

# WIRRAL COUNCIL

## CABINET

12 APRIL 2012

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| <b>SUBJECT:</b>                          | <b>CHURCH ROAD (TRANMERE) HMRI<br/>ACQUISITION OF 25A SEYMOUR STREET<br/>AND 41 CHURCH ROAD</b> |
| <b>WARD/S AFFECTED:</b>                  | <b>BIRKENHEAD AND TRANMERE</b>  |
| <b>REPORT OF:</b>                        | <b>DIRECTOR OF LAW, HR &amp; ASSET<br/>MANAGEMENT</b>   |
| <b>RESPONSIBLE PORTFOLIO<br/>HOLDER:</b> | <b>TOM HARNEY</b>   |
| <b>KEY DECISION?</b>                     | <b>NO</b>   |

### 1.0 EXECUTIVE SUMMARY

- 1.1 To seek approval to the acquisition of two commercial properties included within the Church Road (Tranmere) Housing Market Renewal Initiative Area.
- 1.2 The appendix to the report contains information relating to the financial and business affairs of third parties, and is therefore not for publication.
- 1.3 Following the acquisition and subsequent demolition of these properties, the site will be redeveloped to help achieve the corporate goal to provide new and affordable homes which has a target of 200 new homes across the Borough in 2011/2014.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Economy and Regeneration Overview and Scrutiny Committee on 16 January 2012 noted that the Housing Market Renewal Initiative (HMRI) Transitional bid had been accepted and that Wirral would receive £2.7 M additional capital funding which, when combined with match funding, would enable the completion of most of the existing clearance commitments throughout the former HMRI area.
- 2.2 The acquisition of two commercial interests included in the Church Road (Tranmere) Masterplan have now been provisionally agreed, details of which are outlined below.

#### 25A SEYMOUR STREET

- 2.3 A company known as Foundations and Structural Repairs Limited (FSR) is a Structural Engineering and building repair company operating from premises at 25A Seymour Street, Tranmere.
- 2.4 These comprise a workshop extending to 750 sq ft linked to a two storey office of 1100 sq ft along with a separate single storey office of 530 sq ft, all set in a secure enclosed yard. All are maintained to a high standard.

2.5 FSR is a private limited company run by two Directors who are the only Shareholders. In the particular circumstances Section 46 of the Land Compensation Act 1973 permits a claim to be made on the basis of the total extinguishment of the business. In addition they are entitled to the freehold value of the property plus the cost of closing down the business such as redundancy payments and professional fees.

#### **41 CHURCH ROAD**

2.6 The premises at 41 Church Road are operated as a Chemists/Pharmacy and comprise a large semi-detached property originally built as a house but extended to the front to provide additional retail space. The retail accommodation takes up most of the ground floor including some of the original residential accommodation. The remaining residential accommodation is now accessed by a separate side access and comprises the rear of the ground floor, first floor and attic providing Hall, 2 Living Rooms and Kitchen to ground floor, 4/5 bedrooms to first floor, plus attic room.

2.7 It is the intention of the owner to provide vacant possession of the whole of 41 Church Road on completion of the acquisition in favour of the Council and to relocate to new retail premises soon to be constructed at the junction of Church Road and Seymour Street. The basis of compensation will therefore be on the basis of the freehold value of the property plus trade disturbance, which is intended to facilitate the relocation. The latter payment can only be assessed once the relocation has been completed and will include such items as removals, any specialist adaptation works, temporary double overheads, new signage and stationery, redirection of mail, telephone reconnection and any temporary loss of profits.

#### **3.0 RELEVANT RISKS**

3.1 Failure to acquire the properties will prevent the redevelopment of the site in line with the Church Road Masterplan.

#### **4.0 OTHER OPTIONS CONSIDERED**

4.1 None.

#### **5.0 CONSULTATION**

5.1 Extensive consultation has previously been undertaken with local residents and property owners in connection with the development of the original Masterplan for Church Road.

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

6.1 None

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

7.1 The acquisition costs fall within the Regeneration Capital Programme – Housing Market Renewal Residual Clearance Programme.

## 8.0 LEGAL IMPLICATIONS

8.1 None.

## 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.

## 10.0 CARBON REDUCTION IMPLICATIONS

10.1 None

## 11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 The sites are within a Primarily Residential Area in the Council's Unitary Development Plan and are within a key redevelopment area in the Council's Church Road Masterplan. Planning permission W/OUT/11/00038 for 100 dwellings, 55 self-contained apartments and 9 A1 retail units was granted 1<sup>st</sup> April 2011 to the Council's development partner Lovell Partnerships.

## 12.0 RECOMMENDATION

12.1 That the acquisitions are completed on the terms now reported.

## 13.0 REASON FOR RECOMMENDATION

13.1 To enable the acquisitions to be completed.

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## APPENDICES

Exempt Appendix

## REFERENCE MATERIAL

None

## SUBJECT HISTORY (last 3 years)

| Council Meeting  | Date             |
|--|------------------|
| Cabinet  | 8 September 2005 |
| Economy and Regeneration Overview and Scrutiny Committee | 16 January 2012  |
| Cabinet  | 2 February 2012  |