

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

4 November 2013

PURPOSE OF THE REPORT

1. To present alternative proposals to the Executive Sub-Committee for Property in respect of a number of residential site disposals in Park End.

SUMMARY OF RECOMMENDATIONS

2. It is recommended that Executive Sub-Committee for Property:
 - a) approves disposals to facilitate alternative affordable housing proposals by Erimus Housing in respect of sites at Cornforth Walk, Penrith Road and Royston Avenue, subject to planning approval; and,
 - b) should Erimus be unable to progress, delegates authority to the Director of Neighbourhoods and Communities to approve alternative proposals for the sites, subject to planning approval and there being no substantial departure from the new proposals set out in the report.

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

BACKGROUND

5. At its meeting of 7 May 2013 the Sub-Committee approved the disposal of sites at nil value at Cornforth Walk, Penrith Road and Royston Avenue for the development of affordable homes by Coast and Country Housing Association. However, following the Sub-Committee's decision it became apparent that Coast and Country would be unable to deliver the proposed development within the desired timescale. As a result approaches were made to a number of partners and Erimus Housing has come forward with proposals for each of the sites in question which can be delivered within the required timeframe and thus secure grant funding from the Homes and Communities Agency.
6. The following paragraphs set out the new proposals against those approved by Sub-Committee 7 May 2013. The most significant departure from the approved schemes is that for Cornforth Walk. Whilst new property types are proposed at this location the scheme will not require any additional land.
7. In overall terms the impact of this proposal on Park End is also mitigated by the fact that 21 family homes originally proposed for Overdale Road will not now be developed at this time as planning approval for the proposed development at this location was refused. The new proposals will be subject to community consultation as part of the planning process which could result in modifications.

a) Penrith Road

- Approved – partial development comprising 10 new affordable homes and retention of part of the site for amenity space - 2 bungalows, 6 houses, 2 apartments.
- ***New proposal*** – partial development comprising 8 new affordable homes – 6 x 2 bed houses and 2 x 2 bed bungalows. The new proposal also retains access through the site and some amenity space.

b) Cornforth Walk

- Approved – partial development of approximately half of the site comprising 16 apartment dementia unit.
- ***New proposal*** – partial development of approximately half of the site comprising 16 affordable homes – 12 x 2 bed and 2 x 3 bed houses, plus 2 x 2 bed bungalows.

c) Royston Avenue

- Approved – 9 new affordable homes - 2 bungalows, 7 houses.
- ***New proposal*** - 8 new affordable homes – all 2 bed houses. Proposals incorporate 7 visitor parking spaces.

IMPACT ASSESSMENT (IA)

8. An initial screening assessment found no evidence that the proposal to dispose of the sites in Park End, including those 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

9. The new proposals for development of these sites are consistent with the option approved by Sub-Committee 7 May 2013 and continue to offer a compromise position which balances the concerns of the local residents with the wider affordable housing needs of the town.

RISK ASSESSMENT

10. Lack of development interest – this has already been tested with Erimus Housing which has confirmed it plans to start construction during financial year 2013/14 if approval to dispose of the sites is granted and planning consent obtained.
11. Potential lack of primary school provision – assessment of the proposals presented to Sub-Committee 7 May 2013 indicated a low projection of primary aged pupils, estimated somewhere 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. The new proposals for Cornforth Walk replace apartments with houses and bungalows. However, as already noted the impact of this proposal is mitigated by the fact that 21 family homes originally proposed for Overdale Road will not now be developed.

FINANCIAL, LEGAL AND WARD IMPLICATIONS

12. **Financial** – Like those originally approved, the alternative proposals 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.
13. 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.
14. **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.
15. **Legal Implications** – There are no legal implications.

RECOMMENDATION

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

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- b) should Erimus be unable to progress, delegates authority to the Director of Neighbourhoods and Communities to approve alternative proposals for the sites, subject to planning approval and there being no substantial departure from the new proposals set out in the report.

REASON

17. The recommendation reflects 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>