

Katifer Lane Car Park

1. Purpose of the report

To recommend to Council withdrawal from the scheme.

2. Background

The Car Park is a tarmac covered area with existing garages in Katifer Lane (the lane to the left hand side of the Three Cups Public House).

This small car park is owned and managed by Greensquare. In 2011, the Council agreed that it would look into developing the car park for residents to assist with off road parking in the wake of some much needed parking spaces being dedicated to Glovers Court sheltered housing.

2.1 The previous Council proceeded with obtaining planning permission to demolish the existing garages and remake the surface, and made investigation into the various rights and consents to the point of drawing up an agreement with Greensquare to take a lease on the Car Park for 40 years at a peppercorn rent.

2.2 However after a recent review, the appropriateness and viability of the Council taking on this scheme have been called into question.

2.3 The reasons for reconsideration are:

- The proposed scheme is to use a substantial amount of public money to provide a small amount of private parking. (Spaces for six cars as 2 garages with tenants already on site will have spaces allocated to them).
- It is felt that it is not a policy or the role of the Council to become involved with a commercial enterprise which is not of benefit to the community or residents as a whole, especially in view of the long term investment required for this scheme.
- The existing car park is not owned by Malmesbury Town Council, but by Greensquare, therefore the Council would need to enter into a long term 40 years lease, which involves an ongoing liability estimated to be a minimum of £148,000 for upkeep and repairs. This also includes a sum of at least £25,000 for carrying out the initial works. (See estimated breakdown at the end of this report). Whilst it is expected that there would be revenue from the letting of the spaces, this income is not guaranteed and over the 40 years circumstances and costs may change so as to make the scheme financially unviable.
- There was also a concern that if other areas of land became available in the Town, there could be an expectation from residents that the Council would be able to step in and help provide parking facilities in the same way.

2.4 The lack of parking in the town for residents is of concern and therefore it is recommended that the owners are invited to attend a meeting to see if they would take forward the scheme themselves, using the benefit of the consents obtained by the Town Council.

3. Proposal

3.1 To agree the recommendation that the Council no longer proceeds with the Katifer Lane Car Park scheme.

3.2 To agree to the recommendation that the owners be invited to proceed with the scheme themselves, using the benefit of the consents obtained by the Town Council.

4. Financial implications and risks

4.1 To continue on with the scheme would incur the initial funding of at least £25,000 to refurbish the Car Park plus a further ongoing liability over the period of the 40 years lease for the upkeep of more than £123,000, totalling over £148,000. This would be offset through income from charges, however that income could not be guaranteed over the 40 year period.

4.2 Costs incurred by the previous Council in obtaining consents, surveys and the like would still be for the benefit of some residents, should they be used by the owners to proceed with the Car Park scheme themselves.

5. Recommendations

Members are requested to agree the actions proposed.

Cllr.K. Power
(Ch. P & R)

21st October 2013

KATIFER LANE CAR PARK ESTIMATES

<u>Total Cost</u>	<u>Year</u>	<u>Revenue costs</u>							
25,000	£25,500	1	Cleaning weekly	780	Marking	0	Repairs to posts	200	Tamac repairs
	£26,010	2		796				204	
	£26,530	3		812				208	
	£27,061	4		828				212	
	£27,602	5		844	Marking	850		216	
	£28,154	6		861				221	
	£28,717	7		878				225	
	£29,291	8		896				230	
	£29,877	9		914				234	
	£30,475	10		932	Marking	985		239	8000
	£31,084	11		951				244	
	£31,706	12		970				249	
	£32,340	13		989				254	
	£32,987	14		1009				259	
	£33,647	15		1029	Marking	1150		264	
	£34,320	16		1050				269	
	£35,006	17		1071				275	
	£35,706	18		1092				280	
	£36,420	19		1114				286	
	£37,149	20		1136	Marking	1350		291	
	£37,892	21		1159				297	8000
	£38,649	22		1182				303	
	£39,422	23		1206				309	
	£40,211	24		1230				315	
	£41,015	25		1255	Marking	1550		322	
	£41,835	26		1280				328	
	£42,672	27		1305				335	
	£43,526	28		1331				341	
	£44,396	29		1358				348	

£45,284	30	1385	1814	355	8000
£46,190	31	1413		362	
£47,114	32	1441		370	
£48,056	33	1470		377	
£49,017	34	1499		384	
£49,997	35	1529	2125	392	
£50,997	36	1560		400	
£52,017	37	1591		408	
£53,057	38	1623		416	
£54,119	39	1655		424	
£55,201	40	1689	0	433	
		47114	9824	12080	24000

Total	Repairs to posts	12080	Assumptions
	capital and interest	55201	1. inflation at 2% pa.
	cleaning	47114	2. repair or some replacement posts each year
	Marking	9824	3. Marking out 5 yearly
	resurfacing	24000	4. Resurfacing part each 10 yrs 5. cleaning weekly
	over 40 years	148219	<u>NB: These figures do not allow for voids or VAT or NNDR</u>
	annual	3705.48	We must charge VAT on whatever rate We set and I suspect that the area will be subject to NNDR
	each place	463	