

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	9 October 2017
Reporting Officer:	Robin Monk - Director (Place)
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:	<p>That Strategic Capital Panel Members review the contents of the report and recommend to Executive Cabinet the:</p> <ol style="list-style-type: none"> 1. Approval of the list of disposals identified in Appendix 1; 2. Approve capital Scheme on Heginbottom Mill detailed in section 3.1 of the report £125,000 3. Approve capital schemes on corporate buildings detailed in section 3.2 of the report £13,873.69
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:	There is currently no budget provision for emergency repairs.
(As authorised by the Section 151 Officer)	Budget provision is currently being reviewed for any future requirements of this nature.
Legal Implications:	Previous reports have included the following legal comments and Members should be satisfied that there is now compliance with the same to ensure the service is improving on its efficiency and effectiveness.
(As authorised by the Borough Solicitor)	<p>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 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 time scale for doing so.</p> <p>We need to ensure that any repairs undertaken to properties fall within benchmarking to ensure achieving value for money. Land advertised as public open space should not be sold until any objections have been addressed. The process needs to be kept</p>

under review.

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:

Any further information can be obtained from the report author Alison Llyod Walsh, Head of Environmental Development, who can be contacted on:



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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 In the financial year 2016/17 the total sales achieved amounted to £3,929,550. The Asset disposal process continues at pace with a sum of £872,467 achieved since 1 April 2017.
- 2.2 A public consultation exercise for the disposal of the five larger school sites has been completed and terms are agreed subject to contract for the sale of the former Samuel Laycock site. An outline planning application has been submitted for the former Mossley Hollins school site and Section 77 consultations are nearing an end in respect of the former Two Trees School. Planning applications for Two Trees and Hartshead schools have been submitted and are awaiting validation. The master planning for the Windsor Road site in Denton is now almost complete and discussions regarding a disposal are at an advanced stage.
- 2.3 Continued focus is being placed on future Auctions with 1 site being submitted in September 2017 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 and the tenant will be given the opportunity to purchase.
- 2.5 In accordance with section 123 of the Local Government Act 1972, land which is to be offered for sale at Auction, where appropriate, will be advertised for two consecutive weeks in the Tameside Reporter. The advert will provide an opportunity for the public to make representations to the Council in writing. Any representations will be considered and responded to by the Assistant Executive Director, Asset & Investment Partnership management in accordance with the key decision: 'Disposal of Council Owned Land', dated 25 March 2015 and updated in September 2017.
- 2.6 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 14 September 2017.

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

Heginbottom Mill – Ashton

- 3.1 In July 2017 Heginbottom Mill in Ashton was targeted by thieves who caused extensive damage to the original lead and slate tile roof. The theft coincided with a period of extensive and heavy rainfall, subsequent water ingress into the building caused major damage to the interior of the building. The building is home to a collection of services and also holds the museum and library store. The interior damage resulted in teams being relocated to other buildings and an emergency exercise to ensure that valuable collections were safe from potential water damage.
- 3.2 A full inspection and survey of the remaining roof indicated that the criminal damage by the thieves and subsequent rain damage had taken the roof beyond the state of being able to economically repaired and the expert opinion recommended the reinstatement of a new roof. Work needed to be undertaken immediately and has now completed the cost of the new roof is £50,000.
- 3.3 In addition to the capital cost of the new roof the internal damage to the building is extensive and involves repairs to internal structural features, ceilings, flooring, electrics and soft furnishings. Teams are still working from alternative locations pending repairs being complete. It is estimated that the final capital cost for the internal works will be approx. £75,000.
- 3.4 Additional Capital Spend required to meet Health and safety obligations

Building	Works Undertaken	Cost
Hyde Depot	Installation of new heating control electrical system	£1,367.46
Loxley House	Replacement of water heating system	£3,803.29
Tame Street Depot	Installation of new garage lighting scheme	£2,118.60
Dukinfield Town Hall	Installation of new H&S requirements to lift	£1,525.29
Denton Town Hall	Installation of new H&S requirements to lift	£ 690.15
Stalybridge Civic Hall	Installation of new H&S requirements to lift	£1,769.25
Park Bridge Visitors Centre	Installation of new heating control electrical system	£1,682.04
Loxley House	Installation of new fire safety systems	£917.61
		£3873.69

4 RECOMMENDATIONS

- 4.1 As stated on the report cover.

APPENDIX 1

List of Property Identified for Disposal but not yet completed at 14 September 2017.

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

Asset ref	Property Address	Town
3590 & 3591	Former Hartshead High School site, Lees Road	Ashton
1137 & 1138	Land off Crowthorn Road (access off Birch Street)	Ashton
4619	Land at Queens Road / Fern Lodge Drive	Ashton
1175, 1176 & 4557	Land at Newmarket Grove	Ashton
3169	Old Street / Dale Street East, AUL	Ashton
1154	Land at Marlborough Street	Ashton
3303	Land on Holden Street	Ashton
3512	Land between 21-23 Hutton Avenue	Ashton
3511	Land at junction of Douglas Street and Montague Road	Ashton
2005	Land adj. Audenshaw Cemetery (former depot)	Audenshaw
492	Groby Road playing fields (off Redmond Close)	Audenshaw
2202	Two Trees School Site	Denton
1469	Land at Windsor Road	Denton
132	Land corner of Thornley Lane South and Hillview Road	Denton
1618	Land at Windmill Lane	Denton
188 & 3789	Land at Morningside / Fairfield Avenue	Droylsden
208	Land At Mellor Street	Droylsden
779	Land at Greenside Lane	Droylsden
984	Land at Ashton Hill Lane (adj Lazy Toad Pub)	Droylsden
90	Land at Peel Street	Droylsden
203	Land at Kershaw Street / Clegg Street	Droylsden
940	Land part of Droylsden Cemetery (former depot)	Droylsden
743	Land on Bailey Street	Droylsden
	Land on Suffolk Avenue	Droylsden
2153	Land rear 159/161 King Street	Dukinfield
718	Former Dukinfield Youth Centre, Vicarage Drive	Dukinfield
2680	Land rear of 55-113 Bennett Street	Hyde
2547	Land at Leigh Street	Hyde
3070	Land at Leigh Fold	Hyde
2253	Land adjacent to 222 Manchester Road	Hyde
4354	Land at Victoria Street (former parking area)	Hyde
3090	Land adj. 83 Danby Road	Hyde
4629	Land at former Flowery Fields School	Hyde

