

Report to: Communities Scrutiny Committee

Date of Meeting: 3rd April 2014

Lead Member / Officer: Leader and Lead Member for Economic Development

Report Author: West Rhyl Housing Improvement Project Manager

Title: Detail Design of West Rhyl Green Space (West Rhyl Housing Improvement Project)

1. What is the report about?

This report provides details of the Green Space which is an integral part of West Rhyl Housing Improvement Project (WRHIP) and the potential implications revenue budgets

2. What is the reason for making this report?

The WRHIP was approved by Council at their meeting of 11 September 2012, where responsibility for delivering the project with its associated budget was delegated to the Project Board. Welsh Government has allocated £23,279,266 to deliver the overall project, with no requirement for capital funding from Denbighshire County Council. As part of the partnership between Welsh Government, Clwyd Alyn Housing Association and Denbighshire County Council, the Council is leading on the development of the green space.

This report provides Scrutiny with an update on progress of this element of the WRHIP, and the implications for ongoing maintenance and potential funding sources

3 What are the Recommendations?

That the Committee considers and provides observations on the progress made with the delivery of the WRHIP generally and the green space element specifically.

4 Report details.

4.1 West Rhyl Housing Improvement Project (WRHIP) Background

The West Rhyl Housing Improvement Project has been the subject of SIG, Cabinet and Council approval previously. Through the partnership approach between Denbighshire County Council, Welsh Government and Clwyd Alyn Housing Association the project aims to:

Create an attractive neighbourhood where working people will want to live

- 1. To create a balanced housing market which is not dominated by one type of housing or by one type of tenure.***

- 2. To create a balanced, stable community with more economically active people living in the neighbourhood.**
- 3. To improve the appearance and perception of the area**

Details of progress with the overall project are attached as **Appendix 1**. This report relates directly to the creation of the new green space. As part of the partnership agreement between the three main project partners, responsibility for the development of the green space lies with the Council. Responsibility for delivering the housing elements of the overall project lies with Clwyd Alyn Housing Association and Welsh Government.

4.2 The Green Space

The design of the green space is attached as Appendix 2. The green space seeks to fulfil a long held community desire for open green space in the area. An undertaking was given to the community that the design of the Green Space would be driven by the community and a number of community engagement events have taken place which are detailed in the report attached at Appendix 3. Following the successful CPO all the properties required to deliver the green space are in Council ownership ensuring there are no constraints to the delivery of the green space. Completion of demolition of all the properties in the Green Space will be completed by end of March 2014 which will enable works to commence on the green space in summer 2014 and complete by March 2015.

The development of the Green Space cannot be viewed in isolation to the rest of the project as it is integral to the success and marketability of the surrounding properties. With this in mind there is a fine balance to achieve the aspirations of the community for the open space, encourage private investment yet not place a heavy ongoing maintenance burden upon stretched Council budgets. Development of the park will create a more positive impression of the town overall and thereby have more far-reaching regeneration benefits.

4.3 Maintenance Implications

A key consideration of the design developed for the green space has been to minimise the maintenance implications. However, it is a new facility which did not previously exist and as such will have some maintenance/revenue consequences. Further details of these are attached as Appendix 4. Working with the Council's Grounds Maintenance section the current maintenance estimates are:

- £2,130 per annum for cleaning (litter picking, etc)
- £10,660 per annum for grounds maintenance (grass cutting, etc)

The cleaning costs will be required from 1 April 2015, but there is a 5 year maintenance contract built into the capital contract for the green space so there will be no requirement for the £10,660 pa costs until April 2020.

Overall, the green space scheme is likely to generate an overall revenue saving for the Council. Costs in relation to dealing with fly-tipping have already fallen

dramatically in the area, and the reduction in the number of HMO's should also generate a saving with reduced licencing and monitoring requirements. Furthermore, the residents who were living in poor quality accommodation (many with damp and/or no heating) have been resettled in better managed, good quality accommodation. Although impossible to quantify because it is a preventative measure, this should see a reduction in on-going intervention from social services.

Given the current financial situation, we are continuing to seek ways to reduce the maintenance/revenue implications for the Council, and the following ideas are being investigated:

- Discussions are underway with WG to fund a 10 year (rather than 5 year) maintenance period built into the works contract.
- During this period, development of community responsibility and/or other organisations will be undertaken
- Possibility of introducing service charges on any new homes built surrounding the park.
- Transfer of the ownership of the land to another organisation e.g. Housing Association/ Community Land Trust

Hopefully one, or a combination, of the above mechanisms will address the revenue implications of the project, but failing that the "back-stop" position is:

- A revenue allocation of £2,130 is transferred from Economic and Business Development budget to DCC Streetscene, commencing 1 April 2015, in order to ensure that the area is properly cleaned from day 1 after completion. Note that discussions are still ongoing to establish whether this cost can be reduced or absorbed within existing Streetscene budgets;
- A revenue allocation of £10,660 is transferred from DCC Economic and Business Development budget to DCC Streetscene, commencing April 2020 to ensure that the area is properly maintained following the end of the 5 year maintenance contract.

5 How does the decision contribute to the Corporate Priorities?

5.1: Priority 1 – Developing the Local Economy and Our Communities

By creating a more balanced community the project will reduce deprivation in this part of West Rhyl – one of the key outcomes of this priority. It will address the negative associations of the area, boost private sector confidence in Rhyl, and stimulate further private sector investment and confidence in Rhyl creating new jobs and business opportunities.

5.2: Priority 6 – Ensuring access to good quality housing

This project will directly impact on the priority outcome of "*offering a range of types and forms of housing...to meet the needs of individuals and families*". The addition of a green space immediately adjacent will make these properties very desirable.

6: What will it cost and how will it affect other services?

The project *may* impact on Council services if alternative options for maintenance fail. It will have a positive impact on biodiversity and the effects on the environment

through provision of plant species which will encourage biodiversity. The effects of open green space on people's health and well-being is well documented.

6.1 Capital Resources

There are no implications for Denbighshire's capital resources as all capital costs are met by Welsh Government.

6.2 Revenue Resources & Existing cost savings

See 4.3 above.

7 What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision?

EqIA attached as Appendix 5.

8 What consultations have been carried out with Scrutiny and others?

For details of the consultation process please see Appendix 3. The design has also been developed through consultation with the following:

- Design Commission for Wales
- Rhyl Member Area Group
- Established Stakeholder Group
- DCC Highways, Environmental Services, Biodiversity
- WRHIP Project Board
- Health Impact Assessment Workshops
- Rhyl Going Forward Programme Board
- Sustrans
- Rhyl Town Council

9 Chief Finance Officer Statement

The Council should avoid wherever possible taking on the revenue consequences of externally funded capital projects. The council currently owns the land due to using its CPO powers to support the development.

Section 6 makes the point that the creation of the green space will reduce other costs in the area, and should the overall project be successful, there may be further cost reductions for other services.

The proposed capital lump sum from WG would enable alternative funding to be sought with the fall back position of the Economic Development Department having agreed to contain it within their budget if necessary due to the importance they attach to the project.

10 What risks are there and is there anything we can do to reduce them?

A risk register is detailed at Appendix 6

11 Power to make the Decision

Section 2 Local Government Act 2000

Sections 226 & 227 Town and Country Planning Act 1990

Section 111 Local Government Act 1972

Article 6.3.2(c) stipulates Scrutiny's powers in this matter

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