

EXECUTIVE SUB-COMMITTEE FOR PROPERTY

A meeting of the Executive Sub-Committee for Property was held on 22 August 2012.

PRESENT: Councillors M Carr, C M Rooney, N J Walker and D Budd (Chair)

PRESENT AS OBSERVERS: Councillor M Saunders

INVITEES: Councillor J Brunton

OFFICIALS: Michael Quinn, Paul Stephens, Rachel Steel, Sharron Brown

APOLOGIES FOR ABSENCE: Councillor B Coppinger

DECLARATIONS OF INTERESTS

Name of Member	Type of Interest	Item/Nature of Interest
Councillor M Carr	Percuniary	Item 5 Community Services Review: Disposal of Newport Neighbourhood Centre Site. Chair of Erimus Housing
Councillor N Walker	Percuniary	Item 5 Community Services Review: Disposal of Newport Neighbourhood Centre Site. Erimus Housing Board Member
Councillor J Brunton	Non Percuniary	Item 6 Community Services Review: Langdon Square Community Centre Member of Management Committee and Trustee of Langdon Square Community Centre

12/16 MINUTES OF THE MEETING HELD ON 9 JULY 2012

The minutes of the meeting held on 9th July 2012 were submitted and approved as a true record.

12/17 REVIEW OF NON-STRATEGIC ASSETS - FIRST PHASE DISPOSALS (RESIDENTIAL SITES)

The Director of Regeneration submitted a report seeking the Executive Land and Property Sub-Committee's approval for the disposal of residential sites within Phase 1 of the Non-Strategic Assets Transformation Project and for changes to the proposed method of disposal of a number of these sites.

The Council agreed a review of Non-Strategic Assets as part of its joint transformation programme with Mouchel. Under the terms of the Partnership contract, the Council requested that Mouchel prepare a series of Detailed Business Cases outlining potentially economically advantageous options for disposals of land and property. The Residential Development Detailed Business Case identified 48 sites owned by the Council, 23 of which were already approved for disposal and proceeding to sale.

On the 4 April 2012, Executive Land and Property Sub-Committee approved open market disposals of the residential sites to which the report refers, with the proviso that opportunities for joint affordable housing schemes with RPs be explored before the sites were marketed. It

was noted that this was in line with the approach approved by the Executive Member for Regeneration and Economic Development on 19 January 2011. A reserve price for each site was set, based on average capital values less fees, and it was agreed that any sums achieved would be used to reduce the Council's capital borrowing.

It was also agreed that, as part of the disposals process, there would be appropriate consultation with ward members and the general public. The Council has now completed public consultation relating to the decision to dispose of these sites for residential development, and the key findings are outlined in the report. A summary document of the comments received and officer responses are available on request.

The Haxby Close / Slingsby Close site generated a large proportion of objections, with local residents keen that the site be retained as open space as it was used for recreational activities and provided a safe area for children to play. In addition, concerns were raised as to the impact on the character of the area and regarding vehicle access to the site, parking and additional traffic. In response to the local resident opposition, and following consultation with internal and external stakeholders, this site was retracted from the original list of sites for development and will not be sold at this time (as agreed by Executive Land and Property Sub-Committee at its meeting of 9th July 2012).

Two sites in Park End also raised a substantial number of objections (Margrove Walk and Cornforth Walk). Respondents stated that these sites provided a safe area for children to play and they are well used for this purpose. Additional issues mentioned included the potential for increased traffic, road safety issues and problems with parking. Some time after the consultation the Council received a 27-signature petition objecting to the development of the land at Margrove Walk, on the basis of the Commons Act 2006. However, to date no application has been received; if and when such an application is received, the Commons Registration Authority will deal with it in the usual manner, and it is expected that the landowner will object to the application, as it does not consider the land has been used in accordance with the Act.

Concerns have also been raised with regards to the concentration of sites in the Park End ward potentially leading to a cumulative loss of open space. The Council's Landscape and Design team was consulted on this matter and an assessment of provision in Park End conducted.

This confirmed that the sites were not designated as open space within the Council's Green Spaces Strategy, with the main focus for provision and investment in recreational space in the ward being the nearby Neighbourhood Park on Sandringham Road. However, development on a number of sites was contrary to Local Development Framework designations as follows: Overdale Road and Cornforth Walk (both Primary Open Space); and, Penrith Road (Local Centre). These designations would be a material planning consideration should an application to develop the sites for housing be submitted.

It was proposed that the decision to dispose of the remaining sites should stand. It was further proposed that five of the smaller, lower value sites should be considered for disposal at nil value to RP partners and that the disposal route for Thorntree Library / Youth Centre be determined following consideration of recently received proposals. The proposed disposal route by site is summarised in further detail in the report.

The proposed changes could mean that the Council would receive £878,325 (minimum) less in capital receipts than current valuations. However, releasing lower value residential sites to partner RPs for development at nil consideration may bring wider benefits to the town than sale to a private developer, especially where the likely capital receipt would be low, and where the prevailing market suggests minimal open market interest.

Further detail on the case for disposal to RP's at nil consideration can be found in within the report :

- Developing the business case
- Current market conditions and realising site values

- Potential Monetary Benefits
- Wider Benefits
- Affordable Housing Funding Context
- Initial Interest

The report outlined the following option:

The Council would prepare a detailed business case report, summarising the key facts of any proposal to dispose at less than best consideration. This would test and demonstrate that value for money would be obtained and provide a clear audit trail in decision-making.

