

**LIMEHURST DEPOT SCRUTINY PANEL
THURSDAY 8TH MARCH 2012
NOTES OF MEETING**

PRESENT: The Chair (Councillor Miah)
Councillors Harris, Jones and Seaton

APOLOGIES: Councillor Shepherd

The Strategic Director of Corporate Services, Simon Jackson, attended the meeting to assist the Panel.

21. NOTES FROM THE PREVIOUS MEETING/SCOPE DOCUMENT

Considered the notes of the Panel's meeting held on 24th January 2012 and the updated scope document detailing amendments made at that meeting (attached as an annex to the notes).

It was **AGREED** that the notes of the meeting held on 24th January 2012 be confirmed as a true record.

22. FINAL REPORT

At the meeting of the Panel held on 24th January 2012 it had been agreed that the Strategic Director of Corporate Services be authorised to draft a report on behalf of the Panel detailing the 'Pros and Cons' of the five options for future utilisation of the Limehurst Depot, based upon the findings of the Panel. The five options were:

1. Conversion to a ground level car park;
2. Utilisation as office/depot space by Charnwood Borough Council;
3. Residential use;
4. Commercial use; or
5. Recreational use.

Accordingly, a draft report had been circulated to Panel members to allow them to provide the Chair with comments upon it in advance of the meeting.

There was agreement amongst the Panel that options 3 and 4 were not currently viable as there was currently limited available evidence of land sales in Loughborough due to the economic downturn, depressed demand and difficulties faced by developers in financing new build schemes.

The Panel could not reach a consensus on a preferred option with some members favouring Option 1 and others preferring Option 2. However, all agreed that their preferred options should look to incorporate elements of option 5 into any future development scheme.

A copy of the list of 'Pros and Cons' and the Panel's updated Scope Document are attached as Appendices 1 and 2 respectively.

It was **AGREED**

1. that it be recommended that Cabinet investigate Panel Option 1, the possibility of converting the Limehurst Depot site to that of a ground level car park available for public use, and the potential for incorporating elements of Panel Option 5, development of the land for recreational use, into the conversion;
2. that it be recommended that Cabinet investigate Panel Option 2, Utilisation as office/depot space by Charnwood Borough Council, and the potential for incorporating elements of Panel Option 5, development of the land for recreational use, into the conversion;
3. that it be recommended that Cabinet currently disregard Panel Options 3 and 4 but that they be noted for potential future developments;
4. that further detail be included within the Panel's report with regard to the summarising of Panel meetings and the reason for Equality Impact Assessments not being carried out at this stage; and
5. that the Panel's report be updated as per recommendations 1-4, above, and circulated to Panel members for comment with a view to the final report being submitted to the meeting of Scrutiny Management Board to be held on 28th March 2012.

Reasons:

- 1 & 2. As detailed within the Pros columns of Panel Options 1, 2 and 5, attached as Appendix 1.
3. As detailed within the Cons column of Panel Options 3 and 4, attached as Appendix 1, particularly the current limited available evidence of land sales in Loughborough due to the economic downturn, depressed demand and difficulties faced by developers in financing new build schemes.
4. To ensure that the report contains as much detail as possible.
5. To ensure that the report is considered by Scrutiny Management Board at the earliest opportunity.

APPENDIX I

Limehurst Depot Scrutiny Panel – Options for Future Utilisation of the Site

| Option 1: Conversion of Use to a Ground Level Car Park | |
|---|---|
| Overview: Option assumes use of site as car park. Would probably involve demolition of (some) existing buildings, potential resurfacing work and installation of car park payment equipment. | |
| Pros | Cons |
| + May be cheap to convert site. | - A business case has not yet been prepared. The financial attractiveness of this option has yet to be validated. |
| + Potentially a short payback period followed by significant income for the Council. | - Any proposed development would be subject to Highways Authority assessments to ensure that potential increases in traffic would not cause unacceptable issues. |
| + The Council retains the land as an asset. | - Could adversely affect incomes received from other Council owned car parks. |
| + Leaves options open for further future development. | - A bridge over the canal would assist the development but could prove costly. |
| + Could alleviate problem of around 40 parking spaces lost at the Magistrate's Court | - Local residents would be concerned about an increase in heavy goods vehicles, especially after 5 pm. |
| + Could alleviate potential loss of 'Blue Badge' disabled parking spaces following development of the inner relief road | - Site access is close to a difficult and congested junction with Bridge Street. This may result in increased abnormal costs of development in order to meet highways requirements. |
| + Regenerational benefits and could encourage tourism due to its location. | |
| + Would encourage Christmas and Canal festival trade. | |
| + The required pedestrian access is already there. | |
| + Remediation costs would be reduced in comparison to other development types. | |

Option 2: Utilisation as Office/Depot Space by Charnwood Borough Council

Overview: Probable focus of scheme would be on existing office space which is in reasonable condition. Given status of other buildings this scheme would also probably require some demolition and/or refurbishment works.

| Pros | Cons |
|---|--|
| + Opportunity for all Waste, Engineering and Green Spaces staff to co-locate. | - Considerable capital cost to redevelop the site to accommodate and make habitable for staff and there could include significant remediation costs. |
| + Opportunity for rental income from space not utilised by CBC. | - Could leave much of the site underutilised. |
| | - Could leave Derby Road site unutilised. |
| | - Local residents were concerned about an increase in heavy goods vehicles, especially after 5 pm. |

Option 3: Development of Land for Residential Use

Overview: Within this option there may be choices around:

(a) social versus commercial development

(b) whether the Council seeks to obtain planning permission or whether this is left to a developer

| Pros | Cons |
|--|---|
| + The development of the Inner Relief Road was expected to encourage interest from developers. | - Paragraph 24 of PPS23 states:- LPAs should pay particular attention to development proposals for sites where there is a reason to suspect contamination, such as the existence of former industrial uses, or other indications of potential contamination. |
| | - Any proposed development would be subject to Highways Authority assessments to ensure that potential increases in traffic would not cause unacceptable issues. |
| | - The Environment Agency have objected to a previous planning application as the site lies within a 'Flood Zone 2' area, meaning that it was likely that it would be subject to flooding at least once every 100 years, therefore making it difficult to ensure safe, dry access and escape routes from residential properties. |
| | - It was thought that levels of student accommodation in the area had peaked. |
| | - Significant remediation costs may be incurred, reducing the capital receipt achievable for the site. |
| | + There is limited available evidence of land sales in Loughborough currently due to the economic downturn, depressed demand and difficulties faced by developers in financing new build schemes. |

Option 4: Development of Land for Commercial Use

Overview: None

| Pros | Cons |
|---|---|
| + Could encourage a wider ambition that included the redevelopment of the surgery and tyre sites. | - Paragraph 24 of PPS23 states:- LPAs should pay particular attention to development proposals for sites where there is a reason to suspect contamination, such as the existence of former industrial uses, or other indications of potential contamination |
| + The site may potentially be of interest to some food retailers not yet represented in the central area. | - Any proposed development would be subject to Highways Authority assessments to ensure that potential increases in traffic would not cause unacceptable issues. |
| + The development of the Inner Relief Road was expected to encourage interest from developers | - Potential uses may be restricted. For example: <ul style="list-style-type: none"> • Feedback from Leicestershire Promotions showed that the town centre had probably reached its capacity with regard to hotels. • It was important that the heart of the town was not damaged by developing sites at the expense of Key Opportunity sites identified within the Local Plan • Planning Policies focused upon protecting the town centre and any development would need to meet specific criteria, e.g. serving local need, to justify such a development outside of the core and inner ring areas. |
| | - Significant remediation costs may be incurred, reducing the capital receipt achievable for the site. |
| | - There is limited available evidence of land sales in Loughborough currently due to the economic downturn, depressed demand and difficulties faced by developers in financing new build schemes. |

Option 5: Development of Land for Recreational Use

Overview: In practice this option might be considered in conjunction with others as part of an objective to enhance the appearance and general amenity of the area.

| Pros | Cons |
|---|---|
| + The site sits close to the edge of the Loughborough canal basin and its position may lend itself to some leisure uses as part of a comprehensive scheme for the location. | - No Capital receipt. |
| + Potential for support from British Waterways | - Any proposed development would be subject to Highways Authority assessments to ensure that potential increases in traffic would not cause unacceptable issues. |
| + The site was currently a blight on the good work carried out through the development of The Wharf. Any opportunity to tidy it up could be beneficial. | - The Environment Agency objected to a previous planning application due to the risk of flooding. |
| + The development of the Inner Relief Road was expected to encourage interest from developers. | - There is limited available evidence of land sales in Loughborough currently due to the economic downturn, depressed demand and difficulties faced by developers in financing new build schemes. |
| | - Significant remediation costs may be incurred. |



SCRUTINY REVIEW: SCOPE

| |
|--|
| REVIEW TITLE: Limehurst Depot Scrutiny Panel |
| SCOPE OF ITEM / TERMS OF REFERENCE |
| <p>1. Examine the size and commercial value of the site with regard to values from the perspectives the current tenant, commercial developer, residential developer:</p> <p>1.1. Appropriateness of the use of the site from a planning perspective;</p> <p>1.2. Clarity on earlier concerns from the Environment Agency about flooding;</p> <p>1.3. Financial implications of the use of any receipts.</p> <p>2. Consider the use by the current tenant and consider if the site meets their requirements:</p> <ul style="list-style-type: none"> • Examine possible Charnwood Borough Council sites other than Limehurst Depot for use by the current tenant. |
| REASON FOR SCRUTINY |
| To assess the need and best utilisation of the site and to propose a decision path. |
| MEMBERSHIP OF THE GROUP |
| Councillor Miah (Chair) Councillors Harris, Jones, Seaton and Shepherd |
| KEY TASKS ** including consideration of efficiency savings |
| <ul style="list-style-type: none"> • The Panel visited the Limehurst Depot prior to its meeting on 28th November 2011. • Obtaining site valuations. |
| STAKEHOLDERS, OUTSIDE AGENCIES, OTHER ORGANISATIONS * |
| <ul style="list-style-type: none"> • Asset Management Team • CNH • Planning and Regeneration Services • Loughborough Business Improvement District • Councillors Harris and Miah, Members for the Lemyngton Ward, gauged and reported to the Panel the views of the local residents. |

- British Waterways
- Environment Agency
- Leicestershire County Council Highways Authority
- Waste, Engineering and Green Spaces Services

EQUALITY IMPLICATIONS

A detailed Equality Impact Assessment was not considered appropriate since the options proposed were not at a sufficiently detailed level to enable evaluation of their impact on individual groups of residents.

LINKS/OVERLAPS TO OTHER REVIEWS

- Sileby Business Units Scrutiny Panel
- CNH Review
- At their meeting held on 8th December 2012, Scrutiny Management Board resolved not to establish a Business Units in the Borough Scrutiny Panel at this point due to potential overlaps with the work of this Panel.

RESOURCE REQUIREMENTS

Officer Support -
 Administrative: Mike Hooper
 Technical: Simon Jackson (Lead Officer)

REVIEW COMMENCEMENT DATE

17th November 2011

COMPLETION DATE FOR DRAFT REPORT

13th February 2012

PROGRESS OF PANEL WORK

| MEETING DATE | PROGRESS TO DATE |
|---------------------|---|
| 17th November 2011 | Background documents considered and changes to Terms of Reference proposed. |
| 28th November 2011 | Limehurst Depot site visit followed by witnesses from the Asset Management Team and Planning and Regeneration. |
| 12th December 2011 | Witnesses from CNH. |
| 5th January 2012 | Loughborough BID and the Group Leader Plans, Policies and Place Making Officer attended as witnesses. Councillors Miah provided feedback from residents of the Lemyngton |

| | |
|-------------------|---|
| | Ward. |
| 24th January 2012 | <p>Evidence received from British Waterways and the Environment Agency.</p> <p>Evidence also received from Leicestershire County Council Highways Authority and Waste, Engineering and Green Spaces Services following agreement of the Chair prior to the meeting.</p> <p>Agreed upon 5 potential decision paths to be included within the Panel's final report. Mike Hooper will include a list of pros and cons for each within the draft report, which will be circulated prior to the Panel's final meeting.</p> |
| 8th March 2012 | <p>The 5 potential decision paths were prioritised and the content of the Panel's final report was agreed, subject to Members being permitted to comment on the final draft, with a view to consideration by Scrutiny Management Board on 28th March 2012 and Cabinet on 12th April 2012.</p> |

REPORT SUBMITTED TO SCRUTINY MANAGEMENT BOARD 28TH MARCH 2012