



REPORT TO EXECUTIVE

PORTFOLIO AREA: CROSS CUTTING

Date of Meeting: 16 January 2012

Public: Yes

Key Decision: No

Recorded in Forward Plan: Yes

Inside Policy Framework Yes

Title: Willowholme Depot, Carlisle – Surplus Asset Disposal
Report of: Assistant Directors (Local Environment) & (Resources)
Report reference: RD 78/11 & LE 03/12

Summary:

This Report asks the Executive to declare the Willowholme Depot surplus to operational requirements and release the asset for disposal. The financial aspects of the proposals are considered in Part B of this report.

Recommendations: It is recommended that:-

1. The Depot is declared surplus to operational requirements.
2. Consent is granted to the release and disposal of the Depot, subject to final terms and conditions agreed by the Property Services Manager in consultation with the relevant Portfolio Holders.

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1. BACKGROUND INFORMATION AND OPTIONS

1.1 Premises

The Willowholme Depot has been owned and occupied by the Council for operational purposes since the 1950's. It is located close to the City Centre on the Willowholme Industrial Estate. The site extends to 2 acres or thereabouts, shown identified on the attached plan.

The Depot principally comprises a single storey steel framed and corrugated sheeted building, a former Routes Garage, having approx 30000 square feet of storage accommodation, together with hard surfaced circulation and storage land all enclosed within perimeter fencing. The building dates from the 1930's, the standard of appointment and specification is reflective of that era, it remains unmodernised and was severely damaged by the 2005 floods which inundated the site to a depth in excess of 4m. All utility services are laid into the site but, following the Floods, the service infrastructure serving the building was effectively decommissioned.

1.2 Current Use and Occupation

Following the 2005 Floods the Depot has been use by the Highway, Neighbourhood and Green Spaces and Waste Services teams for:-

- The storage of rock salt and Christmas lights.
- A green waste storage and transfer site (the site has an Environment Agency green waste composting permit).
- Indoor storage for bins, bags and boxes for refuse and recycling collections.

1.3 Asset Review Business Plan

One arm of the Asset Review Business Plan provides for a corporate review of the Council's operational property. This seeks to make better use of the property resource through a phased process of rationalisation and consolidation in order to generate efficiency improvements and budget savings. The Accommodation Review, which commenced in 2010, identifies the Council's Depots in the 2nd phase of the project, to be undertaken in close association with the Transformational Review of the Local Environments Directorate's service deliveries.

The Asset Business Plan is also looking at a review of the non operational portfolio of predominately investment properties. The associated Disposal Programme, which identifies poorly performing assets for disposal, includes the sale of the adjacent Willowholme Industrial Estate. The proposed release of the Depot fits in with this initiative.

1.4 Depot Review

The Local Environment Directorate has undertaken an interim review of their service wide operations across 11 depots examining current and short term future needs. The conclusion is that by transferring existing uses at Willowholme to alternative locations this Depot can be decommissioned and will then become surplus to requirements. Investigations show the changes can be implemented relatively quickly and simply, with low costs and without much disruption to existing working practices. For example, additional space will be required within the Bitts Park Depot currently used by Community Engagement. Once closure is initiated the Depot could be vacated and shut by 31 March 2012.

1.5 Disposal

The Council's Policy on Surplus Assets is set out in The Asset Management Plan which states that it will normally dispose of assets that it does not require on the open market on a freehold and leasehold basis at best consideration.

All operational and non-operational property will be sold unless one of the following applies:

- It is occupied efficiently and effectively for services in the right location, at the right price.
- It can be used to deliver social, housing, economic or environmental benefits to meet the Council's agreed priorities, in which case the Council may take a flexible approach to a disposal at less than market value, subject to compliance with any statutory consents and full Council approval.
- It is a long-term strategic investment.

Considering the nature of the asset, that the Council is already in the process of divesting its interest in the rest of the Industrial Estate, it is considered the most appropriate course of action is to dispose of the Willowholme Depot once it has been declared surplus to requirements.

The Depot would be brought onto the market as soon as practically possible through a sale conducted either by private treaty, there may be some special purchasers, formal or informal tender or auction in order to achieve a price which represents best consideration reasonably obtainable.

2. CONSULTATION

- 2.1 Consultation to Date: Internal service providers.
- 2.2 Consultation proposed: None.

3. RECOMMENDATIONS

It is recommended that:-

1. The Depot is declared surplus to operational requirements.
2. Consent is granted to the release and disposal of the Depot, subject to final terms and conditions agreed by the Property Services Manager in consultation with the relevant Portfolio Holders

4. REASONS FOR RECOMMENDATIONS

To more effectively manage the Council's land holdings by releasing and bringing forward the disposal of an asset which is surplus to requirements

5. IMPLICATIONS

- Staffing/Resources – The closure, vacation and disposal of the asset will be undertaken in-house using existing resources.
- Financial – Refer to Part B of this report
- Legal – Under Section 123 of the Local Government Act 1972, the Council may dispose of land held by it in any manner it wishes, save that it shall not dispose of land otherwise than by way of a short tenancy, for a consideration less than the best that can be reasonably obtained. This is subject to any restrictive covenants which bind the land.
- The relevant Government Circular guidance on the matter (General Disposal Consent (England) 2003) sets out that it is Government policy that Local Authorities should dispose of surplus land wherever possible. Again, the disposals should be at the best reasonable consideration.
- Corporate – None.
- Risk Management – The disposal of the asset removes the risk of any future liability to repair or replace the Depot.
- Environmental – The disposal will have no direct environmental impact, other depot facilities will continue to service operational service requirements of the Council.
- Crime and Disorder – No impact.
- Impact on Customers – No impact
- Equality and Diversity – The disposal will have no direct impact.

