



## Millers Garage Car Park, Crewkerne

Executive Portfolio Holder:	Cllr John Clark, Portfolio Holder for Economic Development including Commercial Strategy
Ward Member(s)	Cllr Mike Best, Cllr Ben Hodgson, Cllr Robin Pailthorpe
SLT Lead:	Jill Byron, Solicitor and Monitoring Officer
Service Manager:	Robert Orrett, Commercial Property, Land and Development Manager
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## Purpose of the Report

1. To present a proposal for an alternative approach to delivering the proposed new public car park facility at this location which also unlocks delivery of new housing on adjoining land.

## Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of June 2022.

## Public Interest

3. The proposal will involve some further delay in the construction and use of the planned new car park. But, it would produce a material financial saving for the council which ultimately benefits all residents and enable an area allocated for housing to be brought forward.

## Recommendations

4. That District Executive recommend that Full Council agree to:-
  - a. Note the contents of the report.
  - b. Approve the Alternative Development Approach and pause the council's project of directly constructing the new car park itself.
  - c. Delegate the power to the Solicitor and Monitoring Officer to enter into a legal agreement meeting the general basis set out in the Proposal section of this report.
  - d. Once the Alternative Development Approach has been legally concluded, vire the capital budget for the project, of £210k, into the Corporate Capital Contingency Budget.

## Background

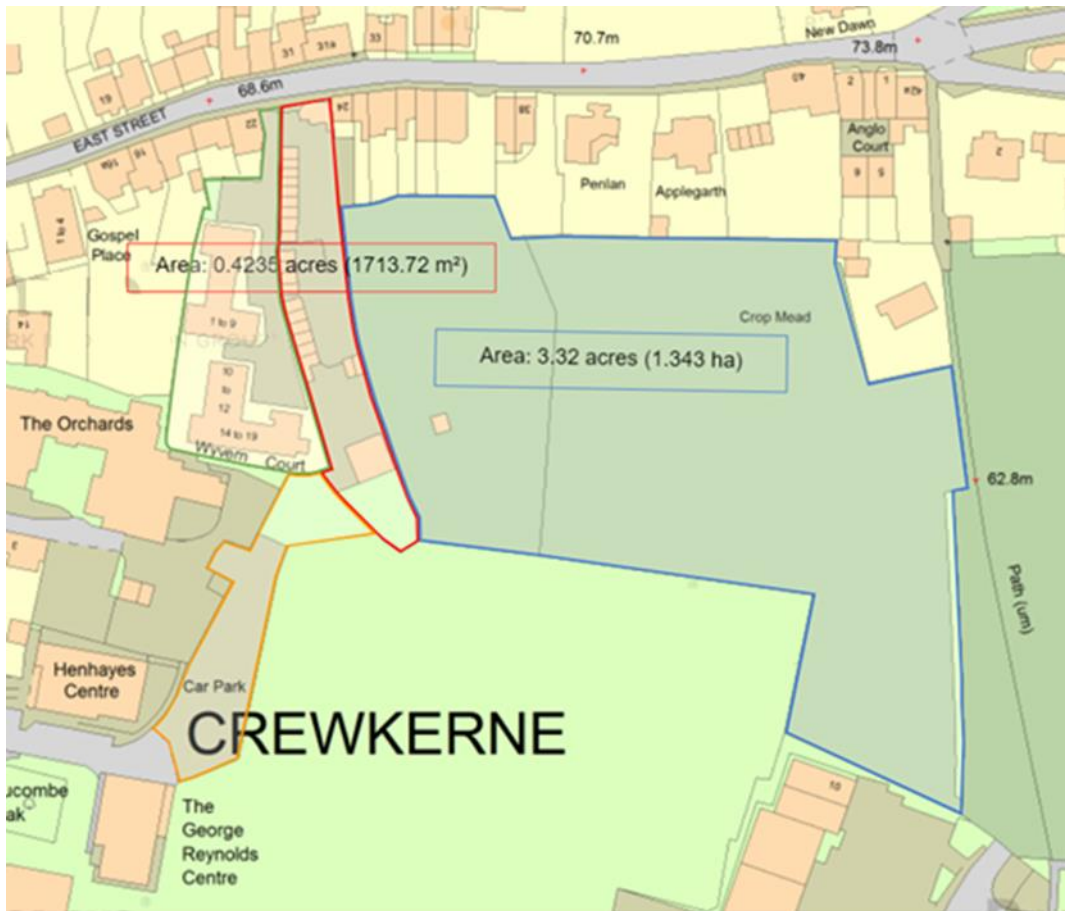


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5. SSDC purchased a parcel of land known as Millers Garage Crewkerne in late 2014 for £225,000 with the aim of delivering additional long-stay car parking near the town centre, responding to a study of parking needs.
6. Following purchase, a considerable period of time was spent exploring the potential to amend the development approach so that our new land could help unlock the adjoining parcel in separate ownership (the residential development land). That land is part of the SSDC identified housing land supply.
7. There did not appear to be a likely and viable alternative to access the residential development land for housing development other than the combined SSDC Millers Garage land and a strip of land within the ownership of the adjoining Wyvern Court property to the west.
8. Eventually, in 2018 that attempt stalled because the approach required could not be achieved.
9. The SSDC team then proceeded to secure detailed planning permission for the car park development as a standalone project using the land it had already acquired, including highways access from County Highways. This permission is entrance only and the exit is to the south through the Crewkerne Town Council owned Henhayes car park.
10. The approved capital budget for 2022-23 includes £210,000 for this project. If the project as designed is progressed immediately it should be completed before end of March 2023.

