

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	28 November 2016
Reporting Officer:	Damien Bourke - Assistant Executive Director (Sustainable Growth and Assets) Ian Saxon – Assistant Director (Environmental Services)
Subject:	CORPORATE ASSET MANAGEMENT PLAN UPDATE
Report Summary:	The attached report is intended to update members of the Strategic Planning and Monitoring Capital Panel with progress on the disposal of the Council's surplus assets, anticipated capital receipts that will be realised and investment that is required to maintain those buildings being occupied and retained or dilapidations arising from the termination of leases.
Recommendations:	That Strategic Capital Panel Members review the contents of the report and recommend to Cabinet that the: <ul style="list-style-type: none"> a) Approval of the list of disposals identified in Appendix 1; b) The allocation of £46,987.66 to undertake building condition replacement / repair projects as detailed at paragraph 3.2.
Links to Community Strategy:	To support the delivery of the objectives of the Community Strategy.
Policy Implications:	Expenditure in line with financial and policy framework. To assist in delivering a balanced budget and support the sustainability of the local economy.
Financial Implications: (As authorised by the Section 151 Officer)	Substantial work has been undertaken to vacate, market and dispose of a number of buildings. The schedule of 'properties for disposal but not yet completed' at Appendix 1 will allow the Council to further reduce its asset portfolio and reduce the ongoing revenue costs associated with these properties. Section 3.2 of this report sets out the reactive work which is required to buildings. There is currently no funding identified for these costs. The costs of £46,987.66 requires approval to be funded and included within the Capital programme. Any revenue costs associated with this investment must be met from existing revenue budgets. The current approach to backlog maintenance is purely reactive which does not allow the Council to undertake works in the most efficient or effective way. A backlog maintenance strategy should be developed, which would support condition surveys on buildings and allow for a forward plan of works to be produced. This would need to be supported with an appropriate budget which should be the subject of a future report.
Legal Implications: (As authorised by the Borough Solicitor)	The challenge to the Council is to ensure that its estate makes an effective contribution to improving the council's financial and business performance; the service delivery agenda; resolving the pressure on demands for estate capacity; and achieving change

with minimal capital expenditure. We need to ensure that the buildings and we need are fit for purpose and congruent with strategic service delivery. Accordingly, we need to have much more clarity and understanding as to the cost of ongoing repairs and maintenance and whether they are value for money.

We need to ensure going forward that the assets set out in appendices are clearly linked to the references on the Transparency List of properties published in line with legislation as this was committed to at the last meeting and there is currently no true scale for doing so.

We need to ensure that any repairs undertaken to properties fall within benchmarking to ensure achieving value for money.

Risk Management:

The ownership and use of property carries with it a number of risks including health and safety, economic, financial, service delivery, statutory compliance and maintenance risks. It is therefore proposed to develop a risk register as part of the strategic review of the Councils assets to identify and manage risks.

Access to Information:

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1. INTRODUCTION

- 1.1 A report detailing progress on the disposal of assets, realisation of capital receipts and assets requiring investment, was considered at the last meeting of the Strategic Capital Panel.
- 1.2 This report is intended to provide members of the Panel with a further update.

2. DISPOSAL OF ASSETS

Disposal Strategy

- 2.1 The Asset Disposal process continues apace with a figure of £7,289,500 achieved in the last 11 months.
- 2.2 Planning, Public Consultations and Section 77 consultations are now well underway on the 5 larger school sites and a process of active marketing is also on track. Work is underway on masterplanning the large site at Windsor Road in Denton and discussions around a potential disposal are ongoing.
- 2.3 Continued focus is being placed on future auctions with 8 sites being submitted for December and work ongoing for a number of sites to be potentially sold at future auctions.
- 2.4 Properties being actively marketed for sale or lease will be advertised on the Council's website, in addition to the marketing agents websites. Where potential disposals will impact on tenants, for example sale of garage or garden plots, which have become too expensive to administer, written notification will be given to tenants in advance for the proposed sale.
- 2.5 Leased Buildings - As reported at previous meetings of the Panel, the Council's policy is to terminate leases it has for buildings owned by others and to relocate services to surplus space in Council owned properties, where this delivers value for money, to reduce the revenue cost of operating and occupying buildings.

