



ECONOMY REGENERATION AND HOUSING COMMITTEE

Monday, 13 June 2022

REPORT TITLE:	SALE OF LAND AT CROSS LANE, WALLASEY
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks approval for the disposal of land at Cross Lane Wallasey, to enable a major business investment and job creation opportunity at West Wallasey Car and Van Hire (WWCVH).

The sale of the Council owned land will provide the opportunity for expansion of the business to allow it to consolidate its core operations to a single site. The company intends to invest up to £5m upgrading and expanding local infrastructure in support of its expansion plan which will see its fleet numbers increase from 15,000 to 30,000 vehicles within 5 years.

This will allow WWCVH to retain the 300 local staff directly employed within the Borough and allow WWCVH to create an additional 300 new, highly skilled jobs in Wirral over the next 5 years.

WWCVH spends £8m annually with local businesses within the Borough supporting an estimated 100 jobs and it is thought that this will double to at least 200 jobs as part of the proposed expansion plan. The expansion plan directly supports the aims and objectives of the Wirral 2040 plan.

The Wirral Plan 2021-2026 has been developed and the focus covers the following five theme:

- Safe & Pleasant Communities
- Brighter Futures
- Active and Healthy Lives
- Sustainable Environment
- Inclusive Economy

This proposal delivers in some way against most of the above themes.

The matter affects the Wallasey Ward.

This is not a key decision.

RECOMMENDATION/S

Economy, Regeneration and Housing Committee is recommended to approve that:

- (1) the land edged red on the attached plan set out as Appendix 1 to this report, at Cross Lane, Wallasey, be declared surplus to Council requirements.
- (2) the Director of Regeneration and Place be authorised to agree a sale of the site to West Wallasey Van Hire for £150,000 plus £3,000 towards the Council's legal costs and surveyor's fees
- (3) notices be placed in the local press in accordance with section 123 of the Local Government Act 1972 regarding the intention of the Council to sell land comprising open space and any objections received be considered and determined by the Director of Regeneration and Place, in consultation with the Chair and Spokespersons of the Economy Regeneration and Housing Committee.; and
- (4) the Director of Regeneration and Place be authorised to negotiate a variation of the lease with Forestry England to facility and access to the site.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The sale will generate a capital receipt of £150,000 which will contribute to the 2022/23 budgeted capital receipts target plus a contribution towards the Council's costs. A sale of the site would remove a maintenance liability, albeit relatively minor
- 1.2 In addition this sale will facilitate the sale of land to WWCVH to enable the company to undertake a major new investment in its business operations and local infrastructure, consolidating core commercial operations onto a single site, reducing traffic congestion with the potential of creating up to 400 direct and indirect, highly skilled jobs in the Borough.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Due to the restricted access the site has limited potential. The Council could retain the land, but it is currently unmaintained and underused.
- 2.3 The Council could lease the land to WWCVH which would produce a modest income, but given the amount of investment required by WWCVH, they would require the freehold.

3.0 BACKGROUND INFORMATION

- 3.1 Members may recall that this matter was brought before this Committee in September 2021 when a decision was taken to not proceed with the sale of the land to WWCVH. The original decision that Members were asked to take was based purely on a land sale and not on the wider economic and social benefits that the project could bring to the residents of Wirral. Since that date and at the request of a director of WWCVH, senior officers of the Council have been meeting to understand more about the growth plans of the company and it is obvious that, if delivered, it would result in a significant investment in a Wirral based business that is fast becoming one of the leading vehicle rental operations in the whole of the UK.
- 3.2 The company already employs 330 people, 300 of which are Wirral based, and if the expansion plan can be delivered there is the potential to create a further 300 new, highly skilled jobs on the expanded site. These jobs will be in a variety of disciplines including logistics, technical service support, finance and accounts, customer service, vehicles sales, IT, vehicle technicians, parts specialists and administration, and the roles will include a number of apprenticeship opportunities which will be routed through Wirral Metropolitan College where there is already an established relationship. The investment will also support local supply chains. WWCVH use Wirral based businesses for vehicle parts, MOT's and livery work, plus many other local suppliers. WWCVH spent £8m with suppliers based in the Borough during 2021, supporting an estimated 100 jobs and this is expected to double within the next 5 years. In addition, it is recognised that the plan would substantially reduce traffic congestion in Wallasey (particularly Leasowe Road and Cross Lane) and would improve road safety by reducing the number of vehicle movements in the Borough and minimising the need for HGV vehicle transporters requiring access to the residential areas close to Greenleas Primary School, Mosslands School and St

Mary's College. The details of the plan are set out in this report and Members are asked to reconsider their earlier decision and approve the sale of the Council owned land to allow the company to deliver this new investment which will ensure the retention and delivery of new, skilled jobs in the Borough.

