

Asset Management - Surplus Property and Land

Cabinet	29 January 2019
Report Author	Edwina Crowley, Head of Asset Management
Portfolio Holder	Cllr Ian Gregory, Portfolio Holder for Finance and Estates
Status	For Decision
Classification:	Unrestricted
Key Decision	No
Wards:	All wards

Executive Summary:

As agreed in the Strategic Asset Management Plan (SAMP) 2017 - 2021, the corporate portfolio is under review to ensure that the Council continues its rationalisation programme to only retain assets that support corporate priorities and deliver value for money.

The assets are carefully evaluated and where identified as surplus to Council requirements, options are considered for disposal in order support a range of objectives.

This report identifies a number of assets that are considered not appropriate to retain, explains the reason for the disposal and in consideration of statute, adopted policies and processes, makes a recommendation on the way forward.

Cabinet are asked to consider the information in this report and determine the way forward.

Recommendation(s):

- (1) To sell the property and land identified as surplus and appropriate for community asset transfer as listed in Annex 1 (with indicative plans in Annex 3) for progression through the approved framework.
- (2) To sell the property and land identified as surplus and listed in Annex 2 (with indicative plans in Annex 3) through the approved disposal framework.

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 assets listed in this report will either generate a capital receipt and/or reduce ongoing maintenance costs, also reducing the risk of incurring future capital expenditure.
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Legal	Legal advice will be provided as part of the transfer.
Corporate	Review of assets forms part of the adopted policy and corporate aims. Councils should not retain assets unless they provide value for money and support the corporate aims. The property and land identified in this report are either underperforming, not required and/or offered to advance community engagement.
Equality Act 2010 & Public Sector Equality Duty	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.

CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	X
Promoting inward investment and job creation	X
Supporting neighbourhoods	X

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

1.0 Introduction and Background

- 1.1 Thanet Council is committed to proactive corporate asset management, to release underperforming property and land in order to achieve the corporate aims.
- 1.2 The policies that govern the council, including the Medium Term Financial Strategy (MTFS) and the Strategic Asset Management Plan (SAMP) require prudent asset management.
- 1.3 Closed operational buildings, property surplus to requirements and buildings requiring extensive work (against a backdrop of limited resources) should be released to the market. This will facilitate opportunities for economic development and community engagement.
- 1.4 Against this backdrop there is an opportunity to promote inward investment to the District. Thanet is increasingly becoming a desirable place in which to live, work and visit. Land prices have increased over 7% in the last year, and bringing assets to the market enables external parties to invest in our area, creating employment and community opportunities.

2.0 The Current Situation

2.1 Operational Property

2.1.1 A review of operational property, including toilets is ongoing. The first stage of this review has been to identify and confirm closed toilets (that have not been in operation for many years) are surplus to Thanet Council requirements. They are in various stages of disrepair and bringing them to the market will provide opportunities for redevelopment subject to all necessary consents.

These are:

- * Beresford Gap, Birchington
- * Marina Road, Ramsgate
- * Minnis Bay, Birchington
- * Park Road, Margate
- * St Johns Cemetery, Margate
- * Albion Street, Broadstairs

The above have been reviewed and identified for disposal at market value, however, for St Johns Cemetery, Margate preference will be given to a use that is related to bereavement.

Broadstairs and St Peters Town Council have expressed an interest in purchasing Albion Street closed toilets with a view to considering them as part of their regeneration plans for Broadstairs. This will be progressed before other marketing options will be considered.

2.1.2 Pavilions, previously operated by Your Leisure, have been returned to the Council, these are:-

- * Garlinge Pavilion, Margate
- * Hartsdown Pavilion, Margate
- * Northdown Pavilion, Margate

The above are used by established sports and social clubs and are therefore identified for disposal to these clubs via community asset transfer so that they can continue to be used to support sports and recreation.

2.1.3 Land and toilets in Minster have been operated on Thanet Council's behalf by Minster-in-Thanet Parish Council for several years. This arrangement has been working well and therefore it is recommended that a community asset transfer is progressed to the Parish Council. The transfer will include adequate protections to ensure continued use of these facilities by members of the public.

