

Report subject	Sale of Christchurch By-Pass Car Park
Meeting date	10 March 2021
Status	Public Report with Confidential Appendix
Executive summary	<p>It is proposed that the Christchurch By-Pass Car Park is sold to the adjoining owner of the retail outlet, in order to secure the continued occupation of this unit by Waitrose.</p> <p>The purchase price has taken into consideration the existing use value of the site as a car park. The sale will be subject to clauses that allow the Council to buyback the site should it no longer be required as a car park.</p> <p>The terms of the disposal have been agreed between the parties and are outlined in the confidential appendix to this report.</p> <p>Progressing with this disposal will provide a capital receipt that will support the Council's Transformation Programme.</p>
Recommendations	<p>That Cabinet RECOMMENDS to Council to;</p> <ul style="list-style-type: none"> i. agree to dispose of the Christchurch By-Pass Car Park, as outlined in red on the attached plan in Appendix 1, for the purchase price detailed in the confidential appendix to this report; ii. delegate authority to the Corporate Property Officer in consultation with the Portfolio Holder, Monitoring Officer and Section 151 Officer to finalise the detailed terms of the disposal;
Reason for recommendations	<p>The disposal of the land will contribute to the Council's Corporate strategy priorities, by helping to create dynamic places by ensuring a town centre retains its diversity in shopping facilities while contributing to a sustainable environment through the retention of the green corridors in this area.</p> <p>The capital receipt will help fund the Council's Transformation Programme.</p>

Portfolio Holder(s):	Cllr Drew Mellor, Leader of the Council and Portfolio Holder for Finance and Transformation
Corporate Director	Bill Cotton, Corporate Director, Regeneration and Economy
Report Authors	Sam Munnings, Estates Operations Manager
Wards	Christchurch Town;
Classification	For Recommendation

Background

1. The council has operated the Christchurch By-Pass car park as a public pay and display car park for many years. The car park is currently used by customers of Waitrose, who operate a payback scheme to its shoppers for the parking charge, and is available to those who use the Saxon Centre together with long stay users.
2. The lease of the commercial unit to Waitrose is due to expire in 2027 and whilst Waitrose wish to continue operating from the site, it is one of their poorer performing stores and they have cited the lack of control by their landlord of the car park as a key factor.
3. The freeholder is therefore negotiating a surrender and regrant to secure Waitrose on site for a further 15 years and gaining control of the car park is pivotal to this agreement as Waitrose are unwilling to renew their lease and stay in Christchurch if the landlord could not gain control of the car park.
4. Terms have been negotiated between the Council and the owner of the Waitrose store for the sale, which provides for a capital receipt to the Council, while ensuring that the site remains a car park into the future.
5. The proposed sale is for the car park only, with the Council retaining its surrounding interest, most notably the green corridor between the car park and the stream.
6. The proposed heads of terms of the disposal have been agreed between the parties and are outlined in the Confidential report attached at Appendix 2. As a result of the negotiations, consent is now being sought from Cabinet to progress with the disposal.
7. The agreed land value reflects the market value of the site, taking account the rights and obligations that the Council has reserved in order to protect the amenity of the local community.

Consultation with Ward Councillors

8. The site lies within the Christchurch Town Ward. Cllr Brooks as regeneration lead for Christchurch and the ward Councillors were consulted on the proposal. No objections were received.

Options Appraisal

9. The alternative option is to retain ownership of the car park and continue to operate it as a pay and display car park. If this option is pursued Waitrose has indicated that

they will not renew their lease of their store, which will result in them not having a presence in Christchurch. There is no guarantee that a suitable alternative tenant could be found for the unit and so it may remain empty for some time.

Summary of financial implications

10. The financial implications are detailed in the Confidential report attached at Appendix 2.

Summary of legal implications

11. The Council has the necessary statutory powers to dispose of this land under Section 123 of the Local Government Act 1972, which gives a general power of disposal for the best consideration reasonable obtainable.
12. A valuation has been provided by an internal RICS Registered Valuer, who has confirmed that the sale price is reasonable and this is sufficient for the Council to satisfy its obligations under Section 123, Local Government Act 1972. The valuation confirms the agreed sum represents best consideration.
13. The Council will retain access rights across the site, in order to manage the adjoining retained land. The sale is also subject to the existing access rights in favour of adjoining landowners, together with any existing rights and agreements for the underground pumping station and the lease of the gas governor station.

Summary of human resources implications

14. As the site will be retained as a car park for public use and the existing rights of adjoining landowners will be retained, there are no People implications arising from the recommendations within this report. There is no Equality Impact Assessment required or any contractual consequences.

Summary of sustainability impact

15. A Decision Impact Assessment (DIA) has been undertaken for this proposal and is attached. Reference ID 186.

Summary of public health implications

16. The health and wellbeing of the local community will be maintained through the recommendations in this report.
17. The sale of the car park will ensure the current tenant remains in the adjoining unit, retaining a supermarket within the town centre, while also ensuring local people have access to choice for their shopping.

Summary of equality implications

18. There are no equality implications associated with the recommendations brought forward in this report.

Summary of risk assessment

19. The disposal of the Christchurch By-Pass Car Park is considered medium risk. The Council will retain certain rights on disposal and the ability to buyback the car park should it no longer be required as a car park by the purchaser. This will ensure that the car park remains in such a use and that car parking capacity is maintained.

20. There is a risk around loss of a public car park managed by the Council and a perceived loss of public parking as the site will be managed and marketed as a parking area for Waitrose customers. This in turn may reduce the number of long stay spaces available.

Background papers

None

Appendices

Appendix 1 – Plan - Disposal area

Appendix 2 – Confidential Financial Report

Appendix 3 - Decision Impact Assessment