

Report to: Assets and Operations Committee

Report Ref: A1902
Meeting Date: 13th June 2019
Agenda Item: 8
Prepared By: Town Clerk



Subject: Assets Overview Report

1.0 INTRODUCTION

1.1 BACKGROUND

The intention of this report is to provide the committee with an overview of the operation of the council's assets and to reflect on activity and financial operation of assets over the previous year. Unless stated otherwise, the year referred to is the financial year running 01/04/18 to 31/03/19.

The following assets are covered:

- Market Hall
- Allotments
- Public Toilets
- Wallwood and Higher Town Green
- Cemetery and Chapel

60 King Street is not covered in this report as it is contained in a separate report specifically on that property.

1.2 QUINQUENNIAL SURVEYS

The council's Financial Regulations and Assets Policy sets out that quinquennial condition surveys and market valuations be obtained for all assets. The following fall due in the current financial year and the Town Clerk will be arranging the surveys:

- Market Hall (last survey 2014)
- Bexton Road Public Toilets (last survey 2012)
- Malt Street Public Toilets (last survey 2012)
- Freeholders Hut¹ (no survey)

The public toilet surveys are overdue as they had been deferred in light of the plans to convert the majority of the spaces into commercial lettings.

¹ The Freeholders Hut will not be subject to a valuation as the council leases the building.



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2.0 MARKET HALL

2.1 OVERVIEW

The Market Hall transferred to the town council in 2014 and comprises 15 stalls which are now fully occupied.

During the year plans were developed for the demolition of the market hall and rebuilding of a ground floor market hall with second and third floor apartments. This project is currently paused. Following the clarification of the decision at council in June, the Town Centre Manager is obtaining costs for works to the flooring and ceiling and repainting of the front.

2.2 CHANGE IN TRADERS

There were a number of changes in traders over the period, most notably Alan's Fruit and Veg left the market and was replaced by Jonty's Fruit and Veg. The hardware stall, operated by Alan and another trader, downsized from two stalls allowing one of the former stalls to be split into two. The market welcomed Lou Lou Bella Boutique (children's clothing), Tatton Photography and the Plastic Free Weigh. Two homewares/gift stalls also operated over the course of the year, the stall which Plastic Free Weigh have now expanded into. There are no vacant stalls.

The changes have meant the market has a more varied offer and a greater number of traders. This has received positive comment from customers and traders.

Whilst there were vacant stalls during part of the year the market hosted a number of one-day pop-ups (charities and businesses) including Waste Away, Knutsford Royal May Day, Leo's Ladder, Fresh Start Baby Bank, Cheshire Badger Vaccination Programme, Apold Apothecary and Knutsford Heritage Centre.

2.3 FINANCES

As a result of the stall vacancies during the year, and the decision to waive a rent increase for the financial year, the total income for the market was £33,821, £2,679 below budget. Excluding the professional fees incurred as part of developing plans for the redevelopment of the market hall, the expenditure was £1,539 under budget. At year end £3,299 was drawn from the EM Market Hall Reserve to balance the cost centre leaving a balance of £44,934, this factored in a £6,500 surplus from the market hall going into the council's general funds for the year.

2.4 ACTIVITY

The Town Centre Manager has been supporting traders in their hosting small events to generate publicity and footfall for the market. These have included a charity quiz night in aid of the Cystic Fibrosis Trust, a Fashion and Wine evening, breakfast with Father Christmas and a Supper Club. The market has also participated in the Pumpkin Path, Bunny Hop, Christmas Tree Festival and Knutsford Flash Fashion.

The market traders have recently chosen Knutsford Royal May Day as a charity to support through their events.



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In April Cllr Geraldine Carter the President of the National Association of British Market Authorities visited the Market Hall with the Town Mayor to present certificates and gifts to commemorate the 55th year of trading for Edwards and Emmess butchers.

3.0 ALLOTMENTS

3.1 OVERVIEW

The allotments at Sparrow Lane and Warren Avenue were transferred to the town council in 2015. The day-to-day management of both sites is undertaken by the Knutsford Allotment Society who arrange all tenancies and collect all fees.

3.2 FINANCES

The council received £1,103 in allotment rents and had costs of £371. The balance (£732) was allocated to the EM Allotments Reserve at year end.

3.3 ANNUAL REVIEW

The only maintenance required over the year was the replacement of fencing at Sparrow Lane, this was undertaken by the Town Ranger.

As of January 2019, occupancy at Sparrow Lane was 95% and Warren Avenue was 100%. Warren Avenue is tenanted solely by Knutsford residents and Sparrow Lane is 94% Knutsford residents.

Grant applications were submitted to Cheshire East Council's New Homes Bonus Fund, the Nineveh Trust and the National Lottery Reaching Communities Fund to fund the creation of an accessible plot on Warren Avenue and installation of compostable toilets at both sites. These applications were rejected. An application has been submitted to the National Lottery Awards for All Fund and a decision is awaited.

The Town Clerk has been in contact with Redrow, the developers for the Northwich Road strategic site, in relation to the new allotments to be provided on the same. A final allotment layout and confirmation that they will be undertaking a site investigation report as previously requested by the committee is awaited.