- 3.3 The site which is shown edged red on the plan 1 annexed as appendix A has previously been used as amenity space with part being used by Mosslands School as its playing fields. The land has limited access which is currently provided via the School Lane footpath and underpass. It also suffers from flooding and as a consequence it has not been used as a playing field for decades with Mosslands School relocating its sports activities to the Wallacre playing fields.
- 3.4 WWCVH is currently located at the premises shown edged blue on plan 1 in appendix A, which is accessed off Cross Lane. It also occupies several sites at various locations through-out the Borough. WWCVH has advised that its current main site is being operated at maximum capacity and is inadequate to meet its future growth plans. Consequently, it is considering options to expand and consolidate the business in its current location which would be facilitated by the purchase of the land that is subject of this report. If this is not possible WWCVH has stated that due to the lack of alternative sites in Wirral the company would look outside of the Borough to realise its growth ambitions. Since the company started over 46 years ago it has steadily grown and expanded to become one of the largest independent vehicle hire companies in the U.K. Its Cross Lane site currently employs 330 people, with 300 drawn from the local area, in a range of sales, administration and technical roles. The company estimates that a further 400 jobs, direct and indirect, could be created in the Borough over the next 5 years if it is able to deliver its growth plan.
- 3.5 The proposal, which is shown on Plan 2, annexed to the report, illustrates how the Council owned land will be used to support the expansion of the business. As the site is currently subject to periodic flooding the land will be drained and re-engineered to provide a storage facility that the company can stock with a variety of vehicles to service its existing and new lease contracts. The vehicles will be parked on a permeable grass-crete type surface that will allow rainwater to percolate naturally through the surface while providing a grass cover limiting the visual impact of the facility. As part of the flood management plan for the land an attenuation pond will also be constructed as part the development to help to regulate surface water flows and at the same time improve the bio-diversity of the site, making it a haven for new flora and fauna. WWCVH will also construct, at their cost, new footpaths to provide access to and across the new facility and create new links to Mosslands School and Cross Lane nature reserve. Landscape bunding strips with extensive tree cover will be constructed around the perimeter of the site to provide a buffer between it and nearby residential roads.
- 3.6 The sale of the site would be subject to WWCVH securing planning consent for its expansion plan and as the company has recognised that the land in question is designated as greenspace it acknowledges that it may need to provide, as part of the planning process, a significant commuted sum that would be used to fund works to off-set the loss of the greenspace. Previous discussion between WWCVH and Council planning officers identified a range of possible options that could be funded by this contribution including an upgrade to the changing facilities at nearby Wallacre Park and investment in new drainage infrastructure to upgrade the park's football

and rugby pitches. These proposals will need to be revisited to take account of updated playing pitch study and open space assessments plus the emerging local plan. Any proposal will need to be considered and assessed as part of any subsequent planning application for the new facility.

3.7 WWCVH is aware that expansion on to the Council's land creates a number of other issues but the company has worked with its consultants to manage and mitigate these where possible. Their final proposal will offer:

- a. The creation of a linked access route from their site to the Council's land via a new road link shown hatched black on the plan. This land is owned by the Council but leased to Forestry England. The terms of the lease with Forestry England will need to be varied to permit the construction of a link road between the two sites. Any special conditions required by Forestry England will be met by WWCVH.
- b. Third party access through the site will be provided via reserved rights of way to access Forestry England's site and also the playing field identified on the plan.
- c. WWCVH has previously secured planning consent (now lapsed) to provide access to its business premises from the motorway link road. Should the Council approve the sale of this site, it will be conditional on WWCVH resurrecting its application to create this access. This is critical, not only to WWCVH, but the Council as the creation of this link road will eradicate the company's current vehicle movements in and around Wallasey Village as Leasowe Road is the only way car transporters can currently access the business.
- d. The purchase of the site will allow WWCVH to consolidate its core activities to a single site. The business currently operates from a number of locations across the Borough and any redundant brownfield sites, once vacated, could be redeveloped for a range of appropriate uses, including residential. This will directly help support the Council's emerging Local Plan which has a brownfield first focus to help to reduce the pressure on the Borough's greenbelt.

3.8 The land in its current status would be difficult to sell on the open market due to its lack of access and the restrictions and land limitations referred to above. In agreeing a purchase price the Council commissioned an independent valuation of the land which took into account these factors and established a land value in the sum of £150,000. WWCVH has agreed to pay this sum plus a contribution towards the Council's legal costs and surveyor's fees. It is therefore proposed that the company be allowed to fully explore its proposed scheme through the planning process by submitting a planning application for both the expansion land and the new access road. The sale would only complete once full planning consent for WWCVH's expansion plan is granted. As this will incur significant expenditure by the company they would need the confidence that securing planning permission would result in them acquiring the site. It is therefore proposed that, if approved, a contract for sale be entered into which is conditional only on the securing of planning consent.

