

Report of:	Director of Regeneration; Richard Horniman Executive Member for Communities and Culture; Mick Thompson
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Submitted to:	Executive Sub Committee for Property, 19 December 2018
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Subject:	Southlands - Future Redevelopment
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Summary

Proposed decision(s)
That Executive approves that Southlands is designated as a community hub with football / associated sport activities, and the remainder of the site is developed accordingly.

Report for:	Key decision:	Confidential:	Is the report urgent? ¹
Decision	Yes, effects more than two wards and is over £150k.	No	No

Contribution to delivery of the 2018-22 Strategic Plan		
Business Imperatives	Physical Regeneration	Social Regeneration
The development of a community hub with football / associated sports activities allows other more suitable / higher value sites to come forward for housing. This supports the Councils housing delivery programme and helps to underpin its medium term financial plan.	The demolition of the existing centre and the construction of a new fit-for-purpose community facility along with a number of football pitches will provide greater opportunity for both local and Middlesbrough wide participation in community / sporting activities.	The new fit-for-purpose community facility will provide a modern, cost effective facility which will provide greater local community access to education, health and recreational activities.

Ward(s) affected
Park End and Beckfield, Berwick Hills and Pallister, Brambles and Thorntree.

What is the purpose of this report?

1. The report provides an update on the community consultation on the new fit-for-purpose community facility, refurbishment of the existing artificial grass pitch, the demolition of the existing Southlands buildings and the development of the remainder of the site as potential football pitches.

Why does this report require a Member decision?

2. The decision to develop the Southlands site as a community hub with football / associated sports activities impacts on more than two wards in respect of the location of the Southlands as well as freeing up other sites for housing development elsewhere in Middlesbrough. The development of the site both in terms of the capital expenditure and potential capital receipts / council tax from releasing other housing sites will be in excess of the £150,000 threshold i.e. a key decision.

Report Background

3. Executive Sub Committee for Property on the 20th of April 2018 agreed to the closure of Southlands by the 15th of November 2018. This was followed by a further decision on the 26th of November 2018 to proceed with the construction of a new fit-for-purpose community facility, refurbishment of the existing artificial grass pitch on the site and the demolition of the existing Southlands buildings. It was also agreed that a further report will come back to Executive Sub Committee for Property in December 2018 setting out proposals for the remainder of the site.
4. The overall project is being managed through the Council Project management Office (PMO) and associated project framework and governance.
5. The Council is currently consulting with the community on the design of the new fit-for-purpose community facility. The consultation commenced the 22nd of October 2018 and is planned to conclude on the 14th of January 2019. Consultees comprise, local schools, community groups, community councils, local councillors and partner organisations. The indicative layout options for the centre and its potential location on the site are set out in Appendix I.
6. A report on the conclusion of the community consultation on the design of a fit-for-purpose community facility will be presented to Executive Sub Committee for Property in February 2019.
7. Tenders have been received for the demolition of the existing Southlands buildings are currently being evaluated. Based on the initial bids it is likely that the works will fall within the original budget range of £600,000 to £1,000,000.
8. Officers have given consideration to how the remainder of the site should be developed. The two viable options for consideration were either housing development or an expansion of the existing football pitch provision supported by the new fit-for-purpose community facility to create a community hub with football / associated sports activity.

9. The site could support a housing scheme which could generate land values of £67k to £116k per acre, generating a potential receipt in the order of £780k to £1.16 million.
10. However the opportunity to maximise the scale of the development and associated capital receipt is restricted by a number of factors:-
 - a) Impact of a large diameter raw water drain running through the site and the need to maintain a significant maintenance zone either side of the pipe.
 - b) Impact of light pollution from the existing artificial grass pitch on the new housing development and the need to mitigate this.
 - c) Potential impact of car parking spill over into the new housing development during peak times / demand.
11. The Council has commissioned consultants to undertake a Playing Pitch Strategy (PPS) to determine the current and future need for playing pitches in Middlesbrough (to 2034), alongside an assessment of the supply of pitches. The PPS concluded that there would not be sufficient pitches to meet future needs, particularly for football, meaning that improvements to the supply of pitches would be required to satisfy identified needs. Furthermore, any land currently identified as playing field (land within which a pitch is situated or was last used as a pitch) would not be able to be developed for alternative uses (such as housing) without the provision of additional or improved pitch elsewhere.
12. Some of the land that the Council has identified for housing development falls within this category, meaning that additional and/or improved pitches would need to be provided to facilitate the Council's housing growth programme. Discussions have been held with Sport England to consider appropriate mitigation for the development of playing field land for housing, and it is possible that a new pitch facility could be provided to satisfy future needs. Given that there is an existing artificial grass pitch within the Southlands site, the wider site may potentially be a suitable location for such a facility. Work is ongoing to determine the extent to which a facility at Southlands would meet the future pitch needs of the borough.
13. It could therefore be considered that Southlands represents a potential location to provide a number of additional pitches, to free up higher value housing land elsewhere in the town.
14. Taking into account the constraints of the existing site for housing development and the existing and proposed infrastructure in the form of the current artificial grass pitch and new fit-for-purpose community facility the Southlands site would represent the most cost effective option as a future community hub with football / associated sports activity.
15. Further work is now underway to optimise the layout of the site in order to maximise its use in respect of future football provision.

