

**REPORT OF: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER**

TO: SPEICAL BUDGET EXECUTIVE

DATES: 7th FEBRUARY 2018

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**BRADLEY COMMUNITY LAND TRUST –
PROPOSAL FOR COUNCIL OWNED LAND OFF BEECH STREET, NELSON AND
THE FORMER KINGDOM HALL SITE, NELSON**

PURPOSE OF REPORT

To report to the Executive proposals from the Bradley Community Land Trust (CLT) for two pieces of Council owned land in the Bradley ward. To seek to declare the land off Beech Street, Nelson, surplus to requirements and to seek agreement to enter into a conditional contract of sale with the CLT for its future disposal to them.

RECOMMENDATIONS

- (1) That the proposals for the site from the Bradley Community Land Trust (CLT) are noted.
- (2) That the Executive agree to declare the land off Beech Street, Nelson surplus to requirements.
- (3) That the Council enter into a conditional contract of sale with the CLT for the site, with the conditions being the need to have planning permission for the scheme, the necessary road closure orders confirmed and evidence that the CLT have access to the finance required to deliver the scheme (based upon more accurate costings of the scheme that is submitted for planning).
- (4) That the CLT come back to the Council regarding the former Kingdom Hall site once they have some more definitive proposals regarding its future use.

REASONS FOR RECOMMENDATIONS

- (1) To note the outcome of the feasibility work carried out by the CLT.
- (2) To enable the site to be disposed of.
- (3) To demonstrate a commitment to the transfer of the land to the CLT subject to certain conditions being met.
- (4) To enable the Council to make an informed decision regarding the future of the Kingdom Hall

ISSUE

Background

At the meeting of the Executive on 16.3.17, it was agreed that the disposal of part of the Bankhouse Road site (land off Beech Street - see plan in Appendix 1) to the emerging Bradley CLT be agreed in principle, subject to a viable proposal being submitted to the Council for consideration, and that a report regarding the proposal from the Bradley CLT be submitted to a future meeting.

With initial investment from the Bradley Big Local Partnership, in summer 2017 the Bradley CLT commissioned Liberata to undertake a feasibility study of the site.

Outcome of feasibility work – Beech Street site

The study considered several options for development on the site in terms of house types and numbers. The CLT consulted on the options with the local community and the Trust has subsequently selected a preferred option to develop four 3 bed semi-detached houses with gardens.

The properties will offer a size and type of home not easily available in this part of Bradley, where two-bedroom terraced houses dominate. The properties will have off-road parking for at least 2 vehicles and secure rear gardens – both features that are not prevalent in that part of the ward. The CLT's consultation with the local community confirmed to them that there is a demand for family homes and that Bradley residents want to stay in the locality. Neighbouring residents are also keen to see development on the site in the hope that it will help to address some of the anti-social behavior issues in the area caused by the site being vacant.

Financial viability

Costs for the proposals have been drawn up by cost consultants with experience of working on similar sites in Pendle. Estimated sales values have been put on the properties based upon recent house sales in the nearby area. An initial financial appraisal shows that the scheme is marginally viable with the support of a grant from the Bradley Big Local. No profit is expected.

Funding for the development is being explored and discussions are taking place with potential lenders regarding development loan finance. One lender has stated that they require potential borrowers to own the site before they will consider an application.

Additional grant funding up to a total of approximately £300,000 is available from Bradley Big Local Partnership. This can be drawn down (in instalments only) from the Partnership and the Big Lottery Fund provided the CLT evidence that the monies will be used on projects which meet the Big Local Trust's aims. The Big Local funding will enable the CLT to meet its loan costs during the period of construction and up to the point of sale.

It is intended that the homes will be sold at market value; however, potential purchasers will be required to meet an 'allocations policy' which prioritises existing residents and former residents wishing to return to the area.

The Bradley Big Local Partnership has made it a condition for future grant support for the Beech Street site that the CLT has ownership of the land. They have therefore written to the Council with a formal request for the transfer of the ownership of the land.