Appendix 1 provides additional information in respect of properties that have been identified for disposal or where tenants have sought to acquire the freehold of the properties that they lease.

Appendix 2 lists the Capital Receipts realised as at 4 November 2016.

Appendix 3 details briefly additional Property work carried out by the team and achievements of note, such as securing increase at Rent reviews in favour of the Council, serving of break notices, any lease renewals and properties of note acquired.

3. INVESTMENT IN CIVIC AND CORPORATE BUILDINGS

- 3.1 There is no reactive maintenance budget included within the corporate landlord budgets and any repairs or upgrading of the buildings requires a request for additional investment to be made to the Panel for approval by Cabinet. In the past few months a number of repairs have been requested for civic and operational buildings for which there is no revenue or capital budget allocation. Analysis of capital spends for September 2016 is £46,987.66. In addition there has been spend of approximately £16,000 in regard of property related revenue type spend in the same period.
- 3.2 The analysis of the capital investment required in respect of health and safety /essential operational repairs is below In some cases these repairs have already had to be undertaken to allow the buildings to remain operational:

Building	Estimated Cost
	£
Ashton Market Hall –upgrades to doors and security systems	4481.70
Ryecroft Hall – health and safety works roof upgrade	14,550.91
Stamford Park Pavillion Café – health and safety upgrade to roof	11,481.10
Stalybridge Civic Hall – lift repairs	1,487.30
Hyde Town Hall – health and safety /security upgrades	836.52
Dukinfield Town Hall – emergency lighting /ceiling upgrades	1,323.20
Denton Festival Hall- upgrade drainage/retaining floor structures	1,264.74
Cedar Park Ashton – electrical works upgrade	842.09
Copley Resource Centre – water systems upgrade	757.56
Rydal House - water systems upgrade	1010.08
Mossley Youth Base –health and safety security systems upgrade	1,466.91
Denton/Hurst/Droylsden Centre - water systems upgrade	1,384.11
Audenshaw Cemetery , Loxley House, George Lawton Hall – remedial piping works upgrade from WRA	826.59
Hyde Youth and Community Centre –water systems upgrade	631.30
Shirley House – wall replacement	868.95
Hyde Market Hall – lift refurbishment	796.08
Hyde Union Street – drainage/flood work /fabric upgrade	525.53
Stalybridge Library – water systems upgrade	455.17
Hurst Cemetery – electrical works upgrade	634.79
Charlestown Industrial Estate – fabric upgrade works	873.12
Blocksages Pavillion – gas system upgrade	489.91
TOTAL	46,987.66

4. RECOMMENDATIONS

4.1 These are set out at the front of the report.

APPENDIX 1

List of Property Identified for Disposal but not yet completed at 4 November 2016.

N.B. This list only includes property above the value of £50,000.

Property	Purchaser/Future Use/commentary on state of play	Estimated Sale Price (£)
Former Hartshead High School, Lees Road	Outline planning application underway	TBC
Two Trees former School Site	Outline planning application underway	TBC
Mossley Hollins School Site, Huddersfield Road	Outline planning application underway	TBC
Former Littlemoss School	Outline planning application underway	TBC
Denton Plant Nursery	Progressing SI surveys	TBC
Land rear of 55-113 Bennett Street	Playing field flanked by licenced garages	TBC
Former Samuel Laycock School, Mereside	Outline Planning/Marketing to commence	TBC
Land at Leigh Street	Former school site	TBC
Land at Windsor Road	Interest received	TBC
Hyde Library & Union Street Building		TBC
Droylsden Canalside	Watkin Jones Development	TBC
Newton Street / Spring Gardens	On NCHT List	TBC
Pole Bank Hall	Polebank Hall Carehome	TBC
Johnsonbrook Road	On NCHT List	TBC
Park Bridge Visitor Centre	Café served notice to vacate/ visitor centre vacant	TBC
Lant at Captain Clark Rd	Polemarch Industrial Ltd	TBC
Droylsden Library, Manchester Road		TBC
Plot B Hattersley IE	Currently being marketed	TBC
Land at Ashton Hill Lane	RH& CO instructed.	TBC
Land at Broadway	Stockport Trucks	TBC
Land at hill Street	Heathdown Properties Ltd	TBC
Katherine House	New Charter early payment of clawback provisions	TBC
Land at Queens Road		TBC
Wellington Road	New Charter early payment of clawback provisions	TBC
Grazing land	40 acres say 5% to 10% suitable for development @ £250p/a	TBC
Rydal House	Disposal when vacated	TBC
Land at Newmarket Grove	Former Sunday school plus playing field	TBC
Leigh Fold	On NCHT List	TBC
Pine Road	On NCHT List	TBC
Morningside / Fairfield Avenue	On NCHT List	TBC