- 3.9 The site is 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. The sale will result in the loss of amenity space, but the steps required to try to offset the loss of amenity will only be fully determined within the planning process.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The sale will generate a capital receipt of £150,000 which will contribute to the 2022/23 budgeted capital receipts target agreed at full Council on 28 February 2022, plus a contribution towards the Council's costs.
- 4.2 A sale of the site would remove the maintenance liability, albeit relatively minor.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council is obliged to obtain the best price reasonably obtainable under s 123 of the Local Government Act 1972. To establish best price the Council sought the advice of an external valuer.
- 5.2 The proposed sale will be advertised by Public Notice and any objections will be considered.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no IT or staffing implications arising from the disposal of this land.

7.0 RELEVANT RISKS

- 7.1 Failure to complete the deal will result in the potential loss of a capital receipt of £150,000. It could also force WWCVH to look elsewhere for a location to meet its expansion plans resulting in significant job losses in the Borough and losing the opportunity to generate a further 400 jobs within Wirral over the next 5 years. The opportunity to improve road safety and reduce congestion in the Borough, particularly in Wallasey in the residential areas close to Greenleas Primary School, Mosslands School and St Mary's College, would also be lost.
- 7.2 A sale direct to WWCVH does not allow the Council to offer this property for sale on the open market. For the reasons outlined in paragraph 3.8 of this report, the site would be difficult to sell on the open market, and an independent market valuation has been obtained.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The sale of the site will be advertised by way of Public Notice as required under the provisions of the Local Government Act 1972.
- 8.2 The sale is subject to planning consent and the public will be consulted as part of that process.

8.3 WWCVH has already commenced its own engagement and consultation exercise and has received support from neighbouring Mosslands School on the basis of the enhancement to local sports facilities that the scheme will deliver as well as the new apprenticeship, work experience and permanent skilled job opportunities that the company's expansion plans will create in the local area. The school also highlights the potential improvements to road safety for students and local residents brought about by reduced traffic congestion. A letter supporting the plan has been received by the Council from the Headmaster of Mosslands School detailing these points.

9.0 EQUALITY IMPLICATIONS

9.1 Access to the site is currently limited to a single, poorly maintained footpath. As part of the proposed planning application WWCVH are proposing to upgrade this footpath and create a new link to the remediated Cross Lane landfill. This will enhance the connectivity of the area making good accessibility.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The sale of this site will result in the loss of some amenity space as referred to in the report. The purchaser will be asked to make contributions to the enhancement of other sports and amenity facilities as part of the planning process.

10.2 The purchaser has been made aware of the Council's aspirations to tackle the climate emergency and has offered the following information to be taken into consideration:

In respect of West Wallasey's environmental credentials, we have x5 onsite wind turbines that produce more green energy that we use onsite (displacing more than 50 tonnes of CO2 annually) making us one of the most environmentally sustainable businesses for energy in the country. We are also transitioning our customers across to electric vehicle fleets wherever possible in a drive to net zero emissions.

In conjunction with electric vehicles, we are also in discussion with manufacturers in relation to zero emission hydrogen technology to support businesses that work in heavy industries or remote regions where electric vehicles may not fulfil their requirements. We are independently audited for our environmental management and we are accredited to the internationally recognised ISO14001 standard. We are also accredited to the internationally recognised ISO50001 for Energy Management and proactively pursuing our net zero target.

The proposal is for vehicle storage on land adjoining West Wallasey's main site. The environmental and community impacts of this proposal have been considered from the beginning of the design process and West Wallasey seeks to incorporate the following, bringing wider benefits across the area:

- *Permeable car parking surfacing and sustainable drainage systems (SuDS) to mitigate flood risk.*
- *Tree and buffer woodland planting to screen the car park and improve the environmental quality for users of the new footpath.*

- *Biodiversity will be enhanced on the site through the tree planting and other landscaping as well as the potential creation of new ponds as part of the SuDS proposals.*
- *Creation of a new footpath (from existing pedestrian entry point under railway line) which will relocate the Public Rights of Way to ensure accessibility is maintained. Furthermore, an additional path will be provided to increase access to the Forestry Commission woodland, situated south of the site.*
- *Improvement of existing nearby sports pitches as well as off-site improvement of other open spaces, as agreed with Wirral Council officers.*
- *Further details of the above will be discussed as the scheme develops, but the overarching principles of the proposal consider the local environment and seek to provide mitigation or enhancement where possible.*

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The sale of this piece of land to WWCVH will secure the future of this business together with the creation of jobs as described in the report.

REPORT AUTHOR: **Steve McMorran, Ray Squire**
 (Steve McMorran, Ray Squire)
 telephone:
 email: stevemcmorran@wirral.gov.uk, raysquire@wirral.gov.uk

APPENDICES

Appendix 1 Plan 1
 Appendix 2 Plan 2

BACKGROUND PAPERS

Valuation advice

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy Regeneration and Development Committee Sale of Land at Cross Lane, Wallasey	29 th September 2021