

## SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

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**REPORT TO:** Leader and Cabinet

12 September 2013

**LEAD OFFICER:** Housing Portfolio Holder

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### **MILTON & WHADDON: IMPROVING EXISTING SITES FOR GYPSY AND TRAVELLER ACCOMMODATION**

#### **Purpose**

1. To seek Cabinet recommendations to Council for the establishment of a budget to acquire an existing run down private site for Gypsy and Traveller accommodation, the acquisition of two existing Gypsy and Traveller sites from the County Council, and funding to complete a site refurbishment, at no cost to the local Council Tax Payer.
2. This is a key decision because it results in the authority incurring expenditure which is significant having regard to this Council's budget for the service to which the decision relates and it was first published in the 14 August 2013 Forward Plan.

#### **Recommendations**

3. That Cabinet,
  - (a) approves in principle:
    - (i) the acquisition of the sites at Fen Road and Blackwell, Milton and New Farm, Whaddon,
    - (ii) the allocation of funds to refurbish the site at New Farm, Whaddon which will include the addition of two further pitches,
    - (iii) the purchase of the site at Fen Road, Milton,
  - (b) recommends to full Council that an initial financial contribution of up to £900,000 is established to achieve these transactions, on a business case. The Council investment would be recovered through the income collected from the sites, and
  - (c) recommends to full Council the delegation on the final decision to the s.151 Officer in consultation with the Finance and Staffing Portfolio Holder pending the completion of a full detailed business case that demonstrates financial viability.

#### **Reasons for Recommendations**

4. The Council already acts as managing agents for two of the sites. By securing these sites and ensuring that they are well maintained and able to meet the needs of the Gypsy and Traveller community into the future, the Council is helping to ensure that it can meet its statutory obligations to meet the accommodation needs of Gypsies and Travellers.
5. It has been difficult to find deliverable sites for Gypsy and Traveller pitches so the site at Fen Road represents a significant opportunity to secure affordable provision that can be managed by the Council.

6. An initial business case has been completed that demonstrates the viability of this proposal. This is commercially sensitive and therefore restricted.

### **Background**

7. In June 2012 the Council along with nine other local authorities adopted the Gypsy and Traveller Accommodation Needs Assessment carried out by Cambridgeshire County Council. This needs assessment showed that the Council had a backlog of 65 pitches and the need to provide an additional 20 pitches before 2026. This need has now been met by planning approvals but the Council must also ensure that all of the current provision is sustainable and able to be used for that purpose into the future.
8. The Council currently acts as the managing agent for the occupied Gypsy and Traveller sites at Blackwell (Milton) and Whaddon. In 2011, the County Council signalled its intention to sell these sites.
9. The site at Fen Road already has planning permission for use as a Gypsy and Traveller site and is currently in private ownership. The site has become run down and has been served with Environmental Health enforcement notices. There are currently a small number of caravans occupied on site.

### **Considerations**

10. The Council has successfully managed both Whaddon and Blackwell sites for some years and were successful in 2010 in securing significant inward investment in the site at Blackwell from the Homes and Communities Agency (HCA). This has helped to address fuel poverty on the site and has given the facilities there a new lease of life.
11. The in house expertise and working relationships with the local Gypsy and Traveller community that flows from this Council's management of these sites also helps the Council to deliver community support services to the other non managed Gypsy and Traveller sites in the District. If the sites are sold off to another provider there is a danger that the Council would lose its control over these important sites and lose capacity to deal effectively with community needs.
12. The Council and Cambridge City Council have secured £500,000 from the HCA from its Affordable Homes Programme for Gypsy and Traveller Provision. This funding will assist in securing a new site for up to 10 pitches, and needs to be spent by 2015. The site at Fen Road presents both authorities with an opportunity to bring a site back into use and meet its statutory obligations in meet housing need.
13. There is also the need for sites at affordable rents as not every Gypsy or Traveller is able to afford to access a private site and there is currently a waiting list for affordable rented pitches.
14. The County Council will have to agree to the proposed sale and will need to show that they are receiving best value for their assets. The County Council will meet to consider the Council's proposal in October 2013. If they decide not to accept the Council's proposed offer this Council will still need to secure its financial contribution to the Whaddon site in the form of a charge against the property.
15. The specific considerations for each site are as follows:

### **Blackwell (Milton)**

16. The Council has already secured HCA funding of £900,000 for this site which paid for the addition of one pitch and the complete refurbishment of the site thereby extending its useful life. This work was successfully completed in 2012. The County and the Council are now discussing the options available to allow the Council to acquire the site.

### **New Road, Whaddon**

17. The Council has secured HCA funding of around £1.1m to refurbish this site and thereby extend the useful life of the site. Without this funding the site may have to be vacated and a new site found for the current residents. The funding also provides for the addition of two new pitches at this location. The County and the Council are now discussing the options available to allow the Council to acquire the site.

### **Fen Road (Milton)**

18. The static caravans and overall conditions of the site are now poor and have been subject to Environmental Health enforcement notices. Once purchased the site would be cleared and new facilities built to re-provide the 9 pitches on a much improved layout. Funding of £500k has been secured from the HCA for this site with the potential for further grant of around £300k. This will be subject to a business case being made to the HCA for the extra investment. One pitch would be allocated for a nomination from Cambridge City Council.

### **Options**

#### ***Acquiring the County owned sites***

19. This Council can either agree:
- (a) to make an offer to the County Council to acquire the two county sites, or
  - (b) to leave the sites in the ownership of the County Council.

#### ***Funding contribution to Whaddon***

20. This Council can either agree:
- (a) to make a financial contribution to fund the refurbishment of the site at Whaddon including the addition of two extra pitches and thereby secure HCA grant, or
  - (b) that no funding contribution to the Whaddon site be made. If the Council does not make available the required funding then the HCA grant will be withdrawn and the refurbishment cannot go ahead.

#### ***Purchasing the Fen Road site***

21. This Council can either agree:
- (a) to purchase the site and re provide the 9 pitches at the Fen Road site and thereby secure HCA grant, or

- (b) that no funding contribution be made to purchase the Fen Road site. The HCA grant would be withdrawn if this option is taken and the site could not be purchased.

## **Implications**

### ***Financial***

22. The combined estimated financial outlay is as follows:

Funding from the HCA around	£1.9m
Financial contribution from the Council	£600k
Payment to the County Council	£250k
Total estimated cost	£2.7m

23. Final costs will depend upon the agreement of a sale price with the private owner and the County Council and the cost of carrying out works which will be subject to a competitive procurement exercise.
24. The Council's funding contribution can be made utilising a mix of capital sums from housing sources and the budget set aside to help meet Gypsy and Traveller services. All of the funding will be subject to the completion of a business case to be signed off by the s.151 officer in consultation with the Finance and Staffing Portfolio Holder with outlay recovered over time by the Council from the rents charged to the Gypsy and Traveller tenants. There will be no cost to the local council tax payer.
25. The acquisition price for Blackwell and Whaddon sites has been proposed on the basis of a Net Present Value calculation which will allow the Council to recoup its capital outlay over a 30 year period.
26. It is requested that a financial contribution of up to £900k is added to the budget to deliver these projects.

### ***Legal***

27. Legal advice will be sought to complete the sale transfer of the sites at Whaddon and Blackwell.
28. Legal advice will also be sought to bring forward the Fen Road site which already has planning permission of use as a Gypsy and Traveller site.
29. Further planning approval will be needed for the Whaddon and Fen Road sites.

### ***Staffing***

30. There will be the additional recruitment of a part time site warden to help manage the Fen Road site, the cost of which has been incorporated within the business plan.

### ***Risk Management***

31. If the Council does not purchase the sites at Blackwell and Whaddon there is a risk that the sites will be taken up by other providers making it difficult for the Council to fulfil its statutory obligations and weaken its ability to work effectively with the Gypsy and Traveller community.
32. Without investment the Whaddon site will deteriorate and may be uninhabitable within 10 years and require the provision of 15 extra pitches elsewhere or the refurbishment of the site without the availability of grant funding.

33. The proposal to re provide the pitches at Fen Road will require careful work with the existing Gypsy and Traveller community in the area to ensure a harmonious integration of the new tenants. The Council's current allocations policy for Gypsy and Traveller pitches requires the consent of the local community on site before a firm offer of a tenancy is made.
34. If the decision is taken not to acquire the site at Fen Road then the Council will have to return the £500k grant to the HCA and it is not likely that new grant will be made available in the future. If the site is not improved it will represent a loss of 9 pitches from the supply of Gypsy and Traveller pitches which will have to be found elsewhere.

#### ***Equality and Diversity***

35. The Gypsy and Traveller Community are a significant ethnic minority within the District. The Council has a statutory obligation to help them meet their accommodation needs which in turn are a springboard for addressing health and educational inequalities.

#### ***Climate Change***

36. The planned refurbishment to the site at Whaddon will significantly reduce the CO<sub>2</sub> emissions from this site and the new provision at Fen Road will be of a much higher quality environmental performance.

#### **Consultation responses (including from the Youth Council)**

37. A programme of consultation with the local communities and local elected members will be undertaken before any work commences and the developments at Whaddon and Fen Road would in any case require a formal planning process to be completed.

#### **Effect on Strategic Aims**

38. One of the Council's key strategic aims for 2013/14 is to develop a sustainable process to address the housing needs of Gypsies and Travellers.

**Background Papers:** Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Gypsy and Traveller Accommodation Needs Assessment adopted by the Council on 13 June 2012, item 3 refers.

<http://scamb.moderngov.co.uk/ieListDocuments.aspx?CId=870&MId=5529&Ver=4>

**Report Author:** Stephen Hills – Director of Housing  
Telephone: (01954) 713412