

REPORT FROM: CHIEF EXECUTIVE

TO: NELSON COMMITTEE

DATE: 7th OCTOBER 2019

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CAR PARK AT RAILWAY STREET, NELSON

PURPOSE OF REPORT

To recommend that Members refuse a request to declare the land shown edged black on the plan surplus to requirements.

RECOMMENDATION

That Members' refuse a request from the tenant to declare the land surplus to requirements.

REASONS FOR RECOMMENDATION

- (1) Disposal of the land would take away control from the Council and could affect any future redevelopment of its adjoining land.
- (2) If the land is sold to the tenant the amount of capital receipt received by the Council is likely to be lower than if it was sold on the open market as the request is to purchase the land to continue the existing use.

BACKGROUND

1. On 25th May 2017 the Executive resolved that a request by the proposed tenant for a clause to be included allowing the first option to purchase if it was declared surplus to requirements by the Council in future be agreed. This was following a resolution from the Area Committee.
2. A 3 year lease from 10th April 2018 was granted to Mohammed Iqbal for use as parking by him and the tenants' of the adjoining commercial units at an annual rent of £900, increasing to £1250 in the final year of the lease. In accordance with the lease if the land is declared surplus to requirements by a resolution of the Council the tenant is to be given the first option to purchase the freehold at open market value.

ISSUES

3. The tenant has requested to purchase the land on more than one occasion since the

commencement of the lease. Within the lease there is an option for the tenant to purchase the freehold at open market value if the land is declared surplus to requirements by a resolution of the Council during the term of the lease. In accordance with the lease if he does not exercise the option within 28 days of such a resolution the land is to be advertised on the open market.

4. The land is next to a larger area of Council owned land and adjoining a back street which is a route between Railway Street and Brunswick Street. Members may be aware that the Council have submitted a bid for the Future High Street Fund and Nelson Town Deal and there is to be a new Town Centre Masterplan. This may result in additional public car parking being required or redevelopment of this area, and a sale of the land could affect any such development.
5. Prior to Mr. Iqbal entering into a lease the Council maintained the land but there were issues with unroadworthy vehicles being stored on the land. In accordance with the lease no unroadworthy vehicles are permitted and Mr. Iqbal is required to maintain the land. If the land was sold the Council would no longer have any control over such issues.

IMPLICATIONS

Policy: No policy implications are considered to arise directly from this report.

Financial: No financial implications are considered to arise directly from this report.

Legal: No legal implications are considered to arise directly from this report.

Risk Management: No risk management implications are considered to arise directly from this report.

Health and Safety: No implications are considered to arise directly from this report.

Climate Change: No implications are considered to arise directly from this report

Community Safety: See risk management

Equality and Diversity: No implications are considered to arise directly from this report

APPENDICES

Location plan

LIST OF BACKGROUND PAPERS

None