

REPORT TO: Executive Board

DATE: 17th March 2022

REPORTING OFFICER: Strategic Director Enterprise, Community & Resources

PORTFOLIO: Corporate Services

SUBJECT: Moor Lane Bus Depot

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to inform Members of two offers that have been received for the former bus depot on Moor Lane.

2.0 RECOMMENDATION: That:

- i) **It is recommended that:
Members authorise officers to progress more detailed discussions with company Y which would culminate in company Y being granted a lease for the building.**

3.0 SUPPORTING INFORMATION

3.1 In November 2020, the Council commissioned Thornber and Walker a quantity surveyor consultancy to carry out a high level feasibility study to ascertain the potential costs of refurbishing the Moor Lane Bus Depot to provide commercial space.

They estimated that the cost of refurbishment would be in the region of £5m. Since the report was commissioned, construction costs have increased and also this was before the building became listed. This will probably result in higher refurbishment costs, too.

In early 2021 Historic England designated the former depot as a Grade 2 building. Following an appeal submitted in February, Historic England contacted the Council in October 2021 to confirm that the listed status designation had been upheld.

This will have a bearing on any future use of the building, because the listing also relates to the interior of the building.

Officers have been setting out potential options for the future use of the building. These options are set out as follows:

Option 1 Do Nothing - 'Moth Ball' the building

- Pros – Reduced expenditure to the Council
- Pros – Manages expectations in terms of future use
- Cons – a building in a prominent position remains empty
- Cons – potential community backlash if building remains unused

Option 2 – Market the Building and Sell

- Pros – an alternative use for the building may come forward that HBC has not considered e.g. car storage/parking for Liverpool John Lennon Airport; premises for industrial storage
- Pros – no future capital or revenue costs for the Council
- Cons – Council loses control of the building and future use
- Cons – Building still remains empty even when acquired by 3rd Party

Option 3 – Seek funding from the Community Ownership Fund

- Invite the community sector to apply to the fund to manage and operate the building. Council provides a dowry
- Pros – Reduced capital or revenue costs to the Council
 - Cons – maximum grant £250,000, not enough
 - Cons – adds to a long list of community venues many of which are struggling

Option 4 – Develop the Building

4a) Heritage and Arts Centre

- Pros – an empty building is brought back into use
- Pros – development of an exciting community venue in a prominent position (gateway to the town, opposite a new leisure centre)
- Cons – duplicates existing visitor attractions in the area and leads to competition
- Cons – debatable need and demand

4b) Transport Museum

A Transport museum would present similar pros and cons.

4c) Convert the Building into Office Premises

- One area to explore is providing accommodation for the Mersey Crossings Board (MCB). This would be presented as an alternative site to the hand back site(s) currently being considered
- Pros – building is brought back into use
 - Pros – could use the Mersey Gateway 'loan mechanism' to fund the costs.

4d) Managed Workspace

To provide business units for start-up businesses. The building

could be divided into small units.

Pros – Could provide cheap albeit poor quality accommodation for fledgling businesses

Cons – limited demand for these types of premises

Cons – costs of conversion outweigh benefits

4e) Vocational Training Facility for construction, motor vehicle industries

Some exploratory discussions took place with Riverside College regarding the establishment of a training facility for the benefit of colleges across the City Region. N.B. Riverside College are very clear they don't want to 'own the building' or pay for refurbishment costs.

Pros – demand exists for this type of facility across the LCR

Pros – some skills capital/SIF grant could be available

Pros – revenue stream for the Council e.g. rent from LCR colleges

Cons – responsibility for the refurbishment and maintenance and management of the building remains with the Council

During the last twelve months, Council officers have been made aware of various suggestions for the future use of the building.

However, up until recently, this interest had been speculative without any firm proposals or offers having been made.

Members are advised of two offers below:

Company X

This is a local company. The business owner has been keen to expand the premises, Discussions have taken place with the owner regarding future Mersey Gateway hand back land sites, but the timing of the return and marketing of these sites does not meet the requirements of the business.

The company has offered to pay the Council to lease the premises from now until December 2022. If the property were to be leased the company would not take on any repairs and maintenance costs. There is also an offer to acquire the building.

The advantage of this offer is that it is for a short period and this would give the Council some 'breathing space' to either extend the existing arrangements, or consider the options outlined above. The main disadvantage is that the building would not be used for the purposes it was intended, and care would be needed to ensure this did not contravene the conditions of the Listed Building Status, as well as any planning obligations.

Company Y

This is a company based just outside the borough and relocated following a fire. The company is keen to return to the borough for operational reasons and most of its employees are Widnes residents.

Company Y have offered a 'baseline' figure per calendar month but have caveated this by stating that this would be subject to further surveys and dependent upon repairs and Health and Safety requirements.

The advantage of this offer is that it could utilise the building for the purposes for which it was intended and, therefore, it is unlikely to impact on the Listed Building and planning requirements.

The main disadvantage is the uncertainty surrounding the level of repairs the company would take on.

On balance, it is pleasing to note that two offers have been received for a building that does require significant investment and any future uses would be limited by the Listed Building status. For these reasons, it is recommended that officers from property services and legal services should further explore a lease arrangement with Company Y.

4.0 POLICY IMPLICATIONS

4.1 There are no further policy implications at this stage.

5.0 OTHER/FINANCIAL IMPLICATIONS

5.1 All of the above options require some expenditure. Options 4a-4e require significant investment. The least expensive option is option 2.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

N/A

6.2 Employment, Learning & Skills in Halton

N/A

6.3 A Healthy Halton

N/A

6.4 A Safer Halton

N/A

6.5 Halton's Urban Renewal

The bus depot is in a prominent site and will be opposite the new leisure centre on Moor Lane. The listed status of the building will have an impact on the type of regeneration and development that can be progressed in this part of Widnes.

7.0 RISK ANALYSIS

7.1 Each of the options outlined in section 3 of the report carry certain risks. The greatest risk to the Council relates to budgetary pressures associated with delivering options 4a-e. Option 1 presents a limited risk to the Council, but an empty building could attract anti-social behaviour. This would be mitigated by increased security measures. In addition, the Council's property team has experience of managing similar albeit smaller buildings. Option 2 presents a risk that the Council does not sell the building. This risk could be mitigated by including the building as part of a package. Option 3 could be a risk to the Council as it could raise expectations within the community, and potentially encourage an asset of community value request. Whilst an alternative community use would be welcomed, similar requests in the past have not been progressed due to lack of community capacity, and, therefore, this would further delay any proposals to dispose of the building.

For these reasons, it is proposed that a lease to Company Y would be the option with the least risk to the Council.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 There are no equality and diversity issues arising from this report.

12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
None under the meaning of the Act		