

Date of issue: Friday, 14 October 2022

MEETING	CABINET	
	Councillor Swindlehurst	Leader of the Council and Cabinet Member for Council Recovery, Forward Strategy & Economic Development
	Councillor Mann	Deputy Leader and Cabinet Member for Housing & Planning
	Councillor Ajaib	Customer Services, Procurement & Performance
	Councillor Akram	Leisure, Culture & Community Empowerment
	Councillor Anderson	Financial Oversight & Council Assets
	Councillor Bains	Public Protection, Regulation & Enforcement
	Councillor Hulme	Children's Services, Lifelong Learning & Skills
	Councillor Nazir	Transport & The Local Environment
	Councillor Pantelic	Social Care & Public Health
DATE AND TIME:	MONDAY, 17TH OCTOBER, 2022 AT 6.30 PM	
VENUE:	COUNCIL CHAMBER - OBSERVATORY HOUSE, 25 WINDSOR ROAD, SL1 2EL	
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	NICHOLAS PONTONE 07749 709 868	

SUPPLEMENTARY PAPERS

The following Papers have been added to the agenda for the above meeting:-

* Item 6, 10, 11 and 12 were not available for publication with the rest of the agenda.

PART 1

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
6.	Adult Social Care Transformation Programme Update	1 - 20	All



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PART II

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Slough Borough Council

REPORT TO:	Cabinet
DATE:	17 th October 2022
SUBJECT:	Adult Social Care Transformation Programme
PORTFOLIO:	Cllr Natasa Pantelic, Social Care and Public Health
CHIEF OFFICER:	Marc Gadsby, Acting Executive Director for People (Adults)
CONTACT OFFICER:	Jane Senior Associate Director – People Strategy and Commissioning
WARD(S):	All
KEY DECISION:	NO
EXEMPT:	<u>NO, except Appendix 2 under paragraph 3 of Schedule 12A Local Government Act 1972 – Information relating to the financial or business affairs of the Council</u>
DECISION SUBJECT TO CALL IN:	YES
APPENDICES:	Appendix 1 – Table 3 – Performance against milestones for 22-23 Exempt Appendix 2 – Comparison of costs.

1 Summary and Recommendations

- 1.1 This report seeks to update Cabinet on the progress of the Adults Social Care (ASC) Transformation Programme.
- 1.2 This report also seeks approval to procure support services from an external consultancy, People Too to support the delivery of the ASC Transformation Programme, once the existing contract expires on 31st March 2023. This contract will be for a one-year period from 1st April 2023 to 31st March 2024 and will be secured by direct award using the Eastern Shires Purchasing Organisation (ESPO) Consultancy Services framework at a maximum value of £350k. This provides the greatest opportunity to deliver best value as considered in the options appraisal contained at Section 2.3 below. There will be no further call for an Adult Social Care Transformation partner once this period expires.

Recommendations:

Cabinet is recommended to:

1. Note the update and progress concerning the ASC Transformation Programme.
2. Agree to the procurement of external support from external consultancy People Too for a one year period from 1st April 2023 to 31st March 2024 using direct award to support the delivery of the ASC Transformation Programme.
3. Delegate authority to the Executive Director for People (Adults), in consultation with the Lead Member for Public Health and Social Care, to have oversight of the procurement and the ASC Transformation Programme and to enter into contract documentation.

Reason:

1. To support the delivery of the ASC Transformation Programme for 2023/24 and ensure that it continues to achieve financial savings and improvements for adult social care.

Commissioner Review

"When this was last considered by Cabinet, Commissioners expressed concern that the contract was again being proposed for extension but were persuaded that an alternative approach was not capable of being delivered in the time available and the savings proposals would be at risk if the proposal was not agreed. The then Director gave a personal assurance that the extension period would be used for knowledge transfer and ensuring that appropriate staffing proposals were implemented to ensure that the service could stand on its own feet before the end of the contract extension.

When the then Director left the organisation, it appears this assurance was not passed on to the team delivering the project which is disappointing – the team were therefore not in a position to enact it.

This report does set out options to support the project, including managing it in-house, undertaking a tendering exercise for external consultants as well as the proposed option of extending the current support arrangements, along with a risk assessment of these options. Given the importance of the project, in both financial and service delivery terms, the Commissioners support the proposed action

Looking forward, it is important the organisation develops its own ability to support the implementation of projects that will bring about change to service delivery and savings. The recent appointment of PMO resource is a positive move forward. The Commissioners will work with officers and members to ensure better processes are put in place for the future."

2 Report

Introductory paragraph

- 2.1 The ASC Transformation Programme is on track to deliver a savings target of £9,121,000 which was set in 2021 and which was intended to be delivered over 3 years (2021-2024). Of this amount, £4,771,000 is expected to be delivered in the

2022-2023 financial year. This is being delivered through a range of improvement projects relating to adult social care. This is alongside an additional savings programme managed directly by the directorate – taking a likely minimum savings total of £14.7M being delivered over three years.

2.2 The programme is aligned to the Council's priorities, specifically aiming to support the council to operate within its means, balance the budget and deliver best value for service users. Specifically, the ASC programme's key objectives are to:

1. Deliver financial efficiencies to achieve long-term sustainability for Adult Social Care.
2. Improve outcomes for Slough residents in receipt of social care support now and in the future.
3. Support Slough residents to be enabled to their full potential.

2.3 Adult Social Care is currently experiencing a number of conflating pressures. These include the need to:

- Implement Adult Social Care Reforms – including preparation for the new Assurance (Inspection) Regime.
- Manage the market of social care providers within the context of inflationary pressures and a backdrop of economic uncertainty.
- Maintain business as usual alongside improvement activity
- Manage resourcing challenges

Within this context, it is important that the Directorate is provided with adequate support through a continuation of existing arrangements (which is legally permissible), in order to be able to achieve continued success in delivering the significant programme of savings contained within the ASC Transformation Programme.

