



CABINET

13 February 2013

Subject Heading:

Future Strategy in Respect of the Old Windmill Hall Site and Adjacent Car Park, Upminster

Cabinet Member:

Councillor Roger Ramsey - Cabinet Member for Value

CMT Lead:

Andrew Blake-Herbert, Group Director - Finance & Commerce

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Policy context:

Cabinet Decision of 26 October 2011 on Community Halls Managed by Culture and Leisure Services

Financial summary:

If completed, the disposal of the land would result in a capital receipt that will attract interest until it is used to fund capital projects identified through the capital prioritisation process.

Is this a Key Decision?

Yes

When should this matter be reviewed?

Not Applicable

Reviewing OSC:

Value

The subject matter of this report deals with the following Council Objectives

Ensuring a clean, safe and green borough	<input type="checkbox"/>
Championing education and learning for all	<input type="checkbox"/>
Providing economic, social and cultural activity in thriving towns and villages	<input checked="" type="checkbox"/>
Valuing and enhancing the lives of our residents	<input type="checkbox"/>
Delivering high customer satisfaction and a stable council tax	<input checked="" type="checkbox"/>

SUMMARY

On 26th October 2011 Cabinet approved a report on the future provision of community halls within the borough. The report approved the demolition of the Old Windmill Hall and called for a further report on the option of disposing of the site and the adjoining land. This report considers the option of disposal and reviews other possible uses for the site.

Subject to the disposal option being adopted this report also sets out some practical issues arising from the proposed sale of the land and identifies the relevant decisions and processes required to deal with these issues.

RECOMMENDATIONS

1. To confirm that the Old Windmill Hall site and adjacent car park (as shown edged red on the attached plan) be declared surplus and to authorise the disposal of the freehold interest in the site.
2. To authorise the commencement of the statutory process to appropriate from open space and then dispose of the land coloured blue on plan sps1294/1 Rev A.
3. To authorise the appropriation of the land shown coloured green on plan sps1294/1 Rev A from the curtilage of the Old Windmill Hall to open space use subject to the removal from open space use of the land shown coloured blue.
4. To authorise the appropriation of the disposal site (edged red on plan sps1294/1 Rev A) for planning purposes.
5. To authorise the Property Strategy Manager, in consultation with the Assistant Chief Executive (Legal & Democratic Services) undertake all appropriation processes and for the Lead Member for Value to consider any objections received and whether to confirm the appropriations.
6. To authorise the Property Strategy Manager, in consultation with the Assistant Chief Executive (Legal & Democratic Services) to deal with all matters arising from this decision and to complete the disposal. This is to include completion of the statutory process for the appropriation of open space and the appropriation for planning purposes in the event of there being no representations on these issues.

REPORT DETAIL

1.1 Background

- 1.2 The Council hold the freehold interest in a large area of land that has a frontage to St Marys Lane, Upminster and extends through to Corbets Tey Road, Upminster. This area of land contains a number of Council buildings fulfilling a number of functions including Upminster Library, New Windmill Hall (with associated car parking areas) and Upminster Park (with associated depot facilities and public conveniences). To the north east of the site is an area that was previously used as a site for an older community hall known as Old Windmill Hall. The site includes a car parking area that was primarily for users of the hall but will also be used by other visitors to the area.
- 1.3 On 26th October 2011 Cabinet approved a report on the future provision of community halls within the borough. As far as this location is concerned the approved strategy was to retain and improve New Windmill Hall, lease it to the Community Association and to demolish the Old Windmill Hall as it was in poor condition and functionally obsolete. This strategy has now been carried out. The adjacent car park that served Old Windmill Hall is operational and, in line with the general policy on car parks operated by Leisure Services is subject to charges. The car park that supports the use of the New Windmill Hall (located to the other side of that property) is operational and is unaffected by these proposals.
- 1.4 With the Old Windmill Hall demolished the need for the adjacent car park to support its use is removed. It provides approximately 15 spaces and, therefore, it now provides a small additional contribution to car parking for users of New Windmill Hall, Upminster Park or Upminster Town Centre. Parking needs are reasonably met through the car park immediately adjacent to the New Windmill Hall (see above) and other car parks in the Town Centre. It is, therefore, appropriate to consider the future strategy of both the Old Windmill Hall site and the adjacent car park as one site.

1.5 The relevant recommendation in the Cabinet Report (Item 9) states:

“To receive a further report on the option of disposing of the Old Windmill Hall site and adjoining land, to secure further investment in the New Windmill Hall facility for the purposes of leasing the building to a community group and surrounding facilities, in the context of improving the local environment and taking account of the setting of nearby listed buildings.”

