

STONE TOWN COUNCIL

Town Clerk

Les Trigg

15 Station Road

Stone

ST15 8JP

Tel: 01785 619740

Fax: 01785 619741

21 December 2017

A meeting of the **ESTATES SUB COMMITTEE** will be held in **St Michael's Suite at Frank Jordan Centre, Lichfield Street, Stone** on **TUESDAY 9 JANUARY 2018** at **7:10pm** or on the rising of the Tourism & Town Promotion Committee.

I trust you will be able to attend.

Les Trigg
Town Clerk

Councillors: M. Green (Chair), Mrs J. Hood (Vice Chair), Mrs E. Mowatt, I. Fordham, Mrs J. Farnham, T. Jackson and G. Collier

AGENDA

1. **To receive apologies for absence**
2. **Declarations of Interest and Requests for Dispensations Received**
3. **Representations from Members of the Public**

To consider representations from members of the public on items to be considered at this meeting, in accordance with the Council's scheme of public participation

4. **Cleaning Equipment and Materials at the Frank Jordan Centre**

To consider the provision of cleaning equipment and materials

5. **Budget 2018-19 – 2020-21**

To consider the report of the Town Clerk (attached)

6. **Stone Station Community Centre**

To consider a letter from Network Rail about its decision to sell its Commercial Asset Business (attached)

Members of the public are welcomed to attend the Estates Sub-Committee Meeting as observers and/or to make representations to the committee in accordance with the Council's scheme of public participation. Details of this scheme are displayed in the Council's notice boards and are also available from the Town Council.

Stone Town Council – Estates Sub-Committee

9th January 2018

Estates Sub-Committee Budget 2018-19 to 2020-21

Report of Town Clerk

Introduction

1. The purpose of this report is to determine the level of budget for services under its control that the Sub-Committee wishes to recommend to the General Purposes Committee meeting on 23rd January 2018.

Background

2. The General Purposes Committee on 5th December 2017 considered the standstill budget for 2018-19 and indicative figures for the next two years based on a number of assumptions contained within the report.
3. The figures for this Sub-Committee are:

Actual 2016-17		Budget 2017-18	Forecast 2017-18	Budget 2018-19	Budget 2019-20	Budget 2020-21
£		£	£	£	£	£
10,254	Frank Jordan Centre	95,900	100,300	15,200	5,300	5,500
4,482	Stone Station	4,600	6,600	6,800	7,000	7,200
-11,862	Town Market	-6,600	-8,300	-5,500	-5,600	-5,700
8,006	Car Parking	5,900	6,000	6,000	6,200	6,200
10,525	Bus Shelters & Street Furniture	7,300	6,900	3,900	3,900	4,000
0	Public Conveniences	6,200	0	6,400	6,600	6,800
473	Street Lighting	500	500	500	500	500
698	Dog & Litter Bins	700	700	700	800	800
200	Joules Clock	0	300	300	300	300
160	Town Electricity Supply	200	200	200	200	200
0	Building Maintenance	10,000	10,000	10,000	10,000	10,000
<u>22,935</u>	TOTAL	<u>124,700</u>	<u>123,200</u>	<u>44,500</u>	<u>35,200</u>	<u>35,800</u>

4. In respect of the figures above, Members should note:
 - a. The current year's forecast for the Frank Jordan Centre includes the estimated cost of refurbishments at the Centre, which was underspent. Income, however, has been significantly lower than previously estimated, resulting in a projected overspend in the current year. The 2018-19 budget includes £10,000 for the replacement of the Centre boiler. The overall budget is also reduced from 2018-19 due to the cleaning contract ending, but the cost of the replacement, directly employed caretaker

appearing now as a charge against the Salaries and Employment Costs budget within the Management Sub-Committee.

- b. The Stone Station budget for the current year includes provision for repairs to the step at the main entrance.
 - c. The Markets budget reflects a general downturn in the take-up of market stalls. A contingency of £3,000 per annum has been provided for replacement and/or refurbishment of the Council's marquees.
 - d. The Car Parking budgets assume that the Crown Wharf and Northesk Street car parks will continue to be available to the Council until at least March 2021. Both car parks are currently under threat and may close earlier than this. The budget includes the cost of rent, rates, and an estimate of ongoing maintenance costs.
 - e. The Bus Shelters and Street Furniture forecast for the current year includes the provision of a new notice board. The ongoing budget includes a provision of £2,400 for a rolling programme of bench and bus shelter maintenance together with an allowance for contingencies, to allow for unforeseen items which may arise during the year.
 - f. The Public Conveniences budget was new from 1st April 2017 to provide for the cost of maintaining the Station Road public conveniences, which the Council became responsible for in this financial year. No formal agreement has yet been reached with Stafford Borough Council for the transfer of the responsibility, however, so the budget assumes that this will now start from April 2018.
 - g. The Street Lighting, Dog and Litter Bin, Joules Clock and Town Electricity Supply budgets assume that expenditure will continue at broadly the current levels.
 - h. No spending has yet been made in the current year against the Building Maintenance provision. Any underspending will be rolled forward into next year. An annual provision of £10,000 has been included for 2018-19 and subsequent years. Members will need to determine their priorities for the use of this sum.
5. As reported to the meeting of the General Purposes Committee on 5th December, the standstill budget is just the starting point for the budget process. Members will want to review this standstill budget and the amounts provisionally included. In addition, there are likely to be other areas where Members will want to undertake new developments or stop/change the things that the Council is doing now.
 6. The Sub-Committee is asked to consider the standstill budget and any areas of growth or savings which they would want to be taken into account in setting the budget for 2018-19 and future years.

