

Title of Report	APPLEBY MAGNA CARAVAN SITE	
Presented by	Chris Lambert Head of Housing and Property	
Background Papers	None	Public Report: Yes
		Key Decision: Yes
Financial Implications	Budget provision of £724k across 2019/20 and 2020/21 (capital programme) exists to fund improvements to the site and the potential creation of a development site opportunity	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	None	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	<p>To receive comments prior to taking a report to Cabinet on 26 May 2020 outlining the options and recommendations for the redevelopment of the caravan site at Appleby Magna</p> <p>The Cabinet report will also seek delegated authority for the Strategic Director of Housing & Customer Services to procure architectural and building services and agree compensation levels for the development of the reconfigured site.</p>	
Recommendations	THAT SCRUTINY COMMITTEE COMMENT ON THE PROPOSALS FOR THE REDEVELOPMENT OF THE APPLEBY MAGNA CARAVAN PARK AHEAD OF CABINET ON 26 MAY 2020	

1.0 BACKGROUND

- 1.1 Appleby Magna Caravan Site is a general fund asset managed by the Housing Service. The site originally consisted of fifteen plots, with each occupier holding a licence only for the plot. Each licensee owns the caravan/structures on each plot.
- 1.2 The caravan site is 0.84 acres in size and the adjacent piece of HRA land is 1.18 acres in size, which equates to a combined site of approximately 2.02 acres. The site is illustrated in Appendix 1.
- 1.3 Management of a caravan site such like Appleby Magna is not a core business of the Council, and it is not clear from the records available how the land that is owned by the Council become a caravan site.

- 1.4 The Mobile Homes Act 1983 provides the caravan owners as licence holders with full security of tenure similar to tenants living in Council homes. Each of the remaining caravan licence holders pay £34.14 p/w licence fee and the current net deficit to the General Fund from operating the caravan site is circa £5k per annum. This is mainly because of the reduction in income from the number of caravans reducing from fifteen to five and the value of the site fixed costs remaining constant.
- 1.5 The site does not currently meet the Model Standards 2008 for Caravan Sites in England, which is something we intend to achieve through any remodelling, as although not a legal requirement for Council owned sites, this does represent the industry standard for all other sites, which we are required to enforce on other site operators.
- 1.6 Immediately adjacent to the caravan site there is a piece of Council land that is used by the 1st Appleby Magna with Measham Scouts, on which they have erected their own storage facilities and meeting room. This land has been leased to the Scouts since 1 October 1979 for a period of 21 years, which expired in 2000. The arrangement has therefore been holding over on the terms of the original lease since 2000. The annual income from the Scout association for the use of the land is a peppercorn rent of £1.
- 1.7 In June 2014, a representative of the Scouts contacted the Council and requested a new lease, and in March 2015, heads of terms were agreed with the Scouts for a new lease of the site. The draft lease was sent to the Scouts' representative in April 2015. Until the current proposals began to be developed, the Council's legal services team had been pursuing the Scouts for a response on a monthly basis. The last response from the Scouts was in June 2016 when they advised that the lease had been sent to the Scout Trust for approval.
- 1.8 Whilst it is acknowledged that without a signed lease in place we have no legal duty to provide land for the Scouts, it's recognised that they bring a significant social and community benefits to the wider local community and we are therefore anxious to work with them to allow them to remain in the local area.
- 1.9 The future use of this wider site needs to be addressed, and there is clearly a case for considering the future of both the caravan site and the area leased to the Scouts in a comprehensive manner.

2.0 RECENT HISTORY

- 2.1 Following a caravan fire in 2011, an independent Fire Risk Assessment was completed which made a number of recommendations both in the short and medium/long term for the future of the site. These related to the spacing of caravans and their proximity to the various access roads on and around the site.
- 2.2 The erection of non-combustible sheds, removal of wooden structures between caravans and construction of concrete fireproof fencing between plots formed the core of this work. The total cost of implementing these recommendations were included as a provision totalling £185k in the 2014/15 capital programme. Approval for these works was obtained from Cabinet on 22 September 2015, and the works were completed by the summer of 2016 at a cost of £150,000.
- 2.3 Since the completion of these works, ten of the fifteen residents have voluntarily left the site having accepted the offer of being rehoused elsewhere by the Council, for which they received the level of statutory home loss payment applicable at the time. This has left just five residents now remaining, all of whom have expressed a clear desire to remain on the site on a long-term basis.

- 2.4 This reduction in the number of residents has created the opportunity to consider a reduction in the size of the caravan site as well as the amount of land currently used by the Scouts and create a development plot for up to 12 new homes.

3.0 CONSIDERATIONS

- 3.1 The land occupied by the scouts and the caravan site is located within the developable area of the village of Appleby Magna. This means that any area of land that became surplus because of reconfiguring the overall site could be considered for housing development.