Land adjacent to 222 Manchester Road	Tameside 500 Site?	TBC
Melbourne Street Car Park	Sale terms agreed	TBC
Land at Wakefield Road / Pennine View	Bardsley Construction Limited	TBC
Plot A Hattersley IE		TBC
High Street, Stalybridge	On NCHT List	TBC
Stalydene School Site	On NCHT List	TBC
Land at Boodle Street		TBC
Bankside House / Riverside House, Astley Street		TBC
Astley Street / Hadfield Street	Globe Scaffolding	TBC
Lake Road	New Charter early payment of clawback provisions	TBC
Roughtown Community Centre		TBC
Crown Street Car Park	Bardsley Construction Limited	TBC
Cavendish Street	New Charter early payment of clawback provisions	TBC
Land at Hadfield/Astley/Globe Sq	MS Estates	TBC
Wild Street		TBC
Land at Wild Street,	Advanced workshops Ltd	TBC
Wakefield Road	New Charter early payment of clawback provisions	TBC
Residual Garage Sites		TBC
St. Lawrence Children's Home,		TBC
Land at Katherine Street	Ahmed Brothers	TBC
Unit 3 Hattersley Industrial Estate	Richard Oakley	TBC
Kynder Street	New Charter early payment of clawback provisions	TBC
Old Street / Dale Street East, AUL	On NCHT List	TBC
Land at Water Street		TBC
M66 Highways Settlement	Settlement of compensation claim	TBC
Land at Acres Lane	Surplus open space	TBC
Pole Bank Depot	Interest from nursing home.	TBC
Total (excluding potential sales below £50,000)		£39,031,615

APPENDIX 2

Capital Receipts Realised as at 4 November 2016.

Site	Location	Date Sold	Receipt Realised £
Land at Stamford Street	Stalybridge	08/10/2015	52,000
5 Newton Street	Ashton	08/10/2015	51,000
Hardwick Street / Moss Street West	Ashton	14/10/2015	35,500
Holden Street	Ashton	08/10/2015	30,500
Land at Wellington Street	Ashton	08/10/2015	106,000
Land at Margaret Street	Ashton	06/10/2015	60,000
Land at Board Street / Kings Road	Ashton	01/10/2015	20,000
Former Stamford High School	Ashton	11/12/2015	4,250,000
Beyer Peacock Centre,	Audenshaw	23/09/2015	90,000
Land adj 148 Moorside Street	Droylsden	08/10/2015	29,000
Land at Frances Street, Hyde	Hyde	08/10/2015	41,000
Land at Throstle Bank / Furnace Street	Hyde	14/10/2015	42,500
Land at Johnsonbrook Road / Ashton Rd	Hyde	07/10/2015	18,000
Compton Street Car Park	Stalybridge	08/10/2015	20,000
Cross Hope Street Car Park	Ashton	22/10/2015	10,000
Land at Hope Street	Dukinfield	22/10/2015	27,000
Grey Street, Car Park	Stalybridge	22/10/2015	31,000
Field Street, Car Park	Hyde	22/10/2015	49,000
Land at Huddersfield Road	Stalybridge	22/10/2015	45,000
Hallbottom Street Car Park	Hyde	22/10/2015	7,500
Audenshaw cemetery lodge	Audenshaw	Jan 2016	116,000
James Howe mill	Ashton	January 2016	205,000
Land at Ripon St/botany Lane/Mount Pleasant St	Ashton	April 2016	50,000
Land at Midge Hill	Mossley	April 2016	25,000
Wimpole Street	Ashton	22/10/2015	14,000
February Auction total	Tameside	Feb 2016	223,000
December auction total	Tameside	Dec 2015	280,500
April auction total	Tameside	April 2016	277,000
June Auction	Tameside	June 2016	19,500
Sale of Land at Audenshaw Road	Audenshaw	July 2016	87,500
Land at Katherine Street Ashton	Ashton	July 2016	125,000
Land at Wild Street	Dukinfield	July 2016	140,000
Land at 376 Huddersfield Road	Mossley	June 2016	6,000
Unit 3 Hattersley Industrial Estate	Hattersley	July 2016	110,000
Edge Lane Arcon	Droylsden	Jan 2016	37,000
Land at Queens Road	Ashton	22/10/2015	35,000
Land at Hart street/Market Street	Droylsden	13/09/16	60,000

