

Cabinet (Resources) Panel

5 February 2019

Report title	Future Use of Former Old Fallings Adventure Playground	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Peter Bilson City Assets and Housing	
Key decision	Yes	
In forward plan	Yes	
Wards affected	Old Fallings	
Accountable Director	Ged Lucas, Strategic Director, Place	
Originating service	Assets	
Accountable employee	Julia Nock	Head of Assets
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Report to be/has been considered by	Housing Leadership Team	10 January 2019
	Commercial Leadership Team	10 January 2019
	Strategic Executive Board	15 January 2019

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Formally declare surplus to the Council's requirements the former Old Fallings Adventure Playground.
2. Approve that the future use of the site and its feasibility for affordable council housing development (100% affordable homes, to be principally affordable rent Council housing, with a proportion of affordable home ownership to be considered as required by planning regulations) be explored.
3. Delegate authority to the Cabinet Member for City Assets and Housing in consultation with the Strategic Director for Place to approve the disposal or appropriation of the former Old Fallings Adventure Playground.

4. Delegate authority to the Cabinet Member for City Assets and Housing in consultation with the Service Director City Housing to approve the development of the site for Affordable Council Housing once feasibility studies and site investigations are complete.
5. Delegate authority to the Cabinet Member for City Assets and Housing in consultation with the Service Director City Housing to approve agreements including but not limited to deed of covenants, collateral warranties, assignments and such other ancillary agreements, including capital variations as may be necessary in order to facilitate housing development on this site and the adjacent garage site.

1.0 Purpose

- 1.1 To formally declare surplus to Council requirements the former Old Fallings Adventure Playground (Plan attached in Appendix 1).
- 1.2 To provide the outcome of the resident engagement sessions which took place in October and December 2018 regarding the future use of the former Old Fallings Adventure Playground.
- 1.3 To recommend the future use of the site is explored for affordable council housing via appropriation to the Council's Housing Revenue Account. Noting also that land assembly with the neighbouring Housing Revenue Account garage site may provide improved access for residential development.
- 1.4 To recommend that the future use of the site is approved for council housing subject to the completion of feasibility studies and site investigations.

2.0 Background

- 2.1 Old Fallings Adventure Playground was previously managed by the Play Service and over the last few years and more recently in the last year has been subjected to extensive vandalism. This has resulted in the Play Service ceasing their operation in June 2016 at the site and delivering their service across the City's open spaces in an outreach manner. Sessions are also delivered in response to identified neighbourhood issues e.g. anti-social behaviour.
- 2.2 The vandalism has left the older Peach Tree building unusable and the newest building in a state of significant disrepair. The buildings are now vacant and any users that rented out the spaces have now relocated. Both of the buildings have been securely boarded and following an assessment undertaken by Corporate Landlord require extensive repairs. The two buildings are currently costing Corporate Landlord c£15,000 per annum to maintain as a void site.
- 2.3 The outdoor climbing equipment has been removed due to health and safety risks.

3.0 Investment Requirements

- 3.1 The repair costs for the Peach Tree building would be in the region of £120,000 plus ongoing maintenance costs and preliminary costs for repairing the new building is £60,000, although it is expected these costs will increase when a full assessment of damage is undertaken.
- 3.2 The cost for security to prevent further vandalism to the buildings is £70 per week, an annual cost of £3,600.

4.0 Options

- 4.1 A number of options have been considered and these are detailed below:

- **Option 1** - Making good the two buildings in order to attract income generation through room rental. However, the rental income would not cover the investment expenditure and running costs of the building.
- **Option 2** - Community Asset Transfer has been considered but community groups have been disconcerted by the level of vandalism and the ongoing maintenance requirements for the two buildings and grounds.
- **Option 3** - Dispose of the site on the open market, however due to the challenging site and access issues, the likelihood of disposing is minimal. This would also limit the influence on what the site is used for and the input residents would have in the future of the site.
- **Option 4** – Demolish the buildings and undertake landscaping works to create a green space. This option would require investment and ongoing maintenance liabilities and could still attract anti-social behaviour to the neighbouring residents.
- **Option 5** - Appropriate to the Council's Housing Revenue Account (subject to further cost and viability investigations) for affordable Council housing (100% affordable homes, to be principally affordable rent Council housing, with a proportion of affordable home ownership to be considered as required by planning regulations).