- 3.2 Over the past two years officers have regularly met with the residents of the caravan site, and the adjacent houses on Measham Road, representatives of the Scouts and Parish Council to discuss the future of the site. The caravan site residents have objected to any plan requiring them to move from their homes, which most of them have occupied for many years.

- 3.3 The option of moving the Scouts away from the site to an alternative site within the local area has been investigated, however with no suitable available location could be found. As a result of this, five layout options have been produced for the potential redevelopment of the site as detailed in Appendix 1, all with the Scouts remaining.

- 3.4 As the site residents enjoy security of tenure from the Mobile Homes Act, any redevelopment completed without their agreement would require an order of the Court to enforce their cooperation with the works. This would require the Council to put forward a robust case to convince the court that our proposals were of no detriment to the residents. This process would be costly to the Council, take a period of up to 18 months, and could cause significant stress to the residents. It may also ultimately not be successful as no precedent has been able to be identified for successful action of this type in these circumstances.

- 3.5 The brook running the rear of the site is linked to the River Mease, and runs along the eastern boundary of the caravan site. The Environment Agency flood risk area associated with this encompasses approximately one third of the total developable land that could be created by a redevelopment. Additionally, the current Planning restrictions linked to the River Mease area would have to be considered as part of any planning application process, which is highly likely to reduce the number of properties that could otherwise be developed on a site of this size.

- 3.6 There are access tracks to both the 'north' and to the 'south' of the site that serve the caravan and Scout sites, and provide rear access to many of the properties on Measham Road. There are eighteen properties in total on Measham Road, four of which are still in Council ownership. Following surveys and discussions with Leicestershire County Council Highways Department, it has been confirmed that neither access road could be upgraded to meet adoptable standards, but could continue to be used as an upgraded private drive to service a new development.

- 3.7 Future development along the A42/M42 corridor supported by the recent planning approval for the Jaguar Land Rover parts centre, and the expected route for the HS2 rail link means that there will be significant inward investment into the area including a £350k community fund established through S106 funding. Earmarking the use of these monies is outside of Council control and as a result has not been considered as a funding stream in the redevelopment of Appleby Magna Caravan Site.

- 3.8 A recent review of currently known housing needs in the area by the Affordable Housing Enabling Officer has concluded that there is only a limited need to develop additional affordable housing in Appleby Magna given the recent new build activity in the area.

4.0 POTENTIAL REDEVELOPMENT LAYOUT OPTIONS

- 4.1 Five layout options for the future layout of the whole site have been developed in conjunction

with the appointed specialist architects Baily Garner LLP and are illustrated in Appendix 1. These have been shared with the local residents, the Scouts and the Parish Council. The table below seeks to compare the five options and summarises feedback from consultation regarding the options.

Option	Officer View	Consultation Feedback	Maximum New Build (Subject to planning permission)
A	Maximises the developable land for housing. In the event of a decision being taken to build new homes on the site, this is the most economically advantageous option.	This option is most strongly opposed by the caravan residents as they will be required to move their caravans twice and they will be located closer to the pumping station which can be noisy & intrusive.	6x2 bed 6x3 bed (12 units)
B	Reduces the developable land for housing and places additional traffic through northern access road which is narrower and offers less opportunity to widen than southern access road. Caravan park can be fully developed before the vans are required to be moved saving costs temporarily rehousing the caravan residents.	Not supported by the caravan residents who would be unhappy at being sited directly adjacent to Scout hut that can be noisy during the weekends and in the evenings therefore does not provide comparable plots. Use of the same access road will also have the potential to create 'bottlenecks' at certain times and in the view of the residents reduce security of their homes.	6x2 bed 4x3 bed 2x1 bed (12 units)
C	Reduces still further the developable land for new homes and as well as arguably having the greatest impact on the properties on Measham Road. Significant amount of new development within the flood plain of the River Mease. This option is not supported by officers.	This option is not supported by either the caravan residents or the residents of Measham Road as both will be overlooked by the new development. Building new homes will have significant impact on the caravan residents.	10x2 bed (10 units)
D	Released land for development of new homes impinges on flood plain Council support will be made available to support grant funding bids for a new Scout facility, as the current hut cannot be moved. The most expensive, but if option to develop new homes were to be chosen by Members, this would be the only one supported by the caravan residents.	Supported by the caravan residents and also by the Scouts who intend to extend use of new facility for the community. Caravan residents benefit by only needing to move the caravans once the new park has been built. Caravans sited furthest point from the pumping station.	6x2 bed 6x3 bed (12 units)
E	Modernisation of the site broadly as it currently stands and ensures that it fully complies with current legislation. As there will be no change in the footprint of the land currently occupied by the caravan and Scout sites, the opportunity to	This option is strongly supported by the caravan residents as it maximises the land space that the caravans are sited on thereby reducing the site maintenance implications for the Council. It also maintains the aspects that	No development

	recover investment costs by selling land for development will no longer exist.	the caravan residents currently enjoy. Least intrusive option for the residents, Scouts and Measham Road residents.	
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4.2 Comparing the various options and evaluating them against each other to determine a way forward represents a complex matrix of factors to be considered and weighed against each other.