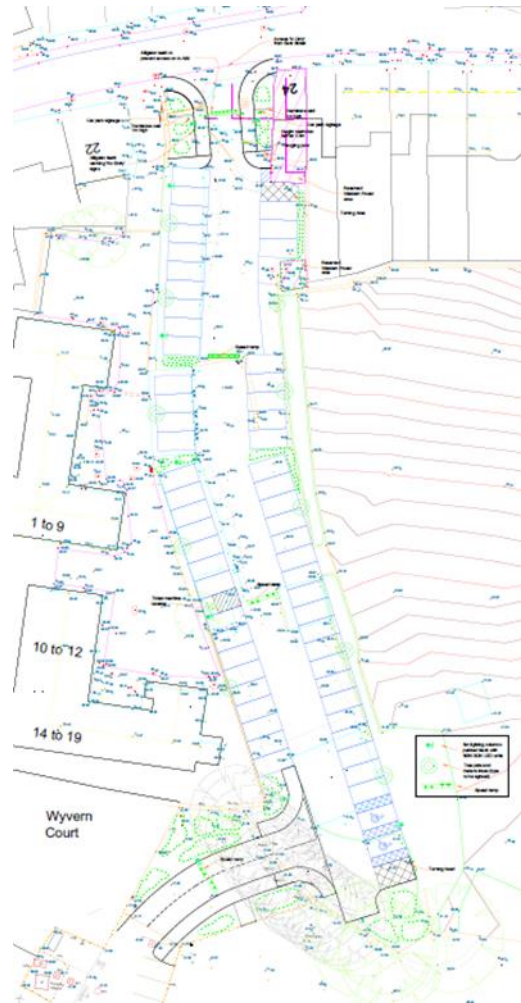
### Plan

11. The SSDC owned site (0.42 acres) is shown edged red on the plan below, the residential development land blue (3.32 acres), Wyvern Court green and Henhayes car park orange.



## Car Park project

12. The Capital Programme for 2022-23 includes £210,000 for the project to construct this car park. The project to conclude technical design, tender and construction this calendar year is achievable provided we commit immediately. There has been strong desire from members to see this project progressed and delivered.
13. The design layout for the planned car park is shown below.



## Alternative Development Approach

14. Renewed contact was made with the council in 2021 to explore once more the potential for the Council's Millers Garage land to provide the solution for enabling access to the residential development land. The contact was by a development partner working with the owners of the residential development land and sought to explore again the willingness of SSDC to support the combined approach.
15. Key points arising from this:
  - a. The idea of the combined approach offers benefits – financial and social.
  - b. If SSDC contribute to unlocking access then we should expect to benefit from “ransom value”, likely shared with Wyvern Court owners whose agreement would also be required.
  - c. Enabling delivery of an otherwise stalled housing site in one of our towns contributes to Council Plan objectives.
  - d. The usability of the car park may be improved by running across the contours of significantly sloping ground rather than up and down.
16. A briefing summary was shared with members of Area West Committee seeking a steer. Subsequent to this, officers have been contacted by the development partner and the



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owners of the residential development land on the basis of a solution involving the Wyvern Court owners, and outline terms for a transaction have been discussed.

### Proposal

17. The development partner and the owners of the residential development land will progress either two planning applications or a hybrid application. The intention is to seek early full approval for the access road (in/out access off East Street) and the revised car park layout to avoid it being delayed as part of any detailed residential application due to the phosphate issue.
18. The developer would construct at its own expense the access road to adoptable standard and the new SSDC car park, and deliver acceptable collateral warranties for design and construction of the works.



19. Once the developer has achieved practical completion of the car park and the road is useable with acceptable easements until adoption, SSDC would exchange freehold land areas to achieve the position where it owns the freehold of the new car park and connection to Crewkerne Town Council ownership and the developer receives in return the residual former SSDC land acquired within the Millers Garage acquisition. On the plan below, the red edged area is the current SSDC freehold. Following completion of the new car park, the red edged area with the exception of the green edged and cross hatched would be exchanged for the blue edged area. This would give SSDC freehold ownership of the new car park.



20. The net property disposal/acquisition land transaction would be negligible in land payment terms although the net consideration would be c£225,000 and this should be seen as the “disposal” value.
21. The “value” to SSDC is considered reasonable or better than reasonable in the context of prevailing development land values and the dynamics of the scenario.

