



POLICY AND RESOURCES COMMITTEE

Wednesday, 7 October 2020

REPORT TITLE:	SALE OF LAND AT ARROWE PARK ROAD, UPTON
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks approval to amending a plan attached to an earlier decision to sell land at Arrowe Park Road, Upton.

The sale will support the Wirral Plan and its delivery through the generation of a capital receipt and promotion of economic activity.

The matter affects the Upton Ward and is a key decision.

RECOMMENDATION

That:

- (1) the public open space land edged red on the attached amended plan set out as Appendix 2 to this report at Arrowe Park Road, Upton ("the Site"), be declared surplus to Council requirements;
- (2) the Director of Regeneration and Place be authorised to agree a sale of the Site to Lidl GB Ltd. at £820,000 plus fees;
- (3) the Site is appropriated from primarily residential use to planning purposes pursuant to Section 122 of the Local Government Act (LGA) 1972, and disposed of provided no objections are made;
- (4) if the Site is appropriated as recommended that the Council will advertise the sale of the public open space as required by law;
- (5) any objections to the appropriation and/or disposal be considered and determined by the Director of Regeneration and Place, in consultation with the Chair of Policy and Resources Committee.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To facilitate the sale of land to the discount food operator, Lidl, to enable the Company to assemble a site for the development of a new supermarket and to generate a capital receipt.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The land is only realistically capable of being developed when combined with the neighbouring sites. In view of this, and the amount of the consideration on offer, no other options have been considered.

3.0 BACKGROUND INFORMATION

- 3.1 On 24th October 2019 Members approved the sale of land at Arrowe Park Road, Upton to Lidl for £820,000 for the development of a new supermarket. The report is annexed as appendix 4. The company has already purchased the neighbouring Fire Station and two semi-detached houses to assemble a larger site which will accommodate their proposed store.
- 3.2 The plan referred to in the earlier report is in appendix 1 and titled “Land at Arrowe Park Road, Upton”. The red edging, which denotes the extent of land proposed for sale, at the north eastern boundary, follows a footpath which runs from Big Meadow Road to Upton Road, which was assumed to be a natural boundary for the site. Lidl has advised that its offer was for the land shown edged red on the attached which is labelled “revised plan” and annexed as appendix 2, which includes the footpath and a small area on land beyond.
- 3.3 This difference in plans has only recently been identified and Lidl were asked to consider if they could develop based on the lesser area. However, Lidl have commenced discussions with the Council’s Planning Officers as part of the planning process and it is clear from these discussions that the larger area is required to deliver the scheme. In particular, this location is required to accommodate sufficient parking spaces to service the store, and at the same time incorporate adequate landscaping to meet planning requirements. Lidl has provided its latest layout plan which shows the minimum area they require for the scheme. This plan is included in appendix 3, but Members should note that this plan is still subject to further discussions as part of the planning process and should be considered as indicative at this stage.
- 3.4 The earlier report makes reference to the requirement to appropriate the use of the land to planning purposes and also the need to advertise an intention to dispose of open space. These requirements will still be relevant and will need to be applied to the larger site. The closure of one of the footpaths will still be required, but the larger site means that the footpath leading from Big Meadow Road to Upton Road will remain, but will need to be diverted around the site.

- 3.5 Members are therefore asked to consider approval to the new plan being applied to the terms agreed in the earlier report in order that the scheme can be delivered and the sale can proceed.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The sale will generate a capital receipt of £820,000 plus a contribution towards the Council's costs. This receipt contributes to the capital receipts target included within the 2020/21 budget as approved at full Council on 2 March 2020. If the sale is not approved and the receipt not generated, this will result in a further pressure in the 2020/21 budget and savings or increased income will have to be found elsewhere within the Council's budgets to offset it.
- 4.2 The resultant development will generate Business Rates based on an assessment of the building by the Valuation Office once constructed
- 4.3 A sale of the site would remove the maintenance liability, albeit relatively minor.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council is obliged to obtain the best price reasonably obtainable under s 123 of the Local Government Act 1972. The provisionally negotiated price reflects the current proposal which combines the site with the other non-Council owned sites and is considered to be well in excess of its value in isolation and is therefore considered to be best price.
- 5.2 The sale and appropriation will be advertised by Public Notice and any objections will be considered.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no IT or staffing implications arising from the disposal of this land.
- 6.2 The approach from Lidl GB Ltd. has created value from a hitherto landlocked and inaccessible site of nil value.

7.0 RELEVANT RISKS

- 7.1 Failure to complete the deal will result in the potential loss of a windfall capital receipt of £820,000.
- 7.2 The successful appropriation of the land may give rise to a claim for compensation from Magenta Living but the likelihood is considered to be slight. In any case, it has been agreed with Lidl GB Ltd. that the Company will indemnify the Council against any such claim.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The sale and appropriation of the site will be advertised by way of Public Notice as required under the provisions of the Local Government Act 1972.

8.2 The sale is subject to planning consent and the public will be consulted as part of that process.

9.0 EQUALITY IMPLICATIONS

9.1 There is no relevance to equality.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The sale of this site will result in the loss of some amenity space as referred to in paragraph 3.4 of the report. The new food store will be built in accordance with current energy efficiency legislation.

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APPENDICES

Appendix 1 site plan - Land at Arrowe Park road
Appendix 2 site plan – Revised Plan
Appendix 3 site plan – Lidl Layout Plan
Appendix 4 Earlier Delegated Member Report of 24 October 2019.

BACKGROUND PAPERS

Negotiated heads of terms

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Delegated Member Decision – Sale of Land at Arrowe Park Road, Upton	24 October 2019