The recommendations on the New Windmill Hall have been met and are set out in detail below and all other issues within the recommendation are covered within this report.

As far as disposal is concerned it is the case that the recommendation specifically refers to a further report on the option of disposing of the Old Windmill Hall but other options are also discussed in this report. To put this analysis into context the general position on the disposal of Council assets is as follows.

The Council's Asset Management Plan states that land and property assets should only remain in Council ownership if they:

- need to be retained in Council control for the provision of services
- are of great value to the Council, community and other stakeholders and are in need of the degree of protection from development or other uses afforded only by ownership
- are investment properties providing a financial return that can fully satisfy relevant investment criteria

As well as ensuring that the portfolio of retained property is suitable for the operational needs of the Council, there is a continuing need to generate capital receipts from the disposal of assets in order to pursue capital projects. The review and identification of new disposal and capital receipt opportunities make an essential contribution to funding the Council's capital programme.

1.6 Options

- 1.7 The following options for the use of the site have been informally raised and are considered alongside the disposal option referred to in the Cabinet report.

a) Disposal

This is the option referred to in the recommendations included within the Cabinet Report of 26th October 2011 described above. Subject to the necessary planning and other consents the site is considered to be suitable for residential development and the likely capital receipt will reflect this.

The proposed detailed implementation of this option (see below) fully protects the existing amount of land within the adjacent park and the planned enhancements to the pedestrian entrance to the park from Hornchurch Road.

This option is an efficient use of a part vacant site and is in line with the Council's policies on the management of assets. There will be a small revenue loss from the car parking area but this can be contained within existing revenue budgets.

b) Retention for Possible Expansion of New Windmill Hall

In line with the strategy set out in the Cabinet report of 25 October 2011 New Windmill Hall has been leased to the Trustees for the New Windmill Hall Community Association that runs for 10 years from 30th July 2012. This process has been supported by the Council undertaking to fund priority building and improvement works over a 2 year period at a cost of approximately £136,000 of which investment of approximately £60,000 is being made through external grant funding.

Further support to the Association has been given through a 1 year rent free period at the commencement of the lease. The leasing arrangements have been completed as planned and it is anticipated that the property will continue to provide a valuable community resource. The security of a formal lease puts the Association in a better position to secure further external funding.

There is no immediate indication that future demand for such a community resource will be sufficient to require a further extension to the premises.

The possibility of allocating the site for further parking spaces adjacent to New Windmill Hall has also been considered although this would require capital expenditure to prepare and set out a new car park. There is an existing large car park to the other side of the New Windmill Hall and it is considered that this reasonably meets the needs of users.

If the site of the Old Windmill Hall were to be held vacant for potential future use as an expanded community resource this could create some security and management issues to deal with possible vandalism or anti-social behaviour. Such a strategy would also remove the opportunity to secure a capital receipt from disposal that would be used to fund capital schemes.

c) Other Recreational Uses

Possible uses for the site that have been raised since the 2011 report include the creation of a sensory garden, a sculpture garden or a quiet area adjacent to the park as a sitting/reading area.

Each of these proposed uses clearly have their individual merits but it is considered that as the site is adjacent to a main road it is not evident that the site could create the peaceful, quiet conditions that these uses require. It may be the case that more suitable locations for such uses could be identified within this park or other similar locations.

Setting out the site for these uses would require capital resources and there would be a revenue implication for their future management.

Adopting this strategy would also remove the opportunity to secure capital resources to fund capital schemes

1.8 Proposed Strategy and Associated Issues

- 1.9 Having reviewed the options identified above for the site the conclusion is that the benefits of the non-disposal options do not appear to be sufficient to forego the opportunity to maximise and realise the site value through disposal and to provide a valuable contribution to the borough's investment needs. In the circumstances, it is recommended that the site be formally declared surplus and identified for disposal.
- 1.10 The site of the Old Windmill Hall and the adjacent car park are shown on the attached plan and extend to 1941 square metres. As far as disposal is concerned it is beneficial to create a more regularly shaped site and it is proposed that the existing boundaries are adjusted in order to achieve this. In making these adjustments the overall area of Upminster Park will be protected to ensure that there is no net loss of open space.

There is an access to the park along the eastern boundary of the site that is part of the Ingrebourne Way and is part of a Sustrans sponsored Connect 2 route that is currently in the final stages of delivery. The path running along the eastern edge of the car park will be widened to 3m for a distance equivalent to the depth of the car park. From that point on the route will use the existing path through the park. These works have been approved and are likely to be put in hand in before the end of 2012. The adjustments to the site boundary need to accommodate these enhancements to the Connect 2 route and the land reserved for that route needs to be incorporated within Upminster Park.

