

Report title: Disposal of Surplus Assets Phase 2

Report to: Cabinet

Date: 20th October 2026

Lead Cabinet Member: Cllr Chris Lewis, Cabinet
Member for Place Development and Economic
Growth.

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Wards affected: Tormohun, Roundham with Hyde
and Furzeham with Summercombe

1. Summary of Report:

1.1 Torbay Council's Asset Management Strategy provides an overview of the Council's land and property estate and identifies the main priorities for managing and developing the estate, including the disposal of surplus assets. The Strategy defines surplus assets as those assets that have been declared surplus to our commercial and/or operational requirement. Often these assets are close to or beyond useful economic life and should be considered for disposal to release the value so the capital can be re-invested elsewhere across the estate.

1.2 The Estates Team has prepared a list of property assets which meet this criterion for disposal. The list and type of assets are varied and the potential capital receipts per disposal may exceed the levels that are delegated to the Director of Finance in the Council's Scheme of Delegation. The team can deploy a range of disposal methods, and it is important to obtain approval from Cabinet to proceed prior to instructing a local commercial agent to deal with individual assets. This will avoid unnecessary cost and the abortive use of resources going forward.

2. Recommendations and Proposed Decision:

2.1 That the Director of Finance be authorised to dispose of the freehold interest of the land and buildings listed in Appendix 1 on suitably agreed terms, adopting the most appropriate methods of disposal, to be determined by the Strategic Head of Asset Management, following an adequate period of marketing on each individual asset.

2.2 That 20% of the sale proceeds from assets that achieve over £100k, and 100% of proceeds from assets that achieve a value of less than £100k, is allocated to the Council's Capital Repair Fund (to improve the condition of retained assets)

3. Reasons for Recommendations/Proposed Decision:

3.1 The proposal to dispose of surplus assets will help deliver our vision of a healthy, happy, and prosperous Torbay by reducing the level of surplus assets held by the Council. When considering individual assets for disposal we have taken account of the holding cost of retaining an asset which includes physically managing and visiting each site regularly, extent of backlog repairs and maintenance, security and insurance whilst ensuring the property remains safe and compliant.

3.2 The reasons for the proposal, and need for the decision are, multi-levelled. We are aware certain assets are situated within the community and have remained empty and unused for some time. Frequent site inspections are necessary for insurance purposes. Disposing of assets will have an immediate impact by reducing the cost and necessity for staff and resources to be deployed to manage these properties.

3.3 On disposal it is anticipated that these sites will be repurposed and brought back into beneficial use by the individual purchasers. The Council will also receive a capital receipt from which, part will be recycled for the repair and maintenance of the remaining estate. We recognise the detrimental impact of holding assets empty for prolonged periods of time and how this can generate anti-social behaviour and negative social impact.

4. Background and Context:

4.1 Torbay Council Strategic Asset Management Plan sets out the Council's approach to the strategic management of its assets, how it will support service delivery, provide the Council with

income and how it will fulfil its mission to support, enable and empower its residents, our communities and our partnerships, to promote growth and place shaping within Torbay.

4.2 An identified principle of Strategic Asset Management Plan is, at regular intervals, to review all non-operational and surplus assets to identify opportunities to create or increase revenue income, provide investment opportunities or deliver capital receipts to stimulate development, growth and reinvestment. To this end a disposal schedule of under-performing assets which provide a low return, are non-strategic and are at the end of the economic life has been created.

4.3 Phase 1 of the disposal programme resulted in disposal of 9 assets with an associated capital receipt of £446,000. A number of these assets were long term vacant and surplus, with many achieving a higher capital receipt than was anticipated. In addition to these assets the Estates Team has disposed of other assets to include land at Edginswell and Ocombe Farm, generating over £3.5m in capital receipts.

4.4 This disposal phase identifies 3 assets. In disposing of an asset, it is important to ensure the best outcome is achieved and the following has been taken into consideration:

- Holding costs of any surplus assets if to be retained to include staff costs managing the asset, visiting the asset for insurance purposes, dealing with backlog repairs, maintenance and improvements to ensure that it remains fit for purpose and fully compliant.
- Running costs for under-utilised assets.
- Service requirements across the Council.
- Achieving best value.
- Loss of revenue from any income producing assets if sold.
- Detrimental impact on the local area from holding assets empty for prolonged periods, Anti-Social Behaviour and associated social impact.
- Reputational and safety issues around holding long term vacant assets.

