year. The method of disposal may also change according to events in the transaction. For example, a property may initially be marketed by tender, but if this fails to produce a successful transaction, then the property could be offered for sale by way of auction. If a transaction does not complete with a special purchaser, the property may be brought to the open market by one of these methods, such as a formal tender.

6.5 Marketing Process

Each of the above methods of disposal will involve a marketing and advertising process and period appropriate to:

- The method of disposal
- The type and nature of the property

The purpose of the marketing and advertising strategy is to reach as many interested parties and prospective purchasers as possible. The Assistant Director Property & Asset Management will seek advice from agents to establish the best disposal route and sales pack for each asset, with the priority objective being to achieve best value.

7 THIRD SECTOR DISPOSAL PROCESS

Reading has a vibrant, effective, and committed Voluntary and Community Sector. Among the Sector's many positive impacts supporting residents and enhancing the town's cultural opportunities, it makes a significant contribution to social inclusion and community cohesion in Reading.

Although the Council and the groups and organisations in the voluntary and community sector are separate, there is a long history of working together in partnership for the benefit of our residents and the Council respects and values the independence of the Sector.

The Council recognises that securing suitable accommodation or a local asset can be a significant step in enabling a local voluntary and community organisation to deliver wider social, economic, and environmental wellbeing benefits for our residents.

A Third Sector organisation is one whose primary purpose is to create social impact rather than generate profit. An organisation which is independent from government and the private sector and typically reinvests any surplus back into their social mission.

Key Characteristics include:

- **Non-profit driven:** Their main goal is to benefit the community or a specific cause, not to make money for owners or shareholders.
- **Independent:** Operate separately from government, though they may receive public funding or work in partnership with public services.
- **Diverse in form:** Includes charities, community groups, co-operatives, community interest companies (CICs), credit unions, and social enterprises.
- **Locally rooted:** Organisations who are embedded in their communities and provide place-based solutions tailored to local needs

Disposing of a surplus Council asset to a third sector organisation will include specific additional requirements and criteria to that for the open market to enable the Council to determine its value to Reading residents and to take decisions in line with the legal requirements and guidance detailed in section 4 of this policy.

The Council will reserve the right to include in any disposal agreement an overage clause that will require the successful bidder to pay the Council additional money in the future if a specific “trigger event” increases the property’s value i.e. due to the bidder changing use from the original proposal and selling the asset.

Once a less than best consideration disposal is contemplated in the MTFS process, there will need to be a robust business case to account for the amount by which the disposal price is less than best consideration.

If the Council is willing to forego income in favour of receiving benefits: in effect, that is an opportunity cost which must be justified in the same way as any other expenditure or investment would have to be justified.

The process requires a business case to be produced during the annual budget setting stage by the Assets Team. This will detail all the upcoming assets for disposal, the estimated value of the asset, reason officers are declaring the asset surplus and the marketing approach. Once senior officers and members agree the list of assets to be disposed through the annual budget setting process, only then will assets progress through to marketing. Any third sector organisation wishing to bid for a qualifying asset being marketed will be required to complete the bidding pack document as in

Appendix 1. This documents also provides guidance on how a third sector organisation should complete their proposal and details of support.

The Capital Receipts programme will be built on the disposals programme incorporating identified cases for disposals at less than best consideration.

7.1 Post February Budget

Each disposal approved in the budget as possibly less than best consideration will proceed to marketing via the Council's Voluntary Sector Partner and open market.

All third sector bidders will be required to submit the completed bid pack in Appendix 1.

This stage will require the Third Sector bidders to address in detail the following criteria:

- Clarify the precise consideration to be paid.
- Demonstrate the ways in which the social, economic, or environmental objectives of the Council will be met by the Third Sector proposal.
- Quantify as far as possible (preferably in financial terms or with reference to established mechanisms) the benefits which will be delivered by the proposal.
- Demonstrate ability to deliver the business plan (assurances on financial and governance mechanisms to deliver the business plan).
- Demonstrate that the asset will be appropriately maintained for the Borough without further call on Council resources.
- Demonstrate that good value for money, or otherwise, will result from the proposal.
- Secure approval of other funders based on the proposal and submit evidence of this with their bid.
- Secure any other consent that may be required.

