

Complaint sent to and acknowledged by Liverpool City Council 9 May 2020. Complaint No. 3941025

This is a complaint about Property And Asset Management

My company, Community Asset Revival (CAR) CIC obtained a 3-year Option to purchase the lease on land at Stalisfield Avenue, L11 from Liverpool City Council in March 2016. The Council's agents were the Property and Asset Management Service (PAMS). The unique project idea was to develop a multi-generational housing scheme whereby elderly people could live in independence, in an environment where they are surrounded by younger people (family or otherwise) that would prevent them from having to move into nursing homes. It was on this basis that the negotiations were first undertaken, and Covid-19's rampage through nursing homes here and internationally has shown that such an idea should have received full support from the Council.

Following completion of the Agreement, further negotiations with the Council – particularly the planning (LCP) and legal (LCL) departments suffered from several delays caused by the Council. Assuming a response time of four weeks being reasonable in every instance (even though an email from LCP dated 4 August 2017 promised two), they can be summarised as follows:

1. Week 1, February 2017: pre-planning application submitted. Delayed response, and meeting not held till May 24. **Approximate delay: 6 weeks**
2. Written report from planner, confirming dissatisfaction with the designs received 13 September 2017. **Delay: 10 weeks** (alternative designs already commenced in meantime)
3. In view of the delay mentioned above, PAMS sought advice from LCL on 2 June 2017 on possible need for Deed of Variation (DoV) to allow extensions of time. First draft Deed of Variation received from LCL, via PAMS, 6 March, 2018 (9 months later). **Approximate delay, 6 months**
4. In meantime, design work proceeded, meeting held with local councillors and local RSL – Cobalt Housing. All indicated little support or interest in the ideas, but we were determined to continue, with private sector involvement as the intended goal. In April 2018, a developer expressed interest in the site, but not the design idea or the CIC status of the company. They offered to "take over" the development if CIC status could be resolved with LCC. We approached PAMS on May 2 (after first draft of DoV received) to request consideration of changing to Limited Company. Final Deed of Variation received from LCL October 9, not referring to change of company status. As a result of this (implied) refusal, potential private sector partner withdraws. Note: DoV grants 3-month extension to long-stop dates (planning, finance etc.) but NOT to termination date. **Approximate delay, 13 weeks.**
5. In view of need to find new partners and apply for planning permission by extended longstop date, a new, simpler design was submitted for approval 24 Oct 2018. PAMS confirmed acceptability of new scheme. Company co-director resigned soon after, and withdrew application. This was resubmitted the following week, and LCC **granted a further 10-day extension** for receipt of approval. Negotiations were ongoing with other potential partners in private sector and with Cobalt Housing.
6. On 18 Jan 2019, PAMS sent a NEW Due Diligence requirement document that would need to be filled before completion could be achieved.
7. A further extension of time was requested 28 Jan, to conclude negotiations with potential new partners. Refused by LCL and option terminated on Feb 1 2019.

On 20 August 2018, I had written to PAMS suggesting that the continuing delays outlined above were making it more than likely that the long-stop dates would be missed, and expressing hope that the requested six-month extension to all dates would be granted. I also drew attention to the Council's 1999 apology for its involvement in the Trans-Atlantic Slave Trade, in which it promised to *"work closely with Liverpool communities and partners and with peoples of those countries which have carried the burden of the slave trade,"* (I am from Nigeria originally) and to commit *"itself to programmes of action with full participation of Liverpool's Black communities..."*

The next communication I received (September 7 2018) was a demand for the Deed of Variation to be signed within a week of their email: indicating no wish to address the Council's stated aims in its Apology for slavery, certainly not in this matter.

The extension that had been requested was six months. We had been granted three, plus an additional ten days. The delays caused by the three departments of the Council outlined above totalled 53 weeks (over 12 months). All in all, I believe that CAR CIC was entitled to approximately another nine months beyond the date on which the option was terminated. That would have been very much more than sufficient to satisfactorily conclude negotiations with the proposed developer and meet the Council's outstanding requirement of submitting a viable business plan, and the new Due Diligence Form, first advised about in January.

I submit that the Council, in the full knowledge that a partnership deal was on offer from a developer who required the company status to be changed to a Limited Company, wilfully denied CAR the opportunity to progress with a viable scheme. Furthermore, not only did the Council consider the matter for an inordinate amount of time, no reason was ever given for the refusal, nor was it ever formally responded to. The subsequent loss of the partnership opportunity was therefore inevitable. I consider the Council's withholding of consent to change the company was unreasonable and unjustifiable. I note that in the meeting with my then-MP Louise Ellman, LCL suggested that a reason had been communicated to our solicitor, and it was agreed that a copy of the relevant letter would be made available. This was never done.

I further submit that the Council's actions in total amount to sabotage of CAR CIC's attempt to develop property for social good, particularly for the elderly.

The remedies I seek include (but are not necessarily limited to) the following:

Repayment in full of all planning and legal fees paid to the Council

Compensation of all legal and architectural fees, expenses and disbursements incurred and/or payable by CAR CIC or myself.

Negotiated compensation in relation to loss of potential profits from the approved development submitted. This to take account of the uplift in the value of the land as first agreed with Cobalt Housing.