

PORTFOLIO HOLDER FOR CORPORATE FINANCE AND GOVERNANCE

30 SEPTEMBER 2026

REPORT OF CORPORATE DIRECTOR PLANNING AND COMMUNITY

A.1 INITIATION OF THE PROPERTY DEALING PROCEDURE IN ORDER TO EXPLORE THE VIABILITY OF THE PROPOSED BRIGHTLINGSEA TOWN COUNCIL AND TENDRING DISTRICT COUNCIL COMMUNITY ASSET TRANSFER PROGRAMME

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider whether to initiate the Property Dealing Procedure in respect of the package of assets identified for the potential Community Asset Transfer to Brightlingsea Town Council (BTC), in order that the legal, property, valuation, financial, operational and community benefit implications of potential transfer can be explored.

Initiation of the Property Dealing Procedure does not constitute approval to transfer any asset or agree the form or terms of transfer. A further decision will be required following detailed appraisal and due diligence.

EXECUTIVE SUMMARY

As part of the Council's pre-Local Government Reorganisation Community Asset Transfer programme, Brightlingsea Town Council has identified a package of assets for potential transfer. The Council's Community Asset Transfer framework provides a route by which land and property may be transferred to qualifying community organisations where sustainable economic, social and/or environmental benefits can be demonstrated.

The assets currently identified for consideration comprise:

- Beach huts – approximately 291 on TDC registered land and 42 on BTC registered land;
- Car parks at Tower Street, Promenade Way and Victoria Place;
- Public conveniences at Promenade Way, Waterside and Station Road;
- Paddling pool;
- Saltwater pool;
- Bateman's Tower and surrounding area;
- Oyster beds, including the Sailing Club launching ramp;
- Promenade Way open spaces and utility infrastructure; and
- Brightlingsea Lido, where a long-term lease is already in place.

The assets have materially different ownership, tenure, operational and legal characteristics. Initiation of the Property Dealing Procedure will enable title, valuation, condition, income and expenditure, maintenance liabilities, statutory requirements, third-party interests, service continuity and community benefit to be formally investigated. The 42 beach huts identified as being on BTC registered land and the existing long-term lease at Brightlingsea Lido will require particular consideration.

Following appraisal, a further decision will be sought in respect of the individual assets or appropriate groups of assets, including the proposed tenure, consideration, obligations and protections to be included in any transfer.

RECOMMENDATION(S)

That the Portfolio Holder agrees to initiate the Property Dealing Procedure in respect of the assets identified in this report, whereby Officers can consider the potential transactions in accordance with the Council's constitution.

REASON(S) FOR THE RECOMMENDATION(S)

To progress the Council's agreed Community Asset Transfer work with Brightlingsea Town Council in a controlled and transparent manner and to establish whether transfer of the identified assets can deliver sustainable community benefits while protecting service continuity, value for money and the Council's legal and financial interests.

Initiating the Property Dealing Procedure enables the necessary detailed investigation and appraisal to be undertaken before any binding decision is made.

ALTERNATIVE OPTIONS CONSIDERED

- Not initiate the Property Dealing Procedure. This would prevent the identified Brightlingsea TC CAT proposals from progressing to detailed appraisal. Not proposed
- Initiate the Property Dealing Procedure for selected assets only (reduction in scope). At this stage package-wide initiation allows common issues and interdependencies to be assessed while retaining the ability to defer or discontinue individual assets following appraisal. Not proposed.
- Proceed directly to transfer without detailed appraisal. The range and complexity of the assets requires title, valuation, financial, condition, service and legal due diligence before any final decision can be considered. Not proposed.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The proposals support the Council's Corporate Plan 2024-28, including Community Leadership and the themes of Pride in our area and services to residents; Championing our local environment; Working with partners to improve quality of life; Promoting our heritage offer; and Financial sustainability and openness.

The proposals also support the Council's Community Asset Transfer programme by exploring whether local stewardship by Brightlingsea Town Council can provide sustainable community and service benefits while maintaining appropriate governance and financial safeguards.

OUTCOME OF CONSULTATION AND ENGAGEMENT

Brightlingsea Town Council has submitted a formal expression of interest and has engaged with the Council regarding the assets proposed for consideration. Further consultation and engagement will be undertaken through the Property Dealing Procedure where required, including with relevant service teams, Ward Members, existing occupiers or lessees, statutory bodies, user groups and affected third parties.

Where land is held as public open space, statutory advertisement and consideration of objections will be undertaken where required before disposal.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

In coming to decisions in relation to the management and disposal of assets, the Council must act in accordance with its statutory duties and responsibilities, its Constitution, the Property Dealing Procedure and the Community Asset Transfer policy framework in force at the time of the decision.

