

# WIRRAL COUNCIL

## CABINET

12 APRIL 2012

<b>SUBJECT:</b>	<b><i>DISPOSAL OF FORMER CARE HOME, MEADOWCROFT, 304 SPITAL ROAD, BROMBOROUGH</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>BROMBOROUGH</i></b>
<b>REPORT OF:</b>	<b><i>DIRECTOR OF LAW HR AND ASSET MANAGEMENT</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>COUNCILLOR HARNEY – CORPORATE RESOURCES</i></b>
<b>KEY DECISION</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks consent to dispose of a former care home, Meadowcroft, 304 Spital Road Bromborough to Age UK Wirral.
- 1.2 The proposal is in support of the Council's goal of creating an excellent Council by improving the use of the Council's land and assets.
- 1.3 The sale of the asset will result in a capital receipt.
- 1.4 The sale is not a statutory duty.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 Cabinet, at its meeting on 9<sup>th</sup> December 2010, identified a number of operational buildings for closure.
- 2.2 Meadowcroft, 304 Spital Road, Bromborough, is a 23 bed care home, with additional day care facilities, constructed in 1963 on a 1 acre site shown on the attached plan.
- 2.3 The residential accommodation closed in March 2011 and the Day Care centre in November 2011.
- 2.4 At its meeting on 21 July 2011, Cabinet resolved
  - 1) The above asset be declared surplus and the Director of Law, HR and Asset Management be authorised to negotiate terms of disposal, by sale or lease, to Age Concern Wirral.

- 2) Any proposed consideration for sale, established by an independent valuation, be reported back to the Cabinet: and
- 3) Any lease at current market rates be dealt with under the Director of Law, HR and Asset Management's Scheme of Delegation.

- 2.5 Age Concern Wirral (operating under the working name of Age UK Wirral) is a registered charity to promote the wellbeing of older people throughout the Wirral. The organisation offers a range of services and activities aimed at addressing the whole spectrum of needs and aspirations of older people, from the fit and active to the more frail and vulnerable.
- 2.6 Meadowcroft would provide accommodation to centralise Age UK Wirral's activities and relocate a number of services and provide space for future development. The building would be altered to convert some of the residential accommodation into day care meeting rooms.
- 2.7 The range of services offered from Meadowcroft would include :-
- EMI day care service (The current service provided at Pensall House would be relocated to Meadowcroft).
  - Bathing Service. (The current service provided at Pensall House would be relocated to Meadowcroft).
  - Social day care/active care.
  - Active Ageing.
  - Information and Advice.
  - Bereavement Support Service.
  - Befriending Service.
  - Phonelink.
  - Wirral Older Persons' Parliament
  - Respite Care, proposed 6 bed facility for dementia respite.
  - Café.
  - Support Groups.
  - Expansion of Day Care.
- 2.8 Age UK Wirral is currently operating from a Council owned building, Pensall House, Pensby and Members have previously approved the transfer of Bromborough Social Centre, Forwood Road, Bromborough to Age Concern under the Community Asset Transfer Policy. If terms are approved for Meadowcroft both Pensall House and Bromborough Family Centre would no longer be required by Age UK Wirral.
- 2.9 Age UK Wirral has undertaken has undertaken investigations at the property and engaged external advisors to prepare proposals for its repair and alteration. It estimates that the total cost of bringing the property into full repair and altering it to support current and future service delivery will be approximately £530,000.
- 2.10 Age UK Wirral has indicated that whilst it is prepared to fund repairs and alteration costs at this level the addition of a purchase cost of £480,000 makes the whole project prohibitive. It has said that if it is unable to proceed it will either need to maintain occupation at Pensall House or the services operated there, including

dementia care, will be lost. It would also resurrect its proposals to use the former Bromborough Family Centre building.

2.11 Negotiations have taken place with Age UK Wirral and terms have been agreed (subject to approval) as set out below:

1. The Council will sell its freehold interest in Meadowcroft to Age Concern Wirral for uses consistent with its charitable objects.
2. The purchase price will be £240,000.
3. The sale will include a condition that requires the payment of overage to the Council if the property is sold within a period of 25 years from the date of its purchase by Age Concern Wirral. Overage will be based on the difference between the current market value (£480,000) and market value at the date of any subsequent sale. The Council will receive 50% of any such overage.
4. Each party will pay its own costs.

2.12 As noted above Age UK Wirral provides a wide range of services for older people in the borough. It has plans to grow and develop its services to meet future needs, and its proposed acquisition of Meadowcroft will allow it to consolidate and develop its services on a single site. It has said that if the Council insists on a sale at a figure of £480,000 the total costs will make the whole project prohibitive.

2.13 The Council has an obligation to obtain the best price reasonably obtainable on the sale of its land and property. However, under the General Consent, the Council does have the power to restrict the value of land by imposing restrictions as to its use on the grounds that to do so is in the interest of the economic social or environmental well being of the residents of the Borough and provided also that any such restriction in value does not exceed two million pounds, per transaction.