5.0 Resident Engagement Sessions

5.1 Resident engagement sessions took place in October and December 2018 (following a leaflet drop to all surrounding properties/streets), however the sessions were poorly attended (four attendees in October and six in December). Local Councillors were in attendance on both occasions.

5.2 The residents received a presentation from Julia Nock, Head of Assets and Andrew Wolverson, Head of People and provided feedback to a number of questions/queries. The detail is included in Appendix 2 and summarised below:

- The residents main concern is there are not many places left for young people to go to in the local area and are saddened that the site has been subject to extensive vandalism.
- Although residents would prefer for the site to continue as a provision for young people, it is recognised there are a lack of volunteers and investment funds for this to be viable, and the majority of the residents concluded the only option available is for housing development as long as this is carried out by the Council.

5.3 During the resident engagement sessions, a questionnaire was circulated and four were returned out of a possible ten. The results of the questionnaire are as follows:

Question 1 – Should the Council advertise the site for a period of time for a community organisation to take on the management of the facilities?

Yes	2	No	2
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Question 2 – Do you believe that building more homes is the best use of the site in the long-term?

Yes	4	No	0
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Question 3 – If the site was to be developed, would you prefer the Council to develop the site with council housing or for the site to be placed on the open market?

Council Housing	4	Open Market	0
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Question 4 - Any Other Comments

- Sad it has come to this;
- Council housing is strongly needed, affordable housing is needed for the City (as long as it is a mixture of affordable houses and offered to the community first);
- Better to put houses on there to give people new adventures in a new home;
- Great idea – better than being derelict and vandalised all the time;
- As part of the housing development scheme can a children’s play area be considered.

6.0 Community Use Engagement

- 6.1 Prior to the last vandalism the newer building was utilised by a disability group called Give us a Break. This group used the facility once a month on a Sunday.
- 6.2 At the October resident engagement sessions a meeting was held with representatives from Give us a Break and discussions took place around alternative solutions for where the group’s needs could be met.
- 6.3 Further meetings have since taken place to investigate the potential for the group to use the Neil Docherty Centre in addition to their existing usage of the Brickkiln Centre. These were positive meetings which explored how the needs of the groups could be best met and discussions will be ongoing with the Head of Adult Provision to accommodate the group’s requirements.
- 6.4 Give Us a Break are currently working with their Committee to identify requirements in order to communicate back to the Council.

7.0 Recommendations

- 7.1 The site has a minimal value due to condition and location of the site. The two buildings require demolition, there is a pond requiring remediation and access would need to be considered as part of the development. The adjacent Housing Revenue Account garage site would may need to be included as part of a new housing development. This will require further work to determine if access and the garages can be demolished as part of the review of development for the site
- 7.2 Following the residents' engagement sessions and ongoing communication with Housing Development, it is therefore recommended to declare the former Old Fallings Adventure Playground surplus and appropriate the site to Housing Revenue Account for affordable housing (subject to further cost, viability investigations and planning consent). The local residents will be involved again as part of the planning phase.
- 7.3 If approved there will be no capital receipt to the General Fund due to appropriation to Housing Revenue Account for affordable Council housing. However, in accordance with accounting regulations an adjustment to each funds Capital Financing Requirement equal to the market value, which is £15,000, will be made.
- 7.4 It is recommended to demolish the two buildings prior to disposal/appropriation to eliminate the further risk of vandalism, anti-social behaviour and health and safety issues within the community. Subject to approval, Project and Works within Corporate Landlord will be commissioned to project manage the demolition which will be funded within the Council's Corporate Asset Management Fund.

