

MIDDLESBROUGH COUNCIL

EXECUTIVE SUB COMMITTEE FOR PROPERTY

Non-Strategic Assets Review – Disposal of residential sites at Park End

Executive Member for Regeneration & Economic Development: Charles Rooney

Executive Director of Neighbourhoods and Communities: Kevin Parkes

7th May 2013

PURPOSE OF THE REPORT

1. To provide feedback to the Executive Sub-Committee for Property on the Park End residential site community consultation and to make recommendations for their disposal.

SUMMARY OF RECOMMENDATIONS

2. It is recommended that Executive Sub-Committee for Property:
 - a) approves the disposal of the sites at Cornforth Walk, Penrith Road, Royston Avenue and Overdale Road for the development of affordable homes, subject to planning approval, as shown at Appendix 2;
 - b) does not approve the disposal of the sites at Margrove Walk and Kirkland Walk;
 - c) agrees to the principle of disposing of the Evesham Road site, and delegates authority to the Executive Director of Neighbourhoods and Communities to progress the disposal at the appropriate time; and,
 - d) notes that the proposed disposals for nil consideration will each be subject to the development of a business case, with approval delegated to the Directors of Neighbourhoods and Communities, and, Strategic Resources, in line with the approach approved by the Executive Sub-Committee for Property 22 August 2012.

IF THIS IS A KEY DECISION WHICH KEY DECISION TEST APPLIES?

3. It is over the financial threshold (£150,000)
It has a significant impact on 2 or more wards
Non Key

DECISION IMPLEMENTATION DEADLINE

4. For the purposes of the scrutiny call in procedure this report is

Non-urgent
Urgent report

INTRODUCTION

5. The Council has a statutory obligation to ensure that it provides a five year supply of land for new housing throughout the town. It is also currently taking forward a revised Local Development Framework which seeks to allocate land for 7,000 new homes by 2029, in order to halt the current trend of population decline, and, to ensure that Middlesbrough's economic growth continues.
6. As Middlesbrough is constrained by a predominantly tight, urban boundary, its opportunities for new housing land are limited and often attract community backlash, particularly when they involve open space and greenfield sites. In such circumstances, the Council needs to balance the issues and concerns of residents directly affected by the new housing against wider economic and housing needs.
7. This report sets out the issues related to the development of seven potential new housing sites at Park End for affordable housing, provides feedback from the community consultation and makes recommendations on their suitability for disposal for affordable housing development.

BACKGROUND

8. The potential housing sites at Park End were considered for housing development by the Executive Sub Committee for Property (Sub Committee) 4 April 2012 as part of the NSAR process and since that time have been subject to community consultation and review. The sites, which are shown at Appendix 1, are:
 - Margrove Walk
 - Royston Avenue
 - Penrith Road
 - Overdale Road
 - Cornforth Walk
 - Kirkland Walk (added at a later date)
 - Evesham Road (added at a later date)
9. Sub Committee agreed that there would be appropriate consultation with Ward Members and the general public before final decisions were made.
10. On the 22 August 2012, following the initial community consultation, the Sub-Committee was advised that a substantial number of objections from residents and the Park End Community Council were received for the Margrove Walk and Cornforth Walk sites. A 56- signature petition for Cornforth Walk and a 27-signature petition for Margrove Walk objecting to development were received.
11. Given the consultation feedback, the Sub-Committee suspended any decision on disposals pending a collective consideration of all housing development proposals for the Park End sites and to ensure that there was definite, viable development interest.
12. A number of private house builders were asked to consider the sites, none of which registered any interest. However, Coast and Country Housing Association submitted proposals for all but one site, and Home Housing submitted a proposal for the Overdale Road site. A summary of the affordable housing proposals received are set out below:

- Margrove Walk – 3 bungalows, 7 houses, 6 apartments
- Royston Avenue – 2 bungalows, 7 houses
- Penrith Road – 2 bungalows, 6 houses, 2 apartments
- Kirkland Walk – 8 bungalows, 2 houses
- Overdale Road – 21 houses
- Cornforth Walk – 16 bed Dementia Unit
- Evesham Road – Coast & Country outline proposal received subject to MBC lease issues being resolved.

13. Collectively, the Registered Provider interest offers the opportunity for 82 new affordable homes, including special needs accommodation. This equates to investment of c. £8m, plus jobs and training opportunities for local people. Coast and Country Housing Association, in particular, have an excellent track record of ensuring that employment and training opportunities go to genuinely local people. The provision of bungalows on a number of sites particularly addresses the needs of the elderly in the area.

14. At its meeting of 4 December 2012, after considering the development proposals set out above, the Sub Committee approved a further community consultation exercise based on the new housing association homes proposed.

CONSULTATION

15. The second round of consultation was conducted between 21 January and 8 February 2013. This involved letters to 250 residents living in the immediate vicinity of the sites and an invitation to all local residents to make their views known, including attendance at a drop-in session held at the Park End Community Centre on 23 January. The consultation was publicised via the Council's website, a press release, through Ward Members and via the Park End Community Council, which considered the proposals at its meeting of 31 January 2013. Objections from 30 pupils of Park End Primary School were also received.

16. The table below summarises the responses for each site:

Site	Letters Sent	Response Rate	Community Response
Penrith Road	38	2.6%	1 written representation was submitted in support of the proposal. There were no objections to the disposal for development in the initial consultation.
Cornforth Walk	49	16% (excludes petition)	8 written representations objected to the proposals with no submissions in support. There was a 56-signature petition objecting to disposal for development in the initial consultation.
Overdale Road	43	23%	10 written representations objected to the proposals with no submissions in support. There were 2 representations objecting to disposal for development in the initial consultation.
Royston Avenue	24	12.5%	3 written representations objected to the

			proposal with no submissions in support. There were 2 representations objecting to disposal for development in the initial consultation.
Margrove Walk	30	27% (excludes petition)	8 written representations objected to the proposal with no submissions in support. There were 18 representations and a 27-signature petition all objecting to disposal for development in the initial consultation.
Kirkland Walk	62	26%	16 written representations objected to the proposal with no submissions in support. This site was not included in the initial consultation.
Evesham Road	N/a	N/a	Not part of second consultation due to existing lease issues to be resolved, however, no objections received during first round of consultation.

17. The key concerns of the community are summarised below:

- a) loss of safe areas for local children to play;
- b) loss of attractive green spaces of value to the local community;
- c) loss of privacy and overlooking;
- d) impact on existing views;
- e) construction disruption in the local area;
- f) increased traffic congestion and parking issues;
- g) increase in crime - residents state that the existing spaces allow local surveillance of surrounding properties and prevent crime;
- h) decreased property values;
- i) concerns regarding potential new tenants in socially rented accommodation;
- j) residents question why only sites in Park End Ward are identified for development, and;
- k) lack of capacity at Park End Primary School.

THE WAY FORWARD

18. In order to balance the views of the local community directly effected by the proposed new housing against the wider housing needs of the town, a compromise position involving partial development of the sites is recommended for approval as set out below and shown at Appendix 2:

- a) Penrith Road** – site is previously developed land and no objections received.

Recommendation – partial disposal for 10 new units of affordable housing and retention of part of the site for open amenity space.

b) Cornforth Walk - site is in close proximity to the Neighbourhood Park and is a large site.

Recommendation - partial disposal for 16 unit dementia unit with open space substantially retained and landscaping and tree planting to soften the impact of development.

c) Overdale Road – site is in fairly close proximity to the Neighbourhood Park and benefits from vehicular access from a main thoroughfare through Park End. The proposed layout of the new development seeks to minimise the impact on surrounding homes and provide adequate parking provision.

Recommendation - full disposal for development of 21 new affordable homes with boundary softening through tree planning and soft landscaping.

d) Royston Avenue – site is in fairly close proximity to the Neighbourhood Park.

Recommendation – full disposal for 9 new units of affordable housing.

e) Margrove Walk - site has no direct vehicular access from the main thoroughfares through Park End and is some distance from the Neighbourhood Park. It is smaller than the Cornforth Walk and Overdale Road sites and has limited capacity to mitigate the impact of development without compromising scheme viability. The open space has a strong design relationship with the surrounding houses. This site also received some of the strongest objections from local residents.

