

## **Cabinet**

**19 December 2023**

### **Union Place Car Park, Chatham and Temple Car Park and Yard, Strood**

Portfolio Holder: Councillor Naushabah Khan, Portfolio Holder for Housing and Property

Report from: Sunny Ee, Assistant Director, Regeneration

Author: David England, Head of Valuation and Asset Management

#### **Summary**

This report seeks delegated authority for the Director of Place, in consultation with the Portfolio Holder for Housing and Property to:

- (i) Appropriate the above car parks for planning purposes.
- (ii) Declare the car parks surplus to requirements, so to dispose of the properties on the best terms reasonably obtainable whilst securing development of the sites.
- (iii) Authorise the legal department to conclude the contract of sale for both properties.

#### **1. Recommendations**

1.1. It is recommended that the Cabinet agrees to, delegate authority to the Director of Place, in consultation with the Portfolio Holder for Housing and Property to:

- i) Appropriate Union Place Car Park, Chatham and Temple Car Park and Yard, Strood for planning purposes.
- ii) Declare the car parks surplus to requirements, so that they can be disposed of using Section 233 of the Town and Country Planning Act 1990 for development on the best terms reasonably obtainable.
- iii) Authorise the legal department to conclude the contract of sale for both properties.

## 2. Suggested reasons for decisions

- 2.1. To secure a capital receipt, and to enable development.

## 3. Budget and policy framework

- 3.1. The capital receipts from the disposals are likely to exceed £100,000 and this is therefore a matter for Cabinet.
- 3.2. Cabinet land and property transactions over £500,000 to be reported to the next Council meeting for information when completed.

## 4. Background

### 4.1. Car park at Union Place, Chatham

- 4.1.1. This car park site, as shown edged black on the attached plan at appendix A, to this report, is currently closed as it was accessed from Union Place over private land at the rear of the adjacent former bingo premises. Permission for access was only granted permissively and this has been withdrawn. Studies have concluded that establishing an alternative access from the A2 to be prohibitively expensive and will not comply with highway design standards.

- 4.1.2. The car park had 49 spaces and did see a reduction in income over recent years, associated with the Covid 19 pandemic. It is considered that the demand for this car park can be catered for in other Council car parks.

### 4.2. Car park & yard at Temple Car Park, Strood

- 4.2.1. The car park has 73 spaces and has seen a reduction in income over recent years. The average net income over the financial years of, 2021/22 and 2022/23 (we have not included the income for 2020/21 in the average due to Covid 19 and lockdowns, meaning that the figure for this year was low) from the car park is only £21,543 per annum. It is considered that the demand for this car park can be catered for in the Commercial Road Council car park.

## 5. Options

- 5.1. Option 1 – Do Nothing. The Union Place car park will remain unused and attract anti-social behaviour. The Temple car park can remain operational and produce an income to the Council. Not recommended as it continues the status quo.
- 5.2. Option 2 – The Council attempt to purchase/acquire the adjacent sites and undertake a comprehensive development. This is not advisable as it will require considerable capital and officers time/appointment of external consultants
- 5.3. Option 3 - Appropriated and then disposed of. This will also generate capital receipts for the Council. This is the recommended option.

## 6. Advice and Analysis

### 6.1. Union Place Car Park

It is not feasible for the Council to reopen the Union Place car park for the above reasons, the sale will enable a more comprehensive development of the area to take place, potentially more than just the former Bingo Hall site being developed in isolation.

### 6.2. Temple Car Park

Whereas the car park can continue in its existing use, the sale will enable a more comprehensive regeneration of the area to take place, including the adjacent Tesco.

## 7. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Legal Challenge	The Council faces a Judicial Review on the Grounds it has not obtained best consideration from the disposal.	Appropriate the site for planning purposes and then offer it for sale on the open market, sell to the highest realistic bidder or obtain an independent RICS red book valuation	C3
Complaints about the loss of parking.	Local businesses and residents complain about the loss of parking.	As set out above, the car parks are either closed or it is considered that those displaced from using the car park, will be able to be accommodated in other car parks.	C3

For risk rating, please refer to the following table (please **retain** table in final report):

<b>Likelihood</b>	<b>Impact:</b>
A Very likely	I Catastrophic
B Likely	II Major
C Unlikely	III Moderate
D Rare	IV Minor

## 8. Consultation

8.1. The relevant service departments, and the Portfolio Holders for Housing & Property and the Portfolio Holder and Front Line Services have been consulted about the disposal of the car park and have no objections.

## 9. Climate change implications

9.1. There are none directly relating to this report.

## 10. Financial implications

10.1. Disposal of the car park will generate a significant capital receipt. In 2022/3 the net income was £22,039 pa, + £1,500 in PCNs (current year to date £14,224 + 3,800 respectively) which will be lost as a result of the disposal of the Temple car park, but should be recouped by customers using alternative Council car parks. No income is received from Union Place car park.

## 11. Legal implications

11.1. The Council has a fiduciary duty and under Section 123 of the Local Government Act 1972, the Council is required to obtain best consideration when it disposes of or grants leases for over seven years of land and property, unless it is using the general disposals consent 2003 and the undervalue is less than £2,000,000 and the disposal will help to secure the promotion or improvement of the economic or environmental well-being of the area, or a specific approval is obtained from the Secretary Of State.

11.2. By appropriating the site for planning purposes, it can be disposed of using S233 of the Town & Country Planning Act 1990. This will enable the Council to disregard any bids, that would not secure the redevelopment of the site (such as those for existing use, which might be higher than the development value) without acting unlawfully.

## Lead officer contact

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## Appendices

Appendix A: Plans of the Car Parks at Union Place, Chatham and Temple Street, Strood

## Background papers

None