8.0 Evaluation of alternative options

- 8.1 Five options have been explored regarding the future of former Old Fallings Adventure Playground. Options 1 (making good the buildings), 2 (Community Asset Transfer) and 4 (landscaping) have been rejected due to lack of income generation potential, future investment and maintenance requirements and potential ongoing anti-social behaviour to the neighbouring residents.
- 8.2 Option 3 (open market disposal) has been rejected due to the site being challenging in terms of access for a private housing development. There was also strong feedback from residents that they would want ongoing input into the future use of the site and this option would limit opportunity for this to happen if it were sold to a private developer.

9.0 Reasons for decision(s)

- 9.1 The recommended Option 5 will provide the best future use of the site. The site has a minimal valuation due to access constraints and is unlikely to be an attractive proposition for a private developer for either housing or other uses.

9.2 The recommendation is subject to further cost, viability investigations and planning consent which if approved will be undertaken by Housing Development. Local residents will have the opportunity to be involved in this process so that their concerns are listened to.

10.0 Financial implications

10.1 Should the recommendation for the appropriation of the site from the General Fund to the Housing Revenue Account be approved, the resulting transfer means the General Fund is foregoing any possible capital receipt that could be achieved if the site was sold on the open market. Accounting regulations require that when an asset transfers between funds, an amount equal to the market value is subtracted from the Capital Financing Requirement of the fund losing the asset and added to that of the fund gaining the asset. This will increase the notional borrowing level of the Housing Revenue Account and reduce that of the General Fund by £15,000.

10.2 Demolition costs will need to be identified following approval as it is recommended to demolish the two buildings prior to any housing development to eliminate the risk of further anti-social behaviour, vandalism and health and safety issues. The demolition will be considered in the formulation of the 2019-2020 Corporate Asset Management Fund.

10.3 Following demolition and appropriation the Council will no longer incur the £3,600 annual security costs and associated remediation works. Additionally, any new homes developed will generate ongoing Council Tax receipts into the General Fund.

10.4 The option recommended assumes the demolition of two buildings prior to disposal/appropriation to eliminate the further risk of vandalism, anti-social behaviour and health and safety issues within the community. Whilst, it is anticipated that the demolition works will be accommodated within existing capital Corporate Asset Management Funds, allocation of these funds to a specific demolition project will be subject of future reports to Councillors for approval.

[TT/10012019/P]

11.0 Legal implications

11.1 Advice will be taken from legal services during the appropriation to the Council's Housing Revenue Account and legal advice will be needed in respect of any formal legal documents that are entered into.

[TS/08012019/Q]

12.0 Equalities implications

12.1 An Equalities Impact Assessment has been undertaken against each option.

Option 1 – There would be equality implications and consideration would need to be given to design and approach, however not feasible due to financial viability.

Option 2 – There would potentially be equality implications depending on the organisation that would run the service, however not feasible due to financial viability.

Option 3 – There would be equality implications depending on the design mix of the housing development.

Option 4 – There would be equality implications and consideration would need to be given to design and approach of the landscaping, however not feasible due to financial viability

Option 5 – There would be equality implications depending on the design mix of the housing development

13.0 Environmental implications

13.1 The site will change use from an adventure playground to housing development and environmental implications will be considered as part of the planning process. This will include ground conditions, overshadowing and effect on outlook of neighbouring properties as part of the planning process

13.2 The demolition of the existing buildings and development of this site for housing will help reduce anti-social behaviour on the site.

14.0 Human resources implications

14.1 There are no human resource implications arising from this report.

15.0 Corporate landlord implications

15.1 Corporate Landlord currently manages the site as a void property and over the last 12 months the site has been subjected to severe vandalism forcing the buildings to close.

15.2 There is no alternative community use for this land and therefore Corporate Landlord support the recommendation to declare surplus and develop for affordable Council housing via the Council's Housing Revenue Account.

16.0 Health and Wellbeing Implications

16.1 There are no health and wellbeing implications arising from this report.

17.0 Schedule of background papers

17.1 Future Use of Former Old Fallings Adventure Playground - 5 September 2018 – Children, Young People and Families Scrutiny Panel.

18.0 Appendices

18.1 Appendix 1 – Plan of the former Old Fallings Adventure Playground.

18.2 Appendix 2 – Resident Engagement Discussion Points.