Agenda Item No: 9 Report No: 135/15

Report Title: Response to Petition: The Buckle Car Park

Report To: Council Date: 14th October 2015

Cabinet Member: Cllr Andy Smith

Ward(s) Affected: Seaford West

Report By: Gillian Marston, Director of Service Delivery

Contact Officer(s)-

Name(s): Bee Lewis

Post Title(s): Head of Property & Facilities E-mail(s): bee.lewis@lewes.gov.uk

Tel No(s): 01273 661101

Purpose of Report:

To respond to the petition submitted to Council on 16th July regarding the proposed disposal of The Buckle car park in Seaford in relation to the New Homes project.

Officers Recommendation(s):

- 1 To note that the site known as The Buckle, comprising of a car park, HGV park, public toilets, mini-recycling centre and a leased area, is ear-marked to provide housing as part of the New Homes Project (also known as the 49 Sites).
- 2 To approve the recommendation that officers review the provision of mini recycling points in the wider context of the agreed waste strategy..
- 3. To approve the recommendation that officers work with Seaford Town Council and groups such as the Seaford Seniors Forum to identify possible alternative locations and means of providing toilets within the area.
- **4.** To approve the recommendation that Officers continue to work to identify mitigating actions for the loss of parking at The Buckle car park.

Reasons for Recommendations

At the meeting on 16th July 2015, Council received a petition from Councillor Wallraven and Sylvia Dunn containing a combined total of 2054 signatures. The petition stated:

"We the undersigned, residents of Seaford, East Sussex, and other regular users of the Buckle Car Park, object to the plans to sell off in order to build for development, the Buckle Car Park.

We call upon all levels of government involved in planning and building developers:

To reject this proposed plan

For Seaford Town Council to recognise Buckle Car Park as a community asset and register it as such with Lewes District in support of local residents views on the importance of retaining amenities in this area

For Lewes District to take note of the residents views and to not sell off this land for further development of the seafront."

Information

2

- 2.1 Purchasing or renting a home has become unaffordable for a significantly larger number of residents over the years. The average sale price for a home is £297,000 which is 65% higher than the national average. At the same time, rents have been rising and the average rent is now £1,080 per month, whereas the Local Housing Allowance (LHA) for a 2-bedroomed property is set at £769.92. A lack of homes for sale or rent is exacerbating the problem.
- 2.2 Residents within Lewes District have vastly different experiences of finding decent, affordable and secure homes. The Council is committed to increasing affordable housing and must look at the current asset base to deliver efficiencies.
- 2.3 There are approximately 1,700 people on the Housing Register and this number is forecast to grow by 549 per year, when only 244 homes become available in that time. The Council's current mix of housing stock does not meet the demand for one and two bedroomed homes and the lack of availability means that the Council cannot offer housing within the short term to anyone but those in the most difficult circumstances.
- 2.4 In response to the local and national pressures, the Council recognised that there was an opportunity to close the gap between the current level of housing provision and the anticipated need, through more efficient stewardship of its assets. The Council also recognised that there was a lack of expertise and capacity within the authority to deliver innovative housing solutions and set about developing a project, known colloquially as the 49 sites, based on the principles of asset challenge to determine whether there were efficiencies from:
- (a) continued maintenance (maintain status quo, as property is appropriate for current and future service needs);

- (b) better utilisation (the opportunities for better property utilisation would be realised through a project);
- (c) major investment (the future of the property has already been determined and major works such as refurbishment and extension etc are required);
- (d) long term development (retain property pending future sale for development); and
- **(e)** surplus (dispose of property).
- 2.5 In May 2012 Cabinet approved a report seeking authority to enter into a partnership arrangement with a private sector development partner to bring forward a range of Council owned surplus sites for development. The objectives of the partnership arrangement would be to:
- (a) Increase the value of Council owned properties prior to financially beneficial disposal;
- (b) Make best use of Council assets to stimulate regeneration and deliver community benefits;
- **(c)** To dispose of the maintenance liability of underperforming assets.
- 2.6 The Council advertised for a development partner in accordance with the European Procurement Directive. The bids were assessed against the following key objectives:
- (a) Community benefit;
- **(b)** Regeneration;
- (c) Risk mitigation;
- (d) Financial return.
- 2.7 Following a thorough and recognised negotiated tender process, in September 2014, Cabinet approved the appointment of a consortium bid between Karis Developments, Southern Housing Group and Conran Architects.

The Buckle Car Park

- 2.8 The Buckle car park on Marine Parade, Seaford lies approximately 1.5km west of the town. The Buckle includes an area of land to the northeast of the site that is leased to the Environment Agency. Appendix A shows the aerial view and site plan edged in a thick black line.
- 2.9 The site was purchased in 1972 by Seaford Urban District Council and its ownership transferred to Lewes District Council in 1974.

