



**LEADER OF THE COUNCIL
CABINET MEMBER MEETING
31 January 2011**

ITEM 2

Report of the Strategic Director of Adults,
Health and Housing

Development of the Russell Street Site.

SUMMARY

- 1.1 Previous Cabinet reports have covered the encampment on our land at Glossop Street and the measures which would be necessary to seek to regain possession, including dealing appropriately with the needs of the current occupiers.
- 1.2 This proposed resolution would require a site at Russell Street to be acquired, which already has Planning Permission for Change of Use from a car park to a permanent travellers site, including the erection of amenity blocks, associated boundary treatments, hardstandings, parking areas and planting.
- 1.3 The Leader will recall authorising the acquisition of this site in September 2010. Terms of Sale have been agreed, and the transfer of the site to the Council is considered to be imminent.
- 1.6 Following site investigations and increased technical specifications required by recent regulation changes, the proposed build out costs for the scheme are now projected to be £1.625m. This is some £210k more than the grant allocation secured in 2008.

RECOMMENDATION

- 2.1 That the Leader of the Council authorises £210k to be funded from the Council's Facilitation Fund to meet the shortfall in the build out costs of the Russell Street site.

REASONS FOR RECOMMENDATION

- 3.1 The additional funding is required to deliver the proposed development.

SUPPORTING INFORMATION

- 4.1 Since the end of 2004 a group of Travellers have occupied a site at Glossop Street in Osmaston. The site is owned by Derby City Council and was previously a housing site which we intended to redevelop with more suitable housing.
- 4.2 The Housing Act 2004 requires Local Housing Authorities to include Gypsies and Travellers in their accommodation assessment and to take a strategic approach to demonstrating how their accommodation needs will be met.
- 4.3 A Gypsy and Traveller Accommodation Assessment was carried out which, indicated that there was a need for 17 pitches in Derby.
- 4.4 Shortly after the Travellers moved onto the Glossop Street site, the Council served notice on the Travellers with the intention to start proceedings to recover possession from them. These proceedings were halted whilst a similar case in Leeds was heard in the House of Lords. Following the decision in that case, proceedings were started against the Travellers. Counsel however advised that the Council's possession proceedings was unlikely to be successful unless it could demonstrate that it had taken reasonable steps to identify a suitable alternative site that would be available for the Travellers on Glossop Street to be relocated to.
- 4.5 A bid was submitted to the Housing Corporation (now HCA) for funding from a national pot made available in 2006-08 and we were successfully awarded a grant allocation of £1,415,708 which we envisaged would meet the build costs for the site.
- 4.6 Following the securing of the funding, the Council went through a process to identify a permanent site for Gypsies and Travellers in the city. From a short list of potential sites Cabinet identified the Russell Street car park as the preferred site. A full planning permission has been secured.
- 4.7 The transfer of the site to Derby City Council's ownership is imminent and awaiting formal sign off from the land owner.
- 4.8 Following site investigations and revisions to the original design to comply with the current building regulations and drainage requirements, the build out costs of the whole site are now projected to be £1.625m which is some £210k more than the grant allocation we have secured.

OTHER OPTIONS CONSIDERED

- 5.1 There is a legal duty on the Council to provide a site for Gypsies and Travellers. Advice from counsel is that possession of the Glossop Street site from the Travellers is unlikely unless the Council can demonstrate that it has taken serious steps to identify and/or provide an alternative site.

IMPLICATIONS

Financial

- 1.1 The anticipated cost of developing the Russell Street site was some £1.415m, which has been secured via grant funding.
- 1.2 The overall costs of delivering the site are now £1.625m leaving a £210k shortfall which we request authorisation to fund via the Facilitation Fund via s106 contributions.
- 1.3 The development of the site will generate additional funds for the Council via the New Homes Bonus Initiative, providing an additional amount equivalent to council tax for 6 years.

Legal

- 2.1 The establishment of a Gypsy and Traveller site would ensure that the Council meets its obligations arising from the Housing Act 2004, and would be in keeping with Central Government guidance. For the reasons set out within the report, provision of the site also creates a better legal standpoint from which to secure possession of Glossop Street from the Travellers.

Personnel

- 3.1 None directly arising from this report

Equalities Impact

- 4.1 Gypsies and travellers are one of the most excluded ethnic minorities in the country, with, for example, a higher than average incidence of limiting long-term illness and lower than average educational attainment.

Health and Safety

- 5.1 None specific

Carbon commitment

- 6.1 This development includes efficient gas condensing boilers and floor insulation and has been designed to be affordable for those who will live there.

Value for money

- 7.1 The project has been value engineered throughout to ensure that best value is achieved for the Authority.

Corporate objectives and priorities for change

- 8.1 The provision of affordable housing and support for physical regeneration will help to promote the Council's priorities of **creating a city with Stronger, Safer and Cleaner Communities, a Healthy City and a City of Growth, opportunity and innovation.**

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Olu Idowu – Head of Legal Services Peter Morris – Group Accountant N/A Approved by Strategic Director Ian Fullagar – Head of Strategy and Performance
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For more information contact: Background papers: List of appendices:	Leigh-Anne Francis 01332 287238 e-mail leigh-anne.francis@derby.gov.uk None Appendix 1 – Implications
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