

CABINET

14 March 2012

ARLEBURY PARK - RELEASE OF OPEN SPACE FUNDING TO NEW
ALRESFORD TOWN COUNCIL

REPORT OF HEAD OF LANDSCAPE & OPEN SPACES

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RECENT REFERENCES:

[CAB 1930](#) - New Alresford Compulsory Purchase Order – Financial and Legal Issues – 9 December 2009.

[OS31](#) - Community Infrastructure Levy (CIL) Update – 23 January 2012.

EXECUTIVE SUMMARY:

New Alresford has a shortage of land for children's play and sport. The Town Council is proposing to acquire the freehold of an additional 3.5 hectares (8.75 acres) of land to the west of and adjoining the existing Recreation Ground at Arlebury Park, in order to provide rugby pitches, a BMX park, informal play areas and allotments. Some land is also proposed to be leased.

The Town Council is requesting that:-

1. the uncommitted balance of the Open Space Fund held for New Alresford (£186,451 at end of February 2012), be assigned to it for the purpose of this land acquisition;
2. future Section 106 Open Space Contributions be used to cover the remaining cost of the project (as detailed in Exempt Appendix 2 to the Report.

It is considered that this is an opportunity to provide much-needed facilities in New Alresford, and therefore the project should be supported.

RECOMMENDATIONS:

1. That the release of £186,451 (being the current uncommitted balance of the Open Space Fund held for New Alresford less amounts committed elsewhere) to New Alresford Town Council for land acquisition at Arlebury Park, New Alresford (as detailed in the report) be approved, such release to be effective only on completion of the land transfer to the Town Council.
2. That delegated authority be given to the Head of Legal Services to enter into appropriate arrangements with the Town Council to ensure that such monies are released and used for the intended purpose.
3. That delegated authority be given to the Head of Landscape and Open Spaces to release further monies from the Open Space Fund held for New Alresford from time to time (as and when Funds become available from Section 106 Open Space Contributions) towards the remaining costs of the project.
4. That the project be taken into account for any further funding through the Community Infrastructure Levy in future decisions.

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DETAIL:

1 Introduction

- 1.1 New Alresford has for many years fallen short of the recreational land required for the size of its population. When measured against the current Local Plan standard there are deficits in both children's play and sports grounds.
- 1.2 Particularly lacking are facilities for the rugby club. The current facility is located in Bighton but this is unsuitable as the field is privately owned, lacks changing facilities and is some distance from changing facilities at Perins School. The preferred site is the land immediately to the west of Arlebury Park Recreation Ground, as this is immediately adjacent to the Club House and changing rooms.
- 1.3 New Alresford Town Council (NATC) is proposing to acquire approximately 3.5 hectares (8.75 acres) of land to the west of and adjoining the existing Recreation Ground at Arlebury Park adjacent to The Avenue, New Alresford, as shown on the plan attached as Appendix 1.
- 1.4 The Town Council have been trying to address this deficit and to provide rugby pitches for the town on this site for both adult rugby and 'mini' rugby for over 10 years. Consideration has been given in the past towards use of Compulsory Purchase powers to secure the land.
- 1.5 More recently, however, the Town Council have succeeded in negotiating terms for the acquisition of the land from the neighbouring landowner. Details of the terms are set out in the Exempt Appendix 2 to this report.

2 Land to be transferred/leased

- 2.1 Under the proposals, the freehold interest of 1.53 ha (3.8 acres) of land (sufficient for two rugby pitches), as shown on the plan at Appendix 1, is to be transferred by the landowner to the Town Council.
- 2.2 Two further areas, to the north and south-west of the rugby pitch land, are to be leased to the Town Council for a minimum term of fifteen years. These areas are 1.27 ha (3.14 acres) and 0.72 ha (1.78 acres) respectively.

- 2.3 The land acquired/leased would be used for rugby pitches (for adult players and children's mini rugby), as well as children's play provision in the form of a BMX park and informal play areas.

3 Funding of Project

- 3.1 The balance of the Open Space Fund held for New Alresford at end of February 2012 is £186,451 after allowing for already committed expenditure.
- 3.2 In addition to the sum currently in the Open Space Fund the Town Council have identified further residential development which is due to take place in the next 18 months which will in due course pay into the Fund as follows

Planning approved but not yet paid	40,000
Identified developments	46,000
<u>TOTAL</u>	£86,000

- 3.3 The Town Council is thus requesting:
1. That the current balance of the Open Space Fund held for the Town Council be released to it for the purpose of this land acquisition;
 2. That future Section 106 Open Space Contributions be used towards the project as set out in the Exempt Appendix 2
- 3.4 Officers have considered these requests and believe that, subject to Member approval and the funds being available in the Open Space Fund, it would be possible to agree to the Town Council proposal. The Government's planning policy guidance (Circular 05/2005) on the use of developer contributions allows for contributions to be used in this way, i.e., to 'refund' expenditure on projects which have been forward funded, provided that the project being funded meets the criteria of the Open Space Strategy.
- 3.5 Paragraph B23. of Government Circular 5/05 states that:
- 'In cases where an item of infrastructure necessitated by the cumulative impact of a series of developments is provided by a local authority or other body before all the developments have come forward, the later developers may still be required to contribute the relevant proportion of the costs. This practice can still meet the requirements of the Secretary of State's policy tests if the need for the infrastructure and the proportionate contributions to be sought is set out in advance'.*
- 3.6 The effect of this is that where a piece of infrastructure is put in place in advance, e.g. by being funded up front by other payments such as reserves or borrowing, future housing developers can still be required to contribute towards it, provided the need for the infrastructure and the proportionate contributions

are set out in advance (in this case, through the Open Space Strategy, which would continue to show the project as one to which contributions will be sought).

- 3.7 The only complication to this plan is that the Government has introduced the Community Infrastructure Levy (CIL) and the City Council's programme is to adopt a CIL charging schedule in autumn 2013 and to introduce CIL thereafter. This is likely to largely replace the current system of developer contributions under s106 of the Town and Country Planning Act. As of April 2014, Section 106 obligations will no longer be able to be used as a means to collect pooled developer contributions to fund infrastructure such as open space.
- 3.8 It would be possible to use future CIL contributions towards repaying an advance payment as described above, although this would be subject to a future decision by the City Council. There is therefore some risk to the Town Council that there may not be future developer contributions toward open space available to it to repay any borrowing undertaken now, or future leasing costs. The Town Council is, however, aware of these risks and is prepared to accept them.

OTHER CONSIDERATIONS:

4 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 4.1 This proposal will result in an improved quality of life for residents of New Alresford and supporting areas, fostering a more active community and a better quality environment through the provision of improved sporting opportunities, leaving a better legacy of accessible green infrastructure and public open space for future generations.

5 RESOURCE IMPLICATIONS:

- 5.1 Funding for the project is available in the Open Spaces Fund, and the Town Council will be responsible for forward-funding the remaining costs of the project. This proposed release of open space funds to New Alresford Town Council has no significant effect on officer resources.

6 RISK MANAGEMENT ISSUES

- 6.1 The principal risk would be that the funds are released but the project does not go ahead. Recommendations 1 and 2 therefore seek the release of the funds on the point of completion, with delegated authority for the Council to enter into appropriate arrangements with the Town Council to ensure that the funds are then used for the intended purpose.

BACKGROUND DOCUMENTS:

APPENDICES:

Appendix 1 Plan showing recreational land to be purchased and leased

Exempt Appendix 2 Exempt Appendix giving financial details of proposed transaction.

APPENDIX 1

Site Plan Showing Recreational Land to be Purchased and Leased.