16. Potential other sporting uses could include the siting of a new fit for purpose table tennis facility and early discussions are ongoing with Ormesby Table Tennis Club around relocating, however this will be subject to obtaining external funding.

What decision(s) are being asked for?

17. That Executive approves that Southlands is designated as a community hub with football / associated sports activity and the remainder of the site is developed accordingly.

Why is this being recommended?

18. Due to a combination of the current impediments on the Southlands site, the benefit of the existing artificial grass pitches, future fit for purpose community centre, associated car parking together with the low land values in this area, the most cost effective solution is to develop the site as a community hub with football / associated sports activity which will free up higher value housing sites elsewhere in Middlesbrough.
19. Further discussions will take place with both the Football Foundation and Sport England on how best to take this scheme forward and maximise the space available to support playing field provision within Middlesbrough.

Other potential decisions and why these have not been recommended

Develop the remainder for housing use

20. As stated previously the site could generate a capital receipt based on land values in the order of £67k to £116k per acre, however other housing sites elsewhere in Middlesbrough have values more in the order of £350k to £450k per acre. In addition the southlands site has a number of physical restraints which would impact on the amount of land available for housing.

Other uses for the site

21. There is no demand or potential use for the building, as demonstrated by previous marketing exercises for the site and the need for significant investment in what is essentially a 50 year old former secondary school. Alternative uses were originally proposed, considered and despite genuine efforts over a two-year period, there was a lack of a viable business plan for the continuation of the facility as outlined in the April report. No further alternative uses have subsequently been identified.

Impact(s) of recommended decision(s)

Legal

22. The recommendations do not create any specific legal issues, although the actions recommended and any subsequent steps would all need to be undertaken within the Council's legal framework.

Financial

23. The cost of demolishing the existing building is estimated at in the region of £600k to £1million, the construction of the new community facility has been estimated at £1.2m, with the cost of refurbishing the existing artificial grass pitch estimated at £300,000. Therefore a bid of £2.5 million has been made to the Council's Capital Programme.
24. Consideration will be given within the demolition programme to ensure that the land is remediated to a standard which supports future playing field provision.
25. Any associated costs regarding future artificial grass pitch provision on the site will be funded through future capital receipts from higher value housing sites requiring alternative playing field provision or potential external funding bids.

Policy Framework

26. The proposals do not require any change to the Council's existing policy framework.

Equality and Diversity

27. A Level 1 Impact Assessment has been undertaken (included as Appendix II identifying that the proposed recommendations for the site are likely to have a positive impact in terms of diversity and community cohesion. No groups with protected characteristics are adversely impacted by the decision.

Risk

28. The demolition of the existing Southlands buildings would enable existing savings proposals to be fully realised and positively impact on the risk of the Council making incorrect assumptions in the MTFP which will result in a funding gap requiring further savings to be made.
29. The development of a fit-for-purpose community facility and the refurbishment of the existing artificial grass pitch and creation of a community hub with football / associated sports activity would positively impact on the risks associated with community cohesion, health outcomes and access to Council partners in East Middlesbrough.
30. The proposal to develop the remainder of the site for playing field provision mitigates risks in respect of such provision on higher value sites elsewhere in Middlesbrough. This in turn supports the Housing Delivery Programme to achieve its targets which are reflected in the Councils MTFP.

Actions to be taken to implement the decision(s)

The following actions would be undertaken to implement the proposed course of action:

a. costed designs for a new fit-for-purpose community facility on the site will continued to be progressed, with local stakeholder input;

b. specifications and associated costings would be prepared for refurbishment of the existing artificial grass pitch on the Southlands site;

c. completion of the tender evaluation for demolition of the existing Southlands buildings, contract award and commencement of works Dec 18 / Jan 19 with a view to completion May 19.

d. Optimise the remaining Southlands site layout with a view to maximising playing field provision in consultation with the Football Foundation and Sports England.

Appendices

Appendix I Indicative layout /site plans

Appendix II Stage 1 Impact Assessment

Background papers

Body	Report title	Date
Executive Report	Withdrawal of Sport and Leisure Service Provision from Southlands Centre.	26th of January 2016
Executive Sub Committee for Property	Expressions of Interest for Southlands Centre	15 th of June 2016
Executive Sub Committee for Property	Future of Southlands Centre	22 nd of March 2017
Executive Sub Committee for Property	Update on Southlands Centre	22 nd of November 2017
Executive Sub Committee for Property	Southlands Centre-Future Options	20 th of April 2018
Executive Sub Committee for Property	Southlands Next Steps	26 th of September 2018

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