

ASSET DISPOSAL PROGRAMME 2016-17

Cabinet	17 November 2016
Report Author	Tim Howes, Director of Corporate Governance
Portfolio Holder	Cllr John Townend, Portfolio Holder (Finance & Estates)
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	The decision affects more than one ward
Previously Considered by	Extraordinary Cabinet – 27 September 2016
Ward:	All

Executive Summary:

This report details the responses to consultation on the disposal of assets as approved by the Extraordinary Cabinet of 27 September 2016.

Recommendation(s):

1. To proceed with the disposal of assets listed in Annex 1 with sale proceeds being used to fund the asset management and capital programme;
2. To remove the assets listed in Annex 2 from the disposals list for 2016/17.

CORPORATE IMPLICATIONS

Financial and Value for Money	<p>The capital programme is part-funded from capital receipts generated from the sale of assets. These disposals are required to enable the continued investment in council assets.</p> <p>The Medium Term Financial Strategy 2016-20 includes an assumption of revenue savings of £100k in 2016-17 and a further £100k in 2017-18. The achievement of these savings will depend in part on a continued asset disposal programme to reduce the costs of management and maintenance.</p> <p>The disposal of the assets listed in this report will not in themselves generate a substantial saving in net management and maintenance costs after offsetting lost income, but they should be seen as part of an ongoing programme of disposals. Additionally, the assets have been found to have potentially large future repairs liabilities, so their disposal will eliminate the risk of ownership and avoid possible repairs costs.</p>
Legal	<p>The council may dispose of land held in any manner it wishes but the council shall not dispose of land, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained.</p>

	<p>There is an exception to this general rule where the council is able to sell a site for less than its market value, but it must seek statutory consent to do so. Specific consent is not needed where the council can demonstrate the land sale will help to secure the improvement of the economic, social or environmental wellbeing of the local area, and the undervalue is only up to £2m less than market value.</p>								
Corporate	<p>The disposals programme is proposed to ensure the delivery of the Medium Term Financial Strategy and funding of the Capital Programme. It is to be delivered within the parameters of the existing Asset Management Plan and disposals policy. During this financial year, there will be a new Asset Management Plan developed and approved. However, the production of the new Plan should not delay the disposals proposed in this report.</p> <p>It is possible that, due to a variety of factors, not every one of the assets listed in Annex 1 will be disposed of in 2016-17. The Portfolio Holder (Finance & Estates) has authority to vary the disposals this financial year, following the existing disposals policy contained in the Corporate Property Asset Management Strategy 2014-2019, that can be accessed through the link below:</p> <p>http://tdc-mgapp-01:9070/ieListDocuments.aspx?CId=151&MID=3451#AI18751</p>								
Equalities Act 2010 & Public Sector Equality Duty	<p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.</p> <table border="1"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td></tr> <tr> <td>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td><td>√</td></tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td><td>√</td></tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td><td></td></tr> </table> <p>Are there any assets that are proposed to be disposed of that are used by staff or the public. No</p> <p>Do they offer facilities which, if removed as a result of disposal, reduce overall access to services for people with protected characteristics? No</p> <p>Might the transfer of responsibility for managing an asset increase or decrease access to services for people with protected characteristics? No</p>	Please indicate which aim is relevant to the report.		Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,	√	Advance equality of opportunity between people who share a protected characteristic and people who do not share it	√	Foster good relations between people who share a protected characteristic and people who do not share it.	
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	Would there be consequences for staff or customers if an asset isn't disposed of and deteriorates through lack of funding? Potentially
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CORPORATE PRIORITIES (tick those relevant)✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	✓
Supporting neighbourhoods	

CORPORATE VALUES (tick those relevant)✓	
Delivering value for money	✓
Supporting the Workforce	
Promoting open communications	

1.0 Introduction and Background

- 1.1 Cabinet approved the disposal of a number of assets at its meeting on 27 September 2016. As part of the currently adopted disposals process a 21 day Ward consultation process was entered into.
- 1.2 A considerable amount of feedback has been received both through Councillors and directly from the general public

2.0 The results of Consultation

- 2.1 Details of the feedback from the consultation on particular assets are detailed in Annex 1 and 2.
- 2.2 The proposed list of disposals contained in Annex 1, following consultation, is recommended to proceed to disposal.
- 2.3 Following consultation the assets contained in Annex 2 are recommended to be withdrawn from the asset disposal list for 2016/17.

3.0 Options

- 3.1 Members could choose to not dispose of assets in Annex 1, in which case, alternative strategies would have to be identified to fund the capital programme, which is partly funded from capital receipts. Additionally, budget savings of £100k in 2016-17 and £200k in 2017-18 are partly dependent on a continued asset disposal programme to reduce the costs of management and maintenance.
- 3.2 Members could choose to dispose of the assets in Annex 2.

4.0 Next Steps

- 4.1 Assets approved for disposal should be progressed through the adopted disposal framework as soon as practicable.
- 4.2 All assets should be continually reviewed to ensure the Council is making best use of its resources by rationalising or disposing of surplus or under-performing assets.

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Reporting to:	Madeline Homer, Chief Executive

Annex List

Annex 1	Proposed list of asset disposals 2016 -17
Annex 2	List of assets to be removed from the proposed disposals list for 2016/17

Background Papers

Title	Details of where to access copy
Asset Disposal Programme 2016/17	http://tdc-mgapp-01:9070/documents/s52336/Cabinet%20Sept%20-%20Asset%20Disposals%20report%20V1.0TH.pdf
Annex 1 – name & Address of Land	http://tdc-mgapp-01:9070/documents/s52337/Annex%201%20-%20Name%20and%20address%20of%20land.pdf

Corporate Consultation

Finance	Peter Timmins, Interim Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance