WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE - 8 JULY 2010

REPORT OF THE DIRECTOR OF LAW, HR AND ASSET MANAGEMENT

HOYLAKE LIFEBOAT STATION, HOYLAKE

1. EXECUTIVE SUMMARY

1.1 This report is a revised version of the Exempt Cabinet report of 15th April 2010 which advised of the offers received for the car park adjoining the original Lifeboat Station in Hoylake, after the joint marketing of the site with Peel Holdings.

2. Background

- 2.1 Members may recall that, at its meeting on 2nd November 2006, the Executive Board approved the granting of a 99 year lease to the Royal National Lifeboat Institution (RNLI) for a new Lifeboat Station off North Parade, Hoylake.
- 2.2 The new Lifeboat Station is fully operational and the original Lifeboat buildings are vacant. The buildings are owned by Peel Holdings, as shown hatched on the attached plan. The land edged black, which adjoins the Company's buildings, is owned by the Council. On 30th June 2009 the land was declared surplus and agreement to a joint disposal with Peel Holdings was approved.
- 2.3 The property has been marketed through Mason and Partners and 6 offers have been received. The offers are for both the Council's land and the building owned by the Peel Holdings. The capital receipt will be split on a 50/50 basis less legal and other disposal costs and the sale will be subject to an overage payment. This overage clause will entitle Peel Holdings and Wirral Council to 50% (to be split 50/50) of any increase in value of the property if planning permission for an alternative use, with a market value higher than existing use, is obtained within 25 years of the sale.

3. Offers Received

- 3.1 There were 6 offers made.
 - The highest was a conditional offer. It was made subject to receiving planning consent for conversion into a residential dwelling, full structural survey, utilities survey, VAT issues. Cash funding available.
 - The second highest was an unconditional offer. A cash purchase whose proposed use was office and stores.
 - The third highest was conditional on obtaining bank finance with the proposed use of storage.
 - The fourth highest was conditional on receiving planning consent for workshop, stores, offices and a residential flat.
 - The fifth and sixth offers were both unconditional, but with no identified proposed use.

- 3.2 The highest offer is subject to receiving planning permission for residential development. In view of the current interim planning policy, such a use is highly unlikely to be granted planning permission and, therefore, the offer is not recommended for acceptance.
- 3.3 The recommendation is to accept the second highest offer. In the event of this disposal not proceeding, accept the third highest.
- 3.4 Both these prospective purchasers have cited storage as their proposed use, but have not made their offers conditional on getting planning permission for this use. The disposal of the Council's interest, to either of these parties, does not imply any suggestion that such a use is acceptable in planning terms.

4. Local Considerations

- 4.1 Members will appreciate that the former Lifeboat Station and the Council's land stand in the Kings Gap Conservation Area, Hoylake. The building and land are opposite a site of Special Scientific Interest and they stand forward of the building line established in respect of the main residential properties fronting the coast.
- 4.2 Local Members are concerned that non-leisure/commercial uses for the building and land may not be appropriate given the buildings unique position. They consider that a leisure use would be more in keeping with the location and the features of the structure and configuration of the site.
- 4.3 Reference has also been made to a private individual who has suggested that he would like to convert the building into a lifeboat museum. However, Peel Holdings has indicated that it wishes to see an immediate commercial disposal of its interest.
- 4.4 Ultimately, it will be for the successful purchaser to satisfy the Planning Committee as to the appropriateness of any future use and local residents will have an opportunity to register their views as part of the planning application process.

5. Financial implications

- 5.1 The sale will result in a capital receipt of 50% of the sale price plus the potential of an overage payment at a later date. The Council is able to charge legal and other disposal costs of up to a maximum of 2% against the value of the receipt. Wirral's share of the legal and agent's costs are estimated at £3,400 plus Vat.
- 5.2 There has been a loss of rental income of £150 pa from September 2008 when the lease of the car park expired.

6. Staffing implications

6.1 None

7. Equal Opportunities/Equality Impact Assessment

7.1 None, the property has been advertised on the open market.

8. Community Safety implications

8.1 None

9. Environmental Sustainability implications

9.1 The sale of the property will bring back into use a vacant building.

10. Planning implications

- 10.1 Future planning applications would be subject to policies in the statutory Development Plan, which currently comprises of the Wirral Unitary Development Plan (saved September 2007) and the North West of England Plan Regional Spatial Strategy to 2021 (September 2008).
- 10.2 The site is within a Primarily Residential Area and the Kings Gap Conservation Area. However, the Interim Planning Policy 'New Housing Development', October 2005, directs new housing development towards previously developed land with the HMRI and other identified Regeneration Priority Areas.
- 10.3 Conversion for small scale non residential uses, including storage with ancillary office space, can be considered under UDP Policies HS15 and CH2, which have criteria to protect the neighbour's amenity and the character of the area. The storage of hazardous substances is not permitted under UDP Policy EM12. An independent office would be subject to the sequential approach under National Planning Policy PPS4, which expects town centre locations to be considered first. Conversion for small scale non residential purposes is not normally permitted unless material considerations can be identified.
- 10.4 The benefits from refurbishing and finding a long term viable use for this building could be a material consideration that may weigh in favour of future planning application. Special regard will be given to detailed design in preserving or enhancing the character of the area.

11. Anti-poverty implications

- 11.1 None
- 12. Human Rights implications
- 12.1 None
- 13. Social Inclusion implications
- 13.1 None

14. Local Member Support implications

14.1 This report will be of particular interest to Members in the Hoylake and Meols ward.

15. Background Papers

15.1 None

16. RECOMMENDATION

16.1 That the Committee considers the report and makes appropriate recommendations.

Bill Norman

Director of Law, HR and Asset Management