

STROUD DISTRICT COUNCIL

HOUSING COMMITTEE

TUESDAY, 27 JUNE 2023

Report Title	Canalside Site, A419, Stonehouse			
Purpose of Report	To consider and note the Onion Collective's 'Common Ground in Stonehouse' consultation report and recommended next steps.			
Decision(s)	<p>The Committee RESOLVES to:</p> <p>a) note the Common Ground Report at Appendix A and endorse the stepping stones set out on page 17 of the report as a basis for moving forward with the community.</p> <p>b) remove the Canalside site, A419, Stonehouse (former Ship Inn site) from the new build programme and</p> <p>RECOMMENDS to Strategy and Resources Committee:</p> <p>c) that the Committee considers appropriating the site from the Housing Revenue Account (HRA) into the General Fund to enable an option to be granted to the community to transfer the site for community use; subject to a further report setting out the reasons for granting such an option and a timetable and conditions for doing so.</p> <p>d) that the capital funding allocated to the Canalside site, including the receipt to the HRA from an appropriation of the site, be earmarked for future investment in affordable housing in the local area.</p>			
Consultation and Feedback	Numerous stakeholders have been consulted and the feedback is contained within the report at Appendix A, including recommendations for further consultation.			
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Options	<p>The other options are to retain the site in the HRA and either</p> <p>a) progress a planning application for new build development on the site or</p> <p>b) dispose of the site on the open market</p> <p>These have been discounted at this stage in view of the Council motion asking for non-housing options to be explored and the view from stakeholders set out in the Common Ground report at Appendix A.</p>			
Background Papers	None			
Appendices	Appendix A – Onion Collective: Common Ground in Stonehouse Appendix B – Equalities Impact Assessment			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	Yes	Yes

1. INTRODUCTION / BACKGROUND

- 1.1 The purpose of this report is to consider the outcome of the initial consultation with regard to this site as set out in the Onion Collective's 'Common Ground in Stonehouse' report at Appendix A, further to the approved motion to Council in July last year (CL. 016) and the update to committee in March this year.
- 1.2 The Council motion requested a report to Housing Committee on options for a suitable use for the former Ship Inn site in Stonehouse that:
1. *Considers non-housing uses.*
 2. *Builds upon the District Council's Canal Strategy and this Council's previous consultations for all its canal side sites in this area and, in light of the Stonehouse Town Council survey, continues to engage with the community and other stakeholders in exploring potential future uses for the site.*
 3. *Invests any value from the site, if the site is not used for council housing, into affordable housing in the local area.*
- 1.3 Based on this document the council appointed consultants, DHUD, who set out a proposal for delivering this work (working with other consultants) which includes the following broad areas:
- a) Stakeholder and community engagement and identification of common ground
 - b) Identification of strategic opportunities (multi-site approach)
 - c) Strategic viability and Delivery Testing
 - d) Co-Design of Former Ship Inn site options

The cost of this consultancy work is anticipated to be £74,000 and is being met from the council's General Fund Regeneration Reserve.

- 1.4 This report considers the outcome of the first stage of this commission i.e. the outcome of the initial stakeholder and community engagement and identification of common ground.
- 1.5 It was anticipated that further public consultation would have taken place at this point and the initial strategic design work would have commenced, but it has become clear through the initial meetings with stakeholders that more work needs to be done and progress made on rebuilding relationships, before this work can usefully begin and that the community will need support and guidance to move forward.

2. Common Ground Report

- 2.1 Consultation : For this initial consultation Onion Collective offered to meet with a defined stakeholder group either '*who had expressed an interest in the site or those who are working in and around Stonehouse in related fields*' suggested by this council and Stroud Town Council. These were:
- a) Group 1: Stonehouse Town Council, including Stonehouse in Bloom
 - b) Group 2: ShiPs group (Ship Inn Project Stonehouse)
 - c) Group 3: Ward Councillors and Stroud Council leader
 - d) Group 4: SDC officers.(Planning Strategy, Conservation and Development Mgt, Canal Project, Finance, New Build, Property Services, Youth Council, Physical Activity and Health Development, 3 Strategic Directors)
 - e) Group 5: Canals/Environment - SVCC, Cotswold Canals Trust, Gloucestershire Wildlife Trust

- f) Group 6: Leisure - Stroud Valley Canoe Club, Stonehouse Walking Festival, Boatmobility, SUP Stroud, Phoenix Angling Club
- g) Group 7: Community - St Cyrs Church, All Pulling Together, Stonehouse Women's Institute, Stonehouse Rotary Club, Fair Shares
- h) Group 8: Services - Stonehouse Library, Barnwood Trust, Allsorts, Little Angels Nursery, the Door, Sunflower Suicide
- i) Group 9 - Culture - Stonehouse History Group
- j) Group 10 - Stroud Youth Council
- k) Group 11 - Landowners - William Morris School, Stroud Auction Rooms, Wycliffe, Stonehouse Court, Hitchins.

2.2 The stakeholders engaged with were:

- Stonehouse Town Council
- SHiPS
- Stonehouse in Bloom
- All Pulling Together
- Stonehouse WI
- Stonehouse history group
- Stonehouse Court Hotel
- Wycliffe College
- Stonehouse Walking Festival
- Boatmobility
- Stroud Valleys Project
- The Door
- Sunflower Suicide
- SVCC
- Cotswolds Canals Trust
- Canals Connected
- SDC – officers (cross-service) and members

2.3 Their report recognises (see Further Consultation section) that whilst the consultation sought in a wide range of stakeholders and '*multiple voices, ideas and insights*' it was also constrained due to time limits and availability of individuals; and that more community engagement needs to be undertaken in particular with young people, businesses, the charitable/social sector and communities in Bridgend.

2.4 Identifying shared concerns /areas of potential The concerns that came out of these conversations are set out on page 7 of the report, grouped into themes of social infrastructure, physical challenges, economic development, emotion & identity and agency & power; and the areas of potential (page 8), captured under economic possibilities, natural capital and community strength.

2.5 Catalysing Positive Energy: These have then been used by the consultants to produce a set of long-term outcomes, medium term outputs and short term activities that could help to find a way to move from the differing opinions and entrenched positions taken by some stakeholders to start to develop viable options for the future use of this site (these are set out in pages 10 to 16).

2.6 The long-term community outcomes identified, closely align to our Council Plan priorities of Environment and Climate Change, Community Resilience and Wellbeing and Economy, Recovery and Regeneration

3. Identification of opportunities (multi-site approach) This site has clearly become the focus of the many concerns and opportunities identified by stakeholders and as set out in

the report, but it is of a relatively small size and can not deliver all the changes and opportunities which those consulted identified. The wider strategic work , which is also part of this consultancy proposal, will look beyond this site (supporting the Working Group) , including those other sites along Wharfdale Way and the canal, owned by this council, as well as others that have been suggested through the consultation process.

- 3.1 The council has previously undertaken improvements to its other sites along the canal, working with the Town Council and Gloucestershire Wildlife Trust as part of the Wild Town's project, improving their biodiversity, demolishing garages to create more parking and green areas and more recently investing in new play equipment on the play area at Wharfdale Way to encourage wider public use of all these areas. This wider strategic review will build on this investment and start to link these sites to the former Ship Inn site, the town and other sites highlighted by stakeholders.
- 3.2 DHUD have identified 4 strategic aims for exploring the future purpose of the former Ship Inn Site, which they have summarised as follows:
 - i. The former Ship Inn site should be designed in response to the distinctive character and conditions of the canal at this location and respect the fact that other locations along the canal are suitable for different strategic purposes. Although the towpath runs along the southern bank, renewed use of the former Ship Inn site will only be able to stimulate activity along the northern bank;
 - ii. There are a number of focal points along the Stonehouse stretch of canal of which the former Ship Inn site is one, coupled with the major crossing of the A419 close to the north of the canal;
 - iii. Together the design of the former Ship Inn site and the major crossing of the A419 and its surroundings should respect the fact that this is the primary gateway for the town into the canal corridor and it should serve a purpose in conduiting activity into and along the canal corridor. It is only in part a destination for the town and should be designed in tandem with other interventions enabling people to move along and experience the canal corridor in different ways;
 - iv. The design of the former Ship Inn site must reflect the fact that this is a location where people and nature intersect. This provides excellent opportunities for people to connect with nature, but it also presents the challenge of being able to enhance habitats and diversifying species along the canal corridor

4. Next Steps

- 4.1 The Onion Collective are clear that the former Ship Inn site has become '*about community voice*' and that there is now a great opportunity to harness the community's energy surrounding the site's future use in a positive way, and for the council to continue its support to help the community to achieve this.
- 4.2 Moving forward the consultants recognise that this consultation and '*report represents only a stage in the journey*' but that '*everyone wants a resolution that is positive for the town and most people share a sense of what that might look like , in terms of the change that is sought if not necessarily the detail of any eventual scheme*'.
- 4.3 The report sets out a series of stepping stones (pg 17) which are:
IMPACT: *Agree shared community outcomes based on the findings of this report as guiding aims.*

DEMOCRATIC: Agree decision trajectory in principle based on SDC's General Fund Account appropriating the site from the HRA at market value. Agree in principle to provide an option to pass the site to the community subject to timetable and conditions.

GOVERNANCE: Establish Working Group (WG) for the site with representatives from Town Council and ShIPS moving towards constituted community anchor organisation, alongside key stakeholders.

ENGAGEMENT: Further consultation with sections of the community who have been insufficiently involved to date: young people, businesses, charities/social sector, community in Bridgend. Open public engagement once concept designs in place.

SUPPORT: Engage a local support organisation to guide consultation, viability/business planning, social value calculations, funding options, risks analysis.

CO-DESIGN: Undertake co-design processes already commissioned with the WG to focus on building concept options to explore scale/potential/phasing to feed business planning workstream.

MEANWHILE USE: Consider licence via Town Council to enable initial clearing and initial build with funds potentially from the canal regeneration project's capital community engagement budget and to allow for social action to begin now and for trust, collaboration and agency to develop.

- 4.4 Key for this Committee and this Council is to acknowledge and note the report, to draw a line under the differences of opinion and provide the community with the confidence and opportunity to develop options for uses for the site which could lead to the community taking ownership of the site, subject to timescales and conditions being met.
- 4.5 The Council motion requested a report on other suitable options for this site that considered non-housing uses and the types of uses suggested for the site do not currently include affordable housing. In order to enable the community to work up these options into an agreed, sustainable future use and to facilitate a potential future transfer to the community, the site would need to be taken out of the affordable housing New Build Programme. It would then be for Strategy and Resources Committee to consider appropriating the site at market value into the General Fund. An independent formal valuation will be commissioned to confirm the market value at that point.
- 4.6 The timetable and conditions that the community will need to achieve and the type and level of ongoing support offered, will then be considerations for Strategy and Resources Committee and any later decision to transfer the site to the local community would have to meet the legal obligations placed upon the council for this type of transfer.
- 4.7 It is important to note that the value of the site to the HRA will be maintained through the appropriation and used to support appropriate investment in affordable housing in the local area in line with the Council motion. Further updates on this will be reported to Housing Committee and the (increasing) need for more affordable homes, nationally as well as locally is also recognised in the Common Ground Report and the Equalities Impact Assessment at Appendix B.
- 4.8 In addition to the council decisions required, the Onion Collective has also recommended that a working group is set up to look at the site. The Director of Communities will be representing the council on the working group, with the canal project's community engagement officer also invited.
- 4.9 The more general 'community need' identified by the Onion Collective and its generous offer to Stonehouse to be part of its Understory programme (mapping community connections and social capital) could be used to initiate a place building discussion; supporting the town and working in parallel to the former Ship Inn Site working group as

part of this council's Community Connected/Asset Based Community Development approach.

