

Report to:	Cabinet	Date of Meeting:	5 November 2015
Subject:	Former Library and Youth Centre, Liverpool Road North, Maghull	Wards Affected:	Park;
Report of:	Head of Corporate Support		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No, but Appendix 1 of the report is NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.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

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 Maghull Library and adjoining Youth Centre and following call-in and the subsequent consideration of the matter at the Overview & Scrutiny Committee meeting held on 22nd October to enable Cabinet to take account of the further information set out in this report.

Recommendations

(i) That Cabinet consider the additional information set out in the table in Section 4, Paragraph 4.5. If they consider that the information provided would materially affect their original decision then the current disposal process should be terminated. If not, then the original decision be immediately implemented as follows;

(ii) That subject to the receipt of planning permission, the Council disposes of its freehold interest in the former Maghull Library and Youth Centre on Liverpool Road North, Maghull to the tenderer submitting the highest bid, as detailed in Appendix 1, on the terms set out in the report; and.

(iii) That the Head of Regulation & Compliance be authorised to prepare the necessary legal documentation on the terms and conditions detailed in the tender documents, by way of a Building Lease followed by Conveyance of the freehold interest, or an appropriate alternative 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 Recommendation:

Maghull Library relocated to new premises within the Meadows Leisure Centre in Maghull in 2009 and the property was declared surplus to operational requirements. The adjoining Youth Centre has also been closed and declared surplus to requirements in 2012. The premises are included in the Council's Asset Disposal Programme for 2015/16. Disposal will bring the premises into productive use and relieve the Council of an ongoing liability.

Alternative Options Considered and Rejected:

The Council could retain the premises and continue to incur the holding costs for which no budget provision has been allocated.

What will it cost and how will it be financed?

(A) Revenue Costs

The Council will be reimbursed in full professional fees incurred.

(B) Capital Costs

The Council will benefit from a capital receipt upon sale of the surplus property

Implications:

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

Financial The Council will receive a capital receipt together with its professional fees.
Legal The Head of Regulation & Compliance will complete the necessary documentation for the disposal by way of a Building Lease followed by Conveyance of the freehold interest or an equivalent means of Transfer.
Human Resources Not applicable

Equality

- | | | |
|----|--|-------------------------------------|
| 1. | No Equality Implication | <input checked="" 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 (FD3870/15) has been consulted and notes the Council will benefit from a capital receipt upon sale of the surplus property. The Council will also gain Business Rates or Council Tax when the site is occupied. Professional fees will also be reimbursed in full and there will therefore be no impact on the Council's revenue budget.

The Head of Regulation and Compliance (LD3153/15) has been consulted and any comments have been incorporated into the report

Implementation Date for the Decision

With immediate effect.

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Background Papers:

There are no background papers available for inspection

1. Introduction

- 1.1. Maghull Library and the adjoining Youth Centre were declared surplus to operational requirements and the premises closed in 2009 and 2012 respectively. The premises are included within the Council's Asset Disposal Programme for 2015/16.
- 1.2. The Council has invited offers for its freehold interest in the premises, shown hatched on the attached plan, upon satisfactory completion of 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 premises 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. Prominent sign boards were erected at the premises and advertisements placed in national property publications and the local press, with a closing date of 19th June 2015 for the receipt of tender offers.
- 2.3. One hundred and four sets of tender details were issued and five tenders were received by the closing date. Brief details of the tenders, together with the offers received, are set out in Appendix 1 to this report.
- 2.4. The offers received vary from housing development, care home facility and supermarket development.

3. Planning Advice

- 3.1 Planning guidance within the tender details suggests that the preferred use would be retail or other town centre uses. Redevelopment for a supermarket would be appropriate, subject to details of amenity, design, highways and access in any planning application.

4. Call-in to Overview & Scrutiny Committee and Further Information

- 4.1 The decision made by Cabinet on 3rd September 2015 was called-in, in accordance with the provisions of the Overview & Scrutiny Committee Procedure Rules in Part 4 of the Council's Constitution, by the following Councillors;
Councillor McKinley
Councillor Burns
Councillor Gatherer
Councillor Sayers
- 4.2 In the requisition for call-in, the following reason was given:-
"The decision is unsound because not all potentially relevant facts/information were provided to enable Cabinet to make a balanced decision".

- 4.3 The committee heard representations from Cllr McKinley (also on behalf of Councillor Burns, Gatherer and Sayers) and from Councillor Sayers as a representative of the public.
- 4.4 Councillors McKinley and Sayers requested that the decision should be referred back to Cabinet to enable information to be provided on the issues set out in the table in paragraph 4.5 and Councillor Fairclough indicated that he was in favour of the decision being referred back to Cabinet for further consideration of the points raised by Councillors McKinley and Sayers.

4.5

Information Requested	Information Provided For Further Consideration
That the views of Local Residents were not taken into account	It is not a requirement of the Council's Asset Disposal Policy to consult with local residents on asset disposals. Consultation on the future use of a site occurs through the Planning process. The subject disposal process was an open market process so prominent for sale boards were displayed on the buildings making local residents aware that the site was being sold. There is no record of any comments or representations from residents concerning the potential purchasers of the site.
The local Housing needs were not given adequate consideration particularly bearing in mind the ageing population of Maghull	Local housing needs are currently being determined through the Local Plan process. A planning brief was prepared for the site and given its town centre location a preference for a retail use was identified. The range of alternative uses identified by the rival bidders was included in para.2.4 in the report to Cabinet.
The principle of Social Value was not taken into account	The principle of Social Value is addressed in the Council's Asset Disposal Policy which identifies the prospect of disposals at less than best consideration on an exceptional basis if certain well-being requirements are met and the disposal represents Best Value to the residents of the borough. There is also a State Aid consideration. In the circumstances prevailing, the additional consideration arising from Social Value of the alternative bids did not change the order of benefit of each of the bids. The value for money assessment also takes account of future resources arising from sources such as Business Rates, Council Tax & New Homes Bonus.
The requirement for a different mix of shopping opportunities on the site	There is no policy requirement to offer a different mix of shopping opportunities on the subject site. Within the planning policy land use designation, the identity of the end user is determined by market forces
The Maghull Neighbourhood Plan was not taken into	The proposed Maghull Neighbourhood Plan is understood to be in preparation and is not a

account.	legally adopted plan. The Asset Disposal Policy does not require the Council to direct its asset disposal programme to support the specific aims and objectives of a planning policy, but clearly the proposed use of the site must achieve a planning consent if it is different to the current uses and is to be legal. This is a reason why planning briefs are included within the tender details.
The strategic opportunity for the development of the wider site/area, to provide a greater development opportunity was not considered	The potential for the alternative use of the subject site alongside adjacent land holdings has been under consideration since 2010 after the library site became surplus to requirement. However the protracted discussions came to nought so the decision was taken to market the site. This did not preclude adjacent landholders from bidding in the disposal process, but none did.

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 is considered to represent “best consideration”.