

**ROYSTON AND DISTRICT COMMITTEE**  
12 January 2011

**\*PART 1 – PUBLIC DOCUMENT**

**AGENDA ITEM No.**

**6**

**TITLE OF REPORT : LAND AND PROPERTY DISPOSALS: KING JAMES CAR PARK,  
MELBOURN ROAD, ROYSTON**

REPORT OF THE HEAD OF FINANCE, PERFORMANCE & ASSET MANAGEMENT

**1. SUMMARY**

- 1.1 To seek the Committee's views on the marketing and potential disposal of Council owned land at King James car park prior to consideration by Cabinet on 25<sup>th</sup> January 2011.

**2. FORWARD PLAN**

- 2.1 This report contains a recommendation on a key decision that was first notified to the public on the forward plan in December 2010.

**3. BACKGROUND**

- 3.1 The District Council owns part of the King James car park, Royston. Our property holdings are reviewed on a regular basis as part of our Asset Management Plan and the latest review has identified a number of properties that may now be suitable for disposal. The plan attached is approximate and for identification purposes only.
- 3.2 At its meeting of 18 November 2010 the Council's Asset Management Group reviewed a number of potential properties and land for disposal including the King James car park and raised no objection to its potential disposal. Having considered each of the sites including the car park, Officers have concluded that a disposal programme could be drawn up with a view to identifying capital receipts to help fund the future capital programme.
- 3.3 There are a number of constraints that may delay or frustrate potential property disposals including obtaining planning permission for change of use or for development, legal issues such as restrictive covenants, supply and demand for property, market confidence and availability of finance.
- 3.4 In order to minimise abortive work both Legal Services and Planning Services will be consulted before commencing marketing of individual sites and buildings. The Planning Service's comments are included under paragraph 4.3.

#### **4. ISSUES**

- 4.1 The Council owns the freehold of part of the pay and display parking and the annex building to Royston Town Hall. The Town Hall is owned by Royston Town Council. The District Council leases the remainder of the pay and display car park from Hertfordshire County Council.
- 4.2 The Contracts and Project Manager has been consulted on the proposal for the King James Car Park. He has indicated that in terms of impact on parking revenue the outcome will depend upon what developments are proposed and what opportunities are available to relocate any lost parking elsewhere within Royston.
- 4.3 The combination of the District and County Council lands have been identified in the Royston Town Centre Strategy as an opportunity site to help rejuvenate the town centre. The site has never been actively marketed. In order to help promote regeneration of the town centre it is recommend that the District Council's freehold land comprising the car park, land and Town Hall Annex building as identified on the attached plan is marketed to establish what opportunities may exist and report the results back to Cabinet. Previously an Officer from Property and Estates at Hertfordshire County Council indicated that they would support the option of exploring redevelopment of their car park land in partnership with the District Council. Before commencing marketing contact will be made with both Royston Town Council, Hertfordshire County Councils and the users of the annex building to make certain they are aware of the District Council's proposals and to identify any particular issues for them.

#### **5. LEGAL IMPLICATIONS**

- 5.1 Cabinet has within its terms of reference to prepare and agree to implement policies and strategies other than those reserved to Council.
- 5.2 Where land or property has been declared surplus to requirements the Strategic Director of Finance Policy and Governance shall have authority to dispose of land for consideration not exceeding £250,000.
- 5.3 Even after land or property has been declared surplus to requirements, a resolution of Cabinet would be required to dispose of the land where consideration exceeds £250,000 but does not exceed £2,500,000. Where the consideration exceeds £2,500,000 a resolution of Council would be required to dispose of the land.
- 5.4 The Contract Procurement Rules apply to the sales of land or property. If Cabinet follows the recommendation in this report then the Officers seeking to market and dispose of the land would be required to do so within the remit of the Contract Procurement Rules.
- 5.5 Under Section 123 of the Local Government Act 1972 a Council has the power to dispose of land or property in any manner it wishes. However under the Council's constitution the Council may only dispose of land using the following methods:

- Private Treaty
- Public Auction
- Formal Tender
- Informal Tender
- Statutory offer back to the former owner
- Grant of a long lease i.e. a virtual freehold

- 5.6 Section 123 of the Local Government Act 1972 requires the Council not to dispose of land or property for a consideration less than the best that can be reasonably be obtained, unless the Secretary of State consent to the disposal.
- 5.7 The Secretary of State has issues a general consent in the form of The General Disposal Consent (England) 2003. This means that specific consent is not required for any disposal for less than the best consideration reasonably obtainable where:

The Council considers that the disposal will help it secure the promotion or improvement of the economic, social or environmental well being of its area; and

The undervalue does not exceed £2,000,000

- 5.8 There will be specific legal implications for any property. Issues such as (without limitation) covenants on title, easements burdening the land, and rights of third parties, may complicate or prohibit disposal. Such issues will be identified as a result of a detailed analysis of the title deeds and documents relating to each site. This analysis will be undertaken in respect of any site declared surplus to requirements to the extent that such analysis has not already been completed.

## **6. FINANCIAL AND RISK IMPLICATIONS**

- 6.1 Application of an asset disposal programme will provide funds for future capital investment.
- 6.2 Disposing of assets reduces the risk to the Council arising from the duties under the Occupiers Liability Act 1957 and 1984. Disposal of these assets would remove the insurance costs as well as general maintenance responsibilities and costs of these buildings

## **7. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS**

- 7.1 The Council's Asset Disposal Strategy, approved in July 2004, sets out that consultation should follow the following process; *"the relevant Ward Member(s) will be consulted on any proposals and consideration be given to wider community consultation. Following consultation a report on the officers recommendations will be presented to the appropriate Area Committee for their views before seeking approval from the relevant delegated Member or Committee"*.
- 7.2 As part of the consultation Royston and District Area Committee's views are sought. Its recommendations will be reported on the night of the Cabinet meeting of 25<sup>th</sup> January 2011.
- 7.3 As indicated, it is intended to consult with Royston Town Council, Hertfordshire County Council and users of the Town Hall Annex. Consultation with outside organisations is not necessary other than the requirement to advertise the Council's intention to dispose of the land for two consecutive weeks in a local newspaper where the land is Open Space.

## **8. HUMAN RESOURCE AND EQUALITIES IMPLICATIONS**

- 8.1 There are no human resource or equality implications arising from this report.

## **9. RECOMMENDATIONS**

- 9.1 That as part of the consultation process, the Committee gives its views to Cabinet on the marketing and potential proposal to dispose for King James Car Park, Royston.

## **10. REASONS FOR RECOMMENDATIONS**

- 10.1 To provide financial receipts to help fund the 2011 to 2015 capital programme.

## **11. LOCATION PLAN**

- 11.1 Plan attached for identification purposes only

## **12. REPORT AUTHOR**

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## **14. BACKGROUND PAPERS**

- 14.1 Land holding records and location plan.

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