

 <b>Executive Committee – 13<sup>th</sup> November 2013</b>		<b>Agenda Item No.</b>  <b>11</b>
<b>Title</b>	Alternative use of part of West Rock car park	
<b>For further information about this report please contact</b>	Andrew Jones <a href="mailto:Andrew.jones@warwickdc.gov.uk">Andrew.jones@warwickdc.gov.uk</a> (01926) 456830	
<b>Wards of the District directly affected</b>	Warwick West	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	N/A	
<b>Background Papers</b>	N/A	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan?</b>	Yes
<b>Equality &amp; Sustainability Impact Assessment Undertaken</b>	N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive	15 <sup>th</sup> October 2013	Chris Elliott
Deputy Chief Executive & Monitoring Officer	1st October 2013	Author
CMT	22 <sup>nd</sup> October 2013	Chris Elliott Bill Hunt Andrew Jones
Section 151 Officer	14 <sup>th</sup> October 2013	Mike Snow
Head of Service	4 <sup>th</sup> October 2013	Ian Coker Jameel Malik
Portfolio Holder	28 <sup>th</sup> October 2013	Councillors Shilton & Vincett
Consultation & Community Engagement		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

## **1. SUMMARY**

- 1.1 The report asks Executive to approve the disposal of part of West Rock car park for housing (13 affordable dwellings, subject to planning) and thereby grants a sale of that part of the land to Waterloo Housing Group.

## **2. RECOMMENDATION**

- 2.1 That Executive agrees to the disposal of the part of West Rock car park to Waterloo Housing Group shown as the hatched area at Appendix 1 under the terms of the Warwick District Council/Waterloo Housing Group Joint Venture.

## **3. REASONS FOR THE RECOMMENDATION**

- 3.1 Members will be aware that Warwick District Council (WDC) and Waterloo Housing Group (WHG) have entered into a contractual joint venture with the objective of delivering affordable accommodation in Warwick District. Over the course of the last eighteen months the Venture has brought forward or is in the process of bringing forward housing development at a number of sites including Edinburgh Crescent, Park Road, Station Approach and Old Gas Works/Warwick Fire Station.
- 3.2 The Venture has set itself a target of delivering three hundred new homes within the first three years of its creation. At the time of writing the report a total of c250 new homes are forecast. It had been hoped that this target could be achieved by making use of Council owned land although the reality has been that land from third parties is being purchased by WHG.
- 3.3 During 2012, this Council consulted on an Area Action Plan for Warwick Town Centre. Among other matters, the Consultation considered proposals for the development of 20 "opportunity sites" in or on the edge of the Town Centre. Opportunity site 16 is West Rock Car Park. The preferred option is:

"Low level parking beneath residential development with possible synergy with Sainsburys."

The reason for this option is that:

"The site provides a development opportunity afforded by its location and the gradient of the land which could be utilised to give another layer or two of parking with residential above, in close proximity to other housing but with the supermarket, public transport and town centre facilities close at hand."

- 3.4 The rationale for this approach was that the site would enable much needed housing to come forward, whilst not compromising the supply of parking spaces in the Town Centre. However, further investigation suggests that this approach is not viable or indeed necessary.
- 3.5 Discussions with officers and developers have revealed that the economics of providing layered parking on the site does not stack-up particularly if the site is to come forward for affordable housing which would be the strategic preference of this Council. Secondly, there would remain an oversupply of parking spaces

in the Town Centre: This second matter is disputed by many residents in the town and so requires further expansion.

- 3.6 A survey undertaken by this Council's Neighbourhood Services in the run-up to Christmas 2012 provided the following data:

<b>Car Park</b>	<b>Saturday average occupancy</b>	<b>Weekday average occupancy</b>	<b>Total Spaces</b>
West Rock	25%	85%	95
Linen Street	21%	32%	214
New Street	73%	78%	46
Westgate	100%	96%	32
Castle Lane	58%	70%	16
Priory Road	49%	38%	43
The Butts	81%	41%	19
St Mary's Lands Area 4	<10%	68%	80

- 3.7 The proposal to develop part of West Rock car park would remove approximately 40 car parking spaces from the Town's immediate off-street supply. However, as can be seen from the data above, there is still ample supply in the immediate vicinity and Members will note that the nearest car park to West Rock (Linen Street) will shortly be under-going a major refurbishment to make it more user friendly (see Executive report 7<sup>th</sup> August 2013). Therefore even with 100 season tickets being made available at Linen Street for DCA staff, there will still be a more than adequate supply in the Town.
- 3.8 With regard to on-street parking, most spaces are already fully occupied at peak times so this would not be materially impacted by the proposal.
- 3.9 Should Members agree to the recommendation then the necessary planning application will be submitted and subject to the necessary approvals, thirteen affordable homes will be constructed. Pre-application advice has already been obtained from a Senior Planner and their feedback has been taken on board in the development of the proposal.

#### **4. POLICY FRAMEWORK**

- 4.1 The report asks Members to consider the Council's Vision of making "Warwick District a great place to live, work and visit, where we aspire to build sustainable, safer, stronger and healthier communities".
- 4.2 The Council has agreed that it has a strategic aim to meet the housing needs of everyone with a priority to build communities that provide sustainable, affordable and quality housing for everyone wishing to live and work in the district.
- 4.3 The emerging Local Plan aims to "provide a sustainable level of housing growth to reduce the number of people who are currently homeless or living in unsatisfactory accommodation, to meet future housing needs, and to help deal with the issues of need for affordable housing". The associated draft policy states that it "is the Council's Preferred Option to, concentrate growth within, and on the edge of, the existing urban areas.

## **5. BUDGETARY FRAMEWORK**

- 5.1 Income from this Car Park, year to date (6 months) is £31,000, whilst last year the total income for the year was £53,000. Approximately half of this income would be lost due to the development of half this site. Officers are confident that the displaced usage could be accommodated within Linen Street and St Mary's Lands. Season tickets will cease to be offered for West Rock, with more being available for Linen Street.
- 5.2 Members should note that having reduced the number of spaces at West Rock, if further schemes were to come forward there would likely to be an adverse impact on income. This scheme and making available season tickets to DCA, removes most of the excess off-street capacity in the town centre.
- 5.3 Under the terms of the Joint Venture, the land will be sold to Waterloo Housing Group at market value. However, the payment is deferred for three years, and is then spread over 5 years. This will reduce the value of the capital receipt available for financing capital projects as allowance has to be made for interest foregone. In addition, the balance of the capital receipt will not be available to be utilized until the sum has been paid in full (eight years after the original sale).
- 5.4 Also, under the Joint Venture, the benefit of any New Homes Bonus received for the scheme is paid over to WHG to be re-invested in the JV.

## **6. ALTERNATIVE OPTIONS CONSIDERED**

- 6.1 No alternative options were considered.

## **7. BACKGROUND**

- 7.1 Warwick District Council (WDC) entered into a joint venture with Waterloo Housing Group (WHG) in 2011. With regard to WDC owned sites the contractual agreement is as follows:
- WDC shall grant an individual lease to WHG for each site in an agreed form;
  - Each lease shall be for a period of 99 years;
  - Each site shall be valued by the District Valuer
  - WDC shall receive market value for each site
  - WHG will commence paying WDC for each site from the third anniversary of the lease, the payments will be in equal installments and WHG will complete payment of each site by the 11<sup>th</sup> anniversary;
  - New Homes Bonus payments that are made as a result of new homes built on the site shall be ring-fenced for re-investment in future housing developments