

Agenda Item No: 14
Report To: Cabinet
Date of Meeting: Thursday 8th February, 2018
Report Title: Chilmington Gypsy site
Report Author & Job Title: Sharon Williams
Head of Housing
Portfolio Holder: Cllr. G White
Portfolio Holder for: Housing



Summary: This report sets out a proposal for enhancing the management arrangements for Chilmington Gypsy Site.

The proposal outlines a suggested approach to strengthen the management of the site, improve the health and wellbeing of those residents on the site and ensure successful integration with the local community.

Key Decision: NO

Significantly Affected Wards: Great Chart with Singleton

Recommendations: **The Cabinet is recommended to:-**

- (i) Agree that the Council enters into negotiations with interested parties for the grant of a lease and management agreement in relation to Chilmington Gypsy Site.**
- (ii) That delegated authority is given to the Directors of Law and Governance and Finance and Economy, in consultation with the Portfolio Holders for Finance, Housing and Community Safety, to finalise terms and grant a lease and a management agreement to an organisation identified following a formal selection process set out in the report.**
- (iii) Authorise the Director of Law and Governance to enter into the necessary documentation to give effect to the decision.**
- (iv) Agree that a disposal may proceed at an undervalue, if required, on the terms and for the reasons set out in paragraph 15 of the report.**

Policy Overview:	The Council as Local Planning Authority is required by planning policies to ensure that there are an appropriate number of pitches available within its Borough for Gypsies and Travellers.
Financial Implications:	<p>The Operation of the site internally is resource intensive and if the council were to continue to do this it would require additional skills to be developed which would result in additional costs. It would provide greater efficiency to seek an external provider for the management of this facility, by leasing it to a specialist provider.</p> <p>The Council must receive best consideration in return for the lease of land in its ownership unless the tenancy is a short tenancy for 7 years or less.</p>
Legal Implications	The Council wishes to ensure that the site is managed well and is retained as a gypsy site providing a minimum of 16 plots. To retain this level of control over the site it is recommended that a lease and management agreement is preferable rather than sale of the freehold.
Equalities Impact Assessment	A full equalities impact assessment will be undertaken prior to finalising the arrangements and conditions forming the lease documentation.
Community Impact Assessment	A full community impact assessment will also be undertaken prior to finalising the documentation, as above.
Exempt from Publication:	NO
Background Papers:	None
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Report Title: Chilmington Gypsy Site

Purpose of the Report

1. To seek authority to negotiate terms and grant a lease and management agreement for Chilmington Gypsy Site to an external organisation to be identified following a formal selection process. The site is shown on the attached plan at appendix 1.

Issues to be decided

2. To agree that the Council grants a lease and a management agreement for Chilmington Gypsy Site to an external organisation following a selection process set out in the report.
3. The selection of the successful organisation and the final terms for the lease and management agreement is delegated to the Directors of Law and Governance and Finance and Economy in consultation with the Portfolio Holders of Housing, Finance and Community Safety.
4. To agree the terms of the lease and management agreement to include the following points:
 - i. The site be retained as a gypsy site in perpetuity with no less than the same number of pitches as currently provided.
 - ii. That the site is managed to appropriate standards in accordance with a management agreement to ensure the provision of good quality lettable accommodation.
 - iii. That the site is maintained and that the lessee uses their best endeavours to ensure that all plots on the site are let.
 - iv. To take appropriate steps to manage anti-social behaviour of the site
 - v. not to expand the site without Council planning permission

Background

5. Chilmington Gypsy Site consists of 16 plots situated on an old landfill site. It is in the ownership of the Council and is managed by one part time housing officer who has to call upon colleagues to manage the site effectively. It is recognised that to manage a site like this effectively there needs to be fairly intensive management by appropriately skilled officer. This can present difficulties at times with the resilience of the management service that can be provided.
6. The site has been transformed with significant time investment in previous years from a half occupied site a few years ago to a generally fully occupied site that has had a focus on management and the people that live there. The site needs to continue its transformation into one that supports health and well being for its tenants and to enable it to become more engaged with the rapidly expanding communities around it.

7. A significant effort has been made to improve the management and financial viability of the site and currently although there has been significant improvement there is very little resilience to maintain and improve standards further. It is felt therefore that the site could be further enhanced with a dedicated, focussed management provided by an organisation who understand the gypsy culture and the needs of the wider community.
8. Whilst the Council has driven improvements on the site, officers do not have the training or expertise to continue its transformation to create a more inclusive setting and a consistent focus on improvements on site.

The Proposal

9. In order to facilitate the improved focus on management and in driving further improvements on the site, it is proposed that the Council seeks an external organisation with the relevant experience and expertise to take this forward.
10. The Council has received interest from two organisations so far who are interested in leasing or taking over ownership of the site with the aim of improving standards on the site, building relationships with the local community and improving the health and wellbeing of the residents on the site. It is in the Council's interests not to dispose of the freehold title for the site as in order to meet the requirements for our Local Plan we must maintain the number of pitches available to the Gypsy and Traveller community in Ashford. In addition at this stage it is felt that we need to retain an ability to intervene should the management of the site fall short of our expectations. In view of this it is recommended that we consider offering a lease for the site and a formal management agreement, which will set out various conditions and terms to protect both the Council's interest and that of the local community.
11. The Council will specify its terms for offering a lease and management agreement and request any interested parties to provide their submissions for meeting the Council's requirements, following which an evaluation will take place of each proposal received, together with other due diligence checks.
12. The selection of the successful organisation will be based upon how well they meet the Council's criteria, references obtained and due diligence checks.
13. It is suggested that delegated authority is provided to the Directors of Finance and Economy and Law and Governance, in communication with the Portfolio Holders for Finance, Housing and Community Safety to make a decision regarding which organisation the Council will agree to offer a lease to, and the final terms to be included within the lease arrangement.
14. It is important to note that this proposal only relates to the Chilmington Gypsy site in the Council's ownership, which is shown on the attached plan at Appendix 1. There is an adjacent privately owned Gypsy site, which is outside the Council's control and therefore will not be included within this proposal.
15. The imposition of onerous conditions on any lease could mean less than best consideration is obtained. Cabinet is recommended to agree that a disposal meeting the standards set out in paragraph 4 above would be likely to contribute to achievement of one or more of the objectives set out in the General Disposal

Consent (2003), namely the promotion or improvement of economic, social or environmental wellbeing of the borough or its residents, and may proceed at an undervalue within the limit of the Consent (£2m).

Risk Assessment

16. By entering into a lease arrangement and a management agreement as set out above, this enables the Council to manage the risks associated by working with an external organisation for the control and management of this site as set out in paragraph 4 above.
17. The Council will carry out extensive research into any interested parties as part of the due diligence in relation to these proposals, including obtaining references from other local authorities or County Councils.

Community Impact Assessment

18. A full community Impact assessment will be undertaken before finalising any lease arrangements.

Other Options Considered

19. The Council could continue to manage the site with the associated management and maintenance costs. However, this will result in a requirement to increase the budget provision for the site and therefore would create a financial pressure on the general fund.

Consultation

20. There is no formal requirement for consultation, however if the recommendations set out in the report are agreed, then a consultation exercise will be undertaken with the residents on the site.
21. In addition consultation will take place with the Parish Council and ward member.

Implications Assessment

22. There is one FTE member of staff who carries out duties in relation to Chilmington site management as one part of their role. It is anticipated that TUPE does not apply in this instance in view of the officers broader role within housing, which will expand. There are no staffing implications.
23. It is proposed that the lease will provide that the costs of managing the site will be contained within the income and therefore the proposal places no additional financial burden upon the local authority.
24. Chilmington Gypsy Site borders another piece of land which is a privately owned Gypsy Site, over which we have very limited control.

25. The insurance liability would remain with the Council.

Handling

26. An internal working group will identify the specification for the Council's requirements which will be signed off by the Directors of Law and Governance and Finance and Economy in conjunction with the relevant portfolio holders prior to inviting formal submissions from the interested parties.

27. Due diligence checks will be undertaken for each of the interested parties and references will be obtained. Site visits will also be undertaken to other sites in their management.

Conclusion

28. This proposal will enable a more focussed and improved management service for Chilmington Gypsy site by an organisation that has the skills and experience to work closely with the Gypsy and Traveller community.

29. The arrangements set out above balance the need to strengthen the management of this site with the ability for the Council to retain reasonable controls to ensure the site is well managed and remains a gypsy site

Portfolio Holder's Views

30. I am keen to see that the Chilmington site continues to provide good quality accommodation for Gypsies and Travellers. I support the proposals fully.

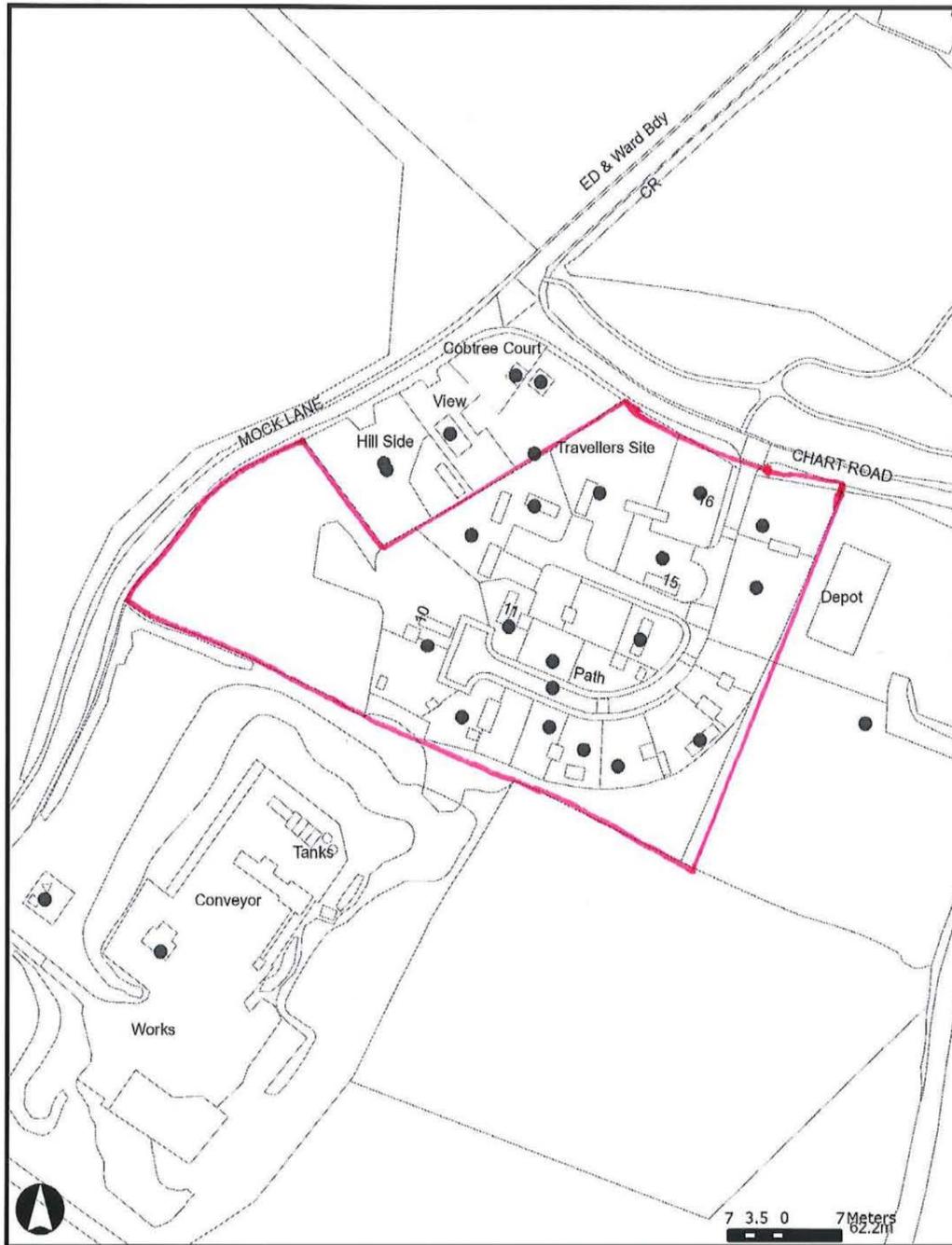
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Chilmington Gypsy Site



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