When submitting a bid for a surplus Council asset, a Third Sector bidder must ensure that their bid is consistent with the following requirements:

- Supports the objectives of the Council Plan.
- Meets an identified need for social, economic, or environmental well-being, linking to the Council's Social Value Policy.
- Be robust and realistic.
- Enhance what the voluntary and community sector organisation provides within the borough.
- Not be a solution to resolve an existing and ongoing viability issue.
- Not be a benefit that meets the criteria of the Subsidy Control Regime.
- Have an accurate quantifiable benefit that the voluntary & community sector organisation can articulate.

- Enable the Council to demonstrate the best value use of Council resources
- Have regard to other relevant legislation and Reading Borough Council policies.
- Evidence ability to fund the proposal i.e. a letter from the proposed grant funding organisation confirming support for the proposal, evidence of the organisation's accounts etc.
- Evidence of financial means and practical experience to maintain the asset.

An inability to satisfactorily meet these expectations will be viewed as a substantial risk to the viability of any bid.

Appendix 2 illustrates how their bid will be evaluated.

7.2 Valuing nonmarket impacts

It is necessary to put, as far as possible, monetary values to benefits (i.e. social value), which might otherwise only be expressed descriptively. This is important to assess the extent to which the undervalue, i.e. the difference between best consideration and the consideration assessed as payable or offered, is matched by the value of well-being benefits.

Social value is measured through various frameworks and methodologies, with Social Return on Investment (SROI) being a widely used approach. SROI quantifies the social impact of an organisation's activities by assigning monetary values to benefits and costs, then comparing them to the initial investment. Valuers will not evaluate Social Return on Investment. RBC Voluntary & Community Sector Partnership Management Team or lead service (whichever is appropriate for the proposed use) will evaluate all Third Sector bids, using the criteria as outlined in Appendix 2.

It is expected that any organisation seeking to benefit from a disposal at less than best consideration will invest time and resource to provide a suitable assessment of SROI before the Council agrees without prejudice a disposal at less than best consideration.

The RBC Voluntary & Community Sector Partnership Management Team or Culture Team (depending on the bidding organisation's proposed use) and the wider bid evaluation team will need to make it clear where monetary values can be, and has been, put to the benefits, and where this has not been possible. In the latter case, the evaluation method used should be clearly stated and the results clearly given.

7.3 Support for Third Sector Bidders

7.3.1 Reading Borough Council's Support to the Third Sector –

Reading Borough Council recognises that opportunities to bid for surplus Council assets will not always happen at the most opportune time for third sector organisations.

To assist in helping third sector organisations understand the process by which surplus assets will be disposed of, and to enable these organisations to share their asset needs with the Council, several ongoing engagement activities will be maintained. Specifically, these include:

- Enabling local third sector organisations to submit details at any time of any accommodation needs that they have which may be able to be supported by existing council-owned assets
- Routinely attending the Voluntary & Community Sector Community Buildings Forum
- Hosting monthly Voluntary & Community Sector Intelligence Network meetings
- The Council's Voluntary Sector Partner to advise of an upcoming disposal that is appropriate to be considered for third sector disposal and provide a brief overview of the property in advance of marketing.
- RBC provide its Voluntary Sector Partner with the bidding pack (see Appendix 1). This will consist of a front cover listing what is included in the pack i.e. the scoring matrix, the application etc.

7.3.2 Council's Voluntary Sector Partner's Support to the Third Sector –

- The Council's Voluntary Sector Partner will market the property via their E-Newsletter with a link to the open market disposal process (e.g. sales pack/bidding deadline etc). RBC officers will ensure sufficient notice is given to their Voluntary Sector Partner, so that the 8-week period for bids to be received lines with the next E-Newsletter. The partner will also advertise through their Community Buildings Forum.
- They will provide notice of the disposal and request that interested Voluntary & Community Sector (VCS) organisations can contact them for a copy of the bidding pack. This will help ensure that only VCS organisations use this process and that the Council's partner can support interested parties with any follow-on support should they need it to submit their application.
- The Council's Voluntary Sector Partner will provide advice on completing the applications, constructing business plans or otherwise provide advice or support to bidders in completing their bids and submitting their proposal. An example of advice provided with the Council's current partner can be found on the following website: <https://rva.org.uk/advice-service/> This will be in person, over the phone and via email and in line with the range of support indicated above in the link.
- The Council's Voluntary Sector Partner will support groups with funding and wider governance support related to buildings as well as connecting potential partners in the town through the networking at the Community Buildings Forum.
- The Council's Voluntary Sector Partner will keep records of all interactions with VCS groups seeking advice.
- All bids will be sent to RBC Voluntary & Community Sector Partnership Management Team direct, so they can be evaluated in the same timeline as private bids.
- RBC will evaluate the bid from a Property and Service perspective, seeking an assessment internally from the relevant services and provide feedback on the decision-making process and the final decision.

