

Cabinet Member for Finance

Agenda

Date:	Tuesday, 17th December, 2013
Time:	9.30 am
Venue:	Committee Suite 2, Westfields, Middlewich Road, Sandbach. CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a period of 10 minutes is allocated for members of the public to address the meeting on any matter relating to the work of the body in question. Individual members of the public may speak for up to 5 minutes but the Chairman or person presiding will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers. Members of the public are not required to give notice to use this facility. However, as a matter of courtesy, a period of 24 hours' notice is encouraged.

Members of the public wishing to ask a question at the meeting should provide at least three clear working days' notice in writing and should include the question with that notice. This will enable an informed answer to be given.

For requests for further information

Contact: Cherry Foreman

Tel: 01270 686463

E-Mail: cherry.foreman@cheshireeast.gov.uk with any apologies

4. **Bollington Town Hall Complex, Bollington** (Pages 1 - 8)

To consider the transfer of the freehold of this complex to Bollington Town Council.

5. **Transfer of Water Street School, Bollington** (Pages 9 - 16)

To consider the transfer of the land at buildings of the former School to Bollington Trust Initiative.

6. **Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART 2 – MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT

7. **Manor Way Elderley Persons Home, Crewe** (Pages 17 - 22)

To consider the sale of this property.

CHESHIRE EAST COUNCIL**REPORT TO PORTFOLIO HOLDER – FINANCE**

Report of: Property Portfolio Manager
Subject/Title: Bollington Town Hall Complex, Bollington
Date of Meeting: 17 December 2013
Portfolio Holder: Councillor Peter Raynes

1.0 Report Summary

- 1.1 To consider a request from Bollington Town Council to transfer Bollington Town Hall Complex, 34 Wellington Road, Bollington, Macclesfield, Cheshire, SK10 5JR (shown edged red on the attached plan) as part of the second phase (Appendix B) of the Local Service Delivery -Transfer and Devolutions to Town and Parish Councils process.

2.0 Decision Requested

- 2.1 To transfer the freehold of the Bollington Town Hall Complex, 34 Wellington Road, Bollington, Macclesfield, Cheshire, SK10 5JR (shown edged red on the attached plan) to Bollington Town Council for a nominal value on the terms stated in 3.3 and other terms to be agreed by the Property Portfolio Manager.

3.0 Reasons for Recommendations

- 3.1 On 5th September 2011 it was decided by the Cabinet that a number of properties should be transferred to the Town or Parish Council for the area in which the properties are located as a second phase of the Local Service Delivery -Transfer and Devolutions to Town and Parish Councils process.
- 3.2 Bollington Town Hall is transferring to Bollington Town Council as an approved 'Appendix B' property following the Cabinet approval. Bollington Civic Hall has recently transferred as an 'Appendix A' property.
- 3.3 It was reported to Cabinet that every transfer would be on the following terms namely that:
- The transfer would take place for a nominal value (£1) and the Town Council will be wholly responsible for the service and the asset save insofar as the Council has residual legal responsibilities under contracts or legislative provisions.
 - The agreement would secure an overage payment for the Council if there is a future planning permission which enhances the value of the asset or the Town Council sells the asset within an 15 year period with increase in value/ proceeds of sale returning to Cheshire East on a reducing sliding scale.

Cabinet resolved that delegated authority be given to identified officers to finalise standard terms for all the transfers. Standard heads of terms were subsequently approved by the relevant officers and the Strategic Director (Places and Organisational Capacity).

- 3.4 Remedial works to re-line the existing drainage system at the Town Council offices in Bollington have recently been completed. It is understood by the Council's external Structural Engineering Consultants that the drainage system has been the primary cause of settlement within the premises. These works should result in the sub strata ground return to a stable condition and the current problems with structural cracking should cease. As cracking is noticeable arrangements have been made to fill-in the internal cracks and external pointing, where appropriate. Although no further problems are envisaged, it is intended as a precautionary measure, to install some additional 'tell tales' to enable the situation to be monitored periodically.

- 3.5 The transfer to Bollington Town Council will be based upon the standard heads of terms.