Section 123(1) of the Local Government Act 1972 provides that a local authority may dispose of land held for general purposes in any manner it wishes, subject to section 123(2), which generally requires disposal for a consideration not less than the best that can reasonably be obtained unless the Secretary of State consents otherwise.

The Local Government Act 1972: General Disposal Consent (England) 2003 permits qualifying disposals at less than best consideration where the authority considers that the disposal will help secure the promotion or improvement of the economic, social or environmental well-being of its area and the undervalue does not exceed the applicable statutory threshold. Any proposed transfer at an undervalue will therefore require appropriate valuation evidence and an assessment of the community benefits relied upon.

Where land consists or forms part of public open space, the requirements of section 123(2A) of the Local Government Act 1972, including advertisement of the proposed disposal and consideration of objections, will be addressed where applicable.

Further specific legal work will be required for each asset to establish title, the statutory basis on which the asset is held, covenants, restrictions, leases, licences, easements, access and utility rights and any other third-party interests. Particular consideration will be required in relation to the beach huts identified on BTC registered land and Brightlingsea Lido, which is already subject to a long-term lease.

Ordinarily, initiation and subsequent property decisions will be taken in accordance with the delegations and procedures contained in the Council's Constitution and Property Dealing Procedure. The Community Asset Transfer programme is being progressed within that framework.

Any future decision in respect of an individual asset will give detailed consideration to the legal basis on which the asset is held, the appropriate form of transfer, any statutory consent or consultation requirements, and the protections required to safeguard the Council's interests.

YES	The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:
No further comments to make at this stage of the process, other than to highlight the legal requirements for future decisions have been set out within the content of the report.	
FINANCE AND OTHER RESOURCE IMPLICATIONS	
<p>Further consideration of the assets will require searches, title investigations, valuations, condition and liability reviews, financial analysis, business case assessment and legal work. External specialist support may be required for particular assets.</p> <p>Initiation does not commit the Council to transfer any asset or to accept an undervalue. For each asset or asset group the appraisal will establish current income and expenditure, direct and indirect service costs, backlog maintenance, future lifecycle liabilities, utilities and statutory compliance costs and the financial effect of transfer on TDC.</p> <p>The economic, social and/or environmental benefits are key considerations in making the case for community asset transfers in order to ensure best value for residents, particularly where it is proposed to agree transfers at for a consideration less than that of normal market value.</p> <p>Resource requirements will be kept under review as the programme progresses. The scale and complexity of due diligence will vary significantly between assets and prioritisation may be necessary to manage officer and external adviser capacity.</p>	
YES	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:
It is noted that this report sets out the initiation the Property Dealing Procedure which forms a useful template should other similar proposals for Community Asset Transfers come forward in line with the wider programme.	
USE OF RESOURCES AND VALUE FOR MONEY	
Financial sustainability: the appraisal will test whether transfer improves or protects long-term service sustainability, including the effect on TDC revenue and capital liabilities and Brightlingsea TC's capacity to operate, maintain and renew the assets.	
The proposed initiation is pursuant to the Council's constitutional and property procedures. Final transfer decisions will be supported by appropriate valuation, legal, financial and business case evidence.	Governance: final transfer decisions will be supported by appropriate valuation, legal, financial and business case evidence and taken in accordance with the Council's Constitution, Property Dealing Procedure and CAT framework.
The appraisal will consider whether local management can deliver services or stewardship more effectively, whether assets should be grouped to achieve operational efficiencies and whether the community benefits justify any financial concession by TDC.	Economy, efficiency and effectiveness: the appraisal will consider whether local management can deliver services or stewardship more effectively and whether community benefits justify any financial concession by TDC.

Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	Potential actions following review would be aimed at increasing and improving efficiency and services.
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MILESTONES AND DELIVERY

Following initiation of the Property Dealing Procedure, officers will establish an asset-by-asset work programme. The principal stages will include title and tenure verification; service and financial baseline; condition and liability review; valuation (externally commissioned); identification of statutory or regulatory requirements; development and assessment of BTC's business case; identification of community benefits; development of Heads of Terms; consultation where required; and preparation of further decision reports.

The order in which assets are progressed will reflect complexity, information availability, operational interdependencies and the wider programme. Assets with existing leases, complex coastal or infrastructure issues, significant income streams or uncertain title may require separate workstreams.

ASSOCIATED RISKS AND MITIGATION

The package comprises a wide range of operational, recreational, heritage, coastal, income-producing and infrastructure assets. Detailed investigation may establish that some assets are unsuitable for transfer or require a different transfer structure.