Options considered

2.3 In proposing the recommended course of action, a number of options were considered:

Option	Pros	Cons
Option 1 Do not re-tender the contract and manage the ASC Transformation Programme Internally.	<p>There would be a reduction in planned expenditure on consultancy services over the three year period which the ASC Transformation Programme is intended to run.</p> <p>This would reduce resource pressure placed upon teams engaged in procurement activity.</p> <p>The consultancy service ends when the contract ends which is compliant with contract procedure rules and governance processes.</p>	<p>The People Strategy and Commissioning Team is currently insufficiently resourced to be able to fulfil an expanded remit and replicate functions provided by a contractor. There is a risk that planned projects will not be able to be delivered over 23/24, placing savings attached to the Programme at high risk.</p> <p>Partnerships arrangements with a contractor have yielded results in terms of savings and improvements which have been delivered and this approach would unnecessarily be disrupted.</p>

		<p>There is insufficient PMO support within the Council currently to support the specialist skills required for this project.</p> <p>Specific Health and Social Care system experience is essential for successful programme delivery.</p>
Option 2 Do not re-tender the contract and stand-down the ASC Transformation Programme when the contract expires in March 2023.	This would reduce the burden of undertaking transformation work alongside business as usual activities for both the ASC Operations and People and Strategy Commissioning Teams.	Full savings attached to the ASC Transformation Programme will not be realised impacting upon the delivery of Council-wide savings. This would be unacceptable to the Corporate Leadership Team, Members and to DLUHC Commissioners.
Option 3 Issue a direct award to the current supplier using an existing Framework.	<p>Direct award is permissible under the Contract Procedure Rules and the Public Contract Regulations and there is precedence for this.</p> <p>Positive working relationship with the existing supplier.</p> <p>Familiarity with Slough as a place and with its population.</p> <p>Familiarity with Council systems.</p> <p>Familiarity with data and evidence, practice and problems driving the delivery of the ASC Transformation Programme.</p> <p>GDPR approvals already in place.</p> <p>Successful delivery of savings and improvements over the first two years of the programme.</p> <p>Continuity of delivery leading to best value by capping expenditure and minimising time spent on discovery, familiarisation and on-boarding processes.</p> <p>Will allow the directorate to focus upon ASC Reforms and business as usual activity with effective support in place around the transformation programme.</p>	<p>Direct award is permissible under the Contract Procedure Rules and the Public Contracts Regulations.</p> <p>Opportunity for complacency to set in in final year of programme delivery – offset by reputational risks to the supplier.</p> <p>.</p>
Recommended		

<p>Option 4</p> <p>To secure a contract with a consultancy through a competitive process.</p>	<p>Opportunity to secure a reputable consultancy service at a cheaper rate than at present.</p> <p>.</p>	<p>There is a possibility of a new consultancy starting with the Council two years into an established three-year programme.</p> <p>There will be an inevitable mobilisation, familiarisation and onboarding process with a new contractor which could detract from delivery and cause unnecessary disruption to key projects.</p> <p>There would also be additional burdens placed upon support staff eg to arrange log-ins, access to the building, access to information in accordance with GDPR and so on.</p> <p>It is uncertain whether best value would be achieved in terms of balancing gains and losses across a combination of economy efficiency and effectiveness, taking the above points into account.</p> <p>Whilst there is sufficient time to undertake this process, there is a very high risk that teams will not have sufficient capacity to manage a competitive process and the current recruitment process and absence of clear strategy acts as an obstacle to recruiting permanent members of staff.</p> <p>Potential for deterioration in performance and added value obtained through working with existing supplier.</p>
<p>Option 5</p> <p>Recruit individual consultants to support the ASC Transformation Programme via Matrix</p>	<p>Using the Matrix system is quick and easy and requires little resource.</p> <p>Shortened recruitment process can be followed (when compared to the permanent recruitment process).</p>	<p>Current market for consultants suggest that there would be some cost implications. (Exempt Appendix 1)</p> <p>Quality and reliability of consultants is highly variable.</p> <p>Competition through interview rather than through a tendering process.</p>

		<p>There would also be additional burdens placed upon support staff to arrange log-ins, access to the building, IT equipment, introductory meetings etc.</p> <p>Would need to establish a PMO and / or recruit additional resource to manage this.</p>
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Background

- 2.4 In 2021/22, Adult Social Care proposed a three-year transformation programme following an independent review of the Adult Social Care strategy and budget, with the aim of supporting the Senior Leadership team (SLT) to quantify, clarify and prioritise potential financial savings and operational improvements, as well as identifying any new areas of possibility. A business case was submitted and agreed for the transformation programme to be delivered over three years.
- 2.5 It was intended that savings would be broken down over the three years as follows (£000s):

21/22 Year 1	22/23 Year 2	23/24 Year 3	TOTAL
£2088	£4771	£2223	9121

The programme was successful in realising £2,393K of savings during year 1 (an over-achievement of £305K) and is on track to deliver £4,771k during year 2. This is in addition to further savings having been required of Adult Social Care as outlined in section 2.1 above.

- 2.6 Over the last year there has been a significant shift in market conditions – specifically relating to inflation, energy costs and wider cost of living issues – impacting individuals and businesses, including adult social care suppliers. ASC Reforms, including a Fair Cost of Care exercise are also being undertaken meaning that some projects relating to care costs are no longer viable. As a result, the ASC Transformation Programme has been reviewed. Projects no longer likely to deliver a saving have been discontinued and replaced by projects that will. This ability to respond to shifting economic and environmental factors is viewed as a positive benefit of working with the existing supplier.

The tables below set out the changes to the overall Programme over 22-23 which have been made.

Table 1: Original programme of projects and savings targets

Savings Description	22/23 (£000)	Status as at August 22
Provider services	854	Delivered £854K
Residential Costs	78	Discontinued – market factors
Nursing Costs	60	Discontinued – market factors
Accelerated Shared Lives	150	Continue - New target £204
Target costs on Older People Residential Placements	97	Discontinued – market factors
Provision changes – change in care purchasing behaviour cost avoidance	692	Discontinued – market factors
Provision Changes – identify alternative provision for existing clients – actual savings.	39	Continue - New target £300K
Target care costs	1400	Discontinued – market factors
Joint Funding Protocol	150	Continue - New target £500K
Diverting Demand at the Front Door	131	Continue / Refocus - New target £823K
Client Contributions	1000	Delivered 560K – Target reduced due to overachievement in Year 1. There are only finite savings deliverable from historical cases.
Virtual Review Team	120	Delivered £120K
TOTALS	4771	

Table 2: REVISED Programme of Projects and savings targets

Savings Description	22/23 (£000)	Status as at August 22
Provider services	854	Existing Project £854K Delivered
Focused Review Project	410	New Project £35K delivered
Accelerated Shared Lives	204	
Reablement Efficiencies	550	New Project
Targeted Reablement	450	
Provision Changes – identify alternative provision for existing clients – actual savings (Accommodation with Support)	300	New target
Joint Funding Protocol	500	New target £120K delivered
Practice and Process Development – influencing new demand through change in behaviours incorporating Diverting Demand at the Front Door	823	New target
Client Contributions	560	Existing project £560K Delivered
Virtual Review Team	120	Existing Project £120K Delivered
TOTALS	4771	

As at August 2022, £1.4m of savings had been delivered.

2.7 Performance of the existing contract (22-23) to date against original projects shown in Table 1.

In the report presented to Cabinet in March 22, the report set out a number of deliverables to be achieved over 22/23. Timescales for delivery were clustered within the first six months of the contract and in retrospect and considered to have been overly optimistic. The table shown at Appendix 1 provides information concerning progress against the original projects to date, including where projects have been discontinued due to factors set out in 2.6 above.

2.8 Oversight and performance management of the contract and ASC Programme

Oversight and performance management of the contract takes places as follows:

- Monthly ASC Transformation Board – this is chaired by the Executive Director for People Adults with attendance from Adults SLT, the Financial Consultant, the Locality Director, members of the co-production network, People Too and other participants. The board meeting reviews and acts in relation to a series of trackers – covering finances, a risk register and specific project and programme trackers.
- Weekly meetings between People Too and Adults Senior Leadership Team
- No new work or change to planned projects can be made without the permission of the Executive Director People Adults.

2.9 Savings Targets for 23-24

Subject to the recommendations being agreed, the following savings targets will be pursued. These exceed the original target set for 23-24 which was £2223K:

Table 4 Savings Targets for 23-24	
Savings Description	£000
Reablement Efficiencies	650
Accommodation with Support	652
Joint Funding	330
Practice and Process Development	810
Transitions	400
Diverting demand	270
Better use of DFG and Equipment	100
Align and Integrate ASC and PH with NHS and/or E Berks LAs	250
Mental Health	500
Review of Hospital Discharge / 6 week review	350
Financial Assessment	150
DP Recoupment	200
Laying the OPG determined charge rate of 3.5% + annual fee	100
Further cost reductions, efficiencies and vacancy factors	200
TOTAL	4962

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 The cost of procuring a new contract with Peopletoo Limited for twelve months is estimated to cost a maximum of £350,000. The cost of this procurement will be funded from within Adult Social Care budgets.

3.1.2 The Adult Social Care transformation programme will deliver in excess of the £9,121,000 savings intended to be delivered across 3 years (2021-2024).

3.1.3 During 2021/22 People Too supported the delivery of the transformation projects and savings equating to £2,393K (an over-achievement of £305K)

3.1.4 During 2022/23 PeopleToo has supported the delivery of the transformation projects and savings equating to £1689K to date and is on track to deliver savings totalling £4771K during Year 2.

3.1.5 During 2023/24 savings of required to be delivered. It is likely that these will be delivered through the projects set out in 2.9 above, equating to £4962K.

3.2 Legal implications

3.2.1 The Care Act 2014 sets out the statutory framework governing how care needs are to be assessed and how provision is to be made to meet eligible needs. The duty to assess if someone has care needs is set out at s9 and the duty to make provision to meet eligible care needs is set out in s18 of the Act.

3.2.2 The Care and Support Statutory Guidance at paragraph 6 emphasises that the assessment and eligibility process must be person-centred throughout, involving the person and supporting them to have choice and control.

3.2.3 The charging regime that allows a local authority to charge for care services is set out in the Care and Support (Charging and Assessment of Resources) Regulations 2014.

3.2.4 Services that cannot be charged for include some reablement services and services provided under s117 of the Mental Health Act 1983.

3.2.5 The prevention duty under s2 of the Care Act 2014 mandates that a local authority must provide or arrange for the provision of services, facilities or resources, or take other steps, which it considers will contribute towards preventing or delaying the development by adults in its area of needs for care and support and for carers in need of support, and to reduce the needs for care and support of adults in its area and reduce the needs for support of carers in its area.

3.2.6 The wellbeing duty in section 1 of the Act requires the local authority, in carrying out assessments and care planning functions, to promote the individual's well-being.

3.2.7 The threshold for procurement of services of this kind (transformation services) is

£189,330 and a new lawful procurement process must take place to ensure compliance with the Public Contracts Regulations 2015 (PCR 2015).

3.2.8 A new direct award to Peopletoo Ltd could be made under the same ESPO framework agreement 664_21 (Consultancy Services) creating a new contract for the duration required, this will comply with the requirements of the PCR 2015.

3.2.9 A new contract will achieve the same effect as an extension. The terms and conditions will be the same as the previous contract.

3.3 Risk management implications

3.3.1 The risks associated with progressing with the option to issue a direct award are as follows:

Risk	Risk RAG	Risk Mitigation	Mitigated Risk
The proposed approach will not deliver best value.	Medium	<p>The ASC Transformation Programme is delivering savings as set out in the three year plan. Any change to the proposed approach risks destabilising the programme.</p> <p>Any financial gains made by going out to competition will in all likelihood be offset by the need to mobilise and familiarise a new supplier with the programme.</p> <p>Additionally, any supplier would need to be inducted and onboarded causing delays to the programme. Additionally pressures will be placed on support staff to provide log-ins, obtain approvals in accordance with GDPR, provide access to the building and so on.</p> <p>Best value is thought to most likely be delivered through contracting with the existing supplier when balancing gains and losses across a combination of economy , efficiency and effectiveness – taking the above points into consideration.</p>	Low

The intended supplier might lose interest in delivering the contract over a final year of the programme	Medium	Robust performance management and oversight as set out in 2.8 above.	Low
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3.3.2 Risks within the programme will be mitigated through robust monitoring, risk management and financial oversight which allows for early identification and remedial actions to be taken and alternative savings to be delivered.

3.3.3 Updating the governance structure within the programme will increase the risk management approach, providing greater oversight to senior staff.

3.4 Environmental implications

3.4.1 There are no environmental implications.

3.5 Equality implications

3.5.1 There are no direct equality implications as a result of the updates within the Programme.

3.5.2 There may be equality implications in the future as a result of work on the Adult Social Care transformation programme. Full equality impact assessments have been undertaken for all aspects of the Adult Social Care transformation programme.

3.5.3 S.149 of the Equality Act 2010 requires public bodies to have due regard to the following aims when exercising their functions:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

3.6 Procurement implications

3.6.1 The Council must adhere to its Contract Procedure Rules and the Public Contracts Regulations. Consultancy services are subject to the full Public Contracts Regulations i.e. neither can be considered as either exempt or subject to the Light Touch regime as applies to social care and similar type services.

3.6.2 The use of a reputable framework agreement is an appropriate mechanism to ensure compliance to the Public Contracts Regulations.

3.6.3 Officers are proposing the use of the Eastern Shires Purchasing Organisation's (ESPO) Consultancy Services framework agreement. ESPO is a Central Purchasing Body operated by Leicestershire County Council, Lincolnshire County Council, Cambridgeshire County Council, Norfolk County Council, Warwickshire County Council, and Peterborough City Council for the purpose of providing good value goods and services to the public sector.

3.6.4 Officers are proposing the use of the direct award procedure under the framework agreement. Provided the direct award procedure is complied with, the award is permissible. The procedure under this framework agreement allows direct award where

the service provider which best meets the requirements taking consideration of the information provided within the user guide and pricing document can be identified. Under this procedure, the commercial arrangements must be those of the framework agreement; in this case, the agreement allows for award of time and materials at the predefined rates only. It is not permissible to award contracts based on milestone or other types of commercial arrangements. Should this be wished for a competition must be used

3.6.5 Given the limitations set out at 3.6.4, officers propose a robust contract management approach, with regular management of time and delivery to ensure delivery remains on target. Whilst the arrangement does not resolve the lack of milestones within the contract, the approach provides a measure of control and gives some assurance that delivery and cost will remain on track. Officers also intend to use a “key personnel” clause to reduce risks of under-delivery from change of the team and a loss of known skills.

3.6.7 Officers are unable to obtain quotes under the direct award procedure of the proposed framework agreement. The procedures of the framework agreement are clear that seeking pricing information from a service provider is not permitted; this is, in effect running a competition. Such restrictions are common across framework agreements under direct award procedures. Officers are aware this may be commercially sub-optimal.

3.7 Workforce implications

- 3.7.1 A consultation is currently underway regarding the reablement efficiencies project. This is required to enable a change in working hours within the service – offering staff the opportunity to increase their working hours in order to grow the service. This has been undertaken in accordance with the appropriate organisational processes.
- 3.7.2 There are no broader workforce implications for SBC at the time of writing. The Transformation partner is required to have extensive knowledge of the Health and Social Care system as well as the resources to support physical delivery of the Programme. This does not exist within the Council.

3.8 Property implications

- 3.8.1 There are no property implications.

4. Background Papers

None

Appendix 1

Table 3 – Performance of the existing contract (22-23) to date against the original targets set out in Table 1 within the main body of the report.

Table 3: Performance of the existing contract (22-23) to date against original projects shown in Table 1		
Project	Scope and indicative milestone	Progress at 6 months
Provider services	Implement closure of provider services and secure outcomes for existing service users.	Project implemented and savings delivered.
Learning Disability Residential and Nursing Costs.	<p>Revised transformation business case completed by the end of March 22</p> <p>Revised action plan completed by the end of April 22</p> <p>Support to commissioning team to implement actions April – May 22.</p>	Project discontinued due to further analysis and shifting market factors and ASC Reforms
Shared Lives	<p>Support availability of new shared lives carers from the end of April 22.</p> <p>Support ASC teams to identify people who will benefit from shared lives by the end of May 22.</p> <p>Monitor and recommend improvements by the end of July 22.</p> <p>Provide project management to support the delivery</p>	<p>People who would benefit from shared lives have been identified.</p> <p>Project in progress to facilitate matching of people with host families, although this work has progressed more slowly than intended.</p> <p>Savings against this project might not be fully realised within the existing contract year and alternatives are being explored.</p>

Target costs for older peoples residential	<p>Revised transformation business case completed by end of March 22</p> <p>Revised action plan completed by end of April 22</p> <p>Support to commissioning team to extend brokerage</p>	Project discontinued due to further analysis and shifting market factors and ASC Reforms.
Change in Care Purchasing Behaviours – Cost Avoidance.	<p>Support to commissioning team to extend brokerage support to Learning Disability and Mental Health purchasing by end of May 22.</p>	<p>Development of a new process to ensure that brokerage undertakes purchasing of placements rather than social work teams. In the process of implementing. Negotiation training provided to the brokerage team to support this.</p> <p>Market shifts mean that savings targets against this project have been discontinued, although benefits are likely to be realise through implementing this approach alongside freeing up social workers time to focus on direct work.</p>
Provision Changes – identify alternative provision for existing clients – actual savings	<p>Support with specification development of new accommodation with care schemes by June 22.</p> <p>Work with ASC Operations to ensure reviews delivered through range of teams to identify people relevant for services by June 22.</p> <p>Procurement support identifying and procuring housing providers by September 22.</p>	<p>Target dates set out within the March report to Cabinet were unrealistic.</p> <p>Project underway to work with service users and families and to develop opportunities for individuals to live more independently, closer to home.</p> <p>Procurement support has been provided along with opportunities to source places from existing suppliers in the borough – adhering to</p>

		the principles of best value.
Target Costs	<p>Revised transformation business case completed by end of March 22</p> <p>Revised action plan completed by end of April 22.</p> <p>Support to commissioning team to implement actions April – May 22</p> <p>Working with neighbouring authorities to review block contract arrangements by July 22</p>	<p>Project unable to be delivered due to revised analysis and shifting market conditions.</p> <p>Alternative opportunities for delivering savings are set out in Table 2 above.</p>
Joint Funding Protocol	Support to operational and commissioning teams to embed the protocol into practice by the end of June 22.	Completed.
Demand at the Front Door	<p>Revised transformation business case completed by March 22 to identify new model of delivery.</p> <p>Revised action plan completed by end of April 22.</p> <p>Support to commissioning and operational teams to implement April to May 22.</p>	<p>Target dates set out within the March report to Cabinet were unrealistic.</p> <p>Project is in progress and has been rescoped to incorporate wider practice improvements.</p>
Client Contributions	To continue to support the delivery of this successful project and ensure that new model is embedded and income continues to increase and bad debt reduces by March 23.	Completed.
Targeted Reviews	<p>Redevelop the approach to targeted reviews by April 22</p> <p>Redevelop the business case to consider the new factors such as staffing</p>	Completed

	pressure and current market environment by April 22.	
Reablement Improvements	<p>Support to ASC Operations to identify improvement opportunities in reablement by end of March 22</p> <p>Action plan in place by end of April</p> <p>Support and monitoring impact of improvements.</p>	<p>Completed.</p> <p>Next stage of project (badged as a new project) is to redesign reablement (See Table 2)</p> <p>Consultation is currently underway</p>
Programme Support	<p>Preparation and support for board and meetings</p> <p>Updates to transformation board, resolving and support with actions taken from the transformation board.</p> <p>Supporting stakeholders, attending stakeholder meetings</p> <p>Programme coordination, risk management, plan management, interdependency management.</p> <p>Finance tracking and benefits realisation</p> <p>Producing highlight reports.</p> <p>Project team management and project plan.</p> <p>Project updates, risk and mitigation and escalation</p> <p>Following up and escalation actions with SBC project owners.</p> <p>All to be delivered throughout 22-23.</p>	All in place and ongoing.
Adult Social Care Reform and Integration	Support as required to the Council in preparation for ASC Reform and integration, including:	Cost of care, care cap and financial charging projects are completed or underway.