2.2 Community Property and Land

2.2.1 As documented in the Community Asset Transfer Policy the Council evaluate assets that have a use that benefits neighbourhoods and promotes social aims. Land and property identified by the Council as appropriate for community asset transfer (with adequate restrictions to ensure they remain in community use) are:

- * Victoria Gardens, Broadstairs
- * Albion Gardens, Ramsgate

The bandstand, clock tower, kiosk and shelter within or adjacent to Victoria Gardens, Broadstairs have already been approved for transfer to Broadstairs and St. Peters Town Council (Cabinet April 2017). Looking at the area again it would be difficult to transfer these independently of Victoria Gardens. Therefore we propose that the land that accommodates these assets, including the toilets, is transferred to Broadstairs and St. Peters Town Council, creating synergistic spaces for recreational use. Broadstairs and St Peters Town Council intend to operate the toilets for members of the public continued use.

Albion Gardens, including the Madera Waterfall, has attracted much public interest and has received some grant funding to invest in the site. To continue this success it is considered that the drive to promote and maintain the area may be best suited at a local level and therefore the area has been identified as suitable for transfer to Ramsgate Town Council or another qualifying community organisation using our Community Asset Transfer policy and process, ensuring adequate that these remain for public use.

2.2.2. Other assets identified for community asset transfer are:-

- * Newgate Gap Shelter, Margate
- * The Oval, Cliftonville, Margate

These will be advertised for community asset transfer following the policy and processes designed to identify a viable, sustainable use which also protects them for ongoing community use. Where there are existing commitments at the site (for example the farmers market) these will be transferred with the land.

2.2.3 Land at Hartsdown, Margate

This land has been identified as potentially suitable for community and social use, subject to further consultation. The first stage in the process is to consult members of the public for appropriation of the land. This means that Cabinet are being asked to approve a consultation to appropriate the land for further consideration for community use.

Note that community asset transfers are not a transfer at nil value, however market value will be restricted by the community use.

2.3 Investment Property and Land

Property and land identified held on the investment portfolio and recommended as surplus for progression for sale is:-

* Land rear of Tudor House, Margate.

The site is complex with some historic protection and therefore further analysis will be given on the disposal strategy once approval is agreed to progress the site for sale using the disposal framework.

2.4 Regeneration - Nayland Rock Hotel, Royal Crescent, Margate

The new owners of the above hotel have ambitious plans to invest in excess of £20 million in this Grade II listed hotel, sympathetically adapting and restoring the premises (subject to planning and heritage consents). The construction phase will create initial employment with further opportunities for work when the hotel opens.

Initial ideas are to create a quality destination hotel including overnight accommodation, leisure facilities, function and dining rooms.

An important component of a viable hotel of this size and investment is the requirement for outside service areas, for deliveries, refuse collection, customer drop off points and parking. It is also important that the frontage reflects the quality of the hotel and the area does require reinvestment.

At present the land fronting Royal Crescent is owned by Thanet Council, but is adopted and maintained by Kent County Council.

The owners of the hotel wish to liaise with Kent County Council to ensure there is adequate service areas available for hotel use.

Before public consultation can commence the land should transfer to the owners of the hotel, so that they can continue their consultations direct with members of the public and Kent County Council.

The land will be transferred with all existing rights remaining, although these will be subject to further consultation with Kent County Council including public consultation. The transfer will be at market value, determined by an independent Royal Institution of Chartered Surveyors Registered Valuer.

2.5 **All transfers will be subject to the transferee paying Thanet Council reasonable legal and surveying costs, fee estimates will be provided.**

3.0 Options

Cabinet could choose to retain some or all of the above property and land, but should be aware that this will result in unplanned repairing and management costs and risks negatively impacting the Medium Term Financial Strategy.

The recommended way forward is documented at the top of this report.

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Reporting to:	Tim Howes, Director of Corporate Governance

Annex List

Annex 1	List of property and land for community asset transfer
Annex 2	List of property and land for disposal through the approved framework
Annex 3	Plans showing land and property (indicative and not to scale)

Background Papers

Title	Details of where to access copy
Cabinet	April Cabinet Meeting 2017, https://www.thanet.gov.uk/info-pages/council-meetings-and-agendas/
Community Asset Transfer Policy	https://www.thanet.gov.uk/info-pages/asset-management-policies/

Corporate Consultation

Finance	Matthew Sanham, Interim Head of Finance and Procurement
Legal	Sophia Nartey, Interim Head of Legal Services