2385	Land at Arnside Drive	Hyde
	Land at Croft Street	Hyde
	Land at Old Road	Hyde
2539	Land Sth Side Hyde Rd	Longdendale
3984	Mossley Hollins, Huddersfield Road	Mossley
3998, 3999	Land at Greaves Street & Cross Street	Mossley
3993	Land at Spring Street	Mossley
2532	Land at Ambleside	Stalybridge
4412, 4413 & 4414	Land at Stalyhill Drive	Stalybridge
3666	Land at Pine Road (next to St John's)	Stalybridge
4312	Land at Wakefield Road / Pennine View	Stalybridge
3661	Land at High Street (west of Pine Road)	Stalybridge
3661	Land at High Street (east of Pine Road)	Stalybridge

APPENDIX 2

Completed Sales since 01 April 2017				
Asset ref	Property Address	Town	Completion Date	2017/2018 Completed Sales £
2763	Land adj to Lidl Supermarket	Ashton	29/06/2017	£21,600
1163	Land on John Street East, (rear of 25-27 Trafalgar Square)	Ashton	30/06/2017	£25,000
2355	Land at Oaken Clough / Oldham Road	Ashton	25/05/2017	£86,000
2457	Land on Vine Street	Ashton	16/06/2017	£5,000
1179	Land north of Lindisfarne Road	Ashton	23/08/2017	£160,000
1136	Land at Sunnyside, rear of 236-244 Newmarket Road	Ashton	15/08/2017	£25,000
2747	Land adj to 39 Uxbridge Street	Ashton		£29,000
190	Land at Williamson Lane / Ashton Hill Lane	Droylsden	24/05/2017	£40,000
3472	5 Dain Close	Dukinfield	21/06/2017	£3,000
3497	64 Jeffreys Drive	Dukinfield	05/05/2017	£3,990
3386	4 Hall Green Close	Dukinfield	15/08/2017	£3,950
3472	20 Belvedere Drive	Dukinfield	14/07/2017	£3,615
3472	4 St John Street	Dukinfield	14/07/2017	£4,025
3472	8 Belvedere Drive	Dukinfield	25/08/2017	£3,890
3393	5 Moravian Close	Dukinfield	28/07/2017	£3,570
3491	24 Harold Avenue	Dukinfield	14/07/2017	£4,140
3451	10 Concord Way	Dukinfield	17/08/2017	£3,155
3472	28 James Close	Dukinfield	18/05/2017	£3,960
3514	Land rear of 51 Wednesough Green	Hollingworth	09/06/2017	£1,000
2438	Land at Pitt Street (2)	Hyde	08/05/2017	£55,000
2671	Land corner of Markham Street / Dow Street	Hyde	09/06/2017	£80,000
4114	Land at Nield Street	Mossley	24/05/2017	£191,000
4126	Land at Stamford Road (opposite 80 to 94)	Mossley	15/08/2017	£40,000
	19 Brooklands Close	Mossley	26/05/2017	£26,500
4058	Land at Acres Lane / Cecil Street	Stalybridge	07/08/2017	£10,000
4057	Land at Cecil Street / Acres Lane	Stalybridge	07/08/2017	£5,000
4314	Land at Wakefield Road (next to 387)	Stalybridge	24/05/2017	£22,000
4232	Land at junction of Spring Street / Stamford Street	Stalybridge	24/05/2017	£11,000
	Residential ground rents under £1K value	Various	01/09/2017	£2,072
	Total			£872,467

APPENDIX 3

Leases Completed since 01 April 2017:

Council land/property	Location	Rental income per annum (£)
New Leases to Tenants		
Unit 1 Plantation Industrial Estate	Ashton	£21,312 pa
Unit 8a Plantation Industrial Estate	Ashton	£13,000 pa
Unit 8b Plantation Industrial Estate	Ashton	£12,350 pa
Unit 5 Plantation Industrial Estate	Ashton	£25,360 pa
Mast on land at Stockport Road	Hyde	£3,750 pa
Waterloo Childrens Centre	Ashton	£15,000 pa
Tenant Lease renewals		

Other Transactions /works of note completed by the Estates Team since 01 April 2017:

- Terminal Dilapidations claim against the Council at Greencroft house, Hyde of £86,647 - Lease expired 20 April 2017. Dilapidations claim in negotiation.
- Aeroworks 5 Adair Street, Manchester – Break date of 03 June 2016 exercised on behalf of Greater Manchester Public Health Network (GMPHN). Awaiting claim from the Landlord

Rent Reviews: (increases above £1,000 p.a.)_since 01 April 2017

Hyde Physiotherapy Centre, Parsonage Street, Hyde	Rent Review 22.05.17	£3,250 pa increase
Land at Northend Road, Stalybridge	Rent Review 17.05.17	£2,200 pa increase
Kids Club at Corrie Primary School, Denton	Rent Review 21.04.17	£1,311 pa increase