

Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

27 FEBRUARY 2015

JOINT REPORT OF THE REGENERATION, INWARD INVESTMENT AND GROWTH AND ASSETS PORTFOLIO HOLDER AND THE ENVIRONMENT AND COAST PROTECTION PORTFOLIO HOLDER

A.5 FREEHOLD DISPOSAL OF THE OLD ROAD CAR PARK, CLACTON-ON-SEA (Report prepared by Aileen Middleton and Ian Taylor)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the Cabinets' approval for the freehold disposal of the Council's car park situated on Old Road in Clacton-on-Sea.

The Portfolio Holder has already given approval for this disposal, in principle.

EXECUTIVE SUMMARY

The Council holds the freehold ownership of the car park in Old Road, Clacton-on-Sea, adjacent to the old gas works and close to the Waterglade Shopping Park. The car park is used primarily by permit holders for long stay parking and is a relatively small car park of about 43 spaces, which is rarely used to full capacity. The Parking and Seafront Service is confident that the 20 regular permit holders can be accommodated in the nearby Wellesley Road or Alton Park Road Council car parks, both evening and daytime. Short stay customers can use the existing Waterglade Car Park, which has a large underused capacity. There will be no negative effect on overall parking capacity within Clacton arising from the disposal of this car park.

The Council has been approached by National Grid, who has tendered the site to develop the old gas works site into a retail scheme similar to the adjoining Waterglade offer. National Grid has indicated that the developers who have tendered for the project would like to include the car park within the overall scheme. This would increase the area for potential retail use for the developer and could generate a significant marriage value over and above the normal value of the car park.

There are some potential Council projects involving other Town Centre developments of public facilities that might be affected by a decision to sell the Old Road site. However, the old gas works site has been a top priority in terms of development for some time and officers, including planners, are keen that this opportunity should be fully explored.

RECOMMENDATIONS

It is recommended that the Cabinet authorises, in principle, the freehold disposal of the car park, subject to its decision on terms set out in the report in Part B of this agenda.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The disposal will have the potential to deliver on the following Council priorities:

- Ensuring people have the knowledge and skills to secure good employment.
- Promoting sustainable economic growth.
- Regenerating the District and improving deprived areas.

FINANCE, OTHER RESOURCES AND RISK

Finance and Other Resources

The freehold disposal of the car park will result in a capital receipt for the Council. Details of this are contained in Part B of this agenda.

Risk

- Vehicle numbers and the subsequent demand for parking has increased year-on-year for the past 50 years and therefore, any loss of parking capacity both on and off-street should be carefully considered.
- There are always additional new demands for parking arising from many different circumstances.
- The recently adopted Parking Strategy for Tendring acknowledges the need for Tendring to be regarded as a car-friendly District and to accommodate cars where possible.
- The loss of this car park has been carefully evaluated and there is more than sufficient available off-street parking in the surrounding area of this car park to offset the loss of parking.
- The potential disposal will yield a capital receipt, which may be used to contribute to the Council’s Capital Programme. A review of capital projects is planned shortly and it may be that some projects come forward in terms of improving parking capacity elsewhere in the District where demand for parking is greater and the positive impact of additional parking capacity can be more effective in terms of achieving tourism and inward investment opportunities.
- A policy of providing parking where it is most effective is a clear aim contained within the Parking Strategy for Tendring.

LEGAL

Section 123(1) to the Local Government Act 1972 indicates that a local authority may dispose of land held by it in any way it wishes so long as (Section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social well-being of the area.

Section 123(2A) to the Local Government Act 1972 indicates that, a local authority may not dispose of land held by it without advertising its intention to do so in the local press.

In this case, the price is in line with the valuation and special purchaser interest and is considered to be best consideration reasonably obtainable.

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law, following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the District.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement and Wards; and any significant issues are set out below.

None

Ward

St James

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Old Road car park is a 43 space car park located close to the cinema, supermarkets and the Waterglade Retail Park and adjacent to the old gas works.

The car park is under used being around half full or less on average. Revenue has fallen considerably in recent years from this car park, mostly as a result of the free household parking permit available to all Council Tax paying households in Tendring. The income generated from this sale will equate to over 25 to 30 years of combined annual revenue.

The Parking Strategy for Tendring, adopted in 2013, identified clear objectives in order to support key priorities for parking in Tendring. This included ensuring parking availability in the right places for the right vehicles as well as attractive, fit for purpose car parks to support tourism and inward investment objectives.

Revenue generated from this sale could be utilised to provide improved parking facilities elsewhere or to secure a long-term future for other parking areas in the District.

The land on which the old gas works used to stand has been cleared and has been put out to tender. Officers are told that five tenders have been received and that the majority of these tenders have included the Old Road car park site within the proposals for a new retail development opposite the existing Waterglade facility.

However, National Grid is going to purchase the car park rather than the developers as they have decided that it is a better location to relocate the gas kit in order to facilitate the development of the remainder of the site into a larger retail offer.

TDC has been approached regarding the sale of the car park and valuations have been obtained, full details of which, are contained in Part B of this agenda.

CURRENT POSITION

The TDC car park site will extend the proposed retail development by about a third and this will enhance and regenerate the area and provide further retail opportunities and jobs.

Valuations have been obtained and under the new rules, two valuations have been commissioned.

There is potential for a significant capital receipt on the sale of this site, which could allow investment in the Dovercourt Car Park and other sites subject to the Council's priorities. The financial details are contained in Part B of this agenda.

FURTHER HEADINGS RELEVANT TO THE REPORT

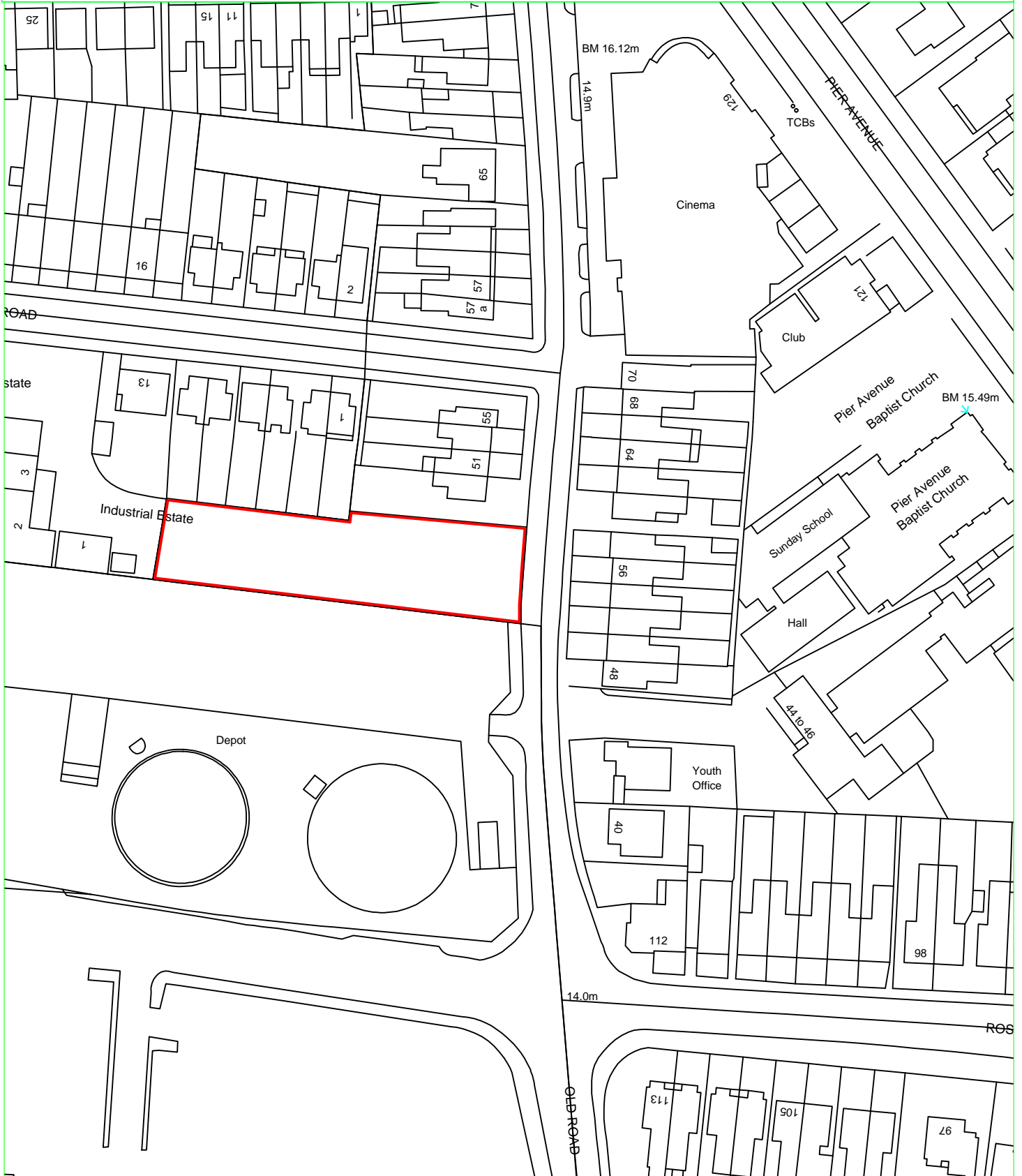
None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

- **Appendix A – Location Plan**



TENDRING DISTRICT COUNCIL

M. KNAPPETT
BA(hons). DMS. MCIH.
HEAD OF CORPORATE
PERFORMANCE

Title:
Car Park, Old Road,
Clacton on Sea

Drawing:
Location Plan

Scale: 1:2500

Drawn by: J.Weavers

Date: 3 June 2014

Drwg.No.
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Revision
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