8 EVALUATION & DECISION-MAKING PROCESS

As outlined in section 4 above, under section 123 of the Local Government Act 1972, the Council must obtain the best consideration obtainable when disposing of land and property. This is the Council's overarching legal duty and is the mainstay of all disposals. Best consideration means the highest price or most advantageous terms that can be obtained for the property. It relates to obtaining the highest financial offer and can include other elements with commercial value that are assessable by a qualified Valuer.

All property disposals will be marketed and sold for best consideration based on the proposed terms of the disposal. This enables the Council to demonstrate compliance with the law, its fiduciary duties, and to assist with financial planning particularly in respect of scheduling receipts for the Capital Programme.

All third sector and open market bids are subject to a formal evaluation process as outlined in Appendix 2 & 3 and this will be used to determine the outcome of all bids received. The prospective purchaser or lessee will be expected to pay the Council's reasonable legal and surveyor costs incurred in the transaction.

RBC Voluntary & Community Sector Team or lead Service (whichever is appropriate based on the proposed use) will evaluate all thirds sector bids, applying the methodology assessing Social Return on Investment and other key requirements as outline in Appendix 2 (third sector evaluation form).

The Asset Management Team will evaluate all open market bids. Where assets are marketed to open market only and a third sector bid is received, this will be passed to the RBC VCS or Cultural Service to evaluate.

Appendix 1 – Third Sector Bidding Pack

SUBMITTING BIDS

Voluntary and community organisations are invited to submit their proposals by 12 noon on (insert date). Applications and accompanying documents should be sent to:

- Mark Redfearn (Policy Manager): mark.redfearn@reading.gov.uk

Officers will assess bids on the basis of the value provided to Reading Borough Council of releasing the property in accordance with the Council's Asset Disposal Policy.

The freehold of the property is being advertised on the open market by the Marketing Agent.

Click on this link to access Marketing Particulars:

<https://s3-eu-west-1.amazonaws.com/agents-society-assets-files/pdf/b6a62e0371da152087a6bf0682116ffa.pdf?t=1725370592>

INFORMATION REQUIRED WITHIN BIDS

Interested voluntary and community organisations should submit a bidding application form based on the following:

- **Proposal for use of the property**

Please provide an outline of your proposed use of the property and how this will benefit local residents and supports the following ambitions of the Council Plan:

- Promote more equal communities in Reading
- Secure Reading's economic and cultural success
- Deliver a sustainable and healthy environment and reduce Reading's carbon footprint
- Safeguard and support the health and wellbeing of Reading's children and adults
- Ensure Reading Borough Council is fit for purpose

- **Basis of your offer**

Please state whether the offer is subject to any terms and conditions such as building survey, planning permission, 3rd party funding etc

- **Building summary**

Please set out a summary of the building in terms of current condition, potential opportunities and suitability for your proposed use.

Please set out in sufficient detail a programme of any maintenance or improvement works you would wish to carry out at the property together with a cost summary and any related dependencies such as Local Listing, Building Regulations, Planning Permission etc.