ORDERED

That Executive Land and Property Sub-Committee agree:

1. **the decision to dispose of the site at Grassington/Rylestone, Beechwood should stand, subject to planning consent;**
2. **a three-month opportunity to allow further development of proposals recently received from a public/private partnership in respect of the former Thorntree Library / Youth Centre site which is currently designated for open market disposal, with further reports brought forward as necessary;**
3. **that given the concentration of sites in the Park End Ward and the representations made by residents, Ward Members and the Park End Community Council, that the decision to dispose of these sites is suspended pending a review which collectively considers all proposals for the sites within the context of community concerns around the cumulative loss of open space, traffic and parking issues;**
4. **in principle the disposal of small residential sites within the Review of Non-Strategic Assets to RPSs at nil consideration for the development of affordable housing, subject to the development of business case reports for each site as outlined in the report;**
5. **that in accordance with the approach approved by the Executive Member for Regeneration and Economic Development on 19 January 2011 approval of affordable housing schemes and detailed business cases for such disposals be delegated to the Directors of Regeneration and Resources; and,**
6. **that this approach be adopted for other sites within the scope of the Non-Strategic Assets Review which are considered suitable for affordable housing.**

REASONS

The decisions were supported by the following reason:

To ensure that the Council obtained value from its asset portfolio, that agreed sums for disposals were achieved as quickly as possible, and to secure wider benefits, in particular in relation to addressing the shortfall of affordable housing in the town.

12/18 COMMUNITY SERVICES REVIEW: DISPOSAL OF NEWPORT NEIGHBOURHOOD CENTRE SITE

That due to the meeting being inquorate at this point (two members having declared an interest and a member having already submitted apologies) the decision on the Community Services Review: Disposal of Newport Neighbourhood Centre Site report could not be taken and had to be deferred.

12/19 COMMUNITY SERVICES REVIEW: LANGDON SQUARE COMMUNITY CENTRE - PART A

The Director of Adult Social Care and Environment submitted a report to outline the salient points in the business case for the Community Asset Transfer of Langdon Square Community Centre to Langdon Square Community Centre Management Committee and seek approval for the transfer to proceed.

To promote community-led regeneration and to support an increasingly robust Voluntary, Community and Social Enterprise Sector, the Council recognised the benefits of transferring surplus assets to community management.

To support increased community management of assets, Executive Sub-Committee for Property approved a Community Asset Transfer (CAT) policy on 3 February 2012. The standard terms of CAT are for a 25-year lease, under which the tenant was responsible for repairs, maintenance and running costs all sit with the tenant.

The Mayor's budget proposals for 2012/13 included withdrawing the subsidy to Langdon Square Community Centre. As the withdrawal of subsidy will result in a Council building being run separately from the Council, by the existing management committee, the legal position requires clarification. On 9th July 2012, Executive Sub-Committee for Property approved the proposal to utilise the Community Asset Transfer process to formalise the position.

In line with the Council's CAT Policy, the Centre's Management Committee have submitted a business case to the Council to demonstrate that its proposal for transfer is viable. More detail on the submitted business case can be found within the report.

The report outlined two possible options in respect of the future of Langdon Square Community Centre:

1. Option 1: Do nothing - **not recommended** - At present, an external organisation (the Management Committee) is running the Centre but the Council continues to be responsible for it. The asset transfer would ensure that responsibility for both parties is clear.
2. Option 2: Asset transfer the centre to the Management Committee - **recommended** - This option formalised the arrangement for management of the Centre, represented good value for money and had local community support.

The next stage if approved, was a 25-year lease for the transfer of Langdon Square Community Centre to the Management Committee, in line with the terms set out in the report, would be agreed and be in place by the end of September 2012.

ORDERED

The Executive Sub-Committee for Property approved the transfer of Langdon Square Community Centre to Langdon Square Community Centre Management Committee.

REASONS

It is proposed that this CAT proceed, for the following reasons:

1. **It would secure a valuable community facility for Coulby Newham for the medium to long-term.**
2. **There is community support for the venture.**
3. **There would be only a minimal cost the Council over three years, and the Council would achieve long-term savings on running costs and in avoidance of maintenance (or demolition).**
4. **To contribute to a robust VCSE sector and to maximise savings in relation to the Council's withdrawal of subsidy from Langdon Square Community Centre.**

12/20

TO CONSIDER PASSING A RESOLUTION EXCLUDING THE PRESS AND PUBLIC FROM THE MEETING DURING CONSIDERATION OF ITEM 8 OF BUSINESS ON THE GROUNDS THAT, IT PRESENT, THERE WOULD BE A DISCLOSURE OF EXEMPT INFORMATION FALLING WITHIN PARAGRAPH 3 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972

12/21

COMMUNITY SERVICES REVIEW: LANGDON SQUARE COMMUNITY CENTRE - PART B

The Director of Adult Social Care and Environment submitted the business case for Langdon Square Management Committee in relation to the asset transfer of Langdon Square Community Centre.

ORDERED

That the report be noted

The decision(s) will come into force after five working days following the day the decision was taken unless the decision becomes subject to the call in procedures.