- 2.10 Historically, the site has remained largely undeveloped since 1902. Current indications are that the site has been used as a car park with public conveniences since 1971, although prior to this, there had been a number of workshops and light industrial buildings on the site.
- 2.11 The car park was formerly known as The Buckle East (HGV only) and The Buckle West, but this was altered in 2013 as a result of the LDC parking review and the site is now known formally as The Buckle to reflect local nomenclature.
- 2.12 The site comprises of a free car park with a maximum stay of 12 hours with no overnight sleeping. There is also a toilet block provided with male, female and disabled facilities. The toilet block is open 24 hours a day, largely to serve the HGV car park, but also the night-time fishermen. There is also a mini-recycling centre which is well-used.
- 2.13 Residents have expressed concern at the loss of the mini recycling centre, however the Council will be implementing an improved recycling scheme which will remove the need for drop-off points such as the one located at The Buckle. Alternative facilities for residents to bring their recycling to will be sought if needed. It is recommended that officers review whether the bring site needs to be re-provided in the context of the agreed waste strategy.
- 2.14 There is anecdotal evidence that the toilets attract importuning, but there are no supporting crime statistics. There have been unauthorised encampments on the site within the last twelve months and it is thought to be an attractive site because of the proximity of the beach, the facilities on site and the fact that there is no height barrier on the HGV part of the car park.
- 2.15 There is no statutory duty to provide public toilets. LDC owns two of the public conveniences in Seaford, The Buckle and Place Lane, while Seaford Town Council (STC) own three sites: The Salts, The Martello and South Street. All sites are managed and serviced by LDC. It is recommended that officers work with STC and groups such as the Seaford Seniors Forum to identify possible alternative locations and means of toilet provision within the area.
- 2.16 Car park usage varies and it is frequently very busy in the high summer and at weekends from April – October when the weather is pleasant. It is also used in both high and low season by dog-walkers, anglers and surfers. There is some evidence of commuter use as Bishopstone Station is nearby.
- 2.17 LDC commissioned a transport study which included the parking profile of The Buckle to take account of the high use over the summer season. At the time of writing this report, the study has not been completed, however, some of the initial findings are as detailed overleaf:

- The maximum occupancy recorded was 70 cars on Saturday, 22nd
 August (Bank Holiday weekend), when there was overspill to the HGV park and fines were issued. The weather was clear and hot.
- On Sunday, 23rd of August, 15 cars were recorded at peak. The weather was overcast with some rain in the morning, but dry after midday.
- There were a small number of long term parking vehicles, a small number using the refuse collection point and the public toilet facilities.
 The main reason to use the car park seemed to be dog-walking, fishing and/or spending time at the beach.
- On Friday the 11th September, usage peaked at 39 cars. The weather was dry and sunny.
- On Saturday the 12th September, the usage peaked at 21 vehicles. The weather was dry with sunny spells, but was windy.

The study will be made available once the final version has been received and will help the Council understand the impact on leisure and business users of the loss of The Buckle site. The study will also highlight any actions that can be taken to mitigate these effects. The impact of additional traffic along the A259 and Marine Parade will also be considered.

It is recommended that officers continue to explore alternative options for parking solutions, based on the findings of the transport study.

The Environment Agency

2.18 The Environment Agency lease part of the land earmarked for development and commercial discussions are ongoing. Two principles have been established. Firstly, that the Environment Agency will be no worse off by relocating than in their current location. Secondly, that the ongoing defense and protection of Seaford Bay will not be compromised.

The New Homes Project

- 2.19 The New Homes Project is structured to allow the Council to obtain maximum value on the sale of a number of sites to release funds that will be reinvested to build high-quality, affordable housing within the district.
- **2.20** The sites are split into three phases.
- (a) Phase 1a sites will be designed collaboratively by the Council, the Consortium and in consultation with the public to ensure high quality homes. If planning permission is granted, these sites will be sold to

Southern Housing Group who will then develop the sites. The Buckle is one of the sites within Phase 1a and all of the homes will be private housing to meet the objective of maximising the Council's assets to reinvest into affordable housing.

- (b) Phase 1b sites are allocated as affordable housing sites. They will be for rent and an element potentially made available for shared ownership.

 The Buckle is included in the list of sites within Phase 1b.
- (c) Phase 2 sites are a collection of smaller sites. It is anticipated that the sites will be sold with planning permission for development by a third party.
- 2.21 Planning applications for all of the different phases are grouped into waves. Treating the sites in this manner allows the partners to demonstrate the target of 40% affordable housing as an aggregate (and therefore higher number) across a range of mixed-size sites.
- 2.22 Wave 1 sites are those which fall within the Lewes District Council planning boundary and planning applications are expected by the end of 2015.
- 2.23 Wave 2 sites are those sites which fall within the South Downs National Park Planning Authority (SDNPA). It is anticipated that the planning applications for Wave 2 will be submitted in summer 2016.