4.5 The Estates Team has engaged a local agent to provide informal and initial advice on the most appropriate method of disposal, whether that is private treaty, informal tender or auction. It is proposed that disposal of these assets will conclude before the financial year end.

4.6 By disposing of these assets, the Council secures a capital receipt that can be reinvested into the retained portfolio, enhancing asset performance and reducing future liabilities in accordance with the Asset Management Strategy. For those assets that achieve less than £100k at disposal, the capital receipts will be exclusively directed into the Capital Repair Fund. For assets achieving over £100k, 20% of the capital receipt will be directed into the Capital Repair Fund, with the remaining 80% made available for re-allocation against priority capital projects such as the Strand, Paignton & Preston Waterfront and Oldway.

4.7 It is recognised that the Council's current property portfolio is larger than is operationally necessary and has been subject to prolonged under-investment, resulting in a substantial and

growing, backlog of maintenance. A structured programme of disposals is therefore necessary to reduce the number of non-essential assets held. This will allow the Council to concentrate its capital and revenue resources on a smaller, fit-for-purpose retained estate, ensuring that the assets we continue to hold can be maintained to a higher standard, remain compliant and better able to support operational and strategic objectives.

5. Alternative Options Considered:

5.1 The Council is not under any obligation to dispose of any given asset. However, the Council's ongoing management and cost of holding these assets is significant. The assets are considered surplus to operational requirements, disposing of the assets listed will remove associated liabilities and generate a capital receipt.

6. Contribution to Council Priorities:

6.1 Asset disposal is a strategic tool within Torbay Council's Community & Corporate Plan — not just a financial or operational activity. It directly supports Community & People, Pride in Place, Economic Growth, by reshaping the estate so it aligns with long-term priorities.

6.2 Delivery of priority capital projects through raising capital, as well as recycling the funds for the repair and maintenance of the remaining estate.

6.3 Economic growth: disposal of the assets can stimulate economic activity, enabling inward investment.

7. Consultation and Engagement:

7.1 Whereas there has been no formal consultation, the assets identified for disposal have been discussed with Directors, Cabinet and Group Leaders. Engagement has also taken place with the relevant Ward Councillors.

8. Implications:

Financial Implications:

8.1 The Council's Asset Management Strategy makes specific that the Council will 'always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest'. Disposing of assets following a suitable period of marketing will ensure that best value is established and obtained meeting that requirement.

8.2. The Council is not under any obligation to dispose of any given asset. However, the Council's ongoing management and cost of holding these assets is significant. Disposing of the assets will remove this liability and generate a capital receipt for re-investment.

9. Legal Implications:

9.1 There are no legal implications anticipated with these disposals. Disposing of the assets will need to be documented, along with the preparation of legal packs to support a sale. The disposals will be dealt with in the first instant by the Council's Legal Property Team.

10. Associated Risks, Risk Tolerance Level and Mitigations:

A summary of key risks associated with the recommendations in this report are:

Risk	Risk score before mitigations (likelihood x impact)	Mitigations	Risk Score after mitigations (likelihood x impact)	Risk tolerance
Financial risk – achieving market value	15	By marketing the properties via an agent, the assets will be exposed to the market and best value will be achieved	4	Acceptable
Following disposal an asset is required for service delivery	5	The proposed disposal of the assets has been communicated throughout the Council, the assets are not required for service delivery	2	Acceptable
Risk of clawback of funding where external funders have financed repairs and maintenance in the past.	15	Legal title review and due diligence will ensure risks are mitigated.	4	Acceptable

11. Social Value Considerations:

11.1 Positive long term employment benefits through disposing of surplus assets, attracting inward investment.

12. Procurement Implications:

12.1 None. Market will be tested and assets sold for market value.

13. Equalities Impact Assessment:

The Council has a public sector duty under the Equality Act 2010 to have 'due regard' to advancing equality of opportunity between those persons who share a relevant protected characteristic and persons who do not share it. The Act also seeks to eliminate discrimination, harassment and victimisation. It is important that you carefully and thoroughly consider the different potential impacts that the decision being taken may have on people who share protected characteristics. It is not enough to state that a proposal will affect everyone equally. There should be thorough consideration as to whether particular groups or individuals are more likely to be affected than others by the proposals and decision. Please complete the table below. If you consider there to be no positive or negative impacts state 'there is no differential impact'.

