
Report to:	Cabinet	Date of Meeting:	Thursday 5 th November 2015
Subject:	Former School and Training Centre Beach Road Litherland	Wards Affected:	Litherland;
Report of:	Head of Corporate Support		
Is this a Key Decision? Exempt/Confidential	No	Is it included in the Forward Plan?	Yes
	No but Appendix 1 of the report is NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The Public Interest Test has been applied and favours the information being treated as exempt		

Purpose/Summary

To report on the tenders received as a result of the marketing exercise for the sale of the Council's freehold interest in the former School and Training Centre at Beach Road Litherland.

Recommendations

(1) That subject to the receipt of planning permission, the Council disposes of its freehold interest in the former School and Training Centre in Beach Road Litherland to the tenderer submitting the highest bid, as detailed in Appendix 1 on the terms set out in the report.

(2) That the Head of Regulation and Compliance be authorised to prepare the necessary legal documentation on the terms and conditions detailed in the tender documents, by way of Building Lease followed by Conveyance of the freehold interest, or an appropriate means of Transfer, if required.

How does the decision contribute to the Council's Corporate Objectives?

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		x	
2	Jobs and Prosperity	x		
3	Environmental Sustainability	x		
4	Health and Well-Being		x	
5	Children and Young People		x	
6	Creating Safe Communities	x		

7	Creating Inclusive Communities	x		
8	Improving the Quality of Council Services and Strengthening Local Democracy		x	

Reasons for the Recommendations:

Beach Road School was closed in 2008 and Ruthven Road Training Centre closed in 2013. The premises were declared surplus to operational requirements. The Council is demolishing the premises leaving a cleared site for development. Both premises are included in the Council's Asset Disposal Programme for 2015/16. Disposal will bring the cleared site back into productive use.

Alternative Options Considered and Rejected:

The Council could retain the site and continue to meet the holding costs.

What will it cost and how will it be financed?

(A) Revenue Costs

None

(B) Capital Costs

The Council will receive a capital receipt together with its professional fees. The Council will benefit from the New Homes Bonus for the proposed housing development including an affordable homes premium.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial	
Capital receipt, fees and New Homes Bonus	
Legal	
The Head of Regulation and Compliance will complete the necessary documentation for the disposal by way of a Building Lease followed by Conveyance of the Council's freehold interest or an equivalent means of transfer.	
Human Resources	
Not applicable	
Equality	
1. No Equality Implication	<input type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact of the Proposals on Service Delivery:

None

What consultations have taken place on the proposals and when?

The Chief Finance Officer has been consulted and notes the report indicates benefits to the Council. The Council will receive a capital receipt together with its professional fees. The Council will benefit from receipt of the New Homes Bonus for the proposed housing development including an affordable homes premium. (FD 3797/15)

The Head of Regulation and Compliance has been consulted and any comments have been incorporated into the report. (LD 3080/15)

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Background Papers:

There are no background papers available for inspection

1. Introduction

- 1.1. Beach Road School and Ruthven Road Training Centre are vacant and surplus to operational requirements. The premises are being demolished by the Council at the moment leaving a cleared site which is included within the Council's Asset Disposal Programme for 2015/16.
- 1.2. The Council has invited offers for its freehold interest in the site, shown hatched on the attached plan, upon satisfactory completion of any redevelopment works, by way of a Building Lease, subject only to the receipt of planning permission for the proposed use.

2. Current Position

- 2.1. The Council's freehold interest in the site has been advertised on the open market, by way of informal tender, subject to the receipt of planning permission for an appropriate use that complies with the Planning Brief contained in the tender details.
- 2.2. A prominent sign board was located on the premises and advertisements placed in the local press and national property publications, the Estates Gazette and Commercial Property Monthly, with a closing date of 14th August 2015 for the receipt of tender offers.
- 2.3. Forty six sets of tender details were sent out. Two tenders were received by the closing date. Details of the tenders together with the offers received are set out in Appendix 1 to this report.
- 2.4. The offers received are both for housing redevelopment for affordable rent. The highest offer proposes a development of 4 two bed bungalows, 12 one bed flats and 19 two bed houses all to let for affordable rent by a Housing Association.

3. Planning Advice

- 3.1 Planning guidance within the details suggests that because the premises lie within a Primarily Residential Area, redevelopment for housing or residential care would be appropriate, subject to details of amenity, design, highways and access in any planning application. The proposed use in the highest tender complies with this guidance in principle.

4. New Homes Bonus

- 4.1 The Council is entitled to the New Homes Bonus payments which are based on matching the average national Council Tax Band of the residential units built. For calculation purposes, this would give the Council an estimated New Homes Bonus of £54,006 in Year1 and £324,036 in payments by Year 6. This includes an affordable homes premium

5. Best Consideration

- 5.1 Under standard Council procedures, surplus assets are advertised on the open market, for sale by way of informal Tender, in order to ensure that any offers

received represent “best consideration” in accordance with Section 123 of the Local Government Act 1972 (as amended).

5.2 The highest offer received is considered to represent best consideration.