In the circumstances, it is proposed that the area of land that is identified for disposal remains at 1941 square metres as shown on the attached plan. The areas that are to be included in the disposal site and the areas to be incorporated back into Upminster Park are also shown. The areas of land that are to be incorporated into the site and that are to be brought into park use are exactly the same at 191 square metres. This ensures that there is a completely neutral effect on the amount of land within the park.

This adjustment of the boundary and the subsequent disposal of land that has previously formed part of a park are subject to specific statutory processes and approvals and these will be sought as part of the disposal process.

Furthermore, all Council owned land is held for a particular purpose and if this purpose changes over time, it is now considered prudent to formally record this by a process known as "appropriation".

It is the case that many developers and potential purchasers now consider that an appropriation for planning purposes is part of the process of proving that the Council's legal title in the land is clear and that there are no legal obstacles to disposal or redevelopment – save as for planning consent.

The Council is authorised to appropriate land that it owns for planning purposes under Section 122 of the Local Government Act 1972 which, subject to a number of provisions allows “a principal council to appropriate land which belongs to the Council and is no longer required for the purpose for which it was held immediately before the appropriation....”

When the appropriation is in respect of open land, the Council is required under Section 122(2A) of the Local Government Act 1972 to advertise its intention to do so for 2 consecutive weeks in a local newspaper and then to consider any objections received. Only after considering any such objections can the Council take the final decision to proceed with the appropriation.

- 1.11 The sale of the site will produce a capital receipt that can be used on capital projects. There will be a potential revenue loss from the fact that the car park is used as a “Pay and Display” facility.
- 1.12 The site is considered to have potential to be redeveloped for residential purposes subject to planning and other consents. If it is declared surplus and identified for disposal it will be competitively marketed.

It is recognised that this location is characterised by the existence of a number of listed buildings and that any development scheme will have to fully address the setting of these heritage assets. The quality and design of any proposed development will be highly significant issues and the design and any development scheme will be carefully considered by the Council as part of the marketing, disposal and legal processes.

On this matter, it is noted that the original recommendation 9 within the Cabinet Report of 26th October 2011 refers to “taking account of the nearby listed buildings” so that requirement is clear and will require careful scrutiny of any development proposal that affects the setting of these buildings.

- 1.13 Such consideration and scrutiny is, correctly, part of the planning process which will take into account the nature and location of this site and it’s proximity to heritage assets although as indicated previously the Council will also seek to control such matters through the disposal process.



REASONS AND OPTIONS

2.1 Reasons for the decision:

2.2 The majority of the site is no longer in use for operational purposes and the adjacent car park is not now required to meet the parking needs of users of the Old Windmill Hall. It is important that Council assets are used as efficiently as possible and to maximise their contribution to services whether this be directly or by the creation of a capital receipt.

2.3 In the circumstances, it is necessary for the future use of the site to be considered and for a strategy to be identified.

2.4 Other options considered:

2.5 The other options considered for the future use of this site are set out above in the main body of the report.

IMPLICATIONS AND RISKS

3.1 Financial implications and risks:

3.2 The sale of the land would result in a capital receipt that will attract interest until it is used to fund capital projects identified through the capital prioritisation process.

3.3 The disposal of the car parking area will result in a potential loss of revenue. It is estimated that this loss would be approximately £4,000 per annum and Leisure Services have agreed to manage this impact from within existing resources.

3.4 Legal implications and risks:

3.5 There are no specific legal implications and risks associated with declaring the site surplus to requirements and approving the disposal of the freehold interest. Any legal issues arising from the sale itself will be dealt with as part of the usual conveyancing processes.

3.6 The adjustment of the boundaries, the sale of land previously within the park, the incorporation of new areas within the park and the appropriation of land for planning purposes are subject to statutory processes that will need to be followed before any disposal can be completed.

3.7 Human Resources implications and risks:

3.8 This decision relates to the disposal of surplus land and has no Human Resources Implications or Risks

3.9 Equalities implications and risks:

3.10 The decision to demolish Old Windmill Hall and re-focus community activities in New Windmill Hall has been previously approved by Cabinet where Equalities and Social Inclusion implications will have been considered. The decision to identify the remaining surplus land for disposal has no further implications in this regard.

3.11 Users of Upminster Park, New Windmill Hall and the Town Centre are able to use parking facilities conveniently located close to those facilities and so the loss of the adjacent car park does not have a disproportionate effect on users that have a disability.

BACKGROUND PAPERS

4.1 None