	<p>Cost of Care Exercise by September 22</p> <p>Care Cap and Financial Charging by October 22</p> <p>CQC Inspection by December 22</p> <p>Place based integration arrangements by October 22.</p>	CQC inspection
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Slough Borough Council

REPORT TO:	Cabinet
DATE:	17 th October 2022
SUBJECT:	Mitigation Strategy regarding Burnham Beeches and Upton Court Park masterplan
PORTFOLIO:	Cllr Nazir, Transport & Local Environment Cllr Mann, Housing & Planning
CHIEF OFFICER:	Richard West, Executive Director Place and Community
CONTACT OFFICER:	Jason Newman, Group Manager Asset Management Danial Ray, Group Manager Planning & Building Control
WARD(S):	All
KEY DECISION:	YES
EXEMPT:	NO
DECISION SUBJECT TO CALL IN:	YES
APPENDICES:	A Mitigation Strategy re new development and protection of Burnham Beeches B Plan of Natural England agreed mitigation projects in Upton Court Park C Proposals for the development of an Upton Court Park Masterplan (Masterplan Proposal) D Summary list of masterplan enhancement projects.

1 Summary and Recommendations

- 1.1 This report relates to mitigation for the likely adverse effects of extra visitors, from Slough residential developments, on Burnham Beeches a protected site. Developer contributions can fund mitigation in the form of habitat enhancements, in Slough, at Upton Court Park as part of a wider park improvement plan.

Recommendations:

- 1.2 Cabinet is requested to:

- (a) Approve the Mitigation Strategy (re protection of Burnham Beeches) that proposes Upton Court Park be treated as a ‘suitable alternative natural greenspace’ (SANG) and for natural habitat enhancements in the Park (inclusive of maintenance) to be funded by developer contributions via the planning process.
- (b) To implement natural habitat enhancements identified in the Mitigation Strategy as soon as practical after mitigation related financial contributions have been received and to maintain those enhancements long term.
- (c) Approve the proposal for the development of an Upton Court Park masterplan to coordinate implementation of various recreation and natural habitat enhancements (inclusive of those referred to in (a) above).

Reason:

- (a) To allow the Council to approve certain planning applications for residential development through compliance with its duties under the Habitats and Species Regulations 2017 (Habitat Regulations). In particular to reduce visitor pressure on sensitive ecological habitat at Burnham Beeches (a Special Area of Conservation), as a result of new residential development, by creating suitable alternative natural greenspace. And to ensure those mitigation measures benefit Slough residents.
- (b) To help ensure mitigation work is in place before or soon after the potential impact on Burnham Beeches occurs (occupation of new homes). And that the mitigation work remains in the future.
- (c) To plan for better recreation opportunities to benefit residents health and well being and assist fundraising for the enhancements.

Commissioner Review

“The Commissioners have reviewed this report and are content with the proposals.”

2 Report

Summary

2.1 Burnham Beeches is a Special Area of Conservation; a protected site under the Habitats Regulations. Greater numbers of visitors to Burnham Beeches is causing damage to its sensitive habitat. New residential development in Slough can increase visitor numbers to the Beeches. When considering residential development planning applications the Council has a duty under the Habitats Regulations to address the impact on the Beeches.

2.2 The mitigation strategy can address the impact by :

- treating Upton Court Park as ‘suitable alternative natural green space’ and
- implementing proposed natural habitat enhancement projects

with the intention of attracting visitors who might have otherwise gone to Burnham Beeches.

2.3 The initial mitigation projects agreed with Natural England as eligible as mitigation are summarised below and on a map at Appendix B :

- Create a continuous walking and cycling route in the park.
- Central wetlands restoration (core area, margins and access)
- New seating and bins (on walking routes)
- Interpretation boards (re wetland area biodiversity)

2.4 Separate to the Mitigation Strategy the Parks Team propose developing a long term masterplan for various recreation and natural habitat enhancements to be implemented when funding is available. It includes the above 4 mitigation projects above which are detailed within Appendix C (at Appendix A of the Masterplan Proposal).

2.5 Key points to note :

- This is an initial strategy to cover the expected number of new home completions over the next few years. A further strategy or updated strategy will follow to deal with further residential development.
- The Strategy is needed to allow the Council to approve current and near future planning applications for major residential development.
- Implementation of the Mitigation Strategy relies on developer contributions via Sec. 106 planning obligations. The contributions will include money for future maintenance.
- The Strategy provides for developer contributions to be spent on projects that will benefit Slough's residents and environment rather than fund projects at or around Burnham Beeches.
- Implementation of masterplan projects does not rely on the Council's General Fund.

Background

Mitigation Strategy

2.6 The key purpose of the Mitigation Strategy (Appendix A) is to set out how the Council as a Local Planning Authority is addressing its duties under the Habitats and Species Regulations 2017 (Habitats Regulations) in relation to certain planning applications for residential development. Addressing those duties, combined with Section 106 planning obligations on developers, allows for expected and needed residential development to be approved and built. And it avoids Natural England, a statutory consultee, objecting to those applications.

2.7 A second purpose of the Strategy is to ensure mitigation related developer contributions benefit Slough and its residents by stating what contributions can be spent on and where. Without a Slough orientated mitigation strategy developers

could propose contributions towards mitigation projects at or around Burnham Beeches.

- 2.8 Section 1 of the Strategy is an overview of why mitigation is needed and the approach proposed. For the former this extract is helpful :

Burnham Beeches is a Special Area of Conservation; a protected site under the Habitats Regulations. Greater numbers of visitors to Burnham Beeches is causing damage to its sensitive habitat. New residential development in Slough can increase visitor numbers to the Beeches. When considering residential development planning applications the Council has a duty under the Habitats Regulations to address the impact on the Beeches

- 2.9 The Section also points out the need for the Council as Park owner to agree the principle of specific enhancement projects referred to in the Strategy. These are the 4 projects listed at para. 2.3 above. It highlights that it is an initial Strategy to cover mitigation linked to residential development over the next few years. A future review of the Strategy will include mitigation proposals at other locations to cover development beyond the next few years.
- 2.10 The Strategy refers to the separate but associated Parks Team Masterplan Proposal (see para 2.23 and Appendix C). The specific enhancement projects of the Strategy come from the Masterplan Proposal to ensure they are coordinated with wider recreation and natural habitat improvements desired. Those wider improvements are summarised at Appendix D but only those in bold are eligible as mitigation for this initial Strategy. This has been agreed with Natural England. Other natural habitat projects in the Masterplan Proposal may become eligible when the Strategy is reviewed as indicated at para. 2.20.
- 2.11 Section 2 gives more detail on why mitigation is needed in connection with most new residential development in the town. Firstly it highlights the implications of the Habitats Regulations for the Council when deciding planning applications and refers to evidence of damage to biodiversity and sensitive habitat at Burnham Beeches due to the number of visitors to the site and additional pressures new residential development will bring. Seeking ways to limit this pressure is 'mitigation'. One form of mitigation is the creation of alternative natural or semi natural habitat spaces that can be used for informal recreation.
- 2.12 The aim of creating the above mentioned alternative recreation spaces is firstly to attract visitors who might have otherwise travelled to Burnham Beeches. People can enjoy regular walks in local woodland or an area with natural habitat without necessarily going to Burnham Beeches on a regular basis. This is particularly so for dog walkers.
- 2.13 Section 3 introduces firstly the SANG concept (suitable alternative natural greenspace) and Natural England's guidance/requirements such as a space large enough for a 2.3 km walk in natural, quiet surroundings. And secondly 'carrying capacity', meaning any SANG should only serve a set number of people in the area to ensure its not too busy. The 68 ha Park is large enough to incorporate a variety of recreation uses including quiet walks. And it is large enough to have different types of habitat in particular some woodland.
- 2.14 Section 4 of the report sets out how the mitigation proposals have been established. The scale and form of mitigation work needed in relation to new development and

carrying capacity of the park has been established in close liaison with Natural England; they have to agree the scale and form of mitigation etc. to avoid them objecting to future planning applications. Of the natural habitat related projects listed at Appendix D those in bold are those listed at para 2.3. It is those that have been judged as adequate in form and scale to mitigate the impact on Burnham Beeches of about 1720 new homes in Slough. In terms of developer contribution this is equivalent to £570 per new home. How this charge is to be applied will be set out in the supplementary planning guidance referred to in para 2.22 below. There will be a different charge depending upon property type. When the 1720 homes are built depends on progress by developers but the next five years is likely to see many completed.

- 2.15 It should be noted that new residential development that will trigger mitigation requirements relates to those of 10 or more homes within 5.6km of Burnham Beeches; this covers much of north and west Slough plus most of the centre.
- 2.16 A key implication for the Council as Park owner is the site being treated as a ‘suitable alternative natural greenspace’. As explained in Implications below it has a long-term effect on the land. It effectively commits the Council to carry out natural habitat enhancement works and to maintain the enhancements long term. Hence the recommendations (a) and (b).
- 2.17 Regarding the above it should be noted works can only commence when sufficient developer contributions are received to fund both works and maintenance. Developer contributions will be requested at or before commencement of development. But there is an expectation of implementation of projects within a reasonable timeframe such that the enhancements are, where practical, in place before or soon after the associated residential development is occupied. This is to adhere to the principles of the Habitats Regulations and comments from Natural England. However, it is likely that for larger projects developer contributions will be linked to a specific project but only spent when sufficient funds are available, from more than one development, to complete the project. That would mean works, in some instances, would not be complete until after new homes are occupied.
- 2.18 Secondly the contributions will include a sum for maintenance money, determined by the Council, which, when invested, can provide an income stream intended to last at least 80 years. Calculation of the maintenance sum is based upon grounds maintenance industry published information and the Council’s knowledge and of yearly costs and periodic renewals. And projected over at least 80 years by estimating inflation and interest rates. The latter has been informed by Wokingham and Bracknell Forest Council’s recent experience re large scale mitigation projects linked to Thames Basin Heaths Special Protection Area. The proportion of the developer contributions making up the maintenance element varies depending upon the type of project ranging from 1.5 to 10 times the value of capital/project works.
- 2.19 Individual Sec 106 planning obligations linked to residential development will provide for financial contributions towards implementing Strategy projects. The obligations will require the Council to spend the money on natural habitat enhancement in accordance with the Strategy and on a named project(s). A regular review of income received or due and the practicalities of implementing projects will determine the precise order in which projects commence.
- 2.20 The Strategy, at para 3.10, says that it will be reviewed in the near future to allow it to cover further residential development in the town. And potentially also allow more of

the listed natural habitat enhancement projects in the Masterplan to be funded by developers in addition to enhancements elsewhere in and around Slough.

- 2.21 Planning Committee agreed at its 23rd June 2021 meeting to the principle of developer contributions being used for mitigation associated with protection of Burnham Beeches and for associated works to benefit Slough residents to avoid contributions going to mitigation projects outside the Borough. Upton Court Park was identified as being a suitable location for mitigation projects based upon an earlier draft of the Masterplan Proposal. But the Council as land owner needs to formally agree the Masterplan Proposal and for the Park to be used as a mitigation site – a ‘suitable alternative natural greenspace’.
- 2.22 The Planning Committee also agreed that a Supplementary Planning Document or Guide be published to alert developers and be used as a consideration when determining planning applications. The Mitigation Strategy with the Masterplan Proposal will form the core of the Document or Guide with the addition of relevant planning policy matters and further details of the charge to be made and how it is to be applied.

Upton Court Park Masterplan Proposal

- 2.23 The Parks and Open Spaces Team have drawn up proposals for development of a masterplan for enhancing Upton Court Park covering both recreation and natural habitat enhancement projects at Appendix C and referred to in this report as the Masterplan Proposal. It is a vision for the Park and includes some very aspirational projects alongside simple and easily implemented works. Overall the projects aim to improve the quality of the experience for park users and improve biodiversity through blue and green infrastructure enhancements. When the Masterplan Proposal is worked up the final masterplan can coordinate future enhancement works to maximise the benefits and provide a basis for gaining funds from various sources.
- 2.24 Approval of the Masterplan Proposal is not intended to commit the Council to implement all the projects. Recommendation 1.2 (c) seeks only to agree to work up a full masterplan. It is a long term plan and implementation of any project will be dependent upon funds from external sources becoming available. There is no expectation of the Council's General Fund (revenue) being used. Section 4, Financial Implications, of the Masterplan Proposal (Appendix C) refers to funding opportunities.
- 2.25 The various drivers that prompted the Masterplan Proposal are listed at section 1 of the Masterplan . A key driver is a future flow of financial contributions from developers via planning obligations referred to above (para. 2.14). These contributions would only fund some of the natural habitat works.
- 2.26 The packages of enhancement projects listed in Appendix D are described in detail within Appendix C at Appendix A of that document - the Masterplan Proposal . The list flags projects related to natural habitat in some way; the remainder are solely recreation projects. But only those projects in bold are specifically linked to Burnham Beeches via the Mitigation Strategy. A map of the enhancements and initial cost estimates are appended to Appendix C. It is expected that the Masterplan will be reviewed occasionally to reflect changing priorities, the practicality of project implementation after more detailed feasibility design work has taken place and comments received from interested parties. The order in which projects are progressed can be decided at a future date but natural habitat projects linked to Burnham Beeches are expected to be first as funding will be available.

