

CABINET

Monday, 20 January 2020

**SITE OF THE FORMER ROCK FERRY HIGH SCHOOL - SALE TO A
REGISTERED PROVIDER**

Councillor Janette Williamson, Portfolio Holder for Finance and Resources & Deputy Leader of the Council, said:

“Improving housing availability for residents is a key priority for Wirral. Enabling regenerative projects that also support our local plan in the process are ideal for the area, our green spaces, residents and future homeowners.

“The sale of this particular site will allow the provider to develop affordable housing, bringing much-needed added social value to the area as they repurpose the space to benefit the community.

“As part of an extra care housing scheme, supported by funding from Homes England, the development will see 186 shared ownerships and affordable rent residential units including houses, bungalows and apartments created on the site.

“Of these, more than 100 will be extra care units.

“While the development itself responds directly to the borough’s affordable housing needs, Wirral will also benefit from a capital receipt resulting from the sale of the land, a portion of which will help to pay for the improvement of Riverside Primary school.”

REPORT SUMMARY

This report seeks approval to the sale of part of the site of the former Rock Ferry High School, Rock Ferry.

The sale will support the Wirral Plan and its delivery through the generation of capital receipts and enabling a Registered Provider of social housing to develop 186 new affordable homes in the borough.

This matter affects the Rock Ferry Ward and is a key decision.

RECOMMENDATION

That the Corporate Director of Delivery Services/Assistant Chief Executive be authorised to agree a sale of part of the site of the former Rock Ferry High School to Torus62 Ltd (Registered Society No RS007826) for £2,100,000 plus a contribution of £1,500 towards the Council’s legal costs and Surveyor’s fees.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To improve housing availability for Wirral residents by working with 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 Options for the whole of the former Rock Ferry High School site were considered by Cabinet at its meeting of 10 September 2015.
- 2.2 The site approved for disposal could be offered for sale on the open market which could generate a higher receipt but would not achieve the affordable housing scheme described later in the report.

3.0 BACKGROUND INFORMATION

- 3.1 Rock Ferry High School was located in Highfield South, Rock Ferry and the site, which extends to approximately 8.3 Hectares, is shown thickly edged on the attached plan. The school was closed in 2011 and the majority of buildings were subsequently demolished, with the exception of one detached building, Ravenswood, the original house which is Grade II listed.
- 3.2 At its meeting of 7th November 2013 Cabinet declared the property surplus to operational requirements and approval was given by Members for officers to dispose of the site in accordance with S123 of the Local government Act 1972.
- 3.3 On 10th September 2015 Cabinet considered a further report setting out options for the site and also the results of consultation with the public. The resolution was to sell part of the site which housed the former school buildings, for housing development. The site is shown shaded on the plan and extends to approximately 4.65 Ha. As a consequence, officers have liaised with residents and worked with a Registered Housing Provider to identify a suitable housing scheme.
- 3.4 Torus62 Ltd (Torus) has been selected as the preferred Registered Provider to develop this site because they approached Wirral Council with a firm Homes England funding allocation to develop an extra care housing scheme, which they identified was a key priority in Wirral's Housing Strategy. Torus also have Homes England Strategic Partnership status which means they have access to confirmed grant funding to develop additional new affordable homes and they are very keen to develop a number of these homes in Wirral. Subsequently, Torus has worked with the Council's Housing and Investment Team to agree a scheme of 186 residential units comprising 102 extra care units, 66 houses, 10 bungalows and 8 apartments in Ravenswood House which responds to the borough's affordable housing needs. The units will be a mixture of shared ownership and affordable rent and will also include the retention and refurbishment Ravenswood. When complete they will contribute to key pledges and targets within the Wirral Plan including

priorities in Wirral's Housing Strategy and All Age Disability Strategy, both of which include delivering 300 extra care homes in the borough.

3.5 Torus has calculated a residual land value of £2,100,000 to deliver this specific scheme. 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 £4,100,000. 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.

4.0 FINANCIAL IMPLICATIONS

4.1 The sale will generate a capital receipt of £2,100,000 plus a contribution towards the Council's costs. The value of the receipt reflects the added benefit as described in 3.5 (a) above and once completed the Council will benefit from the additional Council Tax from 186 new units.

4.2 The sale will enable Torus to access Shared Ownership & Affordable Homes Programme grant from Homes England of just over £7.5 million.

4.3 A sale of the site will divest the Council of the maintenance responsibility.

5.0 LEGAL IMPLICATIONS

5.1 The sale is in accordance with the Council's powers as described in para 3.5.

5.2 As a former school, in accordance with section 77 of the School Standards Framework Act 1998 and schedule 1 of the Academies Act 2010, the consent of the Education and Skills Funding Agency is required for a disposal. Such consent was granted on 2nd October 2017.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

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

7.0 RELEVANT RISKS

7.1 Should the sale to Torus not proceed in a timely manner, it could jeopardise the ability to deliver this scheme, which is subject to Homes England timescales.

8.0 ENGAGEMENT/CONSULTATION

8.1 Officers have consulted with local residents on the proposals for this site. Torus have also undertaken several consultation events and meetings with residents to discuss Torus's proposals and worked with residents to address where possible any matters raised.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

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

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APPENDICES

Site Plan

BACKGROUND PAPERS

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date