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Impact assessments

Does the change have an impact on the following?

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	No	N/A
Disability	No	N/A
Race	No	N/A
Gender/ Transgender	No	N/A
Sexual Orientation	No	N/A
Religion or belief	No	N/A
Human Rights	No	N/A
Health inequalities	No	N/A
Rurality	No	N/A

If you consider there is either no impact or no negative impact, please give reasons:

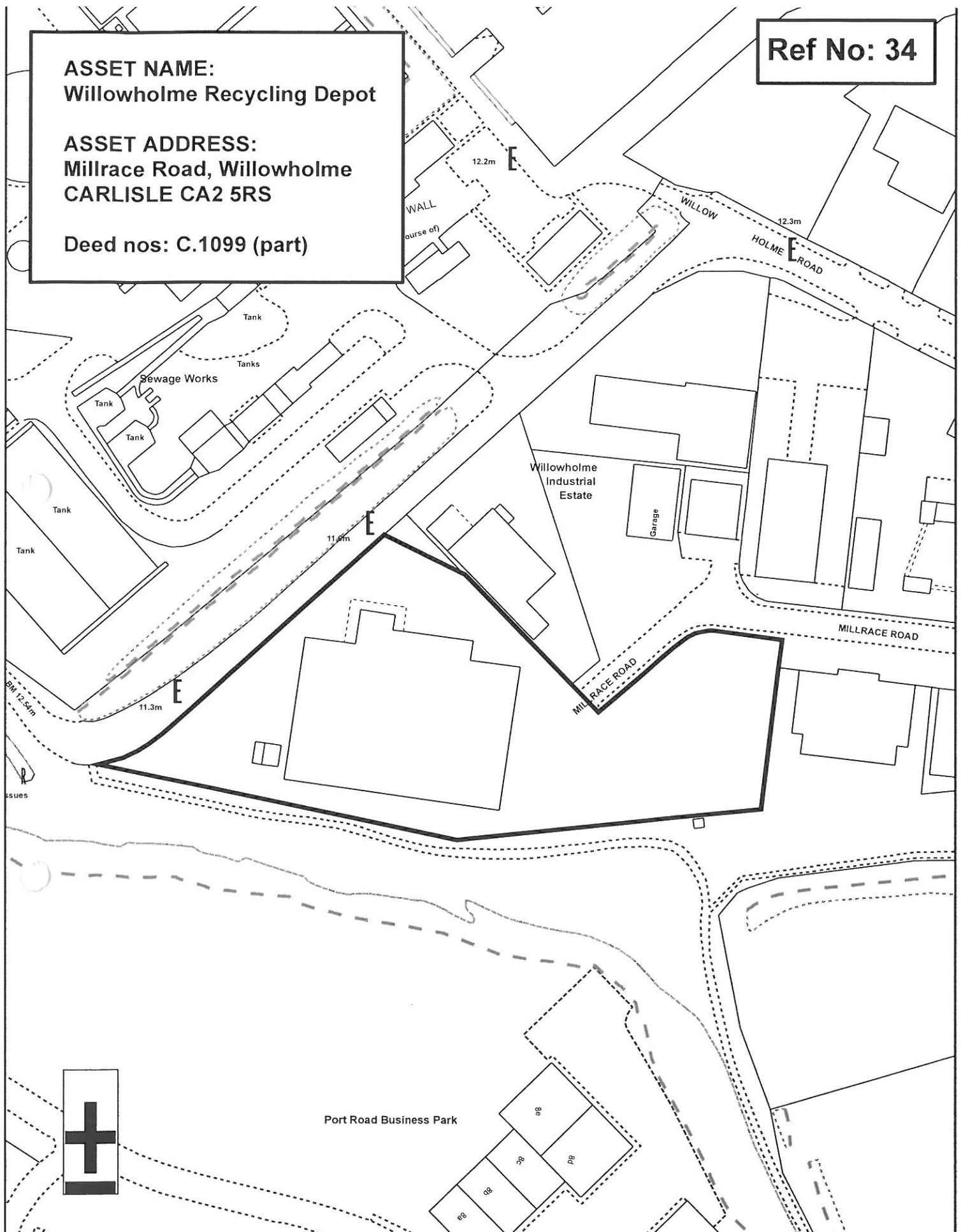
This involves a decision surrounding the rationalisation of Council owned and occupied premises.

Ref No: 34

ASSET NAME:
Willowholme Recycling Depot

ASSET ADDRESS:
Millrace Road, Willowholme
CARLISLE CA2 5RS

Deed nos: C.1099 (part)



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CITY COUNCIL



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