

# CABINET

## Auction Mart Car Park, Thurnham Street, Lancaster

16<sup>th</sup> February 2010

### Report of Corporate Director (Regeneration)

PURPOSE OF REPORT				
To seek Members approval for officers to work up a scheme with University Hospitals of Morecambe Bay NHS Trust for the development of an interceptor car park on NHS land and report back to Members on the outcome of this work.				
Key Decision	X	Non-Key Decision		Referral from Cabinet Member
Date Included in Forward Plan	June 2009			
This report is public				

#### RECOMMENDATIONS OF COUNCILLOR THOMAS

- (1) That Members consider the information outlined in this report and instruct officers to work with the NHS to develop a scheme for an interceptor car park on their own land on the basis that if a suitable scheme can be prepared, then the council's Auction Mart car park could sold for future development.

#### 1.0 Introduction

- 1.1 The City Council owns the Auction Mart car park, Thurnham Street, Lancaster, which is located adjacent to Lancaster Canal at the southern end of the one way system as shown on the attached plan. The Auction Mart is a long stay pay and display car park which is unsurfaced and not formally marked out, with a nominal capacity for around 100 cars, but is generally based on 110 as a result of the lack of marked spaces.
- 1.2 Previous reports were submitted to Cabinet on this site, firstly on the 10<sup>th</sup> of October 2006 when it was resolved that the Auction Mart car park be marketed as a development opportunity which would also allow the provision of a new car park as part of that scheme. The result of this process was reported to Cabinet at its meeting on the 22<sup>nd</sup> of April 2008. In addition the Vision Board and the County Council considered the site as part of their long term and visionary improvements to the transport in Lancaster and jointly commissioned a report from transport consultants Faber Maunsell which indicated a need for a southern interceptor car park which require up to 750 – 800 spaces.

- 1.3 Cabinet noted the expressions of interest and the parking requirement in the City Centre during the Centros scheme. They also recognised that preventing congestion in the City Centre is a significant priority and resolved that the car park is retained in its existing format and a further options report was requested once more information is available on the possible use of the site as an interceptor car park as suggested by the Vision Board.
- 1.4 Cabinet considered an updated report at its meeting on the 28<sup>th</sup> of July 2009 and requested that further consultation takes place with County Council Highways, Lancaster District Local Strategic Partnership and the North Lancashire Teaching Primary Care Trust. The results of that subsequent consultation are outlined below.

## **2.0 Proposal Details**

- 2.1 The County Council Highways section have commented as follows:

“Interceptor car parks are useful in managing local movement efficiently within town and city centres. The Auction Mart site is close to a primary route into Lancaster and could have positive influence on movement by reducing the number of trips circulating on the gyratory system. At present there is little car parking at the South end of the City Centre therefore we would see the provision of public car parking on this site as likely to benefit the traffic situation. However, the County Council does not have any resources for off street car parking, which is a City Council responsibility and we recognise this is an important commercial site within the City. We would therefore recommend that the City Council seeks a development of the site which provides a good use of this site whilst also providing as much public car parking as is practical.

The access to the development and car park must satisfy standards, with vehicles using appropriate routing that does not promote rat running through residential streets or compromise safety (for all modes). The car park should conform to a city centre car parking management strategy with pricing at an appropriate level. Real-time car park information that indicates the number of spaces available should be provided to ensure efficient use of the car park and prevent problems of circulating traffic when the car park is full.

Lancashire County Council would be willing to work closely with a developer in drawing up proposals for access and egress and the provision of real time car parking information for the site.”

- 2.2 Consultation also took place with the Economy Thematic Group (ETG) of the Lancaster District Strategic Partnership and a response has been received from Lancaster District Chamber of Commerce which is a member of the ETG. In it they state that “Disposal and regeneration of this site should be considered as part of an overall longer term strategy for the redevelopment of other sites within the City.” If the site is remarketed the chamber feels that the successful development should “incorporate sufficient public car parking to enable its use as an interceptor car park for traffic from the south”. In addition “car parking should not be restricted to short-term but allow for longer term parking to support the needs of businesses on the White Cross Industrial Estate and to encourage leisure and tourism associated with development of the canal in that area.” At its subsequent meeting on the 13<sup>th</sup> of November 2009, the Thematic Group resolved that “Cabinet were asked to recommend that the City Council do not sell the land until the ETG Transport Working Group has investigated all the options including the long term implications and impact of the M6 Link”.

As part of the proposals for the M6 link, it is planned that there will be a Park and Ride facility (approx 500 spaces); this would have a direct impact on the number of spaces required for a northern interceptor car park.