Supporting Information

Please complete the application form with the following information to support your bid:

- Details of your bid offer
- Details of your organisational structure including legal status, constitution, terms of reference, and any other relevant information
- A description of your current activity in Reading and how it has benefitted local communities or added value to local services
- Audited accounts for the last two financial years
- Evidence of the ongoing viability of your organisation, including any confirmed funding or alternative sources of income
- Evidence of your experience in managing a property
- Evidence of your ability to undertake any necessary alterations to the property for it to enable your stated ambitions for it
- Evidence of access to an experienced property manager on an ongoing basis
- Business Plan and budget to support your proposal specifically addressing matters relating to the proposed use and the building condition
- A timetable for implementation of the business plan, including any key dependencies
- Details of the expected quantifiable benefits this property will enable you to deliver
- Consideration of Subsidy Control Regime implications

LEGAL COSTS

The purchaser to pay the Council's reasonable legal costs including any abortive costs should a transaction not complete

VIEWING AND FURTHER INFORMATION

- **Viewings -**
All viewings by block viewing appointment with the appointed marketing agent only – details in web link above.
- **For information on the bidding process including an Application to Bid, please contact:**

Herjeet Randhawa
Reading Voluntary Action
The Community Place
3rd floor, Reading Central Library
Abbey Square
Reading
RG1 3BQ

Email: herjeet.randhawa@rva.org.uk

Direct line: 0118 9372104
Switchboard: 0118 9372273

Reading Voluntary Action can provide advice on completing applications, constructing business plans or otherwise provide advice or support to bidders in completing their bids and submitting their proposal. Here is the range of advice Reading Voluntary Action offer through the Advice Service:

<https://rva.org.uk/advice-service/>

This will be in person, over the phone and via email and in line with the range of support indicated above in the link.

Reading Borough Council

DISPOSAL

(INSERT PROPERTY ADDRESS)

BIDDING OPPORTUNITY

In accordance with Asset Disposal Policy

Opens (*Insert Date*)

Deadline: NOON (*Insert Date*)

Return to:
Social Inclusion & VCS Partnerships Manager
Reading Borough Council
Civic Offices
Bridge Street
Reading RG1 2LU
mark.redfearn@reading.gov.uk



REQUIRED DOCUMENTATION

Please ensure that the following documentation has also been submitted with this bid proposal:

Independantly examined or audited accounts (as appropriate) for the last 3 years.

Yes

No

A detailed Business Plan for the acquisition and utilisation of the property.

Yes

No

INFORMATION ABOUT YOUR ORGANISATION

Name of organisation
Registered Office
address of organisation
Correspondence address
(if different from above)

Contact names

Daytime telephone
Evening telephone
Email address

Main contact

Second contact

Does the main contact
have any communication
needs

--

What is the status of your organisation?

Voluntary Organisation
Registered Charity
Charitable Incorporated Organisations
Cooperative
Community Interest Company
Company Limited by Guarantee
Social Enterprise
Social Enterprise
Registered Care Provider
Other please specify:

Please provide any associated reference or identification number related to the status of your organisation:

Is your organisation located within Reading Borough?

Yes

No

How long has your organisation operated from this location?

XX Years

What other locations has your organisation operated from over the past 10 years?

MANAGEMENT OF YOUR ORGANISATION

When was your organisation formed?

Date

Does your organisation have a Management Committee?

Yes

No

Please state the number of employees within your organisation:

Please state the number of volunteers within your organisation:

Please list any quality standards or accreditations that your organisation holds:

Does your organisation have a professional property manager?

Yes

No

Please summarise the aims & objectives of your organisation:

(200 words max)

FINANCIAL INFORMATION

Please complete this section from your organisation's latest annual accounts. These should not be more than 12 months old.

FINANCIAL SUMMARY FROM YOUR MOST RECENT ANNUAL ACCOUNTS:

Total income	£
Total expenditure	£
Surplus or deficit	£

PLEASE PROVIDE DETAILS OF YOUR INCOME:

*Do not leave any section blank – write **N/A** if the source of income is 'Not Applicable'*

Sources of income	£ amount
RBC grant	£
RBC contract	£
Funding from other statutory bodies	£

Fundraising from other sources	£
Investment income, including bank interest	£
Fees or charges	£
Subscriptions	£
Other [please specify]:	£
Other [please specify]:	£
Other [please specify]:	£

Please supply details of any additional sources of income.

Please supply details of any debts or ongoing financial commitments for your organisation.

Please supply details of any contractual arrangements with Reading Borough Council.

RESERVES: Calculate any free reserves held by your organisation using the balance sheet or statement of assets and liabilities in your latest accounts. 'Free Reserves' means money not allocated for a specific purpose.

