



Item No.

12

Ward/s
Billing

Name of Group:	CABINET
Meeting Date:	2 July 2007
Directorate:	PPR Christine Stevenson
Corporate Manager:	2 July 2007
Cabinet Meeting Date	Public agenda
Agenda Status:	

Report Title

Options appraisal for the Traveller site at Ecton Lane, Northampton

Key Decision

NO

1. Recommendations

Cabinet is invited to:-

- 1.1 Select Option E, disposal of the Travellers Site at Ecton Lane on the basis of a 99 year lease, as the basis for securing long term management and maintenance of the site.
- 1.2 Agree a formal tender process be commenced to secure long term arrangements by 1st November 2007.

2. Summary

The site was managed by Westgate Management Services up until 13 April 2007, when they left the site after giving the Council two weeks notice. From then council officers have temporarily managed the site whilst another company could be found to undertake these duties.

The Gypsy Council have now been contracted for six month to manage the site commencing on the 1 May 2007. A site manager and her son now live on the site. The council are now handing over full responsibility for the site to them over then next few weeks. A longer-term solution has to be found for this site, as the council does not currently have the resources or experience to retain it in house.

In the longer term, council responsibility for the site will be managed within Housing Services. The timing of the transfer of responsibility will be determined in November 2007.

Whilst considering the options for the future management of this site outlined below it should be noted that there is currently a legal duty to carry out a Traveller Needs Accommodation Assessment. If this results in any additional site provision in the future these could be linked with any new arrangements to manage the existing site.

3. Report Background

The site, originally constructed by Northamptonshire County Council, was built in 1982. At that time it had twenty-five plots. In 1989 the site was transferred to Northampton Borough Council with a covenant to retain it as a Traveller site. In 1990 the site was extended to its current size of 35 plots. Each plot contains hard standing for the Travellers' own caravan or mobile home and a utility building containing a kitchen and bathroom facilities.

The Council's Environmental Health employees originally directly managed the site with a Warden's office on site. In 2000, the day-to-day management of the site was tendered and subsequently contracted to Westgate Managed Services ("Westgate"); this contract has been extended once under the original contract, and was due to expire on the 31 March 2005.

Westgate supervised the site, allocate plots, collect rents etc and arrange for day-to-day repairs. This arrangement was intended to be at no cost to the Council with income generated going to Westgate for services described. A warden visited the site on a daily basis; the existing Warden's Office is disused and has been incorporated into an adjacent plot to provide a larger garden/children's play area for one of the families.

Expenditure incurred on the site by the Council during this time was for capital improvements and refurbishments with a significant amount being spent in recent years. Several revenue expenditures have also been made since 1999 to deal with issues that were outside the contractual arrangements, such as large scale fly tipping removals, fencing repair etc.

For some considerable time now a large part of the site has substantially settled down with a fairly low turnover of families given the large number of

plots. Many families have put down roots with children attending local schools etc. A significant number of plots have been occupied by the same residents since it opened 22 years ago and they consider themselves Northampton people.

A bid for an ODPM refurbishment grant was made in 2004 and the site has now been refurbished with outstanding works being attended to at present. The Council has had to contribute a considerable capital expenditure over the last 3 years which when complete will be in the region of £501,899 of which £366,899 was grant funded from DCLG.

4. Options and Evaluation of Options

A. Selling the site to a private organisation such as a Registered Social Landlord or charity. The receipt from the sale would take into account the level of interest and the fact that a deed of covenant restricts the site from being used as anything other than a Traveller site or agricultural land.

Advantages:

This would remove the direct day-to-day management responsibilities from the council and would provide for the site to be used to its maximum capacity. The issue of illegal encampments would not be adversely affected.

Disadvantages:

There is now less interest by RSL in managing gypsy sites.

B. Sale for nominal fee to a private organisation such as a Registered Social Landlord or charity.

Advantages:

As for A above

Disadvantage:

As for A above

C. Selling plot by plot to existing residents. Would need to explore legality of this approach.

Advantage:

Self-governing of site by residents.

Disadvantage.

Management of site may become very fragmented. Some residents may buy

other plots and evict tenants in favour of putting in family/ friends.

D. Close site. This would result in the land reverting back to agricultural use.

Advantages:

No site to manage, savings in budget.

Disadvantage:

Increase in illegal encampments around the town and adverse publicity and probably legal challenge.

