

**Not for Publication**

Exempt information relating to financial or business affairs of any particular person, (including the authority holding that information)

The information contained in this report is strictly confidential and in accordance with the appropriate Codes of Conduct, must not be disclosed to unauthorised persons

**Land and Asset Management Committee**

**10 March 2016**

**Disposal of Council Owned Car Park, Union Street, West Bromwich  
(Key Decision Ref. No. LAM012)**

**1. Summary Statement**

- 1.1 Following a review by Highway Services approval is sought to formally declare the Council owned car park at Union Street, West Bromwich surplus to council requirements (see Drawing No. SAM/49460/00) and to either dispose of the freehold interest or grant a leasehold interest in the land.
- 1.2 As a result of the review, the Highways Service has identified a number of public car parks which are under-utilised/no longer required and potentially available for disposal/lease.
- 1.3 The Council has no strategic interest in the public council owned car park identified, although the land may be of interest to the private sector. It is, therefore sensible to declare the car park surplus to Council's requirement and to seek authority to dispose or lease the site.
- 1.4 The freehold disposal could generate a capital receipt in the region of £XXX with an expected rental envisaged to be in the region of £XXX.

Further details are attached for your information

## 2. Recommendation

That Cabinet be recommended to approve:-

- 2.1 that the Council owned public car park at Union Street, West Bromwich (Drawing No. SAM/49460/001) be declared surplus to the Council's requirements and the Director - Governance be authorised to dispose of the freehold interest or grant a lease on terms and conditions to be agreed by the Director - Regeneration and Economy.
- 2.2 that the Director - Governance be authorised to enter into or execute under seal , where necessary any other legal documentation in connection with the disposal of the land or grant of a leasehold interest referred to in recommendation 2.1 above on terms to be agreed by the Director – Regeneration and Economy .

**Nick Bubalo**  
**Director – Regeneration and Economy**

**Neeraj Sharma**  
**Director - Governance**

**Contact Officer**  
Mandip Singh Sidhu  
Asset Manager  
2345

## 3. Strategic Resource Implications

- 3.1 The Director - Regeneration and Economy estimates the freehold value to be in the region of £XXX and an annual rental value in the region of £XXX.
- 3.2 There are no implications for the Council workforce.
- 3.3 This site currently represents both a maintenance and business rates liability to the council. The car park does not generate any income to mitigate against the outgoings as it is not pay and display. There is no risk associated with disposal/lease of this land as it will continue to be used as a car park up to and post disposal/lease.
- 3.4 The Council has no strategic interest in the site.

[ILO: UNCLASSIFIED]

#### **4. Legal and Statutory Implications**

- 4.1 In the case of any disposals the Council must comply with the power to dispose of land contained in Section 123 of the Local Government Act, 1972 which requires the disposal to be for the best consideration reasonably obtainable, which needs to be satisfied by a valuation agreed by the Director – Regeneration and Economy.
- 4.2 There is no legal obligation to obtain best consideration for the grant of a leasehold interest subject to the lease falling under the definition of a short tenancy in accordance with Section 123 of the Local Government Act 1972. A short tenancy by definition of the Act is a tenancy not exceeding 7 years. Notwithstanding this, in the event a short tenancy is granted, the council should seek to obtain the best possible annual receipt in line with comparable evidence.
- 4.2 An EIA assessment has been undertaken and it is envisaged that there are no detrimental impacts.

#### **5. Implications for Scorecard Priorities**

- 5.1 People – the closure of the public car park will not unduly affect local people. The car park is mainly used by local business and the intention is to dispose/lease the site as a car park. There is however, alternative parking provision within the vicinity.
- 5.2 Place – the reuse of the site will ensure that the site is not left empty and will not attract anti-social behaviour.
- 5.3 Prospects – disposal/lease of the site will improve the prospects for the owner to utilise the site.
- 5.4 Performance – the Highways service reviewed public car parking provision in the Borough in December 2013. The report shows that Council assets are under constant review. A disposal of the car park or grant of a leasehold interest will generate a receipt for the council supporting its financial obligations in continually providing services to the Borough.

## **6. Background Details**

- 6.1 The site is allocated in the West Bromwich Area Action Plan for Local Employment Uses and the Council obtained Planning Permission to use the site for a public car park.
- 6.2 It is considered therefore that a continuation of the existing use would be the appropriate use for the site. There is a significant demand for car parking in this area generated by surrounding commercial uses.
- 6.3 As the site has a permitted Planning use as a car park it could be used as a private car park without the need for Planning Permission, as there is considered to be no material change of use. It is recommended however, that the landscaping belt on the Union Street frontage that acts as an attractive screen which should be retained and not developed following disposal/lease.