Free Reserves / Savings	£
-------------------------	---

If you have Free Reserves of more than 12 months' expenditure what are these to be used for?

£ amount	Purpose

VALUE OF YOUR OFFER

Please state your proposed purchase price for the property:

£

CONDITIONS RELATING TO YOUR OFFER

Please state whether the offer is subject to any terms and conditions such as building survey, planning permission, or 3rd party funding

Please provide the name(s) of any current tenants within the property:

Tenant 1

Tenant 2

Tenant 3

More:

Please provide details of any proposed uses, building works or improvements that will require further approval(s):

Does your offer represent a benefit that meets the criteria of the Subsidy Control Regime? (<https://www.gov.uk/government/collections/subsidy-control-regime>)

Yes

No

YOUR PROPOSAL

Please summarise your business plan for successfully acquiring and using the property.

(500 words max)

What is your experience of managing buildings (including, if applicable, managing Listed buildings)?

(250 words max)

Please set out a summary of the building in terms of current condition, potential opportunities and suitability for your proposed use.

(500 words max)

Please set out in sufficient detail a program of any maintenance or improvement works you would wish to carry out at the property together with a cost summary and any related dependencies such as Building Regs., Listed Building Consent, etc...

SUPPORTING THE PRIORITIES OF READING BOROUGH COUNCIL

Describe how your organisation supports the priorities of the Council?
(<https://www.reading.gov.uk/the-council-and-democracy/council-strategies-plans-and-policies/corporate-plan/>)

(250 words max)

Describe accurately what quantifiable benefits (including financial benefits) your proposal will provide for residents of the borough.

(500 words max)

Guidance for Third Sector Bidders

What is Social Value?

Social value means the good things an organisation does to help people, not just about money. Social impact is when an organisation does something to make life better for others. There are many things that this could be, but some examples include: helping people feel healthier and happier, teaching new skills, helping schools, or giving support to people who need it most.

How do I show my organisation's social value impact?

There are a number of ways that you can show your organisation's social value. The starting point is understanding where your organisation has the most impact. If you have a strategy then your social value is likely to be written into an action plan that you have created to support your strategy.

If you do not have either of these documents that is ok as well.

Here is a guide to writing a [strategy](#).

You can also create a theory of change; this document looks at the need that you are trying to address through your work. If you are looking for a robust [tool](#) this might be the document for you.

It is good to know what you are measuring before you start delivering your work, as retrospectively measuring can be difficult and you may miss the opportunity to gather important information.

What should I measure?

This depends on what your organisation does, a good place to start can often be what difference your organisation is trying to make.

However, here are some good examples of what you can use to help you make that decision.

- If you are applying for funding, or want to apply for funding, check out what your grant making body is prioritising by looking at their strategy. For example if you are applying to Reading Borough Council you can look at their corporate plan [here](#).
- If there are other organisations that you are applying to or would like to work with check out their plans as well, here is a [list](#) of helpful strategies that Reading Voluntary Action has pulled together.

How do I measure social value?

Again, there are a huge number of tools and measures.

But for starting off here are some good measures:

- the number of people coming along to your activities and events
- the number of people volunteering

- their age, gender, ethnicity, postcode, disability (this can sometimes be uncomfortable for people to provide so making this information optional can help)
- an easy way for people to give feedback at least once a year on their overall satisfaction and on the difference, it is made to their lives and those of their carers

If you are looking for more information around a specific area, here are some measures and tools that may be useful:

- Wellbeing, the Office of National Statistics has been gathering national wellbeing data for the last 12 years. Through their national dataset, 10 broad dimensions of wellbeing have been identified and are regularly tracked for the UK population through the Measures of National Well-being Dashboard: Quality of Life in the UK. The 10 dimensions are:



Some useful ways of measuring these outcomes include:

- **Wellbeing:** [Impactasaurus](#) is a free online tool that helps organisations create surveys for participants that measure their wellbeing.
- **Wellbeing:** [Impact on loneliness later in life](#)
- **Wellbeing and Health:** [Creative health impact framework](#): this is quite a large document but on page 24 it gives a good outline of the types of information that would be good to collect depending on scale of project.
- **Education and Skills:** Capturing number of people accessing education, training courses, advice sessions, jobs etc.
- **Sustainability:** using the [Green Event Code of Practice](#) methodology.
- **Economic Impact:** Calculating the impact of [events](#).

