

## **7. BROSTERFIELD – INVESTIGATION INTO REMAINING OPTIONS FOR THE SITE**

### **1. Purpose of the report**

At its meeting on 13 November 2020, the Committee approved the recommendation to further investigate the two options listed below (Minute No 91/20)

- The sale of the undeveloped site on the open market.
- The approach from Foolow Community to purchase the site.

It was agreed that the result of these further investigations together with a final recommendation be brought back to this Committee meeting.

An additional extra option to retain the land in agricultural use was put forward by a Member and it was agreed this would be considered in the background of the report as useful context.

### **Key Issues**

- Both potential uses are appropriate to the site in policy terms.
- The Foolow community option may potentially lead to a better outcome in terms of on-going community working and relationship with the Authority.
- There are risks with both options in terms of ‘guaranteeing’ a successful disposal and a satisfactory completion of this long- standing and divisive matter.
- This matter has been ongoing since 2012 and has cost the Authority over £700,000 (purchase, fees and management not including staff time).

### **2. Recommendation**

**1. Not to dispose of the site to a single named party (being representatives of the Foolow Community) and to proceed to dispose the undeveloped site on the open market**

### **3. How does this contribute to our policies and legal obligations?**

The site was purchased in order to protect the intrinsic landscape value of the National Park due to great concern of the possible impact of the development of a 20-unit static caravan park. The site is presently held for planning purposes. Whilst the permission would have allowed the siting of static caravans, planning legislation defines these very broadly and would allow the siting of “park homes” on the land. The potential development was considered detrimental to the quality of the landscape and therefore the Authority sought to protect the landscape and the local community from such inappropriate development and to revert to a touring caravan site permission, which had been the intention in 1998.

### **Background Information**

The background to the site was described in the report to Authority Committee on 13 November 2020. This is re-produced for information at Appendix 1.

At the Committee, six options were considered:

- (1) Sell the site on the open market having carried out a material operation.
- (2) Develop the site and sell on the open market
- (3) Develop and lease (or enter a joint venture arrangement) to a 3<sup>rd</sup> party to operate the site
- (4) Lease the un-developed site to a 3<sup>rd</sup> party
- (5) Develop and manage as an in-house trading operation
- (6) Consider the approach from Foolow Community to purchase the site and develop a community wildlife area.

A further option to keep the site in agricultural use was put forward at the meeting. This option was not considered in the report on 13 November 2020 because officers had discounted it in earlier analysis. The reason for this was that the estimated sale value would be in the region of £100,000 to £150,000 and therefore would result in the commitment of resources exceeding the net cost of intervention of £500,000. (please see financial section below)

As stated above, the recommendation was to investigate the following two options.

### **Option 1: The sale of the undeveloped site on the open market.**

#### **External advice**

An independent external specialist caravan and camping site consultant was commissioned to give their opinion on potential future options and advise on the value of the site with the latest planning permission in place. Some of their general observations and analysis of the site as a touring caravan and camping site are set out below as a reminder.

- The impact of the pandemic on valuations in property markets is unlikely to become clear for several months. It is expected that the negative impact on the economy and the high levels of uncertainty created will have a material impact on commercial and residential property markets, at least for the short-term future.
- Touring and camping parks have benefitted from recent periods of fine weather, as well as many families looking to holiday closer to home. Many parks have experienced very strong demand and occupancy for touring caravans and tent pitches since lockdown was eased in July (2020).
- Touring caravans and tents are also used extensively for second holidays to supplement other main holidays. This has resulted in an increase in the number of short breaks, which particularly benefits touring sites close to major conurbations and/or with easy access from major trunk roads
- A site of the scale of Brosterfield is most likely to appeal to a lifestyle-buyer who would operate the site himself or herself on a hands-on basis dealing with all marketing, administration and cleaning duties in order to maximise the return.
- The site is a very attractive lot size for potential operators seeking an entry into the caravan and holiday site sector, or for existing operators to expand. Relatively few opportunities of this scale come to the market.

In the light of the continuing pandemic and 'lockdown', the consultants have recently been re-consulted to give their opinion on current demand and the market for such sites. They report that:

*‘Demand for parks remains strong driven primarily by the scarcity of supply and this is bolstered by the positive forecasts for the UK holiday market on the whole. Our views would remain largely unchanged since our previous advice’.*

### **Material development/operation**

In the previous report to the Authority Committee on 13 November 2020, it was reported that it was likely that the Authority would need to undertake some ‘material operation’ to the site to keep the planning permission extant. For example, this might have been ‘the digging of a trench which is to contain the foundations, or part of the foundations, of a building’.

The Authority would ideally wish to minimise expenditure on any material operation should the sale of the undeveloped site on the open market be the chosen option. However, if no work is started on the site within 3 years of the date of the planning permission (24 February 2023) it will lapse.

A prospective purchaser may be ‘put off’ if they only have a short time remaining on the planning permission in which to implement it, particularly if the pre-conditions on the permission still have to be discharged before any development can commence on the ground.

The Authority would not wish to risk letting the permission lapse and therefore it will be important to either:

- Ensure that the timetable for disposal would give a purchaser sufficient time to start any development; or
- Discharge the pre-conditions and implement a material development/operation before sale. It has been concluded that digging out the soil to start a section of the access road would be an appropriate action to secure the existing planning permission at Brosterfield.

A decision on this matter will be dependent on the option decided by Members at this meeting.

### **Discontinuance order**

The Authority will need to make a ‘discontinuance order’ relating to the static caravan site. The Planning Committee would initiate permission for this once a buyer has exchanged contracts and disposal would be conditional on the discontinuance order being made. This process could take up to 6 months.

It should also be noted that, if the site is disposed of at less than the best consideration reasonably obtainable, Secretary of State consent will be required

### **Option 2: The approach from Foolow Community to purchase the site.**

Cordial discussions have been held with representatives of the Foolow community. Two documented ‘virtual’ meetings have been held (on 26 November 2020 and 12 January 2021), together with numerous email exchanges.

### **Information requested**

Officers have sought to ‘steer’ the proposals by asking the community to provide the information set out under the three headings below in sufficient detail to make the case for their proposal at this Committee meeting. The overriding message to the community

was that Members would need assurance from officers that their proposal has a realistic chance of success within the timescales set.

**1. Meet Authority and other organisations) policies and strategies:**

- Confirmation of consultation with the Forestry Commission and other stakeholders including National Park staff, Woodland Trust etc.
- Layout plan of the two fields having taken full account of the above consultation
- Brief further details of final management proposals. -.Tree planting, meadow, ponds and other wildlife enhancements.

**2. Demonstrate appropriate governance arrangements:**

- Confirmation of what 'business entity' the Authority would sell the land to.
- Who would be included and what roles within the management structure
- Ability to fund setting up business entity and any of its legal and other costs.

**3 Provide a detailed 'funding plan' which demonstrates where funds to purchase and develop the site could be obtained and at what levels and timescales:**

- Funding plan including any financial commitments already obtained and prospects for the future
- Details of your fund raising plan/strategy with an assessment of any risks involved in meeting the timescale discussed.

**Timescales**

At the Committee meeting on 19 November 2020, a six-month timescale for the community to complete the purchase of the site from the date of today's Committee meeting was suggested (say 1 September). This deadline meant that in reality the decision for the community to proceed with the project would have to be made by the end of June 2021 (to allow for legal due diligence and agreement of transfer documentation).

It was generally felt that 'momentum' needed to be kept up to resolve this very long-standing matter and that this summer would be the ideal time to market the site if this was the decision of the Committee. The importance of this timescale was stressed to the community.

The community and Sarah Dines MP for Derbyshire Dales have expressed their concerns about this timescale and how realistic it is given the pandemic and the extended 'lock down' periods, which may have hindered the ability of consultees to respond and possible funders to process any applications made. It was therefore suggested to the community that they may wish to suggest an alternative timescale.

## Proposals

### **Option 1: The sale of the undeveloped site on the open market.**

As mentioned above, the consultants have recently confirmed that the demand for this type of site is still strong. This proposal would involve:

- Confirming the disposal in line with the Disposal Procedure and Tool Kit (Stages 4-11)
- Possibly discharging the pre-conditions and implementing the 'material operation' in summer 2021.
- Putting the site on the open market for a freehold sale in mid- summer (assuming that 'lock-down' has ended by then) and identifying a buyer.
- Making a 'discontinuance order' relating to the static caravan site permission.
- Completing a sale by spring 2022 with the Authority 'exiting' the site as a landowner.
- Completion of the original purpose of acquisition in 2012.

### **Option 2: The approach from Foolow Community to purchase the site.**

Officers consider that the Business Case presented by the community **is not considered sufficient information/ evidence** to give Members the reassurance the Authority requires to recommend the community proposals as the preferred option. The reasons for this are explained under the three headings below:

#### **(1) Meet Authority and other organisations policies and strategies**

The community have provide good information on this and have responded very positively to advice that has been given to have a more 'nuanced' proposal.

Their proposals have changed from the creation of a wood over the whole site (with ponds and some open spaces) to now include both tree planting and hay meadow management. This is shown on the plan provided by the community at Appendix 2c. This proposal better reflects a number of policies and strategies; in particular, the recommended approach in the Authority's Landscape Strategy: Limestone Village Farmlands. It also takes account of archaeological interest in the field adjacent to the road into Foolow.

Woodland creation of between 2-5ha in a National Park requires consultation with the Forestry Commission under their Environmental Impact Assessment process. However, as the community's tree planting proposal is now less than 2ha, consultation with the Forestry Commission is no longer required.

Educational and community access is also proposed.

Officers have been consulted and are therefore entirely satisfied that the community are now proposing an acceptable scheme.

## **(2) To demonstrate appropriate governance arrangements**

The community propose the establishment of a Community Interest Company (CIC), which would purchase the site. This is considered to be an appropriate and welcome mechanism of governance. It has been confirmed that sufficient funds have been pledged to enable the business to operate although no detail of this or who would be involved and what roles they would have within the management structure has been provided.

It would have been helpful to have more detail on these points which were requested but the principle of the proposed governance arrangements are acceptable as long as more detail is provided shortly.

## **(3) To provide a ‘funding plan’ which demonstrates where funds to purchase and develop the site could be obtained and at what levels and timescales.**

This is key information that needed to be provided in detail to give officers assurance that they needed to recommend the community’s proposals to the Committee. Unfortunately, the ‘funding plan’ has not been provided in nearly as much detail as hoped for.

Whilst reference has been made to all the ‘normal’ sources of funding ( sponsorship, grants, crowd- funding and private funds through donations and investment in shares in the CIC), there are no ‘numbers’ of how each element will contribute to the costs of the project. In particular, there is little specific information on how the significant purchase cost of the site would be funded.

Although grant application process has been started, no detail has been provided on what categories/schemes might be available for this type of community project. No details are given of when application windows are open, how much has been applied for, at what timescale potential funders might make commitments and what is the probability of success and risk involved.

Unfortunately, therefore officers do not consider sufficient information has been provided in this key area to enable them to recommend the Foolow community proposal to Members.

### **Timescales**

The community have asked for a minimum of 18 months to complete their fund raising. It is assumed that extra time would also be required to complete the purchase.

They are suggesting that the CIC would now be set up, provide a ‘viability report’ on the project in nine months’ time with a rolling 3-month reporting schedule to assess progress and continued viability.

In effect, the community are offering to provide the information that was requested for today’s Authority meeting in another nine months’ time.

### **Are there any corporate implications members should be concerned about?**

The Authority’s Corporate Property Asset Management Plan was approved by the Programmes and Resources Committee on 11 February 2020 (Minute No 8/20),

#### 4. **Financial:**

**Cost of discharging relevant planning permission pre- conditions:** The four pre-conditions relate to ecological and landscape management plans, a maintenance and repair condition survey of dry stone walls on the site and a more detailed specification of the proposed cattle grid. It is likely that all these matters can be dealt with 'in house'.

**Cost of material development/ operation:** Digging out the soil to start a section of the access road. Approximate cost of £2,000

**Purchase:** Members will recall that the site was independently valued in Nov 2020 (with the planning permission in place) and it was recommended that the site should be placed on the open market at a price of £300,000.

This figure has been conveyed to the Foolow community as the price they would be expected to pay regardless of their own proposals for the site.

**Marketing costs:** If Members chose to put the site on the open market, the Authority would instruct a specialist agent to deal with the matter. The likely cost of their fees would be in the region of £6,000.

**Legal costs:** Each party would bear its own legal costs. In the case of the Authority, this would be dealt with 'in house'.

**Staff costs:** Other staff costs would be incurred with either option. It is likely that greater staff costs will be required with the sale of the land to the Foolow community.

#### **Net cost of intervention**

A commitment of resources of between £200,000 and £500,000 would need to demonstrate that the action was a significant National Park issue and required a much greater call on resources to achieve National Park purposes, with the decision-making and supporting valuation process important in countering value for money criticism.

Commitment of resources above £500,000 was not considered reasonable and no options supporting this were presented in the report.

Both options would result in the commitment of resources not exceeding £500,000.

#### 5. **Risk Management:**

The current economic uncertainty because of Covid 19 could affect the likelihood of a disposal although advice from the consultants suggests there could be strong demand for the site.

The risk of the community being able to raise sufficient funds to purchase the site within time limit has not addressed in their Business Case.

There are on –going reputational risks to the Authority due to the opposition of many of the local community to a caravan and camping site

#### 6. **Sustainability:**

There could be advantages to the land being used for tree planting over a caravan and camping site. Please see Climate Change section below.

**7. Equality:**

NA

**8. Climate Change**

**1. How does this decision contribute to the Authority's role in climate change set out in the UK Government Vision and Circular for National Parks?**

**a. Educators in climate change**

Spreading messages about the impacts of climate change and how individuals can play their part in tackling it that leads to behaviour change.

Use of site as a caravan/campsite would present opportunities for encouraging the operators to include interpretation and organised activities.

The local community would be encouraged to include this in any on-site and digital interpretation as well as any organised activities.

**b. Exemplars of sustainability**

Enabling the natural environment to adapt to predicted changes, supporting the delivery of ecosystem services and in developing more resilient infrastructure.

Either option has the potential to achieve this outcome dependent on how the schemes are taken forward.

**c. Protecting the National Park**

Authorities must ensure that they protect the public assets, which the Parks represent.

Neither of the proposals would be 'public assets'.

**d. Leading the way in sustainable land management**

To prevent further carbon loss from soils and to encourage carbon storage.

Conversion from an improved grassland to amenity grassland (caravan/campsite) would have little impact on the rate of carbon loss from the soil.

Tree planting would, over the long-term result in greater carbon sequestration and reverse the loss of carbon from the soil in the long term.

**e. Exemplars in renewable energy**

A caravan/camping site presents some opportunities for this although the planning permission does not include provision for renewable energy.

**f. Working with communities**

Reducing emissions and renewable energy is the norm whilst not compromising the National Park purposes and duty.

The Foolow proposal would be a community led project.

**2. How does this decision contribute to the Authority meeting its carbon net zero target?**

The site does not contribute towards the Authority's existing emissions calculations and would not do so under either option, therefore no impact.

**3. How does this decision contribute to the National Park meeting carbon net zero by 2050?**

As above.

**4. Are there any other Climate Change related issues that are relevant to this decision that should be brought to the attention of Members?**

None

**9. Background papers (not previously published)**

Part B Authority Committee report 13 November 2020

**10. Appendices**

Appendix 1 The background to the site as described in the report to Authority Committee in 17 November 2020.

Appendix 2. Foolow community proposals

2a Business Plan for Brosterfield

2b Further details addressing the Objectives

2c Plan of site

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