Key risks include incomplete title information; third-party rights; statutory restrictions; loss of income; unquantified repair and lifecycle liabilities; service failure following transfer; insufficient capacity or funding within BTC; transfer at an unjustified undervalue; fragmentation of utilities or operational infrastructure; and delays arising from statutory consultation or consents.

Risks will be mitigated through staged due diligence, valuation, condition and liability information, business case testing and appropriate contractual protections. The Council will retain the ability not to proceed with any individual asset.

EQUALITY IMPLICATIONS

The decision to initiate the Property Dealing Procedure does not itself alter service provision. Equality implications will be considered as proposals develop for individual assets, particularly public conveniences, car parks, pools, recreation facilities and public open space where accessibility and service availability may affect protected groups.

SOCIAL VALUE CONSIDERATIONS

Social value and community benefit are central to the proposed Community Asset Transfer process. Brightlingsea TC's business case will be expected to identify measurable economic, social and environmental benefits, demonstrate how they support local needs and Council priorities and explain how those benefits will be sustained. These benefits will be key to the justification for community asset transfer, particularly if a transfer for a consideration lower than normal market value is proposed.

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

The Community Asset Transfer programme had been put in place with the aim of key decisions being taken ahead of May 2027 and the establishment of the shadow unitary authority as part of the Council's preparations for Local Government Reorganisation.

It is noted that on 7 September 2026, the Government announced that Local Government Reorganisation in Essex, and a number of other areas of the country, was to be put on hold pending further consideration of legal advice – with Council elections in 2027 to go ahead relating to existing local authority boundaries.

For that reason, the context in which Community Asset Transfers are being considered has changed, as there is no longer an imperative for decisions on transfers to be completed ahead of May 2027. However, the Council does have a Community Asset Transfer policy that allows for such transfers to be considered at any time irrespective of any LGR programme, and it is a corporate priority to progress such transfers in line with the current work programme ahead of what will be District Council elections.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030

The initiation decision has no direct impact on the Council's net zero ambitions. Individual appraisals will consider relevant energy, utilities, maintenance, resilience and decarbonisation implications, particularly for pools, public conveniences, lighting, pumps and other infrastructure.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	Management arrangements for car parks, public conveniences, open spaces, pools and heritage assets will need to consider anti-social behaviour, security, lighting and safeguarding where relevant.
Health Inequalities	Continued access to recreation, open space and public conveniences may have positive health and wellbeing impacts. These will be considered as part of the community benefit assessment.
Area or Ward affected	Brightlingsea

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Tendring District Council has an established Community Asset Transfer framework under which land and property may be sold or leased to qualifying community organisations where demonstrable community benefits and sustainable delivery can be established.

In January 2026 the Council approved a pre-Local Government Reorganisation Community Asset Transfer programme of work, including formal engagement with Brightlingsea Town Council and review of the Council's existing asset strategy, policies, programmes and procedures.

In June 2026 the Assets and Community Safety Portfolio Holder approved the Stage 2 position, noting Brightlingsea TC's formal expression of interest and agreeing that the programme should focus on progressing potential transfers to Brightlingsea TC. The programme anticipates valuation, business case analysis and legal work before decisions are taken on specific assets.

The present report seeks initiation of the Property Dealing Procedure to enable the identified Brightlingsea TC package to move into structured due diligence and appraisal, including commissioning of external valuations. It does not predetermine the outcome for any asset.

PREVIOUS RELEVANT DECISIONS

Assets & Community Safety Portfolio Holder – 27 January 2026 – Pre-Local Government Reorganisation Community Asset Transfer – Programme of Work

Assets & Community Safety Portfolio Holder – 17 June 2026 – Community Asset Transfer (Stage 2)

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

Tendring District Council Community Asset Transfer Policy / Community Assets Transfer Scheme (current policy framework, as amended or replaced)

Tendring District Council Property Dealing Procedure / Property Office Procedures

Tendring District Council Corporate Plan 2024-28

Local Government Act 1972, section 123

Local Government Act 1972: General Disposal Consent (England) 2003

APPENDICES

Appendix A – Schedule of Brightlingsea assets proposed for Community Asset Transfer consideration: Beach huts; Tower Street, Promenade Way and Victoria Place

car parks; Promenade Way, Waterside and Station Road public conveniences; paddling pool; saltwater pool; Bateman's Tower and surrounding area; oyster beds including Sailing Club launching ramp; Promenade Way open spaces and utility infrastructure; and Brightlingsea Lido.

REPORT CONTACT OFFICER(S)	
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