Land at Kinder Street	Stalybridge	13/09/16	5,000
Land at Marina Road / Market Street	Droylsden	13/09/16	45,000
Land at Sycamore Street	Stalybridge	13/09/16	21,000
Land at Birch Lane	Dukinfield	13/09/16	78,000
Land at Throstle Bank Street	Hyde	13/09/16	38,000
Land adjacent to 42 Manchester Road	Hyde	18/10/16	16000
Land at the junction of Newton Street/Clark Way	Hyde	18/10/16	32000
Land adjacent to 47 Clarendon Place	Hyde	18/10/16	19000
Land Adjoining 60 Ashton Road	Hyde	18/10/16	22000
Land Adjoining 80 Ashton	Denton	18/10/16	20000
Land at Manchester Road/Clark Way	Hyde	18/10/16	48000
Land at West Street	Ashton	18/10/16	31000
Land adjacent to 72 Penny Meadow	Ashton	18/10/16	69500
Land at Woodend Drive	Stalybridge	18/10/16	18500
Ongoing Total			£7,289,500

APPENDIX 3

Acquisition of Leasehold Premises

Second Floor Offices, Stamford Chambers, New Lease for Adult Services.	Ashton	September 2016	£37,550
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Leases Completed since last report:

Property	Location	Purchaser / Future Use	Rental income per annum (£)
Unit 8	Hattersley Industrial Estate	K.Andres. Engineering	£8,555 w.e.f. 18/10/16

Other Transactions /works of note completed by the Estates Team since the Last Report:

- Terminal Dilapidations claim against the council at Greencroft house, Hyde of £86,647 - Lease expiry date April 2017.
- Aeroworks 5 Adair street, Manchester – Break date of 3rd of June 2016 exercised- on behalf of Greater Manchester Public Health Network (GMPHN). Dilapidations claim ongoing.
- “Learn” at St Annes, Burlington St. Ashton- Adult Education- Lease terminated from 31st August 2016. Vacating shortly.
- **Subject to full approval; potential agreement to dispose of 2 sites to New Charter, total receipt of £716,000 Pickford Lane Dukinfield and Spring Gardens Hyde (as at 04/11/16).**

Rent Reviews: (increases above £1,000 p.a.)

September/October 2016

Unit 39b, Globe Lane, Dukinfield	Rent Review 16.11.16	£6,100 p.a. increase
Plot 1, Langham Street, Ashton	Rent Review 2.5.16	£1,265 p.a. increase
Land and building at Alexandra Street, Hyde	Rent Review 1.5.16	£2,420 p.a. increase
Stockport Road, Hyde (Centrica)	Rent Review 6.10.15	£4,000 p.a. increase
Land at Globe Square, Dukinfield	Rent Review 30.4.15	£2,550 p.a. increase.

