

ASSET DISPOSAL PROGRAMME 2017-18

Cabinet	15 June 2017
Report Author	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	Cabinet - 27 April 2017
Ward:	All

Executive Summary:

This report details the proposed asset disposals and asset transfers for 2017/18 and those to be considered for the future.

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 programmes (those properties in part B are subject to ward member consultation);
2. To proceed with the transfer of assets listed in Annex 2 to Parish & Town Councils and eligible Community Groups to ensure their continued use for the benefit of the community (those properties in part B are subject to ward member consultation);
3. To agree to further investigations being undertaken in respect of further properties to be listed and brought forward for disposal in the future.

CORPORATE IMPLICATIONS

Financial and Value for Money	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. The disposal of the assets listed in this report will not only generate capital receipts but will also reduce ongoing maintenance costs and reduce the risk of incurring future capital expenditure.
Legal	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. 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.

Corporate	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 and will continue under the new Asset Management Plan that was approved by cabinet on Thursday 9th March 2017.								
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" data-bbox="432 813 1402 1055"> <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 style="text-align: center;">✓</td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td style="text-align: center;">✓</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. Yes</p> <p>Do they offer facilities which, if removed as a result of disposal, reduce overall access to services for people with protected characteristics? Generally no, however those the subject of community asset transfer will still remain available for public use.</p> <p>Might the transfer of responsibility for managing an asset increase or decrease access to services for people with protected characteristics? No</p> <p>Would there be consequences for staff or customers if an asset isn't disposed of and deteriorates through lack of funding? Potentially</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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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 The Medium Term Financial Strategy assumes ongoing cost savings in the maintenance of assets to be achieved by rationalising the asset base. In addition the capital programme requires funding from receipts generated from asset disposals.
- 1.2 The properties listed in Annex 1 part A were proposed for disposal at the April Cabinet and were the subject of consultation with ward members. There were no adverse comments received which would change the original recommendation to dispose of any of the assets agreed at Cabinet in April.

2.0 The Proposed Disposal Programme

- 2.1 The Council uses its property assets for a range of purposes including direct delivery of services, revenue generation and supporting corporate plan objectives. The current general fund portfolio is diverse and is reviewed regularly in relation to maintenance liability, revenue generation and capital appreciation. The assets listed in Part B of Annex 1 have been identified as surplus and suitable for open market disposal.
- 2.2 There are opportunities through the disposal of Westcliffe Hall, Ramsgate, to secure social, environmental and economic benefits. Further, given the nature of the building and its relationship to the esplanade, the disposal of this property will be subject to a 'bespoke' disposal process to both realise any social, environmental and economic benefits as well as securing the structural integrity of the esplanade.
- 2.3 The assets in Part B of Annex 2 have been identified as being suitable for Community Asset Transfer to Parish and Town Councils or eligible community organisations.
- 2.4 More investigations will be carried out in respect of future properties to be listed and brought forward for disposal in the future.

3.0 Options

- 3.1 Members could choose to not dispose of assets in Annex 1. Failure to generate the receipts from disposals could cause the capital programme to be curtailed, leading to reduced investment in assets.
- 3.2 Members could choose not to transfer 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. Consultation will be undertaken with ward members in respect of those properties in part B of Annexes 1 and 2.
- 4.2 Further investigations should be carried out in relation to other TDC properties to identify those suitable for future disposal.
- 4.3 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 2017-18
Annex 2	List of assets to be transferred to Paris & Town Councils and eligible community groups.

Corporate Consultation

Finance	Ramesh Prashar, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance