

## **CABINET - 18TH JANUARY 2018**

### **Report of the Strategic Director of Corporate Services**

**Lead Member: Councillor Barkley**

#### **Part A**

#### **ITEM 8      DEVELOPMENT OF OPTIONS FOR THE FUTURE USE OF THE LIMEHURST DEPOT SITE**

##### Purpose of Report

To seek approval for the funding of external support to develop options for the future use of the Limehurst Depot site. It is proposed that funding will be drawn from the reinvestment reserve.

##### Recommendation

That an amount of £50,000 is provided from the reinvestment reserve for external support to develop options for the future use of the Limehurst Depot site.

##### Reason

To ensure that the external support can be funded.

##### Policy Justification and Previous Decisions

The site of the former council depot off Limehurst Avenue has been vacant for over two years. Making better use of this asset is highly desirable and an increase in revenue, capital receipts and / or resident amenity can therefore be viewed as supporting the corporate plan theme of 'delivering excellent services'.

##### Implementation Timetable including Future Decisions and Scrutiny

It is planned that the appraisal and option development work would be commissioned as soon as Cabinet approval has been secured.

The completion of this work will be dependent upon the availability of external resources but it is envisaged that it would be completed in spring 2018.

##### Report Implications

The following implications have been identified for this report:

##### *Financial Implications*

The report requests access to reinvestment reserve funding of £50,000 to cover the costs of site appraisal work and option development. Use of the Reinvestment

Reserve can be justified in this case as it is (a) a one-off cost that should also (b) produce a payback for the Council (the site in present condition generates ongoing security costs).

There are no further financial implications of this report; should funding be required to develop a selected option for the site this will be requested separately.

*Risk Management*

The risks associated with the decision Cabinet is asked to make and proposed actions to mitigate those risks are set out in the table below.

<i>Risk Identified</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Risk Management Actions Planned</i>
Planning constraints may severely curtail options for site development – there is a risk that option development may be worthless if planning constraints are not fully understood	Probable	Moderate	Options development will be managed to avoid appraisal costs being incurred prior to planning constraints being fully understood

Key Decision: No

Background Papers: None

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## Part B

### Background

1. A key element of the Council's 'Our Space' Programme was to relocate around 30 staff from Limehurst Depot into the Southfields campus and vacate the Limehurst Depot site. This relocation was successfully achieved in October 2015 and the site is essentially now vacant<sup>1</sup>.

### *Description of the Limehurst Depot site*

2. The site is situated in the centre of Loughborough, bounded by Limehurst Avenue, Bridge Street and a spur of the Grand Union Canal.

- Tenure: Freehold with vacant possession
- Land Registry Title Number: LT425457
- OS map reference: SK5320SW

3. The site has a gross area of 0.75Ha (1.85 acres) but due to shared vehicular access considerations and an area forming part of the Wood Brook the net (usable) area of the site available for development is 0.71Ha (1.75 acres).

4. At present, the site consists of a number of time-expired buildings in various states of disrepair around a large area of concrete hard-standing in generally poor condition. There was also a disused underground diesel storage tank. It could be assumed that these features have no intrinsic value, and indeed, their clearance would represent a cost of any proposed development.

### *Risks and issues in respect of site development*

5. The site has a long history of industrial use and it is possible that some site contamination may exist, although, other than the underground diesel storage tank, there are no known specific risks. It is, however, considered highly likely that fabric of the buildings will contain asbestos.

6. Site access may be limited. The site currently has just one access point which is from Limehurst Avenue. This access is shared with the adjoining business located in the old fire station on the corner of Limehurst Avenue (currently ATS tyres). The District Valuer suggests that this may be a significant issue in terms of future use or development of the site.

7. Virtually all of the site is designated as being in flood zones 2 and 3 according to the Environment Agency maps and is clearly regarded as a site susceptible to

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<sup>1</sup> There has been occasional ad-hoc usage of the site, for activities such as temporary car parking or storage by local schools, charities or businesses

flooding. Planning advice strongly suggests that this level of flood risk creates very significant issues from a planning perspective.

*Rationale for options development*

8. It is clearly highly unsatisfactory that an important Council-owned site adjacent to Loughborough town centre remains largely unused. At this point in time the site does not provide any amenity to either residents or the Council, and costs of site security typically exceed the modest ad-hoc revenues the site still generates. Further, the site is visually unattractive in its current state and could create a negative impression of the town.

9. Notwithstanding the above, the site could have great potential given its location on the spur of the Grand Union Canal adjacent to the canal basin. If planning constraints can be mitigated or overcome then the site could become an important asset for the Council and its residents.

10. It is therefore considered appropriate to invest in an external appraisal and development of options for this site in order that a more attractive future use of the site can be identified.