The CLT has also appointed a Development Support Officer for 12 months to move the CLT proposals forwards.

Development and construction partners

With regards to the development and construction of the properties, the CLT have had productive discussions with potential partners, including not-for-profit organisations with a similar social and community focus. They hope, for example, that the chosen construction partner will provide training and employment opportunities through apprenticeships and recruitment within the local community.

Way forward

In order for the Council to agree disposal of the site, it is recommended that the site be declared surplus. Developing this site will not impact on the ability to develop the wider Bankhouse Road site.

It is proposed that the Council enter into a conditional contract of sale for the land to the CLT. This would form a legal commitment to the transfer of the land (thereby giving confidence to the Bradley Big Local Partnership and potential funders regarding the Council's intentions), but the transfer would only complete once certain conditions regarding the deliverability of the scheme have been met.

The conditions would be:

- the need to have planning permission in place,
- the necessary road closure orders confirmed, and
- evidence that the CLT has access to the funding required to deliver the scheme (based upon more accurate costings of the final scheme that is submitted for planning).

The conditions would be time limited.

The CLT are working to produce the final house designs and specifications and a planning application will be submitted in the next couple of months.

It is proposed that the land be transferred at nil value, given that the scheme is marginally viable with the support of a grant from the Bradley Big Local partnership. If any 'profit' was to be made, the CLT would use it to fund future projects for the benefit of Bradley.

The Nelson Area Committee on 5th Feb are being consulted on whether the land should be declared surplus and their comments will be reported verbally to the Executive on 7th February.

Former Kingdom Hall site

The CLT have also expressed an interest in taking on and improving the former Kingdom Hall site on the corner of Scotland Road and Charles Street in Nelson. The site was considered as part of the feasibility work undertaken by Liberata.

The CLT have requested that the ownership of this site is transferred to them. They say that the site will be redeveloped to provide an attractive, landscaped gateway to both Bradley and the town of Nelson. It will have planted areas and seating as well as an eye catching sculpture or artwork. The Bradley Big Local Partnership has awarded the CLT funding towards site security and maintenance in the short term as well as future redevelopment. No plans have been drawn up or provided.

It is recommended that the CLT come back to us once they have developed some more detailed plans/designs for the site. The site will need to be declared surplus and agreed for disposal.

IMPLICATIONS

Policy: The proposal for the site is in line with the Bradley Area Action Plan, which identifies this land as a key development site for new housing which can help to extend and diversify both the choice and quality of housing in the area.

Financial: Subject to agreement to dispose at nil value the transfer of the site to the CLT will not result in a capital receipt for the Council, however, it will end the Council's liability for the site and will result in the development of 4 new houses. A desktop valuation of the site, with planning permission in place for 4 houses, is estimated to be in the region of £26,000.

Legal: The Council's legal team will help to draw up the conditional contract of sale. The Bradley Big Local Community Land Trust registered as a Community Benefit Society with the Financial Conduct Authority in May 2017.

Risk Management: Some of the risks associated with the delivery of the scheme will be managed through the conditional contract and these will be time limited. The land will not transfer unless conditions relating to the deliverability of the scheme are met.

Health and Safety: None as a result of this report.

Sustainability: The proposal will bring back into use a site which has been vacant for a number of years. The development of new houses on the site will help improve the sustainability of the neighbourhood.

Community Safety: The redevelopment of the site will hopefully help to address some anti-social behavior issues in the local area.

Equality and Diversity: The proposal will help to diversify the housing stock within the Bradley area of Nelson.

APPENDICES

Appendix 1 – Location Plan – Beech Street Site

Appendix 2 – Proposals for the redevelopment of the Beech Street site

Appendix 3 – Location Plan – Former Kingdom Hall site

LIST OF BACKGROUND PAPERS

‘Bankhouse Road site, Nelson’ - report to Executive, 17th March 2017