

Title:	Land at Beech Grove Trowbridge
Portfolio holder:	Councillor Graham Payne
Reporting officer:	John Follows – Property and Estates Service Manager
Key decision:	Yes

Purpose

To brief Cabinet on the options over an area of land at Beech Grove Trowbridge which is no longer required for the Housing PFI project and to obtain a decision over its future use or disposal.

Background

The land in question was retained at the time of the transfer of housing stock with the intention of developing the site for housing. Whilst this development did not take place the site is identified as part of an urban brownfield housing allocation in the West Wiltshire District Plan 1st Alteration which this Council adopted in 2004.

The site was a candidate for the Council's housing PFI project providing the adjoining land owned by Wiltshire County Council could be used too. This latter area could not be brought forward in the required timescale and the site has been deleted from the project.

Plans drawn up for the PFI project show that the 750m² area owned by the Council is suitable for about four houses.

The community believes that it has been promised the site for a community garden. This appears to stem from a licence granted in September 2003 allowing access to maintain the site on a voluntary basis. It is claimed that one particular individual has maintained the site since 1992.

The issue now is to determine the best future use for the site as there is a community expectation that having rejected it for PFI the Council will transfer or lease the site as a garden.

This poses a problem due to the valuation of the land obtained in January 2006 for the PFI project was £125,000 compared to £5,000 as a garden. It is expected that the market value now will be in excess of that figure due to rises in the market generally.

Therefore a tension exists between the community expectation and financial and asset management issues where a capital receipt could be obtained whilst assisting in delivering in the spotlight area of housing need.

Key issues

There are two main issues:

Reputation: There is a desire to see the land used as a garden for the benefit of local residents, particularly those in sheltered housing nearby. The Council appears to have given mixed messages previously by granting a licence and discussing schemes for the garden. There is also an expectation that the Council should have plans for the sites rejected by PFI.

Financial: To use the site as a community garden writes off at least £120,000 and does not make best value of assets.

These issues can be weighed against corporate priorities. Marginally improved access to recreation may be achieved through use as a garden however there are potentially greater benefits if the site were developed for housing.

To allow a community to remain on the site would contribute to housing supply problems and would not implement a planning allocation for housing

There is no specific reference to a Community Garden in College in the Trowbridge Area Community Plan although under the theme of Culture, including Leisure, Recreation, Heritage and the Arts one of the key actions is to provide or attract funding for development work and facilities in disadvantaged neighbourhoods (this particular area of College Ward is one of the most deprived areas in West Wiltshire). Additionally the creation of a community garden would qualify under “providing well cared for parks, open spaces, playing fields and children's play areas”.

Grant aid may be available from Awards for All which is generally fairly easy to secure so there is nothing stopping a grant application being submitted. It is understood that the criteria recently changed which means the maximum grant that can now be applied for is not £5,000 but £10,000.

The locality has been searched for land which is available and the findings are summarised in the table below. A plan of the area is appended as Plan 1 which shows three sites shaded red:

1. Site 1 in the centre is the location of the community garden – area 750m²
2. Site 2 to the west is Beech Grove play area which has recently been installed and has a green area adjacent of 1500m²
3. Site 3 to the east is an area of public open space adjacent to Bradley Road – area 3000m²

A summary of the three sites is shown in the table overleaf:

Site	Advantages	Disadvantages
1	<p>Existing use as garden</p> <p>Meets residents expectations</p>	<p>Quality – not great</p> <p>Requires additional funding to support development</p> <p>Foregoes capital receipt</p> <p>Asset management and best value issues</p>
2	<p>Already used as play area and recreational space</p> <p>Only 300m from garden site</p> <p>Develops multi-use site for different groups</p> <p>Focus resource and attention on central site</p>	<p>Recent investment as play area</p> <p>Changes plans for site which are fairly recent</p> <p>Need to manage reputational issues</p>
3	<p>Already used as play area and recreational space</p> <p>Only 300m from garden site</p> <p>Closer to sheltered housing than site 2</p> <p>Develops multi-use site for different groups</p> <p>Opportunity to enhance open space which is of moderate standard</p>	<p>Next to busy road, but fenced and already used as open space</p> <p>Need to manage reputational issues</p>

Effect on strategies and codes

Disposal of the site supports the corporate spotlight area of meeting housing need. The supporting principles of sound financial management and the aim of asset management plan to align council landholdings with corporate objectives also lend weight to this option.

It could be seen that there is a marginal reduction in access to recreation but the options below outline the mitigating measures for this.

Risk management implications

There is risk of losing significant capital receipt if the site is used as a garden. Developing the site, or selling it for development, presents reputational issues which will need to be mitigated. The most effective way of doing this whilst achieving a disposal is to produce workable proposals for a garden on an alternative site.

The community aspiration should be clearly identified and an understanding of what constitutes a community garden developed. A preferred site should be discussed and agreed.

The project could be supported financially either through assistance in grant applications, direct funding from the capital receipt when the site is sold or a mixture of the two.

Finance and performance implications

The housing PFI project obtained a valuation of £125,000 for housing in January 2006. It is likely that more than £125,000 could be obtained on the open market today. Disposal on the open market will achieve the best value for the site.

The site could be sold specifically for affordable housing which would contribute more significantly to corporate objectives. There is a possibility that this would reduce the value of the site but housing associations have paid open market prices for land elsewhere in the area and there is no obvious reason why this could not be achieved here.

Options and way forward

- Do Nothing:** Leave the licence in place and maintain the status quo. Will eventually have to be addressed to avoid occupancy rights being acquired and asset value being lost.
- Lease:** Is a de facto disposal as it would be unlikely that the Council would remove the plants and structures from the site once mature – severe reputation damage, especially if supported by Council grants, also loses asset value.
- Sale:** Capital receipt of at least £125,000 (subject to planning permission). Maximises asset value and could be offered initially to housing associations to satisfy affordable housing demand. This would need to be combined with allocation of garden site elsewhere in the vicinity.

Legal and human rights implications

None

Next steps

The sale option appears to obtain best value whilst contributing a community garden at a location within a few hundred metres.

If a decision to dispose of the site and create a community garden elsewhere then Property and Estates should progress the sale and Sustainable Communities should assist the community in obtaining funding to establish and maintain the garden.

Alternatively the matter can be put to one side and revisited along with similar assets as a comprehensive report to Cabinet at a later time.

Recommendations

The Cabinet is recommended to:

- note the contents of this report;
- market the site;
- consult the community over which alternative site should go forward;
- indicate whether priority should be given to affordable housing use; and
- agree whether £10,000 should be contributed to a community garden.

Key decision box

Statement of reason for key decision	Capital value may exceed £250,000 at point of sale.
Options considered and rejected	See options section above.
Date of implementation	25 June 2007

Background papers

Background papers are available in Property and Estates Office G38.

Appendix 1 – Plan 1

