



Meeting: Adjourned Annual Council

Date: 1 May 2014

Wards Affected: Preston, Cockington with Chelston, Ellacombe, Shiphay & The Willows, Blatchcombe, Clifton with Maidenway

Report Title: Proposed Disposal of Surplus Assets

Is the decision a key decision? Yes

When does the decision need to be implemented? After the call-in period

Executive Lead Contact Details: The Mayor, Town Hall, Castle Circus, Torquay, TQ1 3DR

Supporting Officer Contact Details: Garth Millard, Asset Disposals – TDA,
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1. Purpose and Introduction.

1.1. To make individual recommendations relating to the disposal of 10 unused assets to achieve capital receipts and cost savings.

2. Proposed Decision

2.1 That the Mayor be recommended:

2.1.1. That the Mayor considers any feedback received before the 16 April 2014 from Ward Members, the Local Access Forum (where appropriate) and the relevant Community Partnerships to the disposal of the 10 Assets listed in Appendix 1 to this report.

2.1.2. That the 10 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.

2.1.3. 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 of Commercial Services in consultation with the Chief Executive of Torbay Development Agency.

2.1.4. That the Executive Head of Commercial Services in consultation with the Chief Executive 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 neither 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 £3.575m from potential capital receipts which includes a number of specialist sites (e.g Oldway Mansion)
- 3.7. 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

4. Supporting Information

- 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:
 - 4.2.1.1. To continuously maintain and improve assets;
 - 4.2.1.2. To release value and minimise cost by challenging and reviewing the manner and use of assets;
 - 4.2.1.3. To periodically review all assets to identify possible alternative use or disposal;
 - 4.2.1.4. To ensure that disposals are effectively managed; and
 - 4.2.1.5. 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 will 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, or the Council's Community Asset Transfer Panel does not approve the transfer of an asset to the Community 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, 'Hillside' on South Parks Road, and the Former Learning Resource Centre, Old Mill Road, these could potentially be repaired and re-let. The remains of the Old Paignton Windmill, Windmill Lane are a derelict Listed Grade II 'building at risk' and part of the existing buildings at 284/286 Totnes Road are required by Highways for future road improvements at Tweenaway Cross. The Council has no domestic use for the Higher Lodge, Cockington. 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 initial repair and/or replacement of the properties and future maintenance, 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. Therefore the cost to the Council of repairing these to enable them to be let could take some time to recoup. In respect of The Old Windmill, substantial Council resources would be required to repair or retain the 'status quo'.

6. Equal Opportunities

- 6.1. An Equality Impact Assessment has been published in respect of these proposals and is attached to this report as Appendix 2.

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. The Paignton Civic Society has also been consulted in respect of the Old Windmill. Any further comments received prior to the 1st May 2014 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.

10. Appendices

- 10.1. Appendix 1 Schedule of assets to be declared surplus.
- 10.2. Appendix 2 Equalities Impact Assessment
- 10.3. Appendix 3 EM2240 - The Old Windmill & adjoining land, Windmill Lane, Paignton
- 10.4. Appendix 4 EM1910c – "Higher Lodge", Cockington, Torquay
- 10.5. Appendix 5 EM2388 – Land at Loxbury Rd & Vicarage Hill, Torquay
- 10.6. Appendix 6 EM1680 – Land & unused garages adj. Alpine Road, Torquay
- 10.7. Appendix 7 EM2390 – "Hillside", Former Children's Home, South Parks Rd, Torquay

- 10.8. Appendix 8 EM1815 - Former Learning Resource Centre, 21 Old Mill Rd, Torquay
- 10.9. Appendix 9 EM2389 – Glebeland playground, adjoining 7 Glebeland Way, torquay
- 10.10. Appendix 10 EM133 – Land r/o 64-70 Borough Rd, Paignton
- 10.11. Appendix 11 EM2381 – Land adjacent Colley End Rd, Paignton
- 10.12. Appendix 12 EM2354 – 286-288 Totnes Rd, Paignton

11. Additional Information

- 11.1. None