

WIRRAL COUNCIL

CABINET

12 JANUARY 2012

SUBJECT:	<i>136 AND 138 BEDFORD ROAD, ROCK FERRY</i>
WARD/S AFFECTED:	<i>TRANMERE & ROCK FERRY</i>
REPORT OF:	<i>DIRECTOR OF LAW, HR AND ASSET MANAGEMENT</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>CORPORATE RESOURCES</i>
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks approval of provisionally agreed terms for the transfer of 136 and 138 Bedford Road, Rock Ferry to Lairdside Communities Together (LCT).
- 1.2 This decision will fit with the Council's goal to support the development of a bigger and stronger society.

2.0 RECOMMENDATION

- 2.1 That the property be transferred to Lairdside Communities Together on the terms reported.

3.0 REASON FOR RECOMMENDATION

- 3.1 To assist Lairdside Communities Together to continue the delivery of activities which demonstrate significant community benefits in line with its 2011/12 business plan.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 This property has been occupied and managed by the former Lairdside and Community Trust, now Lairdside Communities Together (LCT) since 1996.
- 4.2 It was purchased and refurbished by the Council using Single Regeneration Budget (SRB) funds from the Lairdside Regeneration Initiative, and should have been transferred to LCT at that time. This did not however happen despite reaching the final stages of the legal conveyancing process.
- 4.3 It is unclear as to why this transaction was never completed but the situation was reported to Cabinet on 15 October 2009 which recommended, amongst other things, that the property be formally transferred from the Council to LCT.

- 4.4 The original terms of the transfer required that the costs of purchase and refurbishment be registered as a financial charge against the property. This was to be registered until 31 December 2050 in the event that the Funding Body ever approached the Council for clawback of these funds, should the property be sold on, or LCT cease to function. The amount of the charge was £115,500.
- 4.5 Following Cabinet's decision however, LCT then commenced to renegotiate the terms of the transfer, attempting to limit the period of charge to 31 March 2020 and make this subject to straight line depreciation. In addition, LCT required that the property be refurbished again prior to transfer.
- 4.6 Those negotiations have been ongoing but a decision made by the Department of Communities and Local Government in February this year which removed the requirement for clawback in respect of SRB schemes to be repaid has meant that the need to register a financial charge is no longer required. In addition, LCT have dropped the requirement for the property to be refurbished.
- 4.7 It is proposed, therefore, that 136 & 138 Bedford Road be transferred to LCT at a nominal £1 consideration using the powers of the Local Government Act 1972 General Disposal Consent (England) 2003. The present market value has been assessed by the District Valuer at £130,000 and this amounts to the consideration which will theoretically be forgone, but the transfer will assist LCT to continue the delivery of activities which demonstrate significant community benefits in line with its business plan. These activities focus primarily in the Birkenhead and Tranmere areas which are recognised as being deprived and seek to address important local issues such as health, worklessness, and the environment.

5.0 RELEVANT RISKS

- 5.1 LCT could feasibly sell the property on at market value. This risk is mitigated to some extent as its constitution requires that any profits are to be reinvested into the Trust for the benefit of the community. This does not remove the further risk that LCT's constitution could be changed in the future. There are however, no indications at this time that such a change is contemplated, and LCT is considered to be a long-term regeneration partner of the Council.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 LCT have been in occupation of the property since 1996 and so no other options were considered.

7.0 CONSULTATION

- 7.1 None.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 The transfer will assist LCT to continue the delivery of activities which demonstrate significant community benefits in line with its 2011/12 business plan.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 There are no resource, IT or staffing implications. Running costs will continue to be met by LCT.

9.2 The market value of the property has been assessed at £130,000 which will be forgone.

10.0 LEGAL IMPLICATIONS

10.1 The transfer documentation will need to be prepared by the Conveyancing Section.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no specific discrimination issues in this report.

11.2 An equality impact assessment is not required.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no carbon implications arising out of this report because the property has always been managed by LCT.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no planning and community safety implications arising out of this report.

13.2 The Bedford Road properties are designated as part of a Primarily Residential Area in the Council's Unitary Development Plan, adopted in February 2000 and fall within the Regeneration Priority Area identified in the Council's Interim Planning Policy for New Housing Development, adopted in October 2005.

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APPENDICES

None

REFERENCE MATERIAL

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	15 October 2009