

REPORT TO: Executive Board

DATE: 23rd May 2013

REPORTING OFFICER: Strategic Director Policy and Resources
and Strategic Director Children and
Enterprise

PORTFOLIO: Resources

SUBJECT: Disposal Surplus Land and Buildings

WARDS: All

1.0 PURPOSE OF THE REPORT

- 1.1 To present recommendations for the disposal of surplus infill land and buildings

2.0 RECOMMENDATION: That Executive Board

- (1) approves the recommendation to declare the sites on the schedule as surplus and bring forward for disposal;**
- (2) approves the recommendation to review the sites on hold by February 2014; and**
- (3) a further report be brought to Executive Board following this review.**

3.0 BACKGROUND

- 3.1** The Council has a number of property assets which are no longer used operationally nor fulfilling a role in support of the Council's priorities. The sites identified as surplus on the schedule accompanying this report represent the land and buildings left for disposal. They are predominantly infill plots in secondary locations and are unlikely to yield high returns.
- 3.2** From sites already identified as surplus and available for sale over the previous financial years 2010/11 , 2011/12 and 2012/13 there were 18 number of sites sold bringing in capital receipts amounting to £2,251,750. Excluding Runcorn Town Centre and HBC Fields, there are currently 9 deals with the Borough Solicitor, with anticipated receipts phased over three years amounting to,

2013/14	2014/15	2015/16
£3,726,500	£2,875,000	£350,000

The aim is to continue to dispose of the surplus sites to sustain the flow of capital receipts although the values are not high it remains worthwhile committing resources to the programme.

3.3 Although the property market remains subdued and likely to continue so over the next couple of years, it is recommended the remaining assets available for disposal should be identified, and disposals undertaken when market conditions allow.

3.4 Following the process adopted at the Executive Board meeting 23 September 2010, a schedule of additional assets has been compiled with a recommendation that these properties should be declared surplus and available for sale. The schedule includes a marketing and sale strategy with anticipated timescale and management plan if required until disposal. Subject to Executive Board approval it is anticipated that the disposal programme would be implemented over a period of 5 years depending when issues affecting the sale, market conditions allow and the resources available to bring forward the sites for disposal. In addition to the receipts summarised at 3.2, the receipts for those identified as available for disposal over the 5 year programme are estimated at (excluding the assets on hold to be reviewed):

2013/14	2104/15	2015/16	2016/17	2017/18	Total
£565,000	£1,280,000	£650,000	£10,750	£1,049,000	£3,554,750

3.5 Following a consultation with the relevant Ward Councillors the schedule is divided into two categories, those available for immediate disposal and those on hold subject to review. The assets on hold will be reviewed by the Asset Management Working Group and the Portfolio Holder for Resources by February 2014. These sites will be brought back to Executive Board for further consideration in due course.

The summarised estimated receipts are provided for the purposes of the context of this report only. Authority to sell individual assets at particular prices will be governed by standing orders at the time of the disposal. The summary of estimated receipts at 3.4 above are quoted net of 'clawback' due to Homes and Communities Agency where the land was transferred to the Council from their predecessor Commission for the New Towns. Further sites identified as potentially surplus and available for disposal will be disposed of in accordance with established protocols.

3.6 In addition to the sites identified a number of other disposals are underway and will be reported separately at the appropriate time. The

sales already underway and regeneration projects are excluded from the schedule.

3.7 The surplus sites following the construction of the Mersey Gateway scheme are not readily identifiable until the preferred bidder stage which is anticipated May 2013. A schedule will be prepared with recommendations and submitted to AMWG for approval to add the sites to the disposal programme. The timescale for disposal is unlikely to be before construction has been completed in 2016/17.

3.8 It is anticipated that these disposals can be managed within the Asset Management current staff resources. However it should be noted that this programme will demand support from already stretched resources in legal, planning and highways. The progress of the programme is to be monitored through the Asset Management Working Group and reported on a quarterly basis to the Portfolio Holder for Resources.

4.0 POLICY IMPLICATIONS

4.1 Disposing of surplus assets is a contribution to the Council's options to reduce costs without affecting frontline services.

5.0 OTHER IMPLICATIONS

None

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

The realisation of the capital receipt will support the Council's priorities

6.2 Employment, Learning and Skills in Halton

The realisation of the capital receipt will support the Council's priorities

6.3 A Healthy Halton

The realisation of the capital receipt will support the Council's priorities

6.4 A Safer Halton

The realisation of the capital receipt will support the Council's priorities

6.5 Halton's Urban Renewal

The disposal of these surplus plots of land will bring them forward for economic development wherever possible

7.0 RISK ANALYSIS

7.1 Some of the capital receipt may be claimed by Homes and Communities Agency as subject to 'clawback' and this has been taken in to account by deducting an estimate to cover this item.

7.2 The estimates of capital receipts are as at April 2013 valuations and may be subject to variations over the 5 year programme. The Asset Manager to review the estimates every 6 months and report any significant variance to the Asset Management Working Group.

7.3 The sites may not sell when brought to market. If this occurs the sites will be withdrawn and the marketing strategy reviewed. Where assets have to be retained this will be reported through the Asset Management Working Group.

8.0 EQUALITY AND DIVERSITY ISSUES

None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.