

REPORT TO: CABINET

DATE: 30 JANUARY 2014

TITLE: REGENERATION OF SLACKSBURY HATCH,
KATHERINES HATCH, ELM HATCH AND
BUSHEY CROFT GARAGE SITE

PORTFOLIO HOLDER: COUNCILLOR PAUL SZTUMPF

LEAD OFFICER: GRAEME BLOOMER, HEAD OF
REGENERATION (01279) 446270

CONTRIBUTING OFFICER: JANE GREER, REGENERATION AND
DEVELOPMENT MANAGER (01279) 446406

This is a Key Decision
It is on the Forward Plan as Decision number 1001165
Call-in Procedures may apply
This decision will affect Bush Fair, Great Parndon, Hare Street and Little Parndon, and Toddbrook Wards.

RECOMMENDED that Cabinet:

- A** Notes the current status of Slacksbury Hatch and Katherines Hatch redevelopment.
- B** Reaffirms the decision of 26 January 2012 to dispose of the garage site at Bushey Croft (subject to further consultation with affected residents) for development of a mix of new housing.
- C** Subject to agreement to recommendation B, agrees that the land adjoining Bushey Croft garage site is also developed to provide new housing.
- D** Agrees that Elm Hatch and the Humming Bird public house be redeveloped to provide new retail units and housing.
- E** Agrees that the Bushey Croft garage site and the land adjoining is packaged with Slacksbury Hatch, Katherines Hatch and Elm Hatch for disposal to develop of a mix of retail units and new homes for rent, sale and shared ownership, for the best consideration reasonable obtainable for the purpose of monetary receipt, maximum provision of affordable housing and provision of apprenticeships placements for local residents.
- F** Agrees that, subject to the results of further viability assessments and the outcome of statutory consultation, the Council proceeds to the next stage of

development of these sites and progresses with the marketing of the sites by way of an appropriate tender process.

REASON FOR DECISION

- A** To update Councillors on the current status of Slacksbury Hatch and Katherines Hatch redevelopment and set out proposals to include two further sites within a single redevelopment package in order to create a better mix of sites to enable the Council to achieve the best outcome.
- B** The inclusion of the additional sites will assist in making the development programme viable, with the potential for any surplus generated being considered for re-investment and/or other priorities to be decided.
- C** The resulting development of these sites will help in the regeneration of the Town's neighbourhoods and will provide additional housing and new, improved retail units, thereby helping the Council achieve its priorities of
 - I. More and better housing
 - II. Regenerating the Town and supporting a thriving economy

BACKGROUND

1. In September 2010 the Regeneration and Enterprise Policy Working Group received a report setting out proposals to regenerate Slacksbury Hatch and Katherines Hatch, and to take forward a programme of regeneration for other hatches in the Town.
2. Two sites make up the Slacksbury Hatch development site which are on opposite sides of Harberts Road and are shown at Appendix 1. Katherines Hatch site is shown at Appendix 2.
3. In January 2012 Cabinet agreed to dispose of a number of garage sites, this included a redundant garage block at Bushey Croft. This block has since been demolished and all that remains is the hard standing which is currently used for informal parking.
4. To the west of this garage site is an adjacent area of open land which could also be developed for housing. This site and the garage site are shown at Appendices 3 and 4.
5. The Council owns the freehold of the Humming Bird Public House, which is in need of significant repair/refurbishment, and is hard to let. Together with adjacent shops in Elm Hatch this site is in need of regeneration and could provide new and improved retail facilities, which will remain in the ownership of the Council. It would also be possible to provide a small number of new homes on this site which will be owned by the developer, with the Council

having nomination rights for 100% of the affordable housing. The site is shown at Appendix 5.

ISSUES/PROPOSALS

6. Due to the downturn in the economy and poor housing market witnessed over the past few years, the proposed regeneration of Slacksbury Hatch has not progressed as originally anticipated. However, in recent months the housing market has shown signs of improvement, and to progress matters, Officers commissioned a Development Feasibility Report in order to assess the viability of the site. This work has shown that, as a stand-alone site, Slacksbury Hatch is unviable due to the relatively high construction costs involved and the relatively low values. However, the current Slacksbury Hatch site and adjoining land, as shown in Appendix 1, if financially viable, could deliver:
 - a) 3 x retail units
 - b) 6 x one and two bedroom apartments
 - c) 4 x three bedroom houses
 - d) 1 x two bedroom bungalow
 - e) 37 residential car parking spaces
 - f) three loading bays
 - g) 20 additional car parking spaces.

The retail units would be owned by the Council and the new homes would be owned by the development partner with the Council having nomination rights to 100% of the affordable homes.