### **Benefits**

22. SSDC would receive the car park project completed to acceptable standards without using the allocated capital, and at nil cost beyond transaction fee costs.
23. SSDC officer resource demands would be reduced assisting with focus on other capital projects.
24. The wider advantages listed above would be delivered.
25. Risk of project cost overrun avoided.

### **Risks**

26. Start on site will be later than if we proceed with consented project.
27. Preparation, submission and determination of planning application followed by detailed design and delivery of car park, and road construction would be likely to take 14-18 months.
28. Grant of planning permission cannot be guaranteed in which case the proposal would not deliver.
29. At that point the opportunity for SSDC to deliver the new car park will have been lost and it would need to be decided and funded by Somerset Council.





## Financial Implications

30. The recommended Alternative Development Approach would result in £210,000 budgeted capital expenditure not being required. This amount could be released into the Corporate Capital Contingency Budget. There will be revenue implications in terms of car parking income, operating costs and longer term maintenance. The expectation is that the revenue will meet the costs average over the medium term.

## Legal implications (if any) and details of Statutory Powers

31. If District Executive approves this recommendation, it will be necessary to conclude an option agreement or conditional contract between the parties so that the responsibilities and obligations of each party are clear and contractually binding. This is a relatively standard form of agreement for development situations.

32. The Council has wide ranging legal powers in relation to this transaction including the General Power of Competence under Section 1 of the Localism Act 2011.

33. S.120 Local Government Act 1972 –

Acquisition of land by agreement by principal councils for the purpose of its functions under this or any other enactment, or the benefit, improvement or development of their area the council may acquire by agreement any land, whether situated inside or outside their area.

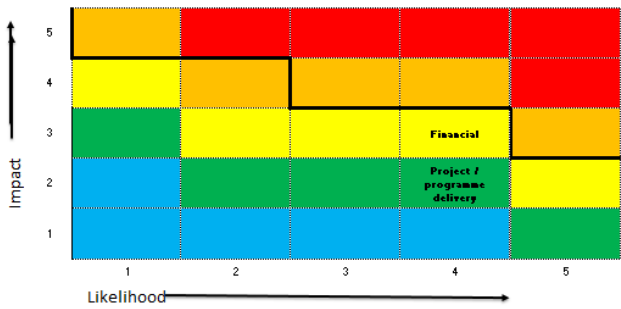
34. S.145 Local Government Act 1972

A local authority may do, or arrange the doing of, or contribute towards the expenses of the doing of, anything (whether inside or outside their area) necessary or expedient for any of the following purposes, that is to say: (a) the provision of entertainment (b) the provision of theatre, concert hall, dance hall or other premises suitable for the giving of entertainment.

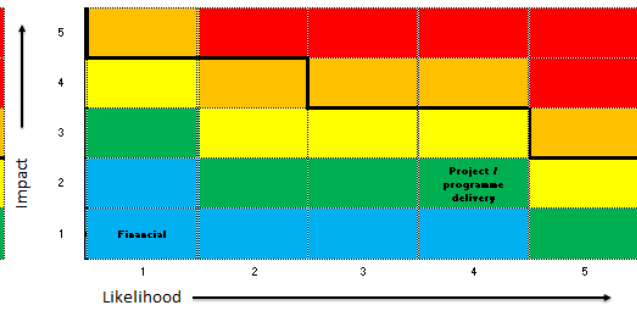
## Risk Matrix



**INHERENT RISK RATING (Before application of Report Recommendations)**



**RESIDUAL RISK RATING (After application of Report Recommendations)**



Risk Ref	Risk Category	Inherent Risk Rating	Residual Risk Rating
1	Project / programme delivery	10	10
2	Financial	15	1
3	Delivery of Services	0	0
4	Staffing & Capacity	0	0
5	Reputation	0	0
6	Health & Safety	0	0
7	Governance & Legal	0	0

Risk Description	Mediation / Controls
Design, tendering and construction of new car park - programme and project risks including delays, unforeseen work and construction quality	Under the Alternative Development Proposal, the construction project delivery and risk associated with that will be the responsibility of a third party. However, the non-financial risks remain essentially the same
Cost increase risk around Pokge of construction delivery	Under the Alternative Development Proposal, the construction project delivery and risk associated with that will be the responsibility of a third party. SDDC will be fully sheltered from the cost risks
0	0
0	0
0	0
0	0
0	0

## Council Plan Implications

35. This project contributes positively across the Council Plan themes – Protecting Core Services, Economy, Environment, Self-reliant communities.

## Carbon Emissions and Climate Change Implications

36. There will be no impact on Carbon Emissions and Climate Change Implications if the recommendation is approved.

## Equality and Diversity Implications

37. An equality relevance check has been undertaken on this proposal and there are no adverse implications.

## Privacy Impact Assessment

38. There are no adverse personal data implications to this report.

## Background Papers

January 2015 – District Executive	Notification of an Urgent Executive Decision - Acquisition of the Former Millers Garage Site, Crewkerne
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