## 7th September 2011

### DEDICATION OF BDC CAR PARK LAND TO HIGHWAY

Relevant Portfolio Holder	Mike Webb / Del Booth
Portfolio Holder Consulted	Yes
Relevant Head of Service	John Staniland
Wards Affected	St John's
Ward Councillor Consulted	No
Key Decision	

### 1. <u>SUMMARY OF PROPOSALS</u>

- 1.1 On 28 June 2010, the planning committee resolved to grant planning permission for the new supermarket. A condition of planning permission will require improvements to the crossroads of Stourbridge Road, Market Street and Birmingham Road.
- 1.2 The improvements to the crossroads are required to cater for the increased traffic that would be generated by the proposed store, so without these highway improvements the store can not be built.
- 1.3 To allow for the junction improvements to take place a strip of land from the Bromsgrove District Council Market Street Car Park adjacent to the junction needs to be incorporated within the Highway. The strip of land is owned by the Council. Sainsbury have requested that the Council dedicates this land as public highway to facilitate the junction improvements.
- 1.4 The works to improve the junction will include levelling of the rest of the Car Park. These works will be funded and executed by Sainsbury and include resurfacing and re-lining to maximise the capacity of the reduced area, with a net loss of 4 car parking spaces.
- 1.5 Bromsgrove District Council appointed the District Valuer to act on its behalf in the valuation of the lost car parking spaces and the subsequent negotiation with Sainsbury.
- 1.6 The result of these negotiations is that in addition to carrying out the Car Park improvement works, Sainsbury will pay Bromsgrove District Council £50,000 in consideration of both the loss of the 4 spaces and any drop in revenue during the works. The Council and Sainsbury are currently negotiating an agreement to set out the above arrangement.
- 1.8 It is proposed that the £50,000 receipt is re-invested into the Town Centre Regeneration Programme to support the overall uplift of the area.
- 1.9 The attached drawing shows the proposed works.

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### 2. <u>RECOMMENDATIONS</u>

- 2.1 Permit the dedication to Highway of part of the Market Street Car Park to allow for improvements to the crossroads of Stourbridge Road, Market Street and Birmingham Road and the Council to enter into an agreement under section 278 of the Highways Act 1990 for the sole purpose of dedicating the said land as public highway.
- 2.2 Permit Sainsbury PLC and their appointed representatives and contractors to carry out the agreed and necessary levelling, re-engineering and reinstatement works to the Market Street Car Park.
- 2.3 Permit Sainsbury PLC and their appointed representatives and contractors such access to the Market Street Car Park for plant and storage that they shall need to execute the Highway Improvements, within defined limits and an agreed timescale.
- 2.4 Accept the offer of £50,000 from Sainsbury PLC in consideration of the net loss of 4 car parking spaces resulting from the dedication.
- 2.5 Allocate the £50,000 to the Town Centre Regeneration Programme Capital Budget.

#### 3. KEY ISSUES

### **Financial Implications**

- 3.1 The valuation by the District Valuer was based on capitalising the net revenue potential of each car park space in the Market Street Car Park.
- 3.2 The net revenue potential included consideration of the average occupancy levels prevailing in the car park and the management and maintenance costs.
- 3.3 The Asset and Management Group has been kept informed throughout regular updates and the proposed £50,000 payment by Sainsbury approved by Jayne Pickering, Financial Director.
- 3.4 The £50,000 payment will be triggered upon notice of commencement of works on the Car Park.
- 3.5 The proposed arrangement will allow for the Sainsbury development to proceed which in turn will trigger the Section 106 contributions towards the Town Centre public realm upgrade, which have already been negotiated and agreed.

#### Legal Implications

3.6 When the agreement is completed, it will allow Sainsbury to serve a notice on the Council. From a date specified in the notice, Sainsbury

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will have a right to enter into part of the Market Street Car Park to carry out the junction improvement works and the car park levelling works. On the date of the notice, Sainsbury will also pay the Council £50,000.

3.7 From the date of the notice, the Council will be obliged to enter into the section 278 Agreement to dedicate the strip of land as public highway and to use its reasonable endeavours to assist Sainsbury in agreeing the document. Sainsbury will indemnify the Council in respect of any costs or liability arising from the section 278 Agreement.3.8 Sainsbury will, from the date of the notice, be obliged to carry out the car park levelling works as long as they receive all required consents for the works.

### Service / Operational Implications

- 3.8 Bringing the Car Park surface to street level will open up the whole area, giving a line of sight from Market Street across into Stourbridge Road/Strand Area. This will improve the feeling of light and space in the area.
- 3.9 The reinstated car park will be easier to access and to navigate. Other car parks are nearby in the event that the Market Street Car Park is full as a result of losing 4 spaces.
- 3.10 The Town Centre Regeneration Programme will benefit from the addition of £50,000 to its Capital Budget and through the enablement of the Sainsbury development and hence the release of the corresponding Section 106 Public Realm monies.

### **Customer / Equalities and Diversity Implications**

3.11 Blue-badge car parking spaces will not be lost during these works, other than for short periods when the whole car park needs to be shut for Health and Safety reasons as a result of construction activities.

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### 4. RISK MANAGEMENT

4.1 The legal agreement has been drafted to minimise risks to the Council by ensuring that the works to the Car Park are based on drawings approved by us, we have adequate redress to the quality of the works and that the scope of permitted works is defined and time bound. However the agreement is in draft form only and the provisions may be changed by Sainsbury or the Council before being finally agreed.

### 5. <u>APPENDICES</u>

Appendix 1 – Drawing showing the land in question.

### 6. BACKGROUND PAPERS

Officer's report to committee of 28 June 2010.

### AUTHOR OF REPORT

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