

# **Report to Executive**

Agenda Item:

**A.9** 

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Meeting Date: 2nd February 2015

Portfolio: Economy, Enterprise and Housing

**Key Decision:** 

Within Policy and

Yes

**Budget Framework** 

Public / Private **Public** 

Title: HADRIAN'S CAMP GYPSY AND TRAVELLER SITE

Report of: Director of Economic Development

Report Number: ED 01/15

## **Purpose / Summary:**

Cumbria County Council contacted the City Council in 2014 regarding the possibility of the City taking over the freehold of their site at Hadrian's Camp, Old Brampton Road. An alternative bid has been submitted by the current leaseholder, but it is considered that the Council taking over the freehold would help to safeguard the future of the site. The Council's initial Expression of Interest to take over the freehold at nil cost was approved by the County Council's Local Area Committee in September 2014, and Executive approval is sought to proceed with a full application and business case to the County Council's Cabinet.

### Recommendations:

1. It is recommended that Executive approves the proposal to proceed with the application to take over the freehold of Hadrian's Camp from Cumbria County Council thereby securing the future of this important facility in Local Authority ownership.

# **Tracking**

| Executive:             |  |
|------------------------|--|
| Overview and Scrutiny: |  |
| Council:               |  |

## 1. BACKGROUND

- 1.1 The City Council is the Local Housing Authority, and as such provision of Gypsy and Traveller facilities falls within the Council's remit. The Hadrian's Camp site is approximately 4 hectares in size, incorporating a total of 70 pitches 40 permanent & 30 transit. The site is let to the current site manager and his daughter on two 99 year leases the first let in 1988 & the second in 1996 (these are full Repairing and Insuring leases). The permitted use in the lease is a site for caravans for habitation by Gypsies and Travellers.
- 1.2 It is understood that a counter bid has been submitted from the current leaseholder of Hadrian's Camp. Although the County Council are proposing to put conditions in place to retain the existing use of the site, in the event the freehold was sold to the current leaseholder, concerns remain that these conditions would become increasingly difficult to enforce over time. Whereas, if the site remained in public sector ownership this would significantly reduce the risk of a loss of provision in the District. The loss of the site would inevitably lead to an increase in unauthorised encampments and homelessness presentations.
- 1.3 In 2007 the transfer from the County Council to the City Council for £1 was agreed by Executive; however, the transfer didn't proceed, as the Council decided to focus on developing Low Harker Dene as a Gypsy & Traveller site instead, following the eviction of all the residents at Hadrian's Camp.
- 1.4 In early 2013 the County had again discussed the possible transfer with the City Council, which was supported by the Strategic Housing Development Group and the Housing Portfolio Holder had indicated they would like to progress the transfer of the site. It was explained to the County that resourcing Hadrian's Camp would be the key issue; although in principle the leaseholder has a full Repair and Insure lease. Further meetings and discussions were held between both Councils during 2014, leading to the City Council's Expression of Interest being approved by the County Council's Local Area Committee in September 2014. The County's Cabinet will need to decide between the Council's bid and the financial offer from the current leaseholder. If Executive approves the proposal, the City Council's application would go to the County Council's Local Area Committee on 3 March and then to Cabinet in June 2015. The County Council's preferred option was for the transfer to be via a Community Asset Transfer (CAT), but advice from Legal Services is that from the City Council's perspective the transfer would have to go ahead through the usual land transaction procedures.

# 2. PROPOSALS

- 2.1 Carlisle City Council is the Strategic Housing Authority responsible for enabling and facilitating the provision of sites and accommodation solutions for the Gypsy and Traveller community, so taking over the freehold of Hadrian's Camp would have a number of benefits for the City Council:-
  - Following the successful development of the Council's 15 pitch site at Low Harker Dene this could provide opportunities to develop services between the two schemes with other partners; including Children's Services (through working with their Equality Learning Officer, Gypsy, Traveller Roma Virtual Schools and Learning) as Gypsy children are more likely to be educated at home.
  - There would be a benign capital cost If this substantial asset is offered to the City Council at a nil cost it still has a value. It is anticipated that there is only a low cost involved in holding and managing this asset under existing leasehold arrangements. It is not envisaged that it would be a significant drain on scarce staff and financial resources (please see section 2.3).
  - Taking over the freehold would provide clarity in regard to ownership of Gypsy & Traveller sites in the Carlisle area. Although the new Local Plan 2015-30 will make it clear that any change of use to Gypsy and Traveller sites would be resisted as long as it can be demonstrated that there is still a need for such a facility, ownership strengthens control on use and development of the land, giving the Council a stronger negotiating or bargaining position in future compared to if the site fell into private ownership.
  - It would improve safeguarding and increase the security for the provision of accommodation for the Gypsy and Traveller community securing the transit provision would help to reduce cases of unauthorised encampments.
  - There would be a significant risk to maintaining the longer-term Gypsy and Traveller provision on this site in the event of the scheme falling into private ownership.
- **2.2** The following guidance has been provided by Property Services:-

Property Services has been party to the discussion with Cumbria County Council on the freehold transfer of the Hadrian's Camp site to the City Council.