- Planning considerations – any new development of any homes on the site will be challenging, given the flood risk area, access road limitations, and the River Mease development restrictions. The number and type of properties would also need to be the subject of further discussions to ensure the site is not overdeveloped.
- Housing need levels – indicated housing needs in the village are not excessive due to the level of recent historic development. Whilst this would not be a direct consideration for a commercial development any development for affordable or social housing would normally need to meet a housing need that had been identified.
- Preference of the caravan site residents – the sites existing residents have expressed a very clear desire for minimal change, and therefore their clear preference is for Option E.
- Supporting the local Scouts – all the options continue to provide a location for the Scouts, with options A to D offering the potential for a new accommodation facility subject to being able to identify the funding. Option E provides stability and security on the existing location.
- Financial considerations – although a budget provision has been made based on indicative scheme costs, this should not drive the choice of the most appropriate option. Given the complexity of delivering any of the redevelopment options (A to D) and the uncertainty of any income from redevelopment, the lowest risk option financially is Option E.

4.3 On balance, considering the various factors referred to above, it is Officers recommendation that Option E be pursued.

5.0 DEVELOPMENT OPTIONS

5.1 If a redevelopment option were to be selected, there are several ways of implementing the new-build option the receipts from which may help subsidise the cost of the caravan and Scout relocation. This will of course be subject to planning requirements and potential legal action being needed to secure the site.

These options include;

1. Disposal to a developer with outline planning permission, in so doing this would maximise capital income to the Council.
2. Retain and develop the remaining land ourselves for new Council housing. Retains control of the asset and allows consolidated contractor activity across the site re groundworks and subsequent construction.
3. Enter into a partnership Housing Association to develop which will minimise costs to the Council.

In the event of the decision being taken to develop new properties on the land released in options A, B, C or D, officers would support development option 2, retaining and developing the land ourselves for council housing.

5.2 The number and type of any new build housing will be subject to separate planning permission. Option E however remains the officer preferred option.

6.0 FINANCIAL IMPLICATIONS

- 6.1 Some aspects of the financial details relating to the future of the site are considered to be commercially confidential. This includes potential land valuations, and other costs, and are therefore included in a separate confidential appendix to this report. This approach has been taken in preference to making the whole report confidential in order to maximise transparency regarding decision making about the future of the site. In the event that members of the committee wish to discuss the information in the confidential appendix, the committee will need to move into a closed session without members of the public being present (virtually).
- 6.2 The existing Capital Programme provision for the re-development of the existing site is £724k split across the 2019/20 and 2020/21 capital programmes.
- 6.3 Compensation has been offered to the Scouts to remain on existing site but with a reduced land footprint, as required under options A to D. In the event of Option E being recommended, this would not be necessary.
- 6.4 The caravan residents would be entitled to some level of compensation for the disruption that the redevelopment will cause. This is the subject of ongoing discussions with them and would need to be resolved prior to the commencement of any works, and budget provision for this will be made from within the overall scheme cost envelop.
- 6.5 There would be costs incurred if it was necessary to take legal action against the residents to enforce the movement of the caravans in the event of options A, B or C being adopted.
- 6.6 There is sufficient Capital budget to fund any of the options if approved, including for the Council to fully fund the build cost of the new homes should this be the recommendation made. Financial evaluations clearly show that none of the options has a positive net impact on the Councils overall financial position. However, there is no option to do nothing, and Option E provides a low cost, lowest disruption opportunity to reconfigure the caravan site to meet Mobile Homes Act standards, and provide a more positive environment for the residents and Scouts.

Policies and other considerations, as appropriate	
Council Priorities:	Homes & Communities
Policy Considerations:	Local Plan
Safeguarding:	No matters arising out of this report
Equalities/Diversity:	No matters arising out of this report
Customer Impact:	No matters arising out of this report
Economic and Social Impact:	Development of caravan site to modern standard, retention of the Scouts on HRA land
Environment and Climate Change:	No matters arising out of this report
Consultation/Community Engagement:	Views and recommendations sought from the Community Scrutiny
Risks:	Fire risk – significantly reduced in all five options Reputational risks – currently poor quality of site facilities. Negative impact of taking legal action against a small

	and specific group of residents if this is pursued.
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