- 2.3 The North Lancashire Teaching PCT indicated that they are considering, along with the local GP's, the business case of a health care facility in this area of Lancaster and can not commit to any specific sites at this time.
- 2.4 In addition to the formal consultation requested by cabinet, informal discussions have taken place with University Hospitals of Morecambe Bay NHS Trust and they have indicated that they have various development plans, one of which relates to the development of a multi-storey car park on their land close to the Pointer roundabout. During discussions it was highlighted that this could possibly act as an interceptor car park at the southern end of the City. However plans are still in an embryonic stage and more work is required to work up a scheme which would work for both the NHS and meet the needs for an interceptor car park as highlighted as part of the Faber Maunsell report. An interceptor car park in this location could possibly go some way to negate some of the concerns put forward by both the County Council and the Thematic Group, as well as having the positive effect of taking a considerable number of cars out of the gyratory system.
- 2.5 The 750 – 800 space “requirement” for a southern interceptor car park quoted earlier in the report was arrived at by roughly dividing the total number of City Council controlled car parking spaces serving the city centre by 50% i.e. approximately half would be located in a northern interceptor and half in a southern one. However, in reality, there are currently 580 spaces which could be reasonably described as serving the southern end of the City. Of these, it is unlikely that purpose built car parks such as Marketgate (115 spaces) and Charter House (50 spaces) would be available for re-development. With this in mind, and in the hope that improving the provision of non-car modes of transport will reduce car parking demand, it may be reasonable to consider a smaller requirement of around 400 spaces for an interceptor car park at the southern end of the City.
- 2.6 As indicated in previous reports, the future parking arrangements in Lancaster are affected by the proposals put forward in the Canal Corridor North development scheme. Due to the outcome of the planning inquiry, the future of this scheme is uncertain at the time of writing this report. However the planning inspector as part of his findings did not query the concept of a car parking as part of the redevelopment. If planning permission was ever submitted again, it is likely that any new redevelopment plans would include an appropriate interceptor car park which would serve the northern end of the City, along with the M6 park and ride scheme referred to above.

### **3.0 Details of Consultation**

- 3.1 Consultation has taken place with a number of interested parties including Property Services parking section and Lancashire County Council, Lancaster District LSP Economy Thematic Group, the North Lancashire Teaching PCT and University Hospitals of Morecambe Bay NHS Trust.

### **4.0 Options and Options Analysis (including risk assessment)**

In light of the above comments received and the consultation process, the following options are proposed:

- 4.1 Option 1 – Officers work with the University Hospitals of Morecambe Bay NHS Trust to work up a scheme on NHS land which would serve the needs of both the hospital and act as an interceptor car park to meet the need highlighted through the Faber Maunsell report. The outcome of this work will be reported back to Members and into the decision making process of the NHS Trust. Further consultation will be required on this proposal with the parties mentioned earlier in this report. An interceptor car park close to the Pointer roundabout would in turn negate the need to provide a similar facility on City Council land and remove a larger number of vehicles from the gyratory system. This scheme would be an opportunity to work in partnership with the Health Authority and potentially reduce costs for both parties. If an interceptor car park on NHS land is a possibility and after a review of long stay car parking in the City is complete, then the result may be that the Auction Mart car park could be declared surplus and a redevelopment proposal is sought which would fit with the local development plan whilst producing best value.
- 4.2 Option 2 – Officers do not work with the Health Authority and each party works in isolation. This would be a missed opportunity to develop an alternative interceptor car park at the southern end of the City. Building a multi storey car park requires a large capital input. An estimated build cost of £15,000 per car parking space has previously been obtained which would require capital input of around £11,250,000 on a 750 space car park or £6,000,000 on a 400 space car park. As outlined in previous reports the City Council would have to use prudential borrowing to finance an interceptor car park, which would have revenue impact on the City Council budgets, but there are real concerns regarding the affordability, sustainability and prudence of the Council considering such an option, given current and expected financial pressures.

## **5.0 Officer Preferred Option (and comments)**

- 5.1 Option 1 is preferred for the reasons outlined above. Working with the NHS Trust to explore ideas may bring benefits to both parties and develop a scheme which will benefit the City. In addition it may produce new options for the Auction Mart site.

### **RELATIONSHIP TO POLICY FRAMEWORK**

Working in partnership with other organisations, such as the Morecambe Bay NHS Trust to ensure sustainable economic development and regeneration meet the objectives set down in the Corporate Plan.

The Corporate Property Strategy indicates the need to Challenge and review the use, provision and performance of property and is seen as a positive approach to ensuring that assets are fit for purpose and that retention, investment and utilisation is focused on the needs of the customer and the achievement of the Council's corporate objectives.

The provision of improved facilities is in line with the Parking Strategy aim of providing Quality Parking Management. Although increasing long stay parking capacity is contrary to the strategy, an interceptor car park on a different location would allow the Council to review the future use of other car parks as part of the proposed review of long stay parking in the district.

## **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

This report raises no implications but any development will need to reflect sustainability issues

## **FINANCIAL IMPLICATIONS**

If the Council continues to hold the car park in the current condition there are no capital implications, the Council will continue to receive revenue income from the car park, which for the financial year 2008/09 was approximately £92K (approx. split £52K pay and display income and £40K parking permits). Based on takings so far this year, projections show a slight increase for pay and display income for 2009/10 to be around £60K.

Pay and display income had previously reduced on this car park due to the completion of a large apartment development adjoining the car park and the introduction of a new 4 hour tariff on short stay car parks. Reduced permit sales have also had an effect although these figures are only estimated as income is not allocated to specific car parks.

In context of a future fully costed proposal the above income figures are purely indicative based on the limited information available for the preferred option and potential impact on parking provision generally within the City. This also assumes that the car park would remain long stay with a similar tariff for pay and display and permits with similar levels of throughput.

No proper assessment of the financial implications of the preferred option can be made at this stage until more information on the scheme is available. If the scheme proceeds, however, there is likely to be an impact on the Council's current revenue position and the implications of this will need to be set out clearly in any subsequent report in order for Members to make an informed decision prior to contractual engagement with the NHS.

## **SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has been consulted and her comments reflected within the report.

## **LEGAL IMPLICATIONS**

There are no direct legal implications arising from this report.

## **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

## **BACKGROUND PAPERS**

Exempt

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