It is understood that the County will transfer the freehold of the site to the City for £1. The land is currently identified as white land within the current Local Plan

(2011-2016) which indicates that there may be some development potential attached to the land. It is therefore considered that the book value of the land significantly exceeds the transfer cost to the City and that there would be some potential in the future to explore alternative uses for this site at lease end, subject to any restrictive covenants attached to the land and planning policy at that time.

Property Services currently manage a large number of freehold, leased out assets within the property portfolio. The two lease agreements attached to Hadrian's Camp are for a term of 99 years with full repairing and insuring responsibilities with the tenant. It is therefore anticipated that both the time and financial resource implications of integrating this asset into the property portfolio together with the ongoing management will be negligible given the terms of the lease agreements.

- 2.3 The original lease, from 1988, requires the site to be used as a caravan site. The terms of the 1996 lease are the same, but include an additional piece of land. The lease arrangements only allow the premises to be used as a caravan site for Gypsies, and the use of the house on the site is restricted to the use of the warden and their family. The leaseholder is required to provide a full time site warden and manage the site in an orderly way. Should the leaseholder decide to close all or part of the site, the Authority would have to respond to unauthorised encampments and homelessness presentations; however, the leaseholder would suffer a parallel reduction in income, and over recent years the provision on the site has increased. In the event of the lease being surrendered, the Council would have options in terms of securing alternative management arrangements, such as bringing the service 'in house', with management costs funded by the revenue from the site, or outsourcing it to another private sector manager. This is considered a smaller risk than losing 70 pitches (each pitch typically accommodates 2 caravans) so potentially up to 140 caravans in the event of a change of use following the site being sold to a private sector owner. As Hadrian's Camp provides 40 of the 75 permanent pitches in the District, and 100% of the transit provision (30 pitches) permanent loss of the site would have severe repercussions for the Authority in terms of increased unauthorised encampments and homelessness presentations.
- 2.4 The other concern regarding the City Council taking over the freehold of Hadrian's Camp relates to what implications the current arrangement might have in respect of financial and staffing resources, especially as it is understood that capital investment is required in the transit element of the site to improve drainage and amenity facilities. These concerns were relayed to the County Council, and the following response was provided in an e-mail from the County Council's Area

Engagement Officer, on 24 April 2014, in respect of the amount of time and money the County had been required to invest in the site:-

- "Cumbria County Council spends very little managing this property which is under lease and spends no money on the site.
- The tenant occupies the site under a long lease.
- There is no annual rent (a capital sum was paid up front) so no invoicing.
- The tenant is responsible for managing the site and undertaking any necessary works.
- The tenant has written regularly to Cumbria County Council over the years asking to buy the freehold and these requests have to date been denied. Other than that the County Council has spent no time on this site.
- In regard to the use of the site as a Gypsy site and numbers of pitches, the City Council controls these aspects through planning agreements."
- 2.5 In the event that the County Council's Cabinet approves the Council's bid to take over the freehold of Hadrian's Camp, due diligence will be carried out in respect of the terms of the transfer, before any deal is finalised. This would include contamination checks, as this is a former MOD site.

## 3. CONCLUSION AND REASONS FOR RECOMMENDATIONS

3.1 Hadrian's Camp provides an important role in meeting the needs of the Gypsy and Traveller community. In the event of the site being closed, this would lead to the loss of 70 pitches. The ramifications of losing this number of pitches for the City Council as well as the local community would be significant in terms of the likelihood of increased numbers of illegal encampments and homelessness presentations. It is therefore considered that it would be in the City Council's best interests to proceed with the transfer of Hadrian's Camp.

#### 4. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

4.1 The proposal would fit with the following Carlisle Plan priority - We will address Carlisle's current and future housing needs. The following section is particularly relevant: "We will work with our partners to deliver affordable and specialist housing where required". Securing this specialist scheme in public sector ownership would be beneficial in respect of ensuring Hadrian's Camp continues to operate as a Gypsy and Traveller site. The acquisition would also complement the Council's current freehold Gypsy & Traveller site at Low Harker Dene and make a valuable contribution to the continued effective management of Gypsies and Travellers within the City. The proposals have been discussed with the appropriate Ward Members.

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Appendices None

attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

None

#### **CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive's –** The proposal supports the Council's equality objectives, in particular, improving access and inclusion for all our services and across our partnerships. The proposal sets out a number of benefits that could improve services for the Gypsy and Traveller community in Carlisle.

**Deputy Chief Executive -**

## **Economic Development -**

**Governance –** The transfer will legally take place pursuant to s123 Local Government Act 1972 powers and needs to be approved by the Cabinet of the County Council. The City Council in turn has power under s120 of the 1972 Act to acquire land by agreement for the purposes of any of their functions or the benefit, improvement or development of its area.

#### Local Environment -

**Resources –** There will be a nominal fee payable for the freehold acquisition of Hadrian's Camp, understood to be £1. Although the current lease is a full repairing and insuring lease, clarity should be sought on any freeholder liabilities including improvements to drainage and amenity facilities as there are no revenue or capital budgets available to fund such work. The leaseholder is responsible for operating the site and therefore the Council should not be involved in the day to day management of the pitches.