

to Mr. P. Barton,
1, Lorn Street,
BIRKENHEAD,
Wirral.
CH41 6SA

date 22 January, 2018

my ref JB/SB
your ref

Dear Mr Barton,

Stage 3 Complaint: Operation of the Lauries Limited

I am writing to you to provide a Stage 3 response to your complaint about the operation of The Lauries Limited. I would also like to take this opportunity to apologise to you for the time it has taken for me to complete my investigation but the matters that you have raised in your initial letter have been complex in nature and have required me to seek legal advice to ensure that this response is legally accurate.

I have summarised your complaints below and I will respond to them in the order in which they were first presented:

The company has ceased to have a membership since November 2009 and the directors term of office will have expired as there will have been no valid AGM of the members to re-appoint them.

To ensure a comprehensive response to this issue Mrs. Basnett, one of the Directors of The Lauries Limited, was interviewed before Christmas. It was confirmed at the meeting that the Board is in the process of advertising and recruiting for new members of the Company and this will be completed towards the end of 2018.

From a legal perspective it has also been confirmed that those still in office are effectively trustees de son tort and are not technically in breach of their lease. This means that if you are still concerned with Article 1.3 issues around membership of a charitable company then this is a matter to raise with the Charity Commission.

Management of the Building: In particular the building is not being used for those uses permitted under Clause 1.1 of the Lease and market rents are not applied to the sub-leases made to commercial companies occupying space at The Lauries.

As you are aware Clause 1.1 of the lease contains a definition of 'permitted user' which means: 'to use the premises only for the purposes of a community centre, neighbourhood college (including workshops), a café/snack bar, offices and meeting rooms, conference and events facility and ancillary thereto the sale and supply for consumption of alcohol in the licensed areas, but not further otherwise'. In addition the articles of association set out the company's objectives which is the promotion of any charitable purpose for the benefit of the community of Birkenhead and surrounding areas and in particular the advancement of education, the promotion of good health and providing a focus for development and regeneration.

To enable me to fully investigate your complaint I requested from the Lauries Limited a schedule detailing current occupancy rates including a short description of each of the companies/organisations taking this space along with evidence of rental levels charged to commercial occupiers.

The schedule has now been received and has been broken down to show that of the total commercial space available within the building some 18,747 sq. ft., 6,606 sq. ft. is currently given over to charitable use or supporting social enterprises. A further 6,350 sq. ft. is available for multi-use space for hire, training rooms and meeting rooms. The remainder of the space, 5,791 sq. ft. is occupied under licence for non-charitable use and amounts to 31% of the total commercial floor space available within the centre.

It has also been established that these businesses only operate this space under license which means that in the event of an appropriate charitable occupier being identified then it will be possible to serve a 30 day-notice on the commercial concern allowing the space to be re-let to the alternatives user.

Given that The Lauries Limited has to run the facility on a commercial basis I feel that the total of 31% of the lettable space being given over to commercial uses coupled with the flexible licensing arrangements described above ensures that the centre has struck the right balance in that it is being operated as a viable and sustainable proposition while at the same time fulfilling its community obligations as set out in its lease and articles of association.

Finally the Lauries Limited provided evidence that the passing rent charged to non-charitable organisations within the centre is benchmarked at £16.25 per sq. ft. This has been assessed by my Asset Manager as comparable with other facilities in the area and is commercially acceptable.

This completes my investigation into the matters that you have raised and once again I apologise for the time it has taken to complete my findings. If you are still not satisfied with the response, you have the right to take your complaint to the office of the Local Government Ombudsman which is independent of Wirral Council. You can do so in writing to the Local Government Ombudsman, PO Box 4771, Coventry, CV 4 0EH, by phoning 0300 061 0614 or submission via email advice@lgo.org.uk

Yours sincerely,



Joe Blott
Managing Director Delivery Services