

REPORT TITLE	<i>LAND AT TWICKENHAM DRIVE - SALE TO A REGISTERED PROVIDER</i>
REPORT OF	ASSISTANT CHIEF EXECUTIVE

REPORT SUMMARY

This report seeks approval to the sale of the site of land at Twickenham Drive, Leasowe.

The sale will support the Wirral Plan and its delivery through the generation of capital receipts.

This matter affects the Leasowe and Moreton East ward and is not a key decision.

RECOMMENDATION

That the land at Twickenham Drive, Leasowe be declared surplus to the Council's requirements and the Assistant Chief Executive be authorised to agree a sale of the site to Leasowe Community Homes Ltd (company number : 03616536) for £192,000 plus a contribution towards the Council's fees.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 To enable a registered provider to develop the site for affordable housing purposes and to generate a capital receipt from the sale of the land.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The site could be offered for sale on the open market which could generate a higher receipt but would not achieve the scheme described and the wider strategic objectives of the Council.

3.0 BACKGROUND INFORMATION

- 3.1 The site is located on Twickenham Drive, Leasowe to the front and side of Leasowe Millennium Centre, with frontages also to the north and east onto Livingstone Road. The site itself, comprises the site of the former Fernleigh Care Home, which was demolished some time ago, together with a vacant grassed site to the side of the Millennium Centre. The site is shown edged in red on the attached plan and extends to approximately 1.85 acres.

- 3.2 The cleared site has been identified as suitable for a social housing development and Leasowe Community Homes (LCH), was identified as the preferred Registered Provider to undertake the scheme, as they are the majority stock holder for the surrounding social housing properties on the Leasowe Estate. LCH has worked with the Council's Housing and Investment team and a scheme of 30 residential units comprising 20 No 2 bed houses and 10 No 2 bed bungalows (including two fully accessible bungalows) for affordable rent has been agreed.

- 3.3 Selling the site to this selected Registered Provider enables the Council to have some input into the design, type, tenure and future allocation of the completed homes. It also supports one of the Wirral Plan 2025 outcomes which is for Wirral Residents to have access to great jobs and good quality, affordable housing.

- 3.4 For this scheme LCH has calculated a residual land value of £192,000 for the site. Their calculation has been independently assessed and is considered to be fair. However, if sold on the open market, the land could potentially achieve a higher figure for open market housing which has been estimated to be in the region of £370,000. Members will be aware that under s123 of the Local Government Act 1972, except with the consent of the Secretary of State, the Council shall not dispose of land for a consideration less than the best reasonably obtainable. The Secretary of State has issued a General Consent which applies where:

- a) the Council consider the purpose of disposal is likely to contribute to the achievement of any one or more of the following in respect of any part of its area of any persons resident in its area (i) promotion or improvement of economic well-being; (ii) promotion or improvement of social well-being; (iii) promotion or improvement of environmental well-being and in addition

- b) the difference between the best price as assessed in line with the guidance in the consent and the price to be paid is not in excess of two million pounds.

Council officers consider that, in order to deliver the scheme as described, the terms of the disposal meet the terms of the Consent.

- 3.4 The sites are open to public access. Accordingly, a proposal to dispose of the land will need to be advertised in the local press in accordance with the Local Government Act. Agreement to disposal on the terms now proposed would be subject to the outcome of the public advertisement period.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The sale will generate a capital receipt of £192,000 plus a contribution of £1,500 towards the Council's costs.
- 4.2 The resultant properties will generate Council Tax.
- 4.3 A sale of the site would remove the maintenance liability.

5.0 LEGAL IMPLICATIONS

- 5.1 Under s123 of the Local Government Act 1972 the Council may not sell land for a consideration less than the best reasonably obtainable except with the consent of the Secretary of State. The Secretary of State has issued a number of consents that apply to transactions meeting certain criteria. One of these is General Consent (the General Disposal Consent (England) 2003), which gives a Council permission to dispose of any interest in land at less than best consideration where the Council considers it will help it to secure the promotion or improvement or the economic social or environmental well-being of its area. However, this is subject to the condition that the undervalue (i.e. the difference between the consideration obtained and the best consideration that can reasonably be obtained) does not exceed £2 million. Council officers believe that the terms of the General Consent have been met and the technical guidance that supplements it have been met.
- 5.2 Selling at undervalue can be State Aid. In this particular case the sale will be compliant with the State Aid provisions

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 There are no IT or staffing implications arising from this report.

7.0 RELEVANT RISKS

- 7.1 Should the sale proceed it will result in the loss of some amenity space, although this will be the subject of public notices giving residents the opportunity to make comments..

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Discussions so far have been directly with Leasowe Community Homes Ltd.

9.0 EQUALITY IMPLICATIONS

9.1 This report has no equality implications.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The legal transaction to sell the land will have no environment or climate implications.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 The site is designated as part of the Primarily Residential Area in the Wirral Unitary Development Plan (UDP, February 2000). The Council has only identified the previously developed land fronting Twickenham Drive (former Fernleigh Resource Centre) as a potential housing allocation in the Local Plan Issues & Options Consultation (January 2020).

11.2 The site also identified as being within a Flood Zone 3(a) area benefiting from flood defences by the Environment Agency, which is confirmed in the Council's Strategic Flood Risk Assessment (SFRA Level1, 2019). Any future planning application would be required to demonstrate that the national flood risk sequential and exception tests can be satisfactorily addressed in line with the recommendations of SFRA Level 1 in consultation with the Environment Agency.

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APPENDICES

Site plan

BACKGROUND PAPERS

Property Consultant's Development Appraisal
Negotiated heads of terms.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date