2.14 An independent valuation was jointly commissioned by the Council and Age UK Wirral from Mason Owen in February 2012. The Market Valuation of the property was assessed by Mason Owen at £480,000.

2.15 Agreeing a sale at the reduced price of £240,000 will enable Age UK Wirral to acquire the building and carry out its proposed refurbishment/alterations to provide an improved service to the older people of the Wirral. In considering a disposal at undervalue as proposed by the above terms members will need to be satisfied of the benefits arising from the transaction. In this respect the Director of Adult Social Services supports the proposal and would comment as follows:-

- The social care market across the borough is currently undeveloped in many areas, but specifically in relation to care for older people. Age UK will be able to meet and address this gap once they have a new base at Meadowcroft
- There is a particular and pressing paucity of service for older people with dementia; this is more acute in relation to the provision of short breaks (respite) which is having a detrimental effect on Carers across the borough in that they are

unable to access appropriate and timely services. Age UK's new provision will again meet this need

- We currently fund a number of services through Age UK and the proposal to relocate several of these services into one base will enable us to realise some efficiencies and savings
- We are currently working in partnership with Age UK on several key national projects, the ability to have a good working relationship is vital to the continuation and success of these projects, therefore any support WBC could offer to Age UK in terms of progressing this is critical
- As we move towards implementing the Adult Social Care Commissioning Strategy, there is a greater need to work closely with the VCF to develop more responsive and flexible services and the proposals from Age UK are absolutely aligned to this objective.

2.16 The services to be provided at Meadowcroft will support the Council's corporate goals of enhancing the quality of life of the people of Wirral who have care and support needs and delaying and reducing the need for care and support.

### **3.0 RELEVANT RISKS**

3.1 Until the building is sold the Council remains liable for all ongoing running costs, including repair maintenance and security.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 The reuse of the building by other Departments in the Council has been considered. The building is not required for any alternative Council Service delivery.

4.2 Offer the property for sale in the open market. Sale on the open market has not been pursued at this stage as it is inconsistent with the previous instruction to negotiate terms for disposal to Age Concern Wirral. The terms now negotiated are considered reasonable having regard to the wider benefits that will be realised from a sale to Age Concern Wirral.

### **5.0 CONSULTATION**

5.1 Prior to the closure of the building, consultation was undertaken under Wirral's Future Be a Part of it.

5.2 Consultation has taken place with Age UK Wirral over the reuse of the building.

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

6.1 There are no implications for Voluntary Community or Faith Groups arising from this report.

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

7.1 The disposal will result in an initial capital receipt of £240,000 and a future 50% share of the capital receipt if the building is sold by Age UK Wirral within 25 years.

7.2 The Market Value of the property in the independent valuation carried out by Mason Owen was £480,000. The Council has an obligation to obtain the best price reasonably obtainable on the sale of land and property. However under the Local Government Act 1972 general disposal consent (England) 2003 it has the power to restrict the value in the interests of the economic or environmental or social well being of the residents of the Borough.

7.3 Sale of the building will mean the Council avoids the costs associated with future maintenance liabilities. It will also release two other Council assets for disposal where the Council is continuing to incur costs.

## **8.0 LEGAL IMPLICATIONS**

8.1 The disposal will require the preparation of appropriate legal documentation.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 Has the potential impact of your proposal been reviewed with regard to equality?

No because there is no relevance to equality.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 The sale of Meadowcroft will reduce Wirral Council's Carbon emissions by 160 tonnes per year.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 The site is within the Primarily Residential Area as annotated on the Unitary Development Plan (UDP) proposals map and is located outside the Regeneration Priority Area identified in the Interim Planning Policy for New Housing Development (2005). The site is also adjacent to Key Town Centre at Bromborough Village. The proposed use of the property is likely to require a change of use planning application, which will be assessed against Policy HS15 – Non Residential Uses in Primarily Residential Areas.

## **12.0 RECOMMENDATION**

12.1 That Meadowcroft, 304 Spital Road, Bromborough be disposed of in accordance with the terms set out in this report.

## **13.0 REASON FOR RECOMMENDATION**

13.1 The building is no longer required for operational purposes and Age UK Wirral has submitted detailed proposals for reuse of the building, which will offer a variety of services for the benefit of the local community and Wirral Residents.

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## APPENDICES

Location Plan

## REFERENCE MATERIAL

None

## SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
Cabinet Budget Projections 2011-15	9 December 2010
Cabinet Wirral Future Be a Part of It, Task Force Options and Recommendations.	9 December 2010
Health and Well Being Overview and Scrutiny Committee	17 February 2011
Cabinet Control for Personal Support	17 March 2011
Surplus Asset, Department of Adult Social Services Former Care Home, Meadowcroft, 304 Spital Road, Bromborough.	21 July 2011