



Meeting: Council (Mayoral Decision)

Date: 25th September 2014

Wards Affected: Berry Head with Furzeham, St Marychurch

Report Title: Proposed Disposal of Surplus Assets

Executive Lead Contact Details: The Mayor

Supporting Officer Contact Details: Liam Montgomery, Housing & Planning Manager – TDA, Tel: 01803 208720 or email liam.montgomery@tedcltd.com and Patrick Carney, Group Services Manager – Torbay Council, Tel: 01803 207710 or email Patrick.carney@torbay.gov.uk

1. Purpose and Introduction.

1.1. To make individual recommendations relating to the disposal of 2 unused assets to achieve capital receipts and cost savings.

2. Proposed Decision

2.1. That the Mayor be recommended:

2.1.1. That the 2 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.

2.1.2. 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, 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.

2.1.3. 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

386 Teignmouth Road, Torquay

- 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 asset which is 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 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.
- 3.4. The reduction of the number of assets held is seen as an important element to achieving a sustainable maintenance regime for future generations.
- 3.5. The asset was retained by the Council to allow possible Strategic highway improvements. After further investigation this is no longer an option and therefore the asset is no longer required.

Site at Bolton Cross, Brixham

- 3.5 The land was acquired to allow the road to be widened improving the capacity of the junction and air quality. The land proposed for disposal is outside of the area needed for road widening and, therefore, of no use to the highway authority.
- 3.6 The remaining land would become a maintenance liability for the Council.
- 3.7 Use of the land to provide a building at this arrival point will improve the visitor.

4. Supporting Information

386 Teignmouth Road, Torquay

- 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. 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.

- 4.4. 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.

Site at Bolton Cross, Brixham

- 4.6 The Bolton Cross junction is identified as an air quality management area and the Council have a statutory duty to have an improvement plan in place to improve air quality. In implementing this plan the Highway Authority procured the original building to allow the road to be widened and the junction capacity to be increased.
- 4.7 The size of the original property is larger than that required for the road widening and so it is proposed that the remaining land is sold to allow a developer to provide a building which would contain two shops on the ground floor and two flats above.
- 4.8 The site has planning permission and building regulations approved and the intention is to make the site available for sale through auction with a requirement that construction will commence within a short period followed by the road widening.

5. Possibilities and Options

Site at Bolton Cross, Brixham

- 5.1. The Council could choose to construct the new building and then sell or let the property. This would put the risk of the construction costs on the Council.
- 5.2. The land could be retained as public highway. However the Council would have to construct a permanent structure to support the existing gable end.

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

386 Teignmouth Road, Torquay

- 8.1. Disposal of 386 Teignmouth Road has been discussed and approved at the Strategic Land Task Group

Site at Bolton Cross, Brixham

- 8.2. Discussed and approved at CAMT, Strategic Land Task Group and SCOPE

8.3. The proposals have planning permission and were subject to statutory consultation.

9. Risks

386 Teignmouth Road, Torquay

9.1. The asset has been identified as not required for service 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 asset 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.

Site at Bolton Cross, Brixham

9.2 The site is very restricted and requires work to commence within a short period. A buyer may not be found for the site. This risk has been mitigated by already acquiring planning permission and building regulation plans for the site which demonstrates the viability of the project to perspective developers.

10. Appendices

- 10.1. Appendix 1 Schedule of assets to be declared surplus.
- 10.2. Appendix 2 Equalities Impact Assessment
- 10.3. Appendix 3 EM2461 – site at Bolton Cross, Brixham
- 10.4. Appendix 4 EM1076 – 386 Teignmouth Road, Torquay

11. Additional Information

- 11.1. None