7. A feasibility report has not been yet been undertaken for Katherines Hatch. There has been interest from a local church which has indicated that it may be able to make a financial contribution towards a community facility that could be used by all faiths and also provide the church and others with a facility in which it could hold community events such as coffee mornings and a youth club. These discussions are on-going.
8. Following agreement to dispose of the Bushey Croft Garage Site, the garages were demolished and the hard-standing that remains is used as an informal parking area. Redeveloping this garage site opens up the opportunity to redevelop the land to the west of the garage site to provide additional housing.
9. Local residents were previously consulted for their views on the disposal of the garage site. In view of the time that has elapsed since then, Officers are currently carrying out further consultation. The views of residents, particularly on parking issues, will be taken forward through the planning process.

10. If recommendations B and C are approved by Cabinet, further community engagement will take place prior to any planning application being made in order to address the potential loss of car parking and to establish the extent of the ad-hoc rear access arrangements adopted by some of the existing residents whose homes border the site.
11. The feasibility study completed in November 2013 has suggested that Bushey Croft sites are viable and could deliver
 - a) 16 x three bedroom houses
 - b) 36 car parking spaces.
12. A feasibility study for the Humming Bird Public Housing Public House and Elm Hatch has not yet been undertaken, however, it envisaged that it will be possible to redevelop this site if it forms part of the proposed package.

THE WAY FORWARD

13. It is clear from the Development Feasibility Report that as a 'stand-alone' site Slacksbury Hatch is not viable. However, by creating a programme, and including the Bushey Croft site to cross subsidise the development, and using the GAF monies allocated for the redevelopment of Slacksbury Hatch and Katherines Hatch, it may be possible to subsidise the unviable elements of the proposed programme.
14. There are a number of risk factors that could impact upon the proposals and the deliverability, which include matters such as site investigations, potential legal issues or cost implications. However, it has been established that there is interest in developing these sites as a package which would be of particular interest to Registered Providers who could include it in their 2016/2018 Affordable Housing Programme.
15. It had originally been envisaged that the existing contract to deliver the GAF 2 Neighbourhood regeneration scheme could be extended. However, due to the anticipated value of this contract, legal advice is that this would not be appropriate and a new tender process should be undertaken for the selection of a developer.

IMPLICATIONS

Regeneration (includes Sustainability)

As contained with the report.

Author: **Graeme Bloomer, Head of Regeneration**

Finance (Includes ICT)

The Council will be using its existing landholdings to facilitate the proposed redevelopment of the areas set out in the report. Full evaluation of the financial aspects of the project will not be possible until the full project brief has been developed and a proposed development partner appointed.

Author: **Simon Freeman, Head of Finance**

Housing

None specific.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

Consultation has already been undertaken in relation to some of the proposals and is currently being refreshed in the light of the amount of time that has lapsed. Once the views of the all stakeholders have been obtained it may be necessary to undertake an Equalities Impact Assessment.

Author: **Lynn Seward, Head of Community Wellbeing**

Governance (includes HR)

Any resolutions in favour of marketing, works procurement and land disposal will need to be subject to the outcome of all consultation requirements (including the statutory advertisement formalities required in relation to the disposal of open space).

The recommendations involve the procurement by the Council of development works on each of the four sites as one overall package prior to the disposal of them (except for such land as is to be retained as set out in the Report). Assuming that the estimated value of these works shall exceed £4,332,012, the European procurement regulations will apply.

The disposal of land shall need to be compliant with the relevant general consents issued by the Secretary of State for Communities and Local Government, unless specific consent is obtained. Should an application for the specific consent of the Secretary of State be necessary, approval of such application (so far as it relates to the transfer of housing land) will need to be given by Full Council. The terms of the eventual land disposal shall also need to comply with the Council's fiduciary duties to the taxpayer, State Aid rules and Contract Standing Orders.

Members of the Cabinet who are also members of the Development Management Committee are advised to consider the extent of their participation in this item of business given the development aspect of the recommendations and the rules on predetermination or predisposition.

Author: **Mark Alexander, Legal Executive, for Brian Keane, Interim Head of Governance**

Background Papers

Disposal of Garage Sites – [Cabinet Report - 26 January 2012](#)

Regeneration of Slacksbury Hatch - Regeneration and Enterprise Policy Working Group- 7 September 2010

Development Feasibility Report – 1 November 2013

Glossary of terms/abbreviations used

Financial Viability Appraisal- an assessment of whether a site can be developed within estimated/ likely financial requirements.

Feasibility Report- an assessment of what could be achieved on the site.

GAF – Growth Area Funding

Appendices

Appendices may be circulated separately to main Cabinet agenda pack.

Appendix 1 – Slacksbury Hatch,

Appendix 2 – Katherines Hatch

Appendix 3 – Bushey Croft former Garage Site

Appendix 4 – Bushey Croft whole site

Appendix 5 – Elm Hatch