

# WIRRAL COUNCIL

## DELEGATED DECISION

<b>SUBJECT:</b>	<b>PRIORY INDUSTRIAL ESTATE PLOT 10, BIRKENHEAD</b>
<b>WARD AFFECTED:</b>	<b>BIRKENHEAD AND TRANMERE</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF BUSINESS SERVICES / ASSISTANT CHIEF EXECUTIVE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>HOUSING &amp; COMMUNITY SAFETY - COUNCILLOR GEORGE DAVIES</b>
<b>KEY DECISION?</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to declare the land at Priory Industrial Estate Plot 10, Ivy Street, Birkenhead a surplus asset and seek authority to dispose of the freehold interest at auction.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 The land at Priory Industrial Estate Plot 10 is shown edged red on the attached plan. The land was acquired by the Council at various times ranging from 1929 to 1973, the latter being for the specific purpose of industrial redevelopment. This is one of two interests still within Council ownership in this estate which comprises ten units. The property is held on a 99 year ground lease granted in 1975 and is currently leased by Digital Europe Ltd at a rent of £2,750 pa.
- 2.2 The site has been identified as part of a larger list of sites which have potential to generate capital receipts and the Assets and Capital Group, at its meeting in May 2017, resolved to pursue a disposal of the property.
- 2.3 It is proposed that the property be offered for sale by auction. Council officers will set a reserve prior to auction based on professional advice from the auctioneer. An indicative anticipated sale receipt has been reported to the Assets and Capital Group.

### 3.0 RELEVANT RISKS

- 3.1 There is a risk that the property will not sell at auction, however, the Council will only be charged a fee if the sale is successful.

### 4.0 OTHER OPTIONS CONSIDERED

- 4.1 The Council could retain the property and the income that goes with it, however the Assets and Capital Group has resolved to pursue a disposal.
- 4.2 A sale by auction is considered to be the most appropriate method of disposal to ensure an early capital receipt.

## **5.0 CONSULTATION**

5.1 Officers have been consulted through the Assets and Capital Group. In addition, the auctioneer will undertake a promotional exercise to advertise the availability of the property at its auction, which will include promotion through its website and auction catalogue.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 This proposal has no implications for voluntary, community and faith groups.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

7.1 Should the property sell at auction, it will generate a receipt and will also remove any potential liabilities. In addition the purchaser will pay the Council 2% of the gavel price, with a minimum of £1,000 towards the Council's fees. If the property does not sell, no costs will be charged to the Council.

7.2 In disposing of the property the Council would forego the annual rent in lieu of the capital receipt.

7.3 There are no IT or staffing implications arising from this report.

## **8.0 LEGAL IMPLICATIONS**

8.1 The disposal will require the preparation of appropriate legal documentation.

8.2 A sale by auction is considered to be the best way of demonstrating that the best price reasonably obtainable has been achieved, which satisfies s123 of the Local Government Act 1972.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No because there is no relevance to equality

## **9.0 CARBON REDUCTION IMPLICATIONS**

10.1 There are no carbon reduction implications for the Council arising directly from this report.

## **10.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 The site is designated as part of a Primarily Industrial Area in the Council's Unitary Development Plan (UDP), where employment uses within Use Classes B1, B2 and B8 are permitted under the terms of UDP Policy EM8 – Development within Primarily Industrial Areas.

## **12.0 RECOMMENDATION**

12.1 That the asset be declared surplus and authority be given to its disposal by auction on the terms described.

## **13.0 REASONS FOR RECOMMENDATIONS**

13.1 To make the best use of the Council's property assets by declaring the property surplus and to seek authority to a disposal by auction.

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## **APPENDICES**

Location plan

## **REFERENCE MATERIAL**

No reference material has been used in the preparation of this report.