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Age	• 18% of Torbay residents are aged under 18 years old. • 55% of Torbay residents are aged between 18 to 64 years old. • 27% of Torbay residents are aged 65 and older.	No differential impact specific to this group		
Carers	• At the time of the 2021 census there were 14,900 unpaid carers in Torbay. • 5,185 of these carers provided 50 hours or more of care.	No differential impact specific to this group		

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Care experienced	As of January 2026, there were 277 former care experienced young people aged 18-24 in Torbay.	No differential impact specific to this group		
Disability	In the 2021 Census, 23.9% of Torbay residents answered that their day-to-day activities were limited a little or a lot by a physical or mental health condition or illness.	No differential impact specific to this group		
Gender reassignment	In the 2021 Census, 0.4% of Torbay's community answered that their gender identity was not the same as their sex registered at birth.	No differential impact specific to this group		
Marriage and civil partnership	Of those Torbay residents aged 16 and over at the time of 2021 Census, 44.2% of people were	No differential impact specific to this group		

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	married or in a registered civil partnership.			
Pregnancy and maternity	- Between 2013 and 2024, the rate of live births (as a proportion of females aged 15 to 44) has been slightly but significantly higher in Torbay (average of 56.0 per 1,000) than the Southwest (53.4) and broadly in line with England (56.3). - For the period 2022 to 2024, rates in Torbay (44.6) have been significantly below England (50.0).	No differential impact specific to this group		
Race	In the 2021 Census, 96.1% of Torbay residents described their ethnicity as the following: 1.6% as Asian, Asian British or Asian Welsh	No differential impact specific to this group		

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	• 0.3% as Black, Black British, Black Welsh, Caribbean or African • 1.5% as being of Mixed or Multiple ethnic groups • 96.1% as White • 0.4% described their ethnicity another way. • Black, Asian and minoritised ethnic communities are more likely to live in areas of Torbay classified as being amongst the 20% most deprived areas in England.			
Religion and belief	The 2021 Census showed that the residents in Torbay identify their religion and/or belief as the following; • 48.5% are Christian • 0.4% are Buddhist • 0.2% are Hindu	No differential impact specific to this group		

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	• 0.6% are Muslim • Less than 0.1% are Sikh • 0.1% are Jewish • 0.7% have another religion • 43.2% have no religion • 6.3% did not answer			
Sex	• 51.3% of Torbay's population are female. • 48.7% of Torbay's population are male.	No differential impact specific to this group		
Sexual orientation	In the 2021 Census, residents described their sexuality as follows; • 89% as Straight or Heterosexual • 1.7% as Gay or Lesbian • 1.1% as Bisexual • 0.1% as Pansexual • 0.1% described their sexuality another way • 7.4% of people didn't answer the question	No differential impact specific to this group		

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Armed Forces Community	- In 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. - In Torbay, 5.9% of the population have previously served in the UK armed forces.	No differential impact specific to this group		
<i>Additional Considerations:</i>		<i>Additional considerations:</i>		
Socio-economic impacts (Including impacts on child poverty and deprivation)	Torbay is ranked as the 39th most deprived upper tier local authority in England in the Index of Multiple Deprivation 2025.	Long term use will be employment related, creating new jobs within the locality.		
Public Health impacts (Including impacts on the general health of the population of Torbay)	For the five-year period 2020 to 2024, data shows there is a 6-year life expectancy gap between males who live in Torbay's least and most	No differential impact specific to this group		

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	deprived areas and, a 3-year gap for females.			
Human Rights impacts		No differential impact specific to this group		
Child Friendly (Children's Rights Impact Assessment (CRIA) considerations): <i>Summarise the CRIA considerations for this proposal, including which groups of children and young people may be affected (e.g., care experienced children/young people, care leavers, children with SEND), how their rights and best interests have been considered, and any engagement undertaken with children/young people and/or their representatives. Set out any mitigations to address identified adverse impacts and how these will be monitored.</i>		No differential impact specific to this group		

14. Monitoring and Evaluation:

14.1 No monitoring or evaluation required, this is a freehold sale of property.

Appendices:

- 1 Assets recommended for disposal

Background Documents:

Torbay Council Asset Management Strategy

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