5. CONCLUSION

- 5.1 The Council has provided considerable investment and support to the local community by its improvement of other sites along the canal in Stonehouse and commissioning the consultancy work, led by DHUD. The Onion Collective's Common Ground report is only part of that support. More advice and work will continue under this commission to help the community progress.
- 5.2 This first stage has given an opportunity for stakeholders to put forward their (sometimes opposing) views, but there is a common desire to find a positive solution and shared outcomes for Stonehouse as a wider community. There is now a clear way forward which is in line with the Council motion and provides positive opportunities to look at the future use of this and other sites in the local area. Strong and well-founded community involvement in considering the opportunities identified through the Onion Collective consultation will be critical.
- 5.3 It is recommended that in order to garner the community energy that has centred around this site and allow the community the opportunity to develop its own plans, this Committee removes the site from the new build programme and, should Strategy and Resources agree to appropriate the site, reinvests the value into affordable housing in the local area.

6. IMPLICATIONS

6.1 Financial Implications

- 6.1.1 This report recommends removing the Canalside site (former Ship Inn site) from the HRA new build programme. By removing the site from the new build programme and engaging the community in developing non housing options for the site, the Council would no longer be holding the land for housing purposes and the site should be appropriated from the HRA to the General Fund. This report recommends this action to Strategy and Resources Committee.
- 6.1.2 Any appropriation of land must be at full market value, so as not to breach the HRA ringfence which is in place to protect both tenants and council tax payers from subsidising the other. Although the appropriation is an accounting entry as the land remains in the ownership of the Council, this will have real financial cost to the General Fund. By approving the appropriation of the land, Strategy and Resources Committee would need to allocate funding in the General Fund to support the transfer of the site. This funding would then be available for capital purposes in the HRA. The General Fund would also be responsible for any future costs associated with the site.
- 6.1.3 The Canalside site is currently in the new build programme with a capital budget of £1.816m. This site was originally going to be funded with Homes England grant funding, alongside borrowing and some HRA capital receipts.
- 6.1.4 This report recommends that both the capital budget and funding from the appropriation of the site are earmarked for affordable housing in the local area. This would remain subject to the financial viability of any new/replacement schemes and the availability of any required subsidy, such as Homes England grant funding or HRA capital receipts.

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6.2 Legal Implications

Appropriation

- 6.2.1 Section 122 of the Local Government Act 1972 provides that a Council may appropriate land from one purpose to another if immediately before the appropriation the land is no longer required for the purpose for which it is held.
- 6.2.2 If the land is open space, S122(a) requires the Council to advertise its intention to appropriate the open space for two consecutive weeks and consider the representations made by the public.
- 6.2.3 Because the land is being appropriated out of the HRA, under Section 19(2) of the Housing Act 1985 the Council must obtain the Secretary of State's consent before a house, or part of a house can be appropriated for any other purpose, and appropriate adjustments must be made to the HRA.

Meanwhile use

- 6.2.4 The Onion Collective's report suggests granting a short-term licence to the Town Council. In drafting such a licence, consideration should be given to ensuring that no relationship of landlord and tenant is created. The easiest way to do this would be to ensure that the Town Council does not have exclusive possession of the land. If the intention is to give exclusive possession to the Town Council then alternatives should be considered such as granting the Town Council a short term lease contracted out of the provisions of sections 24 to 28 of the Landlord and Tenant Act 1954.
- 6.2.5 In granting any lease of Licence, consideration should be given to s123 of the Local Government act 1972 which requires the Council to obtain the best consideration reasonably obtainable for any land it disposes of. However, any licence or short-term lease is not likely to fall within the definition of disposal for these purposes.
- 6.2.6 If a lease is granted to the Town Council and the land is open space, s123(A) of the Local Government Act 1972 requires that the Council advertise the disposal for two consecutive weeks in a newspaper circulating in the area in which the land is situated and considers any objections received.

Long-term use

- 6.2.7 It is noted that the long-term use of the site has not yet been decided. It is recommended that legal advice is obtained in respect of any future use once a decision has been made in this regard.

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6.3 Equality Implications

An EIA has been carried out by Officers in relation to the decision made in this report and due regard will be given to any implications identified in it.

6.4 Environmental Implications

The following sets out details of significant implications identified by officers:

No future land use has been agreed for the site, but it is home to various protected species and legislation regarding their protected status must be followed if any meanwhile uses take place.