Relationship to Council Strategies.

- 2.27 The proposals will contribute to 3 of the Council's Corporate Plan Priorities. Firstly '*A Council that lives within our means, balance the budget, and delivers best value for taxpayers and service users*'. Implementation of the Mitigation Strategy will contribute to this priority through ensuring long term maintenance of new works is funded without reliance on Council funds. Both the Strategy and the Masterplan Proposal will make use of external funding sources for new works.
- 2.28 Implementation of the Park enhancement proposals will contribute to the health element of priority '*An environment that helps residents live more independent, healthier and safer lives*' through.
- 2.29 The enhancement proposals will contribute to achieving actions within the Climate Change Strategy and Action Plan 2021; firstly under 'natural environments' the goal of increased tree coverage & tree planting. Secondly under 'land management' the goal: Maintain and enhance green space and goal: Improve biodiversity in the local area.
- 2.30 The enhancement proposals will be incorporated into the emerging Parks and Open Spaces Strategy.

Options considered

- 2.31 Not have a Mitigation Strategy linked to the Park would mean :
- (a) Making use of other parks for mitigation works. But no other park in Slough has the scope for significant natural habitat enhancement without loss of existing recreation facilities. And some other Parks are likely to be needed for small scale enhancement to mitigate for housing development beyond that associated with Upton Court Park.
 - (b) Developer contributions would fund mitigation projects outside the Borough in particular access management and maintenance at Burnham Beeches. This would allow residential planning applications to be approved but would significantly reduce benefits for Slough residents.
- 2.32 Not have a Masterplan – This would reduce the chance of securing funding for enhancements. And lack of promotion of and coordination of projects would mean less benefit to park users and possible deterioration of the park and reduced use.
- 2.33 Have a Mitigation Strategy - benefits and risk as outlined in this report.
- 2.34 Have a Masterplan – benefits and risk as outlined in this report.
- 2.35 Regarding the possibility of a reduced Mitigation Strategy the comments at para 2.31 still apply. Having a reduced Masterplan is a possibility but the benefits and risks referred to in the report would be reduced. It should be noted the Masterplan may not be implemented in full as mentioned in Financial Implications.

3. Implications of the Recommendation

3.1 Financial implications

- 3.1.1 Implementation of enhancement projects listed in the Masterplan Proposal does not commit the Council to use General Fund (revenue) money. Implementation of individual projects referred to in the Masterplan Proposal will be dependent upon funding being available from other sources and, when a decision is made to progress any specific project, it will go through the Council's normal expenditure control and procurement procedures after detailed design and costing.
- 3.1.2 Working up the Masterplan Proposal into a final plan and detailed design and costing work for initial projects will be carried out by the Parks Team from within that Teams existing staff budget. Any need for external advice and design/costing work for projects beyond the initial 4 priority projects (at para 2.3) will go through the Council's normal expenditure control, budget setting and procurement procedures.
- 3.1.3 Regarding the Mitigation Strategy there are no financial implications for the General Fund other than detail design/costing/supervision work covered by the Parks Team existing budget. The Strategy provides for future developer contributions gained via Section 106 planning obligations to be spent partly on certain natural habitat works identified in both the Strategy and Masterplan Proposal and partly spent on long term maintenance of those project works. And any developer contribution to project works must be accompanied by a sum for associated long term maintenance.
- 3.1.4 The value of the 4 projects identified at para 2.3, inclusive of a lump sum for investment to cover maintenance, would amount to £980,000 and would require developer contributions to be received and the allocation approved in order to fund projects.

3.1.5 The maintenance money portion of developer contributions needs to be invested by the Council to gain sufficient income to fund long term maintenance inclusive of renewals. Natural England, who have to agree the Mitigation Strategy, request that funds provide for maintenance of enhancements in perpetuity - defined as 80 years or more. Costings (for mitigation projects) in the Masterplan Proposal provide for this long term maintenance.

3.2 Legal implications

- 3.2.1 The Habitats and Species Regulations 2017 (Habitat Regulations) are associated with the proposal but have no direct impact on the report recommendations. The proposal is a way of the Council, as Local Planning Authority, addressing its duties under the Habitats Regulations when determining certain planning applications.
- 3.2.2 The Town & Country Planning Act 1990 in particular Section 106 obligations and the Community Infrastructure Levy Regulations are relevant to developer contributions. When the Supplementary Planning Document or Guidance is prepared the contributions sought will have to comply with the Regulations. As will Section 106 planning obligations particularly in terms of specifying projects for money to be spent to mitigate the granting of individual planning permissions. These obligations are likely to require the Council to spend contributions on identified projects and their maintenance.
- 3.2.3 Provision for natural habitat enhancements helps meet the Council's general duty to increase biodiversity under Section 40 of the Natural Environment and Rural

Communities Act 2006. It “....*places a duty on all public authorities in England and Wales to have regard, in the exercise of their functions, to the purpose of conserving biodiversity.*”

3.3 Risk management implications

3.3.1 Not agreeing the Mitigation Strategy may prevent the Council making lawful decisions when determining planning applications for major residential development that potentially impact Burnham Beeches without appropriate mitigation being secured. Not agreeing the Mitigation Strategy would prevent the opportunity for developer funded enhancements at the Park and would increase the chance of developer contributions going to Burnham Beeches or other sites outside the Borough.

3.3.2 Not agreeing the Masterplan Proposal limits opportunities to seek funding of enhancements and may result in less beneficial outcomes if works are not coordinated. Not agreeing the Masterplan Proposal and Mitigation Strategy could also mean Natural England would object to some future planning applications or not withdraw their current objections.

3.3.3 Approving the Masterplan Proposal might raise unrealistic expectations of full implementation in the near future. There are several enhancement projects proposed and implementation can only take place if funds are available and detail design and costing work carried out. Consequently implementation is likely to take many years and some projects may not progress. Expectations can be managed by making clear statements in publicity or reports to the Council about progress and limitations on implementation.