Appendix 2 – Evaluation Form – THIRD SECTOR BIDS - EVALUATED BY THE RBC VOLUNTARY & COMMUNITY SECTOR PARTNERSHIP TEAM OR CULTURAL SERVICES (DEPENDING ON THE ORGANISATIONS PROPOSED USE).

Score Reference	Information requested	Scoring description	Rating	Score
1	Evidence of Accounts demonstrating financial resilience (Finance to evaluate)	Independantly examined or audited accounts (as appropriate) for the last 3 years. Evidences that there was no issues with debt or financial concerns. The bid will not be considered eligible if the Council has any concerns with the above.	Pass Fail	6 0
2	Offer complies with Section 123 of the Local Government Act 1972, obtaining the best consideration .	Monetary value - value or undervalue	Market value Less than market value Nominal offer	6 3 0
3	Offer Received	Value of bid.	Top Third Sector bid Mid Third Sector bid Lowest Third Sector bid Zero Bid	6 4 2 0

4	Robustness of Financial Offer	<p>Evidenced availability of finances to deliver the business plan, invest in the property condition and maintenance as required and fund the purchase – this should include evidence of accounts and/or grant support funding for all the above in the way of a letter from the potential funder.</p> <p>Demonstrates clear understanding of the challenges with the asset and ability to fund required works.</p>	<p>Strong Financial position evidencing ability to fund all scoring description criteria.</p> <p>Financial Support not guaranteed</p> <p>No evidence of ability to fund the purchase and business plan.</p>	<p>6</p> <p>3</p> <p>0</p>
5	Basis of the Offer	Conditional or Unconditional	<p>Unconditional</p> <p>Less onerous conditional</p> <p>Onerous conditional</p>	<p>6</p> <p>3</p> <p>0</p>
6	Deliverability and timing	Evidences strong skill and competence in being able to complete purchase and deliver the business plan.	<p>Evidenced ability to complete contract within 3 months and deliver the business plan in reasonable time.</p> <p>Some reservations on deliverability.</p>	<p>6</p> <p>2</p> <p>0</p>

			Poor Business Plan not detailing required information.	0
9	Property Management	<p>Evidence of experience in managing property, including planned preventive maintenance and statutory compliance.</p> <p>Demonstrates clear understanding of the challenges with the asset and ability to competently manage and commission necessary building works to enhance the asset condition and ensure it remains compliant.</p>	<p>Has managed a range of properties for at least 2 years and has appropriate qualifications</p> <p>Has managed a similar property for at least 2 years</p> <p>Limited experience of property management</p> <p>No previous experience of property management</p>	<p>6</p> <p>4</p> <p>2</p> <p>0</p>
Total Score				/ 54

Appendix 3 – Evaluation Form – MARKET BIDS – INDICATIVE GUIDE FOR EVALUATION (ASSET MANAGEMENT SERVICE EVALUATES).

Score Reference	Information requested	Description	Evaluators Guide
1	Level of offer	Monetary value - value or undervalue	Highest price Robustness of price assumptions Less than market value
2	Basis of Financial Offer	Evidenced availability of finances to complete the purchase – this should include evidence of accounts. Demonstrates clear understanding of the challenges with the asset and ability to fund required works.	Financial position evidencing ability to fund purchase Track record of delivering similar acquisitions
3	Basis of the Offer	Conditional or Unconditional Onerous terms Other terms/obligations/risks/benefits beyond price	Timescale and delivery risk Council obligations/cost risks
4	Deliverability and timing	Evidences strong skill and competence in being able to complete purchase and deliver with minimal risk.	Ability to complete contract within 3 months.

			<p>Indicative timeframe and milestones to completion</p> <p>Understanding of property/purchase specific risks</p>
5	Proposed Use	Does the proposed use support the Council's Corporate Plan objectives and Planning Policies.	<p>Additionality beyond price that delivers other clear Corporate or Service benefits.</p> <p>Likelihood of obtaining necessary statutory approvals.</p>