4.0 Wards Affected

- 4.1 Bollington

5.0 Local Ward Members

- 5.1 Cllr Peter Hayes
Cllr Bill Livesley

6.0 Policy Implications including - Carbon reduction - Health

- 6.1 The transfer is in line with the council policy of transfer and devolution of asset to Town and Parish councils for a nominal value.

7.0 Financial Implications

- 7.1 Annual running costs for Bollington Town Hall are currently forecast at £9,468 for the year 2013-14, with a forecast Room hire income of £9,100, giving an overall net forecast to CEC of £368. The 2013-14 budget is net nil due to the property being a site subject to devolution plus as the building is currently occupied, the room hire charges are forecast to recover costs. Therefore through the proposed transfer, whilst there is no direct revenue budget saving the Council is transferring any risk of holding costs should the occupancy position change in future.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 The Council has no power to dispose of property by a freehold transfer unless it secures the best consideration reasonably obtainable or it has Secretary of State consent. Under the Local Government Act 1972 General Disposal Consent (England) 2003 the Secretary of State gave general consent to disposals for less than best consideration if:

(a) The disposing authority considers that the purpose for which the land is to be disposed of is likely to contribute to the achievement of any one or more of the following objects of the whole or any part of its area, or all or any persons resident or present in its area:

- a. The promotion or improvement of economic well-being;
- b. The promotion or improvement of social well-being;
- c. The promotion or improvement of environmental well-being;

(b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2m; and

(c) All other conditions and requirements of the Consent are satisfied.

8.2 In transferring assets the Council must behave prudently to fulfil its fiduciary duty

8.3 If there is any open space within the land outlined red on the attached plan, then it will be necessary to advertise the potential disposal of this under the provision of the Local Government Act.

9.0 Risk Management

9.1 The transfer will be subject to the overage provisions as approved by Cabinet.

Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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Bollington Town Hall (Council Offices)



Plan Ref: PM Bollington
Town Hall

Date: 3rd Dec 2013

Scale: 1:500



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Plan Ref: PM Bollington
Town Hall

Date: 3rd Dec 2013

Scale: 1:1,250

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CHESHIRE EAST COUNCIL

REPORT TO: PORTFOLIO HOLDER

Date of Meeting: 17TH December 2013
Report of: Director of Economic Growth and Prosperity
Subject/Title: Property Asset Transfer: - Transfer of the Former Water Street School, Bollington
Portfolio Holder: Cllr Peter Raynes

1.0 Report Summary

- 1.1 This report is intended to seek further approval to the property asset transfer of the land and buildings known as the Former Water Street School, Bollington shown edged in red on the attached plan to local charity (number 1110683) Bollington Initiative Trust (BIT), upon the revised terms outlined in this report.

2.0 Decision Requested

- 2.1 It is recommended to Portfolio Holder:
- 2.1.1 That the revised land area for transfer pursuant to the Cabinet Decision dated 7th May 2013, as per the attached plan be approved.
 - 2.1.2 That delegated authority be given to the Director of Economic Growth and Prosperity and the Interim Monitoring Officer and Head of Legal Services to finalise the details of the proposed freehold transfer and long lease assignment of the property to Bollington Initiative Trust (BIT)
 - 2.1.3 That the yellow land be declared surplus to Council requirements and placed on the open market for disposal and delegated authority be given to the Director of Economic Growth and Prosperity and the Interim Monitoring Officer and Head of Legal Services to finalise the details of the proposed sale following appropriate marketing and negotiation and any

statutory declarations/statements of truth as may be required to regularise title and transfer the yellow land.