E. Tender for long-term lease to a registered social landlord/ charity or an individual to manage at arms length from the council. Length of lease subject to negotiation but a minimum 25 years likely to be preferable to management agent. A longer lease for 99 year is worth considering and could be thought of as being just short of selling the site.

Advantages:

A longer lease allows for the management company itself to invest in the site for long-term financial benefit and, in turn, resident benefits. Divests the council of any financial responsibility for a long period of time.

Disadvantage:

Difficult in drafting and agreeing a legally binding contract/lease that was not a financial burden to the council.

The tenders should be based on quality of management and investment in the site over the length of the lease. The Council should only seek nominal financial consideration.

F. Council manage site.

Advantages:

Keeps control of site within the council.

Disadvantages:

Continuing financial commitment to run the site. Prior to Westgate managing the site the council spent between £2K per annum and £35K per annum and in the last 2 years approximately £415,000 on capital investments. The council lacks experience and the tailored expertise require to managing Traveller sites.

Would require additional budget for additional staffing who are difficult to recruit for this type of post.

G. Hand back to NCC. NCC gave site to NBC so it may be possible to hand it back to them.

Recommended Option:

Whilst considering the options outlined above, it should be noted that there is currently a legal duty to carry out a Traveller Needs Accommodation Assessment. This Assessment will identify the needs for any additional Traveller Site provision within the Borough. Early assessment indicates a need for an additional 40 – 60 site pitches. The future provision of these could be linked with any new arrangements to manage the existing site.

On balance, a long term lease of 99 years would allow for a long term arrangement and investment by the lessee, but also retain high level interests of the Council in ensuring the standards of maintenance, management and the quality and quantity of provision are maintained. Option E is recommended as the preferred option.

5. Resource Implications (including Financial Implications)

A long term lease or sale would enable the council to Improve the Council's financial situation and provide for a more predictable future budget
If the council was to manage the site it would have an adverse effect on the finances of the council due to the cost of maintenance, additional officer resource and time implications for a variety of departments who would need to be involve.

Historical capital expenditure:

1998/1999	1999/2000	2000/01	2001/02	2002/03
£16,378.00	£27,738.00	£20,700.00	£35,000.00	£2,000.00

In the last 3+ years approximately £415,000 on capital investments.

The tender process can be contained within existing resources.

6. Risk and Opportunity Issues

The issue of how the site is to be managed needs to be resolved by the council now before the Gypsy Council leave at the end of their six-month management period. A high level of supervision is required at the site at all times to avoid a breakdown of order and control. The site is costly in terms of maintenance.

The traveller site is highly visible within the borough and attracts a negative image and criticism. A suitable solution has to be found in order to improve the sites reputation and by implication that of Northampton Borough Council.

This site provides much needed accommodation for Traveling families who wish to settle in one place but do not wish to live in a house for cultural reasons.

The loss or reduction of any provision will lead to an increase in illegal encampments locally. Most residents would wish to stay in the area for various reasons including personal connections and schooling. Illegal encampments have an adverse impact on settled and business communities.

A 99 years would allow for a long-term arrangement and investment by the lessee, but also retains high-level interests of the Council in ensuring the standards of maintenance; management and the quality and quantity of provision are maintained.

7. Consultees (Internal and External)

Internal	Legal services, Asset management, Financial service
External	The following will be consulted as part of the procurement process: Site Residents, Local Councillors, Government Office – East Midlands Department for Communities and Local Government County Travellers Unit Local Members of Parliament.

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
To ensure robust contractual arrangements are in place to deliver services to residents.
Corporate Plan
<ul style="list-style-type: none"> To improve housing and health to enhance the wellbeing of our communities. Providing Value for Money and best use of resources.

B: Other Implications

Other Strategies
<ul style="list-style-type: none"> Securing long term arrangements to meet "decent home standards" for facilities on site. LSP Priority – Developing a better place to live.

Finance Comments

Legal Comments




Crime and Disorder Issues
A long term stable management and maintenance arrangement will contribute to relevant site tensions and potential Crime and Disorder Issues.

Equality Impact Assessments
A properly run site provides improved opportunities for the traveller residents living on the site

9. Background Papers

Title	Description	Source
None		

[Report Author, title and extension]

Name	Signature	Date	Ext.
Author			
Corporate Manager			
Director		21 st June 2007	7287
Monitoring Officer or Deputy (Key decision only)		25 26/06/07	7334
Section 151 Officer or Deputy (Key decision only)		25/6/07	