3.4 Environmental implications

3.4.1 There are no adverse environmental implications. The proposals will provide the opportunity for Upton Court Park to be enhanced in terms of green space and biodiversity. The enhancements will be in line with actions in the Council’s Climate Change Strategy. The Mitigation Strategy will ensure compliance with Habitat Regulations when approving planning applications for certain residential developments.

3.5 Equality implications

3.5.1 None

3.6 Procurement implications

3.6.1 None.

3.7 Workforce implications

3.7.1 None

3.8 Property implications

3.8.1 Identification of the Park as a ‘suitable alternative natural greenspace’ (SANG) in relation to mitigation associated with new residential development, protection of

sensitive habitat at Burnham Beeches and the Habitats and Species Regulations 2017 (Habitat Regulations) means the habitat and features in the Park that allow it to qualify as a SANG, as advised by Natural England, should remain long term. Whilst this is not currently in a legal deed there is an expectation of compliance. Natural England keep track of land identified as SANG. The Council as Local Planning Authority will keep a register of SANG land. This means that a future Council proposal that involves significant loss of natural habitat might be restricted unless suitable mitigation is included.

4. Background Papers

Report to Planning Committee 23rd June 2021 Developer Contributions for Natural Habitat at Upton Court Park.

Appendix

Upton Court Park masterplan proposal enhancement projects summary list				
	Package	Project	Relevant to Natural habitat	Mitigation Strategy projects. Only these 4 projects are eligible for the initial mitigation strategy.
1	Walking and cycling infrastructure	New walking path to main gate		
		Create a continuous walking and cycling route in park	yes	yes
2	Blue infrastructure and wetlands developments	Central wetlands restoration (core area, margins and access)	yes	yes
		Pond and rill	yes	
		Improvements and restoration of stream corridor	yes	
3	Improvements to the parks infrastructure	Removal of dead trees	yes	
		Extra tree planting	yes	
		New seating and bins (on walking route)	yes	yes
4	Recreational landforms	Mounds and bunds	yes	
5	Cycle sport, recreation and physical activity	Outdoor Velodrome		
		BMX Track refurbishments		
		Cycle training circuit		
6	Assault Course	TuffMudder style		
7	Play area improvements	Enhancements to existing play areas		
8	Biodiversity and environment improvements	Bee corridors/ flower meadows	yes	
		Interpretation boards (wetland)	yes	yes
		Community orchard and foraging trails	yes	
9	Main Infrastructure	New main gate		
		New heritage style lights		
		Resurface main drive		
		Resurface East drive		
10	Events			
11	Park Ranger Service 5 years		yes	
12	Visitor centre, café/restaurant and changing facility	New build - café / restaurant, changing facilities, community space / classroom.		

(It should be noted some 'hard' projects are classed as linked to habitat because they encourage walking or interest in nature such as seating and interpretation boards)

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Mitigation Strategy re new residential development and protection of Burnham Beeches.

A strategy to reduce visitor pressure on sensitive natural habitat at Burnham Beeches, a Special Conservation Area, as a result of new residential development.

Initial strategy - enhancing natural habitat at Upton Court Park.

DRAFT 6

October 2022

Slough Borough Council (Planning Policy)
Observatory House, 25 Windsor Road Slough. SL1 2EL
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1.0 Introduction

- 1.1 Burnham Beeches is a Special Area of Conservation; a protected site under the Conservation of Habitats and Species Regulations 2017 (hereafter referred to as the Habitats Regulations). Greater numbers of visitors to Burnham Beeches are causing damage to its sensitive habitat. New residential development in Slough can increase visitor numbers to the Beeches. When considering residential development planning applications the Council has a duty under the Habitats Regulations to address the impact on the Beeches (relative locations shown in appendix 1).
- 1.2 To mitigate potential significant environmental effects developer contributions under Section 106 planning obligations can fund appropriate natural habitat enhancements within Slough, to attract residents to alternative open spaces. A strategy for how contributions will be spent is needed.
- 1.3 This initial strategy focuses on enhancements at Upton Court Park (appendix 2), in Slough, for mitigating the likely effects on Burnham Beeches in connection with new residential development expected over the next few years. A further strategy will follow to address mitigation in connection with residential development over a longer period. It will involve other suitable open spaces in and around Slough as well as the Park.
- 1.4 A proposal for an Upton Court Park masterplan (Appendix 3) identifies a range of enhancement proposals covering both natural habitat and general recreation. It is a stand-alone plan for the Park. But only certain natural habitat and related access proposals are relevant to this initial strategy. A summary of those mitigation proposals is at para 1.8.
- 1.5 The Strategy follows on from Planning Committee's agreement, in June 2021 (ref. 1), to the principle of seeking developer contributions via planning obligations to fund an increase in natural habitat at Upton Court Park and other recreation spaces in Slough to address the need for mitigation related to protection of Burnham Beeches. The Committee also agreed for the worked up developer contributions to be published in supplementary planning guidance in the near future. This Strategy is the next step leading to preparation of the guidance.
- 1.6 *Separate to Planning matters the Council as owner of Upton Court Park has formally adopted this Strategy in particular treating the park as a 'suitable alternative natural greenspace' and implementation of enhancement projects, linked to mitigation, as detailed in the appended Park masterplan document. And it has committed to implement the projects when developer contributions are received and commits to maintain them long term from invested developer contributions.*
[the above subject to Cabinet approval 17th October 2022]
- 1.7 Below is detailed background information on the need for mitigation

followed by what has influenced proposals that form the mitigation package in particular guidance from and discussions with Natural England. It is followed by the proposed natural habitat and access enhancements at Upton Court Park which form the core of this Strategy plus calculation of the number of new homes that would be supported by the proposed mitigation.

1.8 Summary of the mitigation package.

- Applies to developments of 10 or more dwellings (net)
- Within 5.6 km of Burnham Beeches boundary
- Total value of mitigation projects £ 980,600
- Value of developer contribution to be equivalent to £ 570/dwelling
- To be spent on specified mitigation projects and associated long term maintenance.
- Projects specified in this Strategy are at Upton Court Park.
- The specified projects mapped on appendix 2 are in summary :
 - Create a continuous walking and cycling route in park.
 - Central wetlands restoration (core area, margins and access)
 - New seating and bins (on walking routes)
 - Interpretation boards (re wetland biodiversity)

2 Background regarding why mitigation is needed

- 2.1 Burnham Beeches is designated a Special Area of Conservation under the European Habitats Directive1 and is protected under the Habitats Regulations. It is managