

COUNCIL – 10th APRIL 2017

BUTTERPARK, IVYBRIDGE

Background

In June, August, October and December 2016 reports on Butterpark were brought to the Council and at each stage the project was supported with the decision in December 2016 as follows:

16/124 **BUTTERPARK:** Consideration was given to supporting the progress being made in respect of the Butterpark project (notes of meeting and letter of support previously circulated) but as meetings are still scheduled with Devon County Council in December, it was intended that the final proposal would be ratified for submission by Policy and Resources Committee on 19 December 2016.

The Town Clerk expanded on the information provided and reported that she will be attending a meeting with Social Services, representatives of the DOVE Project and Brook Housing to establish an understanding of the local ambitions could fit the criteria of DCC.

Cllr Parsons stated that this project is really good news for vulnerable people in our society and thanks were given to Cllr Croad for his input. Cllr Fourte supported Cllr Parsons comments and highlighted that it showed partnership working for the good of the town which makes a big difference.

It was **RESOLVED** to support the progress being made and to welcome the information provided.

The Policy and Resources Committee held later in December considered and resolved as follows:

PR16/057 **BUTTERPARK:** The Committee discussed the background papers which would form the submission to Devon County Council for the transfer of Butterpark to this Council. The members agreed to support the Town Clerk's report. Cllr Spencer enquired about any costs this would incur and Cllr Wilson felt that this was the first step in a long process and expressing an interest would show the County Council this Council's interest in the future of the Butterpark site and the need for this to be retained in the public sector for the Town.

Cllr Dredge enquired about potential grants and the Town Clerk explained that there could be possible funding opportunities should the Council be successful in having Butterpark transferred to this Council.

It was **RESOLVED** to support the submission of the application to Devon County Council prior to the deadline of 31st December.

DCC decision

Members will have seen the letter from Devon County Council which offers the land at a discounted rate to this Council on the basis of its submission. There are some timeframes outlined in the letter and whilst I have already written I emphasized that the Council needs to formally agree to proceed.

Proposal

Within the proposal is the provision of six units of accommodation for people with moderate learning disabilities, plus a learning/training house with a small garden area.

In addition there are six RentPlus properties which would be the first in Ivybridge. This concept enables prospective purchasers to rent for a period of time and then at five yearly intervals they have the opportunity to convert to purchase with a chunk of the rental money being rolled up into a deposit. (More details are available about RentPlus online)

The rest of the site will be a mix of private rented and houses for sale. The concept plan is attached and this will be subject to surveys and discussions with South Hams DC Planning Dept.

The main area of interest for this Council is the six units of accommodation and the learning/training house – The Butterpark Hub.

The final bid was developed following a meeting with DCC Social Services who recommended having the housing management provided separately from the support. Our informal partnership with Brook Housing and DOVE project envisages Brook Housing managing the properties, probably on a seven year lease, and this Council owning them, with DOVE project providing support to any of the tenants who are its clients or others who choose to take services from them. Tenants are able to use their Personal Independence Payments to buy services from providers of support or to spend as they choose. By working together and sharing costs on site as a group their payments could potentially enable them to do more. Technology will be a key part of the futureproofing too and DCC has arranged for an officer to attend our future meetings to see what other funding or help could be offered to provide the highest technological specification of property which could help to offset the likely reduction in support budgets over the coming years.

The learning/training house is a higher risk element in terms of covering its operating costs, as it is not yet known whether an all year round income would be feasible so as part the overall package with Richard Pillar and therefore part of the bid to DCC, the house would be “gifted” to this Council (this was factored into the reduced land price) and then there would be no loan debt. This unique element is being developed with DOVE project, but it would be open to other organizations who offer support to people with learning disabilities to utilize the property for learning/training. Now that the principle has been supported as part of the bid, more detail of the way it would work will be developed.

Next steps

The first stage is for this Council to confirm that it wishes to purchase the land at the price offered by Devon County Council and to proceed along the lines outlined below.

Currently a valuation of the whole project is being organised as this Council needs to be assured that it is getting best value by working with Richard Pillar, in terms of what is being delivered as part of this project and the amount this Council would be paying to own the six units of accommodation. Vickery Holman has been commissioned to undertake this piece of work and the cost will be around £2800. Legal fees to commence the conveyancing process will be up to £1500.

The email appointing Vickery Holman and the basis for the valuation has been forwarded confidentially to Councillors and if any detail of that needs further explanation or discussion then the Council will need to go into confidential session.

Funds were anticipated at the time of budget setting to cover the need for professional fees.

Funding to enable this Council to own the six flats will need to be secured and would be a mix of PWLB loan and contributions from any affordable housing money held by South Hams District Council for the delivery of schemes in Ivybridge but also by making an application to the Community Led Housing scheme (information brought to Council last month). District Cllrs Saltern and Cuthbert helpfully arranged a meeting with the Affordable Housing team officer and are supporting bids for funding to ensure delivery of this project. Depending how much money is forthcoming in terms of grants will influence how much money needs to be borrowed.

Borrowing currently is at historically low interest rates and the loan debt would be covered by the money paid by the Housing Management organisation to this Council to operate the flats (intended to be Brook Housing as outlined above) and they would receive rents from the six flats. Depending on the term of the loan and the amount needed to be borrowed this could be paid off in 10 or 20 years. A detailed proposal would be brought to the Council in due course.

It was considered whether a Community Land Trust should be established to create an arms length company to manage this project but advice taken from Steve Watson, Affordable Housing Adviser, Wessex Community Land Trust Project, was that this was unnecessary as the Town Council was able to do this directly.

In addition to the purchase of the land from Devon County Council an agreement will also be required with Richard Pillar as this Council would continue to own the freehold of part of the site, but the rest would transfer for the RentPlus and private rented and sale properties. Professional advice will ensure that the conveyancing process, any overage clauses imposed by DCC and the detailed arrangements with Richard Pillar are all undertaken with due regard to financial and legal propriety, bringing reports to this Council as the discussions progress.

At present we have made progress on the basis of informal discussions and trust as the costs incurred to date have been all with Richard Pillar who has drawn up the outline proposals and has an architect developing more detailed drawings ready for planning permission. The agreement needs to be formalised and as soon as we have the valuation assessment from Vickery Holman then our solicitors will draw up appropriate documentation.

Conclusion

This project would be a first for a Town Council but more importantly would meet a local, specified need in Ivybridge and demonstrate partnership working with private sector, charitable groups and a local Council.

This is an innovative project and, as happened with The Watermark, demonstrates to other local Councils what can be achieved, with sustainability in mind, to benefit the community. The ambition is to have the site developed and officially opened by April 2019, but it is hoped that this could be achieved earlier.

Members are recommended to confirm acceptance of the offer from Devon County Council and to develop the scheme in accordance with the submission approved by this Council in December 2016 - with the intention of retaining the freehold and the property for the six units plus the Butterpark Hub, as outlined above, subject to financial and legal negotiations being successfully concluded.

Mrs Lesley Hughes
Town Clerk