3.0 Reasons for Recommendations

- 3.1 BIT following consideration of their proposals to take on the building and site have decided not to accept transfer of the whole site and have revised their offer to exclude all of the land coloured yellow on the attached plan due to the potential extent of liability for repair and maintenance in relation to the retaining wall at the rear of the land coloured yellow.
- 3.2 The yellow land was a detached playground for the former school site and has been unused for sometime following the relocation of the cadets who were leasing part of the former school building and used the detached playground for practice.
- 3.3 The revised transfer area will leave the Council with the ongoing liability for the repair and maintenance of the retaining wall but will still absolve the Council of the ongoing maintenance of the former school building and school car park but protecting the building for community uses as per the original cabinet decision on the 7th May 2013.
- 3.4 The yellow land abuts a number of neighbouring properties both residential and commercial and there has been significant interest over a number of years and most recently following the original cabinet decision to transfer to BIT from a number of prospective purchasers and therefore the Council is proposing to market the land without further delay to absolve itself of the liability and potentially generate a capital receipt in line with the District Valuer's recommendation in formal valuation report undertaken prior to the original cabinet decision.
- 3.5 BIT will be able to focus their attention and funding on managing and improving the main building for community uses and the Council will endeavour to sell on the retained land and retaining wall liability as soon as possible following completion of this decision.

4.0 Ward Affected

- 4.1 Bollington

5.0 Local Ward Member

5.1 Cllr Livesley

6.0 Policy Implications including – Carbon reduction/Health

6.1 In line with the original cabinet decision. Disposal of buildings will reduce the Council's carbon footprint and liability for carbon tax.

6.2 National Policy is designed for decentralise government and give communities power to make a difference in their area. This initiative clearly aligns with this national drive.

7.0 Financial Implications (Authorised by the Director of Finance and Business Services)

7.1 Further to the financial implications within the original cabinet report on 7th May 2013, which still stand with the exception of the value of the reduced site now transferring is £360,000 and the value of the yellow land is in the region of £75,000 albeit as discussed in the original paper, the land is hindered by a retaining wall running the whole length of the site to the rear and any access to redevelop the land could erode the land value in order to do so. That said, there are neighbouring properties who would welcome the opportunity to enhance their own properties, both residential and commercial and prevent anti social behaviour occurring on the area if left unoccupied indefinitely as it has been for a number of years following LGR and pending conclusion of the transfer to BIT which has been outstanding since LGR due to unresolved negotiations. It is anticipated that a capital receipt could be achieved to absolve the Council of this ongoing liability for a land locked piece of retained land following the completed transfer to BIT although a nil value transfer would also be agreeable in order to absolve the Council of the liability and in line with the original cabinet paper and District Valuer valuation report.

7.2 The transfer to BIT is still a peppercorn consideration and in line with the original Cabinet Decision, whilst the Council is proposing to forego a capital receipt to support the promotion of well being as outlined, revenue and capital maintenance liabilities will be reduced.

8.0 Legal Implications (Authorised by the Interim Head of Legal and Democratic Services)

8.1 As per the original Cabinet Decision.

9.0 Risk Management

9.1 As per the original Cabinet Decision except to state that given BIT no longer wishes to accept transfer of the yellow land with the rest of the site a decision to accept this proposal and break up of the site is being sought on the basis of less liability transferring to BIT and the Council still has the option of selling the yellow land on the open market to absolve itself of ongoing liability and potentially generate a capital receipt.

10.0 Background and Options

10.1 As per the original cabinet decision save as to the revised transfer area proposing to exclude the detached play ground area coloured yellow on the attached plan.

10.2 BIT upon further consideration of the running costs and ongoing liability for the former school building and external areas in its current run down condition has decided that a transfer of the whole on the agreed terms and conditions including overage as detailed within the original cabinet decision is not viable for them in terms of cost of refurbishment and improvements and ongoing repairs and maintenance thereafter and is willing to accept transfer of only the main school building and yard/car park as coloured blue and brown on the attached plan, leaving the Council with the liability for the yellow land (detached play area) and the retaining wall situated within.

10.3 The Council has considered this revised offer from BIT and still recommends transfer as per the original cabinet decision albeit excluding the yellow land as proposed by BIT on the basis that the Council still wants to complete this transfer for all the reasons set out in the original paper for the benefit of the local community and the local community groups using the building.

10.4 The Council proposes to market the yellow land for sale following completion of this transfer to BIT ensuring all necessary rights and reservations are secured to access the yellow land on foot and enable

a sale to interested party thereafter, extending the Councils liability for the land and wall a little longer but still enabling the disposal of the whole site as originally proposed but in a slightly revised way.