4.0 PUBLIC TOILETS

4.1 OVERVIEW

The public toilets at Bexton Road and Malt Street transferred to the council in 2013. They are let to DANFO on a 25-year lease and maintenance contract terminating in 2038. Following transfer, and through the contract with DANFO, the public toilets were fully refurbished in 2013. The contract provides that DANFO are responsible for the operation of the toilets, undertaking any required repairs and managing the coin income which is credited to the council.

The public toilets cost 20p to use (change not given) or are free for RADAR key users.



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4.2 USAGE

DANFO provides monthly reports on usage based on coin income received. In total there were 22,697 uses across both sites: 3,695 at Bexton Road and 19,002 at Malt Street. This is a 4% decrease on 2017 usage figures.

Year	Bexton Road	Malt Street	Total	Income
2014	4,678	19,746	24,424	£4,885
2015	4,442	18,749	23,191	£4,638
2016	6,726	20,638	27,364	£5,473
2017	4,441	19,194	23,635	£4,727
2018	3,695	19,002	22,697	£4,539

4.3 FINANCES

The gross annual payment to DANFO is £47,771.40. This comprises repayment of the capital costs from refurbishment (£7,253.44 pa), annual service costs (£29,226.32) and utilities and rates (£11,291.64). The total cost for the year was £43,870.

4.4 ANNUAL REVIEW

The toilets were awarded Gold in the 2018 *Loo of the Year* awards for the sixth consecutive year.

During the year initial discussions were held with DANFO in connection with separating the lease to allow for the then planned commercial spaces to be let out. As part of the discussions the initial terms of the surrender of the lease and new lease for part would have seen a new 25-year lease but with a £4,608 reduction in annual costs on an internal repairing lease. Discussions have not been progressed since the council decision to pause the project.

The discussions with DANFO highlighted that a number of areas are increasing their fees from 20p. The Assets and Operations Committee may wish to give this consideration.

The discussions with DANFO also highlighted that card payments could be an option for the cubicles. A cost of installing this system is awaited.

In preparation for the creation of the commercial spaces both properties are now subject to an option to tax, and planning consent for the works and change of use was obtained. The creation of commercial spaces was set to generate rents of £21,500² which would repay a loan to cover the £78k cost of the works. The council incurred costs in undertaking some survey work and professional fees of £4,000 which would have been covered by the loan, since the project was postponed and the loan not taken, these were instead drawn from the general reserve.

5.0 OPEN SPACES

5.1 OVERVIEW

² The council had marketed the properties and had interest from 32 potential tenants



The town council owns Wallwood and Higher Town Green. The former is owned in trust and the latter is a registered town green.

Cheshire East Council cuts the grass at both sites and maintains the shrubs at Wallwood at no cost to the council. Cheshire East Council also empties the bins at Wallwood. The Town Ranger undertakes other maintenance as required e.g. litter picking, maintenance of benches etc.

During the year minor tree works were undertaken in Wallwood and at Higher Town Green. Two trees were planted in Wallwood, one to replace a felled tree and as second as part of the Manchester Airport 80th Birthday tree plantings.

A grant application has been submitted to Manchester Airport for the works at the Chelford Road Obelisk, a donation of £450 has been received and Bruntwood has pledged £1,500. Subject to all costs being covered the works will be arranged and the council will adopt the land.

5.2 FINANCES

The Grounds and Open Spaces budget was underspent by £646. This represented an underspend on tree works at Wallwood (less work was required than budget) and minimal expenditure on Wallwood maintenance.

6.0 CEMETERY AND CHAPEL

6.1 OVERVIEW

The Cemetery Chapel returned fully to town council responsibility in 2018³. Council has approved a business case to see the cemetery return to the town council on 1st January 2020 and notice has been given to terminate the Service Level Agreement with Cheshire East Council from that date.

The town council has been undertaking a programme of corrective works to gravestones; fallen or leaning gravestones are refixed to modern BRAMM standards and this has had a big impact in improving the aesthetic of the cemetery. In February a third programme of works was undertaken with 54 gravestones being repaired.

There were no bookings for the chapel during the year. Due to the condition of the chapel it is not promoted, and previous bookings have relied on users having knowledge of the facility.

6.2 CHAPEL REFURBISHMENT

In January council approved the revised scope of works for the chapel refurbishment which included the installation of new utilities. It was then necessary to prepare a set of proposed plans for both the building regulations and listed building consent applications. Applications were then submitted in April. A decision on the listed building consent application is due imminently, once approval has been received the works will be programmed with the council's contractor. The cost of the refurbishment is being covered by a grant of £52,000 from Cheshire East Council and the proceeds of the sale of the cemetery lodge.

³ The Town Council had been responsible for any bookings of the chapel since 2016



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6.3 FINANCES

The gravestone works cost £4,950, leaving a small underspend of £50.

The council incurred costs of £1,279 for the operation of the chapel during the year, and due to the lack of bookings received no income.

The council incurred £4,945 in architect fees for the chapel refurbishment; this was for measured plans and proposed plans. These costs will be covered by the overall project budget.

7.0 DECISIONS REQUIRED

The committee may wish to consider the increase of public toilet fees from 20p.



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