



## OFFICER DECISION NOTICE

<b>REPORT TITLE:</b>	<b>SALE OF COUNCIL OWNED INDUSTRIAL UNITS AT 10, 12 &amp; 14 KELVINSIDE, WALLASEY</b>
<b>REPORT OF:</b>	<b>ASSISTANT DIRECTOR PROPERTY AND INVESTMENT</b>

### REPORT SUMMARY

Policy and Resources Committee at its meeting of 12th July 2023 declared the industrial units 10, 12 and 14 Kelvinside, Wallasey, surplus assets and authorised the Director of Regeneration and Place in consultation with the Director of Law and Corporate Services to progress the disposal of the property. This report summarises the sale process and sale price.

The subject matter will have implications for the Seacombe ward.

This is a key decision as the potential receipt will exceed £500,000.

The report supports the Council Plan: Wirral Working Together 2023-27, specifically the People-Focussed Regeneration Theme.

### RECOMMENDATION/S

The Director of Regeneration and Place is recommended to approve the sale of the industrial units 10, 12 and 14 Kelvinside, Wallasey to Structural Timber Group Ltd at a price of £760,000.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 To enable the disposal to proceed, in line with the resolution of the Policy and Resources Committee.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The instruction to sell was given by the Policy and Resources Committee. As such, no further options have been considered.

### **3.0 BACKGROUND INFORMATION**

- 3.1 Policy and Resources Committee at its meeting of 12th July 2023 declared the Industrial Units 10, 12 and 14 Kelvinside, Wallasey, surplus to requirements.
- 3.2 An adjoining business in Kelvinside, Sticx Ltd has been leasing unit 14 Kelvinside since 2022 and unit 12 since 2024 on a temporary basis for storage. The company owns the adjacent manufacturing facility and has an immediate requirement to expand its business operation, but at the same time remaining at its current location. Accordingly, Sticx approached Wirral Council about the acquisition of units 10,12 and 14 Kelvinside.
- 3.3 When disposing of properties, the preferred method of sale is to offer the properties on the open market through the Council's appointed Property Consultants, Lambert Smith Hampton (LSH). However it is lawful for the Council to sell without a competitive process provided market value is achieved.
- 3.4 Wirral Council commissioned LSH to prepare an independent valuation of the property and the open market value was assessed at £760,000. LSH has been in negotiations with Sticx Ltd and a sale price of £760,000 has provisionally been agreed. The sale will be to Sticx's holding company Structural Timber Group Ltd.
- 3.5 Should a sale not be concluded or progressed in a suitable manner, the Director of Regeneration and Place will seek to progress and conclude a disposal on the open market through the Council's approved property consultants, along with an associated further published Officer Decision.

### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The disposal of this asset would generate a capital receipt. The sale figure provisionally agreed is £760,000.
- 4.2 The disposal of the asset will remove the ongoing holding costs of this part vacant asset of approximately £16,000 p.a.
- 4.3 The sale proceeds will be in lieu of the annual income which is currently £29,000.

## **5.0 LEGAL IMPLICATIONS**

- 5.1 As Sticx has agreed to meet the market valuation established by LSH, the proposed disposal meets the requirements of the Section 123 of the Local Government Act 1972 to obtain best value.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 The asset implications are as set out in the report.
- 6.2 There are no implication for staffing or IT.

## **7.0 RELEVANT RISKS**

- 7.1 Should the sale not proceed within a reasonable timeframe the property will be marketed by Wirral Council's appointed Property Consultants, LSH on the open market to obtain the best terms possible.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 There are no consultation implications.

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 There are no implications for equality arising directly from this report.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 The sale of the industrial units will have no significant impact.

## **11.0 COMMUNITY WEALTH IMPLICATIONS**

- 11.1 The sale to an adjacent business in this location will help with the economic and regeneration of the area, assist with the immediate expansion of the business and will ensure that more wealth is invested and stays in the local area. Attracting and retaining people in the Borough will help to build the wealth of our communities and help the Council to strive to maximise social value activity by encouraging local spend to maximise the Wirral pound.

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## **APPENDICES**

None

## **BACKGROUND PAPERS**

Valuation advice and Heads of Terms

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Policy and Resources Committee Officer Decision Note</b>	<b>12 July 2023</b>