

Criteria to guide the approval of disposals by Northampton Borough Council of property for non-commercial use, at less than market value* (excluding Right to Buy sales)

NOTE - This policy is intended to apply purely to proposed disposals to a registered charity, registered social landlord, or other properly constituted not-for-profit organisation. Even if disposals meet all criteria, each transaction must be approved by Cabinet in order to proceed, and Cabinet may choose not to approve.

- **N.B. “less than market value” shall here mean in the case of a leasehold disposal a maximum of a £5,000 cumulative rental reduction from open market rental over the whole term of years granted OR in the case of a freehold disposal a maximum of £5,000 below actual market value.**
- 1. The project/disposal must support specific current Council priorities.**
- 2. The project/disposal must create benefit for a significant section of the community in Northampton.**
- 3. The amount of discount must provide value for money for the Council in relation to the Council priority outputs the project/disposal will deliver.**
- 4. The project/disposal could not proceed without the proposed discount.**
- 5. The project/disposal levers in significant additional investment from sources other than Northampton Borough Council. “Significant” in this context will normally be interpreted to mean a sum at least equal to the amount of the discount given.**
- 6. The project/disposal must have a robust and realistic plan for capital funding to completion.**
- 7. The project/disposal must have demonstrated a sustainable business plan that does not rely upon additional revenue or capital funding from Northampton Borough Council.**
- 8. There must be a proven need for the proposed facility in the locality it will serve.**
- 9. Where the land or property in question is held partly or wholly within the Housing Revenue Account, the proposed disposal at less than market value must be for the purposes of either “affordable housing” or “regeneration”, or other updated criteria required to avoid the loss of resources via “pooling” payments to central government.**
- 10. Where the land or property in question was transferred partly or wholly from the former Northampton Development Corporation in 1985 and is**

subject to potential clawback on future disposals, the total reinvestment of the claw back amount in the proposed disposal must have been approved by English Partnerships (NDC's successor) prior to reporting to Cabinet.

- 11. The proposed disposal at less than market value must be approved specifically by Cabinet, and the extent to which it meets the criteria above must be demonstrated in the report. It is not sufficient for the disposal to appear to satisfy the criteria above, without a Cabinet approval.**