

REPORT TO Executive

Date of Meeting: 12th February 2019

Report of: Michael Carson - City Surveyor

Title: Update Report on Built Sports and Leisure Facilities – Supplementary Advice

1. What is the report about?

This report provides supplementary information further to the Update Report on Built Sports and Leisure Facilities presented to Place Scrutiny on 31st January 2019.

Place Scrutiny asked Executive to consider excluding the ski slope from the development site. This report advises on the potential impact of this course of action. It also discusses an approach to the designation and treatment of the green space to be accommodated within the development.

2. Impact of ski slope retention

The Update Report on Built Sports and Leisure Facilities advised that the whole Clifton Hill site is suitable for redevelopment subject to some remediation measures.

Initial valuation advice recommended that the Clifton Hill site is suitable for a mixed residential redevelopment and that the site is a viable development proposition even when a large sum for abnormal costs is allowed.

Based on existing remediation cost figures, valuation advice identified the greatest financial value, in the region of £9 million, could be achieved by the disposal of the whole site for open market residential accommodation. Place Scrutiny asked Executive to consider excluding the ski slope from the development site.

If the ski slope land is removed from the development site there would be a significant loss of residential units (c. 140) from the indicative scheme. However, the value impact of that loss is not correspondingly severe, due to the high build costs attached to those apartments. A number of units would also be lost from the proposals in order to retain access and car parking to the ski slope.

The lease of the ski slope provides a right of access to the premises at all times. The Ski Club have no right in their lease to park in the car park although they, in conjunction with the golf driving range, do use the car park that is available. The Ski Club are not permitted to park on the access road.

Additional residential units and value would be lost should the issues of access, parking and the impact of floodlighting, noise and amenity. It is anticipated that this would have a detrimental effect on the efficiency of layout and value of the residential accommodation. This in turn will affect the number and type of developers who will be interested in the site.

3. Impact of green space exclusion

The Director's report recommends that delegated authority be given to the Director in consultation with the Portfolio Holder, and in liaison with Ward Councillors and the City Surveyor, to agree the exact location and dimensions of a minimum of 10% of the site to be retained by the Council as a public open green space.

If the existing open green space is excluded from the sale this would substantively constrain the design of the scheme and cause issues over access during construction. The density of the development may reduce as public open space would need to be provided as part of that scheme in addition to the green space retained. Interested parties will attach risk to the excluded land and therefore, whilst an appraisal may not show reduced land value, bidders will discount the price they pay to account for risk and design issues. For this reason it is advised that the land is not held back from the sale but that the green space area to be handed back to the Council after the development is made clear. Whilst this may have a degree of impact on the attractiveness of the site it should give flexibility to prospective developers to reduce any impact by imaginative design and intensification of development in other areas of the site. It is anticipated that this should mitigate any significant financial impact from the green space designation.

4. Combined impact of green space exclusion and ski slope retention

In the event that both ski slope retention and green space exclusion are considered there would be a significant impact on capital receipts. This would result in a site which is impacted by retained access and services for the ski slope. The impact of the lights, etc. at the ski slope will affect the scheme design, affecting the efficiency of layout which, combined with the retained green space, would begin to have serious negative results on the land value. We cannot model this without a scheme design, however, I would suggest that the ultimate impact would be worse than suggested by the figures above and that total land value would reduce to c. £5m.

**City Surveyor
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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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