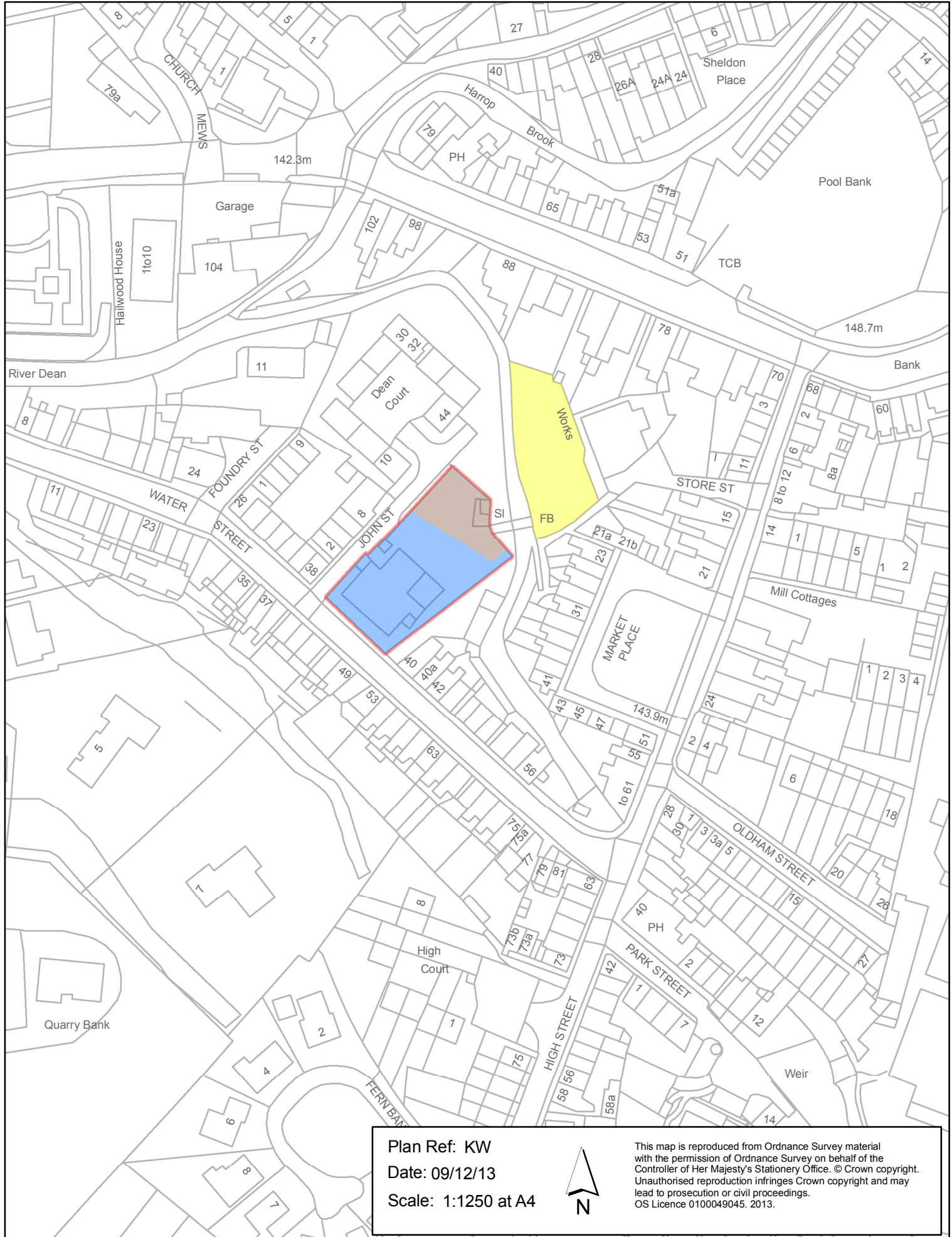
11.0 Access to Information

11.1 The background papers relating to this report can be inspected by contacting the report writer:

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FORMER WATER STREET SCHOOL, BOLLINGTON.



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