Financial Appraisal

3

- 3.1 The proposed development of this site is part of an extensive project which will make best use of Council assets to stimulate regeneration, increase the supply of affordable homes and dispose of the maintenance liability of under-performing assets. As a whole, the project will generate both revenue and capital resources for the Council as follows:
- (a) Revenue under current Government grant arrangements, the Council will receive, for 6 years, New Homes Bonus funding for each additional housing unit which is constructed. The Council's share of this funding is currently £1,170 annually for each new home. The Council's medium term financial strategy assumes that New Homes Bonus funding is used to support one-off projects which support the delivery of Council priorities.
- (b) Capital the expectation is that the project will deliver a capital receipt of several million pounds for the Council, which would be reinvested into the provision of more affordable homes. This site at The Buckle is one of those which has been identified as most suited for development as

- private housing for sale and, as such, can be expected to generate a significant capital receipt.
- 3.2 The cost of additional studies which may be required to identify alternative locations for toilet facilities within Seaford or to identify mitigating actions for the loss of parking at The Buckle can be met from the overall budget that the Council has agreed to facilitate the New Homes Project.

Legal Implications

The Legal Services Department has made the following comments:

4

- 4.1 The District Council has signed a Conditional Sale Agreement with Karis Developments Limited and Southern Housing Group Limited. That Agreement relates to a portfolio of properties across Lewes District, one of which is the site at the Buckle.
- 4.2 The Agreement proposes that the parties submit a joint planning application for residential development at the Buckle. It is intended that the application will be for private market housing and that in the event of planning permission being granted the site will be sold to Southern Housing Group (SHG) for a price which reflects the value of the site with planning permission. It is intended that the receipt from the sale of the site will fund the provision of affordable housing elsewhere in the district.
- 4.3 There are provisions in the Agreement which acknowledge that the parties need to carry out certain work prior to the submission of any planning application for example, ground condition surveys, due diligence checks on title, formal agreement of the current use values of individual sites.
- 4.4 The Agreement further provides that, prior to purchase SHG shall have the right to carry out a viability appraisal on each site they are intending to purchase to make sure that it gives them a satisfactory return on cost. (Details of how this is calculated are set out in the Agreement).
- Planning applications are to be submitted in "Waves". The first Wave comprises the Buckle together with a range of other smaller value sites which are intended to be sold to third parties for private market housing, and two sites (Robinson Road, Newhaven and Meeching Down, Newhaven) which are to be retained in the council's ownership and used to provide affordable housing. The sites have been "bundled" together in this "wave" so as to provide a collection of sites which, taken together, will provide the 40% affordable housing required by our planning policies.

- 4.6 The developer has identified the Buckle as a key site within the portfolio and this has implications for the viability of the development project as a whole. For example, if a less significant site within the wave fails for one or more contemplated reasons eg ground condition survey reveals ground problems, or title check shows insurmountable problem, or all of these are sound but the site subsequently fails to secure a planning permission then the project can proceed without that site providing that a different site is substituted, or build densities are reduced on the private market housing sites, to ensure that we can still met the 40%affordable housing target.
- 4.7 However, the identification of the Buckle as a key site means that in the event of the Buckle failing for any of the above reasons then the whole "wave" will collectively fail. In effect this means that the 10 sites which make up the first wave will fall out of the scheme, including those identified for affordable housing. This will mean that the continuation of the project will rest entirely on the prospect of the second wave (which is a collection of sites within the South Downs National Park's planning jurisdiction) clearing all hurdles. If a key site in the second wave also fails then the project as a whole will fall.
- 4.8 The contract documentation caters for a number of possible contingencies. It distinguishes between key sites and non-key sites. It sets out what will happen if a key site fails, and one or more non-key site fail, for any one of a range of reasons set out in the agreement. In addition to the reasons already set out above (eg poor ground conditions, failure to obtain planning permission, inability of SHG to achieve satisfactory return on costs), the reasons include the inability of council to afford the build out of the affordable housing. All of the possible contingencies are identified in the contract documentation with clear procedures as to how they are to be interpreted and operate, and with provisos that matters be referred to independent experts in the event of dispute. The Agreement does not permit the council to simply change its mind, for none of the above reasons, and decide now to take out any site, let alone a site such as the Buckle which has been identified as a key site within the commercial deal.
- 4.9 If, in response to the petition, the council decides to take The Buckle out of the scheme for no reason which has been set out in the Agreement then it will be in breach of the commercial agreement it has signed. The consequences of doing this are set out in the exempt legal advice attached.

Risk Management Implications

5 The risk management implications are contained within the body of the report.

Equality Screening

6 Please see Appendix B

Background Papers

7 None

Appendices

8 Appendix A Aerial View and Plan of The Buckle

Appendix B Equality Impact Assessment

Appendix C Legal Advice (Exempt)