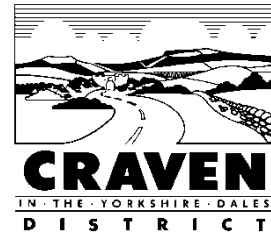


Policy Committee- 7th Mar 2017

Transfer of Embsay Car Park



Report of Director of Services

Ward(s) affected: Embsay

Lead Member: Cllr P Mulligan

1. Purpose of the Report

- 1.1 To seek approval for the 25 year lease of Embsay Car Park to Embsay with Eastby Parish Council.

2 Recommendations

Members are recommended to:

- 2.1 Approve the transfer of Embsay Car Park in accordance with the agreed Heads of Terms for Lease attached at Appendix A.

3 Background

- 3.1 The Council's property assets are a key resource and play an important role in the delivery of services to Craven's residents. They also play a major role in the majority of Council projects, its finances and priorities.
- 3.2 There is increasing pressure on the public sector to strategically manage and operate property assets and act commercially when making property investment decisions. At the same time there is pressure to continue to provide front line local services whilst operating under financial constraints. Many Councils are now acting to strengthen their funding base and reduce reliance on Government grant by building asset portfolios and disposing of surpluses to provide a commercial return or reduce liability.
- 3.3 Effective asset management requires the Council to ensure assets are fit for purpose, represent value for money and are making the optimal financial contribution to the Council, challenge the need for assets and examine the justification for its continued use in the provision of services
- 3.4 One of the objectives of the Council's Asset Management Plan is to ensure assets are used to the benefit of the community and seek opportunities to transfer ownership and/or management of assets into community use where appropriate. Discussions have been held with Embsay with Eastby

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Parish Council with a view to leasing them the car park in the village and in doing so ensuring the continued use of the Council's assets by the community whilst reducing the Council's liabilities.

4 Embsay Car Park

- 4.1 Embsay car park sits in the centre of the village, occupies 1022sqm and is currently used as a public car park. A site plan is attached at Appendix B. The car park has 29 spaces and recycling facilities. The car park is well used with peak occupancy between 76% - 110% from 10am to 3pm. The car park is used by visitors to the area, local residents and visitors to the nearby village hall. Some residents of Main Street and the Village hall do not have any parking facilities and the street itself is double yellow lined.
- 4.2 It has been previously been identified as suitable for pay and display car parking and was subject to proposals in June 2009. Members of Craven Council approved the introduction of pay and display however consent for a parking order was subsequently withheld by the North Yorkshire Craven Area Committee in October 2009 due to the potential impact of the increase of vehicles onto the surrounding highways and the detrimental effect this would have on vehicles safely passing through the village, together with the overall impact on the amenity of the local community.
- 4.3 The car park was also subject to a review by the Select Committee in 2015 when it was recommended charges should not be introduced because of the negative impact the introduction of charging could have on Embsay Village Hall, which had been advised previously parking was not required when constructing the new hall, as free parking was available.
- 4.4 The annual cost to the Council of the car park is £690 for business rates. In addition there is a small amount allocated to reserves for maintenance, and officer time expended on inspections, and support services.
- 4.5 The tenant will be responsible for ongoing maintenance of the car park, boundaries and signage and managing the usage.
- 4.6 The rent requested is a modest £25.00 per annum that is to be reviewed every 5 years and increased by the greater of RPI or 5%. The term of the lease is 25 years so will return approximately £675.00 in income. The annual cost saving to the Council that represents a reduction in business rates, inspections, insurance, and reactive maintenance will be c£900 per annum and in total c£22,500 over the 25 year term.
- 4.7 A key caveat within the proposed lease transfer is the use of the land that is restricted to existing use so the introduction of charging is prohibited. The Council's permission must be sought for any proposed application for change of use or alternate activities.

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5 Financial Implications

- 5.1 The financial implications are as described within paragraph 4.4 above.

Future use as development land is protected should the Council wish to be an option in long term. A sum of £400 will be paid by Embsay with Eastby Parish Council to cover the Council's legal costs.

6 Legal Implications

- 6.1 The land is held by the Council for the purposes of the Local Government Act 1972. The Council has the power to dispose (which term includes the grant of a lease for a term exceeding 7 years) of land under section 123 of the Local Government Act 1972 for the best price that can reasonably be obtained. The standard procedure for disposal is therefore to seek to maximise the financial benefit to the Council in accordance with Section 123 of the Local Government Act 1972.

The Council can dispose of land at an under value under the General Disposal Consent 2003 (issued by the Secretary of State) in order to secure the promotion or improvement of the economic, social or environmental well-being of its area subject to the condition that the under value does not exceed £2,000,000.

Under the Scheme of Delegation to Officers any asset with estimated proceeds of less than £100,000 can be disposed of by the Strategic Manager, in consultation with the relevant local ward member(s), the Director of Services, Chief Financial Officer and the Monitoring Officer. If the estimated proceeds are more than £100,000 disposal must be approved by the Council's Policy committee

In this case however there is a conflict of interest with the Ward Member also a Member of the Parish Council so to ensure transparency of decision making the matter is brought to Policy Committee

7 Contributions to Corporate Policies

- 7.1 The proposals in this report support the Council priorities of 'Financial Resilience' by ensuring the Council remains sustainable and can continue to deliver essential front line services.

8 Appendices

Appendix A – Heads of Terms
Appendix B – Site Plan

8 Author of the Report

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