



**Meeting:** Adjourned Annual Council

**Date:** 15 May 2013

**Wards Affected:** Willows with Edginswell; Clifton with Maidenway Tormohun, Ellacombe; Preston

**Report Title:** Proposed Disposal of Surplus Council Assets

**Executive Lead Contact Details:** The Mayor

**Supporting Officer Contact Details:** Garth Millard Asset Disposals – TDA telephone 01803 207805, email: [garth.millard@tedcltd.com](mailto:garth.millard@tedcltd.com)

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## **1. Purpose and Introduction**

- 1.1 To make individual recommendations relating to the disposal of 6 unused assets to achieve capital receipts and cost savings.

## **2. Proposed Decision**

**That the Mayor be recommended:**

- 2.1 **That the Mayor considers any feedback received before the 15 May 2013 from Ward Members, the Local Access Forum (where appropriate) and the relevant Community Partnerships to the disposal of the 6 Assets listed in Appendix 1 to this report.**
- 2.1 **That the 6 Assets listed in Appendix 1 be declared no longer required for service delivery and that the Head of Commercial Services be requested to advertise their intended individual disposal in accordance with both the Council's Community Asset Transfer Policy 2008 and where appropriate Section 123(2A) of the Local Government Act 1972.**
- 2.2 **That, subject to any expressions of interest received from the Community and any objections received to any disposal advertised pursuant to s123 of the Local Government Act 1972 and subject to paragraph 2.3, the Assets listed in Appendix 1 be individually disposed on such terms as are acceptable to the Executive Head Commercial Services in consultation with the Head of Asset Management of the Torbay Development Agency.**
- 2.3 **That the disposal of asset reference T200 (Land adj to 7 Rock Road, Torquay) be conditional upon planning permission be obtained within an acceptable timeframe and that if possible, without significantly impacting the capital receipt, an obligation be included in the disposal documentation that the**

**development of the asset in accordance with such planning permission be completed by a fixed date.**

**2.4 That the Executive Head Commercial Services in consultation with the Head of Asset Management of the Torbay Development Agency be delegated authority to consider any objections received on the advertisement of any of the proposed disposals pursuant to s123 of the Local Government Act 1972**

### **3. Reason for Decision**

- 3.1 Expenditure and repair liability across the Council's assets significantly exceeds available resources.
- 3.2. On behalf of the Council, the Torbay Development Agency (TDA) continues to review the suitability and challenge the present use of assets. Together with Council officers it has considered the assets listed in Appendix 1 with a view to reducing running costs and generate capital receipts. These receipts could then be used to support the Council's approved Capital Programme.
- 3.3 The recommendations take into account any views expressed by the public consultation.
- 3.4 The disposal of assets not required for service delivery will enable the capital receipts to be reinvested into the Council's existing capital programme, which will contribute to the Council's objectives
- 3.5 The reduction of the number of assets held is seen as an important element to achieving a sustainable maintenance regime for future generations.
- 3.6 At this point it is not possible nor desirable to publicly quantify the expected total receipt but Members are reminded that the current Capital Investment Plan includes an assumption of a further £5m from potential capital receipts which includes a number of specialist sites (e.g Oldway Mansion and ex- Library, Courtland Road).
- 3.6.1 Section 123(2A) of the Local Government Act 1972 states that subject to certain exceptions a council may not dispose of land consisting or forming part of an open space unless before disposing of the land they advertise the disposal for two consecutive weeks in a local newspaper, and consider any objections to the proposed disposal which may be made to them. An open space is defined for the purposes of the Act as being any land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground

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## **Supporting Information**

### **4. Position**

- 4.1 The Capital Strategy is approved by the Council each year and provides that funding for the Capital Programme will be met in part from asset disposal.
- 4.2 The Corporate Asset Management Plan which is approved by the Council each year provided that the Council would adhere to the following guiding principles in the management of its assets:
- To continuously maintain and improve assets;
  - To release value and minimise cost by challenging and reviewing the manner and use of assets;
  - To periodically review all assets to identify possible alternative use or disposal;
  - To ensure that disposals are effectively managed; and
  - To monitor running costs to target potential savings.
- 4.3 A number of the proposed disposal sites are deemed to be open space. As such their sale needs to be advertised in accordance with Section 123(1)(2a) of the Local Government Act 1972. The Council will need to consider any objections prior to their disposal.
- 4.4 Once an asset has been declared surplus then the Community is given an opportunity to lease it through the Council's Community Asset Transfer Policy.
- 4.5 If no community interest is received then, where appropriate, architects will be instructed to obtain planning consent for alternative uses.
- 4.6 When an asset is considered to be available for sale, either with or without planning consent, an external agent or auctioneer (as deemed appropriate) will be instructed to sell the asset in accordance with Council Standing Orders.

## **5. Possibilities and Options**

- 5.1 The assets could be retained and the repair and maintenance of the properties continued by the Council. In respect of the garages at Alpine Road, Torquay and Rhodanthe Drive, Paignton ('the Garages') these could be repaired and re-let. It is not anticipated that the remaining properties would be able to achieve any other than a nominal rental income for the Council.
- 5.2 If the assets are retained then the anticipated capital receipt will be lost, and the cost of maintenance, repair and/or replacement of the properties will remain the responsibility of the Council. In respect of the Garages in particular should the Council choose to retain them the cost of managing the properties, could be relatively high compared to the likely income and therefore the cost to the Council of repairing these to enable them to be let could take some time to recoup.

## **6. Equal Opportunities**

- 6.1 An EIA has been published in respect of these proposals.

## **7. Public Services (Social Value) Act 2012**

7.1 Where deemed appropriate architects will be employed to obtain an alternative planning consent and external agents / auctioneers (as appropriate) will be appointed to effect a disposal.

## **8. Consultation**

8.1 Letters including plans of the individual assets have been forwarded to relevant Ward Members and Community Partnerships, and where appropriate, the Secretary for the Torbay Local Access Forum.

8.2 Any comments received prior to the 14 May 2013 in respect of individual assets will be provided to Members separately.

## **9. Risks**

9.1 The disposal of assets not required for service delivery has been identified as one of several initiatives to provide additional funding to tackle the urgent land and building backlog maintenance liability and provide receipts for the Capital Programme. Inevitably, there may be some objections to the disposal of some of the assets identified. Failure to consult adequately may lead to abortive disposal work should some of the disposals not proceed. This risk has been mitigated by consulting adequately and by advertising prior to any marketing taking place.

## **Appendices**

Appendix 1	Schedule of Assets to be declared surplus.
Appendix 2	Equalities Impact Assessment
Appendix 3	EM2239
Appendix 4	EM1724
Appendix 5	EM2243
Appendix 6	EM870
Appendix 7	EM2296
Appendix 8	EM2297
Appendix 9	EM1680

## **Additional Information**

None