Recommendations

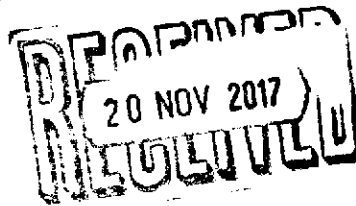
7. Members are asked to recommend their proposed budget for consideration by the General Purposes Committee on 23rd January 2018.



Stone Town Council
15 Station Road
STONE
Staffordshire
ST15 8JR

17 November 2017

0001060/NWR3546/P4



Dear Tenant,

Sale of Network Rail's Commercial Estate business

As one of our tenants, we wanted to let you know that we have decided to sell our Commercial Estate business, which includes your property.

This follows an extensive review in consultation with the Government.

How will this affect you?

We want to reassure you that once the business is sold, your current lease will transfer to the new buyer and all lease arrangements and protections will be unchanged. Your notice period will also continue as per your original lease agreement.

Network Rail will remain the freeholder of the vast majority of sites, including all those required for the operational railway, with the new buyer becoming the leaseholder responsible for managing each of the individual properties.

The announcement of the decision to sell does not affect any of your current day-to-day contacts or conditions.

Why we're selling

Network Rail has decided to sell the Commercial Estate business, because it is a non-core property asset and Network Rail ownership/management is not essential for running the railway. This will allow the company to place even more focus on its core business of running a safe, reliable and growing railway.

The Commercial Estate is a profitable and successful business that operates commercially and is a viable business to sell. All the proceeds from the sale will be retained by Network Rail and will help us to fund the Railway Upgrade Plan, which is improving and enhancing the rail network for the benefit of passengers and the economy.

What are the next steps?

A competitive sale process is being launched to deliver the best value for money for taxpayers and transport users. The sale is being managed by Rothschild as lead advisor to Network Rail.

How can I find out more?

We've enclosed a factsheet with more information about the sale, and you can also:

- **Visit:** www.networkrail.co.uk/commercialesatesale
- **Email:** CommercialEstateSale@networkrail.co.uk
- **Phone:** 0800 830 840 (9am to 6pm, Monday to Friday)

Yours sincerely,



David Biggs
Managing Director, Network Rail Property

Legal notice: Letters are being sent to all our Commercial Estate tenants. If there is a breach or failure to perform tenant's obligation under the lease or tenancy agreement, this letter does not waive or restrict Network Rail's rights and remedies as landlord.

Sale of Network Rail's Commercial Estate business: Factsheet

Overview of our Commercial Estate business

Network Rail owns significant land and property assets across Britain. Our Commercial Estate business manages a large portfolio of non-core railway-owned property assets, the majority being made up of converted railway arches.

Commercial Estate operates within Network Rail Property, the commercial division of Network Rail.

Network Rail has decided to sell the Commercial Estate business, because it is a non-core property asset and Network Rail ownership/management is not essential for running the railway. This will allow the company to place even more focus on its core business of running a safe, reliable and growing railway.

The business is comprised of around 5,500 properties in England and Wales, the majority of which are railway arches. The sale includes the business management platform. Assets in Scotland are not being sold.

The Commercial Estate is a profitable and successful business that operates commercially and is a viable business to sell. All the proceeds from the sale will be retained by Network Rail and will help us to fund the Railway Upgrade Plan, which is improving and enhancing the rail network for the benefit of passengers and the economy.

The majority of sites will be sold on a leasehold basis, reflecting the fact that these properties will be required for the future operation of the railway. We will retain access rights to these sites, with the new buyer becoming the leaseholder responsible for managing each of the individual properties.

This sale will not impact on the rail network, train operating companies, freight operating companies and other operational partners. Safeguards will be in place to ensure that there will be no impact on the safe and efficient running of the railway.

FAQs

What is the Commercial Estate business?

The Commercial Estate business operates within Network Rail Property; the commercial division of Network Rail. It manages around 5,500 properties in England and Wales.

Why is the Commercial Estate business being sold?

Network Rail has decided to sell the Commercial Estate business, because it is a non-core property asset and Network Rail ownership is not essential for running the railway. This will allow the company to place even more focus on its core business of running a safe, reliable and growing railway.

Why now?

As part of the Henty Review in September 2015, we said that we planned to sell the business. Since that time, we have been working with colleagues across Government to develop a strategy to sell the business in a safe and efficient way, and we are now in a position to do so.

What will the impact of the sale be on tenants?

Once the business is sold, all current leases will transfer to the new buyer and all lease arrangements and protections will be unchanged. The tenants' notice period will also continue as per their original lease agreement.

We will remain the freeholder of the vast majority of sites, including all those required for the operational railway, with the new buyer becoming the leaseholder responsible for managing each of the individual properties.

Can individual tenants buy their arch or individual property from Network Rail?

No. The Commercial Estate business is being sold as a package. We are not exploring an option of separating the business into sections or individual properties.

How are you telling people about this?

We are in the process of communicating with our tenants and stakeholders, providing information on the decision, the impacts, next steps, and where to find out more information.

Where are the sites located?

Network Rail has Commercial Estate sites across Britain, however properties located in Scotland are not included in the sale.

Is it just Scotland or are there other properties in England and Wales that are not included in the sale?

A small number of sites outside of Scotland will be retained if they did not meet the criteria for inclusion in the sale e.g. where they have an ongoing requirement to support the running of the railway.

Network Rail will retain a team to manage any retained assets, including those in Scotland.

How will the sale process work?

A competitive sale process is being launched to deliver the best value for money for taxpayers and transport users. The sale is being managed by Rothschild as lead advisor to Network Rail.

Enquiries

If you have any enquiries regarding the sale of Commercial Estate, you can:

Visit: www.networkrail.co.uk/commercialestatesale

Email: CommercialEstateSale@networkrail.co.uk

Phone: 0800 830 840