

WIRRAL COUNCIL

CABINET

12 APRIL 2012

SUBJECT:	CROSS LANE WALLASEY – WEST WALLASEY VAN HIRE
WARD AFFECTED:	WALLASEY
REPORT OF:	DIRECTOR OF LAW, HR AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	TOM HARNEY
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

1.1 To report to Members an approach from West Wallasey Van Hire which seeks the relaxation of a requirement to cease van storage on two sites currently in their ownership located at Mill Lane and Wallasey Village, and to seek Members views.

2.0 BACKGROUND AND KEY ISSUES

2.1 The Council entered into a development agreement with West Wallasey Van Hire in December 2008 whereby the Council made a commitment to sell 3 acres of land at Cross Lane, Wallasey, to the company once it had completed works to construct a van storage compound on the site.

2.2 The original development period was to run for 12 months but this has subsequently been extended twice and is presently due to expire on 31 August 2012.

2.3 A condition of the agreement stipulates that, on completion of the works and subsequent sale of the land to West Wallasey Van Hire, the company would then cease to use two sites in its ownership in Mill Lane and Wallasey Village presently used also for van storage.

2.4 West Wallasey Van Hire has now approached the Council with a request that this restriction on the sites in Mill Lane and Wallasey Village be removed. It says that this is because the business has grown strongly over the last three years and the continued operation of those sites is now required.

2.5 West Wallasey requires around 94 parking spaces per 1,000 vehicles operating on the fleet.

2.6 When the development agreement and associated covenants were entered into the company operated a fleet of 3,000 vehicles and had parking requirements of 272 spaces. The company anticipated that the new compound at Cross Lane could accommodate approximately 400 spaces, allowing the sites at Wallasey Village and Mill Lane to be vacated whilst still allowing for some future growth.

2.7 The company now operates a fleet of circa 7,000 vehicles and requires around 658 parking spaces. It says that the new site would fail to accommodate the parking spaces it needs without the continued use of the Wallasey Village and Mill Lane sites

- 2.8 Although the new site would generate 400 spaces the loss of the 250 spaces located on the existing Wallasey Village and Mill Lane sites means that only 150 additional parking spaces would be created.
- 2.9 The company is a national supplier of vehicles with over 50% of its business South of Birmingham. Geographically Wirral is no longer an ideal location for the operation of the business but it was established here in 1974, employs 218 personnel and would like to remain here.
- 2.10 The company estimates that the cost of the new development will be in the region of £1m, which is significantly higher than the cost of relocation. It has said that to justify the cost of this significant investment it must be satisfied that the new development will meet the current needs of the business and facilitate future growth. It does not consider that it is commercially or operationally viable to proceed with the project without the continued use of the Wallasey Village and Mill Lane sites. If it cannot proceed with the project on this basis then it has said that relocating the business away from Wirral will be seriously considered.
- 2.11 To support its request the company has drawn attention to benefits arising for Wirral from its continued operation in the borough, including:
- Potential for future business growth and jobs
 - Protection of existing employment
 - Reduced vehicle movements – it says that by proceeding with the new development West Wallasey will be able to consolidate its main business operations and substantially reduce its vehicle movements The focus of the Wallasey Village and Mill Lane sites would become for longer term storage
 - Support to satellite businesses
 - Training schemes and apprenticeships
- 2.12 In considering this request members will wish to balance the case made by the company against any concerns that may exist over the continued operation of the business at the Mill Lane and Wallasey Village sites.
- 2.13 Further work will be required to report on the highways and traffic implications arising from the proposal. It should also be noted that other discussions are taking place with the company to explore access improvements to the Cross Lane site.
- 2.14 Finally, what is being sought is an amendment to the agreed terms for disposal of the land at Cross Lane. Those terms – which were incorporated into the development agreement – were based on a valuation of the Cross Lane site undertaken in 2005. If the terms of the development agreement are to be amended (including as a result of any further request for an extension of the development period) a further valuation should be undertaken.
- 2.15 At this stage, views from Cabinet are requested.

3.0 RELEVANT RISKS

- 3.1 The company could relocate from the Wirral should this request not be granted.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 None at this stage.

5.0 CONSULTATION

5.1 None

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 None

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

7.1 None

8.0 LEGAL IMPLICATIONS

8.1 Any variation to existing agreements will require the completion of appropriate legal documentation.

8.2 In the event of any amendment to the existing development agreement an up to date valuation should be obtained so that the Council can consider its duty under s.123 Local Government Act 1973 to dispose of land for the best consideration reasonably obtainable.

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 proposed development of the compound has planning consent.

12.0 RECOMMENDATION

12.1 That Cabinet advises how it wishes to respond to the request received from West Wallasey Van Hire.

13.0 REASON FOR RECOMMENDATION

13.1 To enable a response to be given to a request received by the Council.

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APPENDICES

None

REFERENCE MATERIAL

None