

Report of:	Executive Director for Environment and Community Services, Geoff Field Executive Member for Environment, Cllr Dennis McCabe Executive Member for Regeneration, Cllr Ashley Waters Head of Financial Planning and Support, Andrew Humble Executive Member for Finance and Governance, Cllr Chris Hobson
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Submitted to:	Executive - 14 July 2020
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Subject:	Urban Farm - The Digital City
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Summary

Proposed decision(s)
That Executive acknowledges the concept of an Urban Farm and approves the allocation of 1.9 acres of land and granting of a thirty year lease to the Camphill Village Trust subject to the award of suitable planning permission and finance in place to facilitate the development.

Report for:	Key decision:	Confidential:	Is the report urgent?
Decision	Yes	No	No

Contribution to delivery of the 2020-23 Strategic Plan		
People	Place	Business
The creation of an Urban Farm within the The Digital City area will ensure our town is an absolute leader on environmental issues – resulting in lower emissions, cleaner air and healthy living. It will support the town’s residents through providing opportunities to enhance physical and mental health wellbeing.	By developing this plot within the Digital City, it will breathe new life into this area of the town making it look and feel amazing.	The project will support the regeneration of The Digital City and wider Middlehaven area, creating the supportive environment that we will ensure the Council attracts new investment and create job opportunities for local people, which in turn will create positive perceptions of our town on a national basis, improving our reputation, and attracting new investment, visitors and residents.

Ward(s) affected
Central

What is the purpose of this report?

1. The purpose of the report is to seek approval from Executive to support the Camphill Village Trust (CVT) to develop an Urban Farm within the Digital City campus within the wider Middlehaven Regeneration area, in line with the ambitions set out in the Strategic Plan 2020 - 23. To facilitate the development it is proposed to agree a thirty-year lease with CVT subject to the granting of the appropriate planning permission and finance in place to deliver the project on 1.9 acres of land identified in Appendix 1 on which they can develop their Urban Farm proposal.

Why does this report require a Member decision?

2. The proposed site forms part of the Digital City Campus which is within the wider Middlehaven area and has been identified as one of the Council's key regeneration sites for driving inward investment and creating employment growth. The development of the Urban Farm on 1.9 acres of land would forego the potential of a capital receipt from the sale of the land.

Report Background

3. The Camphill Village Trust (CVT) has approached the Council with a view to developing an Urban Farm on 1.9 acres of land situated in Middlehaven. The site sits immediately adjacent to MyPlace on the north west corner of the Digital City masterplan area on land in between Stockton Street and Durham Street (appendix 1).
4. CVT are an established national charity supporting adults with learning and other disabilities, they empower people to build relationships and develop self-esteem, enabling people to be active citizens with purpose and meaning. CVT has outdoor activity and agriculture learning as one of its primary tenets and has a well established history of organic and biodynamic farming.
5. CVT have six established Urban Farm sites across the UK, supporting over 165 people each week to access outdoor nature based learning and therapeutic support, whilst building a strong sense of community, belonging and personal development.
6. CVT have had a long-standing presence in Middlesbrough with the development of the 160 acre rural farmland Larchfield Community Centre situated south of Coulby Newham. With the success of Larchfield, CVT are looking to increase their visibility by expanding local opportunities.
7. Up until now CVT nationally have developed their Urban Farm and Garden sites within rural settings. However their Chief Executive and Board of Trustees are keen to develop facilities within a more urban setting and provide new opportunities to people who have not previously been able to access more rural settings.

8. As part of this approach CVT see the site within the Digital City campus as the perfect location to allow the engagement and reach a wider range of people who can access their facilities and services.
9. The development will provide a new dementia and accessibility friendly building that can provide a range of facilities for adults with learning and other disabilities, local residents and wider community groups. Other facilities could include: flexible planting areas suitable for a variety of seasonal crops, social areas for gatherings, sensory gardens, bee hives, areas for chickens, living walls to some of the boundaries and an edible forest.
10. The project will provide a range of facilities, opportunities and community benefits for the area including:
 - Indoor and outdoor facilities to provide a base for day, evening and weekend support for a range of people including: people with a learning disability, physical and mental health support needs, dementia sufferers and possibly reaching out to those who are homeless;
 - Integrated community hub that links land based work experience, alongside arts and crafts, artisan based projects and promoting local groups adding to Middlesbrough's art music and technology scene as well as providing a bespoke venue for community projects;
 - Provide European style Green Balance within the wider Middlehaven and Boho development areas, allowing opportunities for neighbouring residents and business to engage to promote physical and mental health wellbeing;
 - Urban Farms have positive impacts upon people who attend and their families; allowing people to develop new friendships and relationships;
 - Urban Farms provide opportunities to learn new skills, access job training and transitional employment, improve self esteem, gain confidence and self worth whilst contributing positively within the community;
 - Fully functioning street café and farm shop selling produce grown on site will provide supportive employment opportunities for local people;
 - Contribute towards local health initiatives;
 - Work with community to promote healthy eating options; and,
 - Promoting sustainably grown produce and encouraging local involvement in hands on learning.
11. CVT is currently developing the plans for the Urban Farm with a view to ultimately submitting a formal planning application. The development represents significant capital investment from CVT, they therefore need to ensure that they have security of tenure for the site to warrant the capital expenditure. To ensure this they have requested a thirty year peppercorn lease which will provide sufficient comfort to justify the investment. As the CVT are a not for profit charitable organisation any saving in rent paid will be utilised to deliver improved provision of services from the site for the betterment of the people of Middlesbrough. This will allow CVT to deliver a wider range of services that will support

a broader section of the community but still allow a focus on supporting vulnerable adults with learning disabilities.

12. As highlighted above the Urban Farm development represents significant commitment to Middlesbrough from CVT in terms of resource and capital investment. The business model has been developed on a thirty year lease period. Should the Council look to terminate this lease within this 30 year period to redevelop the site without the consent of CVT then there would be a fee of £1,000,000 paid to CVT.
13. The 1.9 acres site will provide sufficient space for CVT to develop the Urban Farm but will also provide enough space to allow for further expansion to enable increased provision and offerings for the people of Middlesbrough.
14. Urban Farms are becoming increasingly popular with communities and can act as a catalyst to attract visitors to an area. There have been a number of recent success stories, the most notable in the north east would be Ouseburn in Newcastle which attracts over 30,000 visitors per annum. Another successful project is Oasis Farm, Waterloo – a former derelict site in one of the most deprived boroughs in the UK. The facility provides space for the growing of fresh produce and interaction with animals. During the day the facility hosts visits from local schools and community groups and on an evening sees everything from weddings, food markets and winter fairs.
15. The proposed Urban Farm by CVT forms a part of the wider Digital City Campus and was referenced as forming part of the site in the Boho Next Generation: Creating the Digital City report which was approved by Executive in March 2020. An Urban Farm in this location will support the wider placemaking of the Digital City by providing a juxtaposition to the urban office and residential environment allowing a unique opportunity for workers and residents along with the local community to engage the natural environment and provide an opportunity of tranquillity within an urban setting.
16. The physical and mental wellbeing benefits of interacting with nature are well documented and will provide a unique selling point to the Digital City which will see an additional 70,000 sqft of high quality office space completed within the next 3 years.
17. It is anticipated that the Urban Farm will form part of a wider package that will assist in making the The Digital City unique and attractive to potential tenants of Boho 8 and Boho X. Wellbeing is becoming an increasingly important factor in company's decisions on where to locate their offices and often they are looking for unique factors that can assist in improving their employee's physical and mental health to improve motivation and overall job satisfaction.

What decision(s) are being asked for?

18. That Executive notes the benefits that the Urban Farm development will bring to residents, community groups and businesses of Middlesbrough, and approve the granting of a 30-year lease to CVT, subject to the award of suitable planning permission to enable the development of their Urban Farm concept within the Digital City.

Why is this being recommended?

19. As highlighted within the report the creation of an Urban Farm within the Digital City campus will provide a range of employment, engagement and support services to the people of Middlesbrough, in particular people with learning disabilities, dementia sufferers and people with mental health support needs who face significant barriers to sustainable long term employment. The development will ensure our town is an absolute leader on environmental issues – resulting in lower emissions, cleaner air and healthy living.

Other potential decisions and why these have not been recommended

20. Dispose of the site for other forms of development - The Council could dispose of the 1.9 acres of land for commercial development. Development land in Middlehaven has an asset valuation of approximately £200,000 per acre, the site if marketed for commercial purposes would have a value of £380,000 (subject to site conditions). As part of the Middlehaven JV with Homes England, the Council would only receive 20% of this receipt which equates to £76,000. Whilst the sale of the site would deliver a capital receipt to the Council and other potential financial benefits depending upon use; it would not deliver the social benefits identified within the report to the community, residents and business.

Impact(s) of recommended decision(s)

Legal

21. Legal Services will be required to progress the lease in line with the agreed terms.
22. In considering this proposal attention is drawn to s.123 Local Government Act 1972 and the relevant provisions for disposal of land for the best that can reasonably be obtained. Government has since recognised that there may be circumstances where a local authority considers it appropriate to dispose of land at an undervalue. The General Disposal Consent (England) 2003 allows local authorities to dispose of land at an undervalue (that is the difference between the best consideration reasonably obtainable and the consideration the authority wishes to accept) not greater than £2m (two million pounds) where it considers that to do so will help secure the promotion or improvement of the economic, social or environmental well being of its area. For undervalue disposal greater than £2m Secretary of State approval is required.

Financial

23. The decision would mean that the Council is unable to dispose of the site within the lease period and not derive a capital receipt. The land has been valued at £380,000 for disposal.
24. As part of the Middlehaven Joint Venture between the Council and Homes England (HE), any capital receipt is split 80%-20%, in favour of HE, therefore the loss of capital receipt to the Council would be 20% over the overall value which would be £76,000. It is difficult to quantify the financial social value attributed to the project but the benefits that the project will provide as highlighted within the report, over the 30 year lease period would significantly outweigh the £76,000 proportion of the capital receipt the

Council would receive. In particular through supplying job opportunities and training it will improve spending power within the wider Middlesbrough economy.

25. There are currently no assumption of capital receipts from the sale of this site within the Council's financial assumptions up to 2024, therefore there will be no detrimental impact to the Council's Medium Term Financial Plan as a result to this decision.

Policy Framework

26. The decision would not affect the Council's policy framework. The decision is aligned with the Council's Strategic Plan 2020-23 and the Mayor's Vision of developing Middlehaven as a residential, leisure and commercial centre of national significance.

Risks

27. The risks to the Council under this option would be small; the granting of the lease would be subject to a number of conditions including the award of planning permission. Should the development not proceed the Council will include provisions within the agreement for the land to revert back to the Council.

Actions to be taken to implement the decision(s)

28. Subject to Executive approval, work will continue to develop the detail of CVT's proposals with a view to them submitting a planning application for the scheme in the Summer/Autumn 2020.
29. Valuation and Estates and Legal Services will work with CVT to agree the lease for the site

Background papers

Body	Report title	Date
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Appendices

Appendix 1 Proposed Urban Farm Location