Recommendation – site is not disposed for development.

f) Kirkland Walk - site has no direct vehicular access from the main thoroughfares through Park End, and the existing road layout would preclude such access being introduced to accommodate new homes. Whilst it is in close proximity to the Neighbourhood Park, it is smaller than the Cornforth Walk and Overdale Road sites and as a consequence has limited capacity to mitigate the impact of development without compromising scheme viability. This site also has a particularly strong relationship in respect of the layout and how it relates to the surrounding houses.

Recommendation - site is not disposed of for development.

g) Evesham Road - no objections received during initial consultation.

Recommendation – full disposal subject to lease issues being resolved in due course.

19. The recommendations above allow for the development of 56 of the original 82 new affordable homes set out at paragraph 12. In addition, the recommendations propose completely retaining two of the seven sites as open space and partially retaining open space on a further two of the sites.

20. Of the two most contentious sites, which received the most objections and petitions, no development of Margrove Walk and only partial development of Cornforth Walk (less than 50%) is recommended in a direct attempt to accommodate the concerns of local residents.

IMPACT ASSESSMENT (IA)

21. An initial screening assessment found no evidence that the proposal to dispose of the sites in Park End to which this report refers could have a disproportionate adverse impact on a group or individuals holding a protected characteristic. The assessment found that the proposal would increase affordable housing development. It also concluded that there is sufficient open space within the area, given the close proximity of the Neighbourhood Park on Sandringham Road, to address concerns about the loss of play space.

OPTION APPRAISAL

22. In considering the development of these sites the options considered have been:

- a) full development of all of the sites;
- b) no development of any of the sites, and;
- c) partial development of some of the sites.

Option c is recommended as it offers a compromise position which balances the concerns of the local residents with the wider needs of the town.

RISK ASSESSMENT

23. Lack of development interest – this has already been tested with Registered Providers who have confirmed that they plan to start construction during financial year 2013/14 if approval to dispose of the sites is granted.

24. Potential lack of primary school provision – assessment of the proposals indicate a low projection of primary aged pupils, estimated somewhere in between 6 – 10 children who may fall into this category. This is not deemed as a significant concern in terms of capacity within local school provision for such a small projected figure of new children.

FINANCIAL, LEGAL AND WARD IMPLICATIONS

25. **Financial** – Each of the proposed developments require disposal at nil consideration. Whilst originally considered potentially saleable, soft market testing has confirmed that there is no viable private developer interest at this time.

26. The disposal of individual sites for nil consideration is subject to the development of a business case for each, with authority delegated to the Executive Director of Neighbourhoods and Communities and the Director of Strategic Resources in line with the approach approved by the Sub-Committee on 22 August 2012.

27. **Ward Implications** – this report is of interest to the Park End Ward. The recommended developments will result in significant investment that could benefit residents by providing affordable homes and associated training and employment opportunities.

28. However, the local authority will benefit as a consequence of receiving approximately £1,000 per property for six years from the New Homes Bonus. This would amount to

£336,000. Additionally, the Council will benefit from Council Tax revenue and reduced grounds maintenance costs.

29. **Legal Implications** – There are no legal implications.

RECOMMENDATIONS

30. It is recommended that Executive Sub-Committee for Property:

- a) approves the disposal of the sites at Cornforth Walk, Penrith Road, Royston Avenue and Overdale Road for the development of affordable homes, subject to planning approval, as shown at Appendix 2;
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- c) agrees to the principle of disposing of the Evesham Road site, and delegates authority to the Executive Director of Neighbourhoods and Communities to progress the disposal at the appropriate time; and,
- d) notes that the proposed disposals for nil consideration will each be subject to the development of a business case, with approval delegated to the Directors of Neighbourhoods & Communities and Strategic Resources, in line with the approach approved by the Executive Sub-Committee for Property 22 August 2012.

REASON

31. The recommendations reflect the need to balance the views of local residents and the wider housing needs of the town.

BACKGROUND PAPERS

No background papers were used in the preparation of this report.

Author: Sharon Thomas, Assistant Director Development & Planning
Address: Sharon_Thomas@Middlesbrough.gov.uk
Website: <http://www.middlesbrough.gov.uk>