

DECISION-MAKER:	CABINET
SUBJECT:	SALE OF WESTRIDGE ROAD CAR PARK, PORTSWOOD
DATE OF DECISION:	14 MARCH 2011
REPORT OF:	CABINET MEMBER FOR RESOURCES AND WORKFORCE PLANNING

STATEMENT OF CONFIDENTIALITY

Confidential Appendices 1 and 2 contains information deemed to be exempt from general publication based on Category 3 of Paragraph 10.4 of the Council's Access to Information Procedure Rules. The appendices include details of an offer which, if disclosed prior to entering into a contract, could put the Council at a commercial disadvantage in the future. In applying the public interest test it is not considered appropriate to make public offers received as this could lead to a revision of bids and, in the event of the transaction failing to complete, prejudice other interest in the property, therefore reducing the amount receivable by the Council.

BRIEF SUMMARY

A decision is required on whether to sell Westridge Road car park to a discount supermarket operator so that it can be brought to a higher standard and be used in conjunction with adjacent land to serve a proposed new supermarket development. The new owner will be legally obliged to continue to provide free short term parking on the site to shoppers whether they visit the proposed new supermarket or not. The public conveniences fronting Westridge Road will be removed and replaced with customer toilets within the supermarket to which the public will have access.

RECOMMENDATIONS:

- (i) To delegate authority to the Head of Property & Procurement to accept the offer set out in the confidential appendix 1 and negotiate final terms for the long leasehold disposal of the property, provided the new owner accepts a legal obligation to continue use the area of land identified on the attached plan (or a similar area) for free short stay parking regardless of whether motorists shop at the proposed new supermarket and to undertake such ancillary action as necessary in order to exchange contracts on a conditional basis (subject to planning consent and other conditions).

REASONS FOR REPORT RECOMMENDATIONS

1. The sale of the land subject to the conditions above results in an opportunity to retain usage as a free short stay public car park whilst reducing revenue costs, removing maintenance liabilities (including to the public conveniences) and generating a capital receipt.
2. The sale will result in an improvement to the layout of the car park at no cost to the Council and will increase the shopping opportunity available in Portswood.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. Alternatively the approach may be rejected; this would leave the Council with the current car park overheads and without the capital receipt but with control over the future use of the site and operation of the car park.

DETAIL (Including consultation carried out)

4. The proposed scheme comprises a supermarket of 1,313 sq.m. including storage with free short stay shopper's car park for 82 cars with larger parking bays and improved circulation space (Westridge Road car park currently has 88 car parking spaces). Subject to planning permission, the existing Westridge Road access will be retained and a further access created from St Denys Road, separate delivery access is also proposed from St Denys Road as this is more suitable for HGV's than Westridge Road. In order to facilitate the delivery access, a parking lay-by for about 5 cars would be removed from St Denys Road. An indicative layout plan has been prepared and is attached in confidential Appendix 2.
5. The continued use of the car park for free short stay parking would be ensured through making the disposal by way of a long lease including the required public parking provisions. Any disposal will be subject to the grant of planning permission and such application will be the subject of public consultation in the normal way.
6. The supermarket operator has indicated that if the Council wish they would be willing for the Council to continue to manage the car park for which mutually acceptable terms would need to be agreed.
7. There would appear to be minimal impact in terms of land usage on the surrounding area as the car park would remain in its current use. The retail / commercial frontage to St Denys Road would be retained. One adjacent residence would be lost due to the extra land required to improve the car park layout, discussions with the planning authority may result in re-provision of possibly three flats above the supermarket. It is proposed that the removal of the current public convenience will be mitigated by the provision of customer WC's within the new supermarket that will be available for use by the public.
8. About 40 full time and part time staff are expected to be employed from the new outlet creating the equivalent of about 22 full time jobs. The proposal would therefore contribute to job creation.
9. The car park is extensively utilised and contributes to the vitality of the Portswood shopping area along with other free public car parks at the Portswood Centre and Waitrose as well as short stay provision along Portswood Road and side streets. Car parking provision in Portswood is anticipated to be expanded upon the planned development of the new Sainsbury development on the site of the nearby former bus depot that has now been vacated
10. The interested party has advised that they have agreed terms in principle with adjacent land owners whose interests they will also need to acquire if they are to build a supermarket.

11. Highways and Car Parking Services and Economic Development have been consulted with regard to the proposals along with Legal Services and Finance.

RESOURCE IMPLICATIONS

Capital/Revenue

12. The potential sale of Westridge Road car park to a supermarket operator provides an opportunity for the Council to receive a capital payment as detailed in the confidential appendix for the land whilst at the same time ensuring its continued use as a free short stay shopper's car park. The price proposed is considered higher than existing use value and current residential development values and that the overall cost to the proposed purchaser of acquiring the entire site represents fair value when considered against the projected end value of the supermarket property that is planned to be developed.
13. The car park generates a small income in the order of about £2,000 pa from long stay 'pay and display' parking and penalty notices, this is currently exceeded by the total costs of running the car park. The rating liability of the car park is in the order of £10,500 payable. There are also maintenance costs; for example, circa £11,000 was spent on the car park about four years ago on lighting and surfacing, although there is no expenditure anticipated in the immediate future. A disposal would therefore reduce Council revenue costs. Further savings will be made by removal of the public conveniences; this will also remove the opportunity for anti social behaviour in their current vicinity.

Property/Other

14. This is a non operational property and there are therefore no operational implications other than potential changes to maintenance liabilities and running overheads.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

15. The car park was acquired and held under the Town & Country Planning Acts and therefore disposal at best consideration is permitted under S233 of the Town & Country Planning Act 1990.

Other Legal Implications:

16. If the car park is transferred in to private ownership the current Traffic Regulation Order will need to go through the formal process of being revoked, The purchaser would be expected to be responsible for the cost of this. The car park would then be managed by the purchaser who would rely upon civil enforcement remedies. If the Council are appointed to manage the car park enforcement may be done either by way of a new Traffic Regulation Order which enables the ability to make fines or through the use of civil remedies. A Traffic Regulation Order would also be required for the removal of the parking bays to the St Denys Road frontage in order to create additional service / car park access to the new development.

POLICY FRAMEWORK IMPLICATIONS

17. As defined by the local plan, the site lies within Portswood district centre. It is in a secondary position adjacent to the main Portswood Road shopping area. The core strategy promotes the health of the district centres so that they meet 'week to week' needs. A planning application will be considered against all these issues, the importance of linking in to the main centre, potentially the impact on the centre, and other considerations.
18. The proposal is consistent with paragraph 4.5.3 of the Adopted Core Strategy regarding Portswood District Centre which states '...key priorities for the centre in the future are: to ensure ground floors are safeguarded for active commercial use and to promote the use of upper floors for flats or offices; to support individual redevelopments of less distinctive areas within the centre; and further street scene Improvements to complement and enhance the centre's overall identity.'

AUTHOR:	Name:	Derek Willis	Tel:	023 8083 2283
	E-mail:	Derek.willis@southampton.gov.uk		

KEY DECISION? Yes/No Yes

WARDS/COMMUNITIES AFFECTED:	Portswood
------------------------------------	-----------

SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Confidential – Details of Offer
2.	Confidential – Indicative layout plan of proposed development

Documents In Members' Rooms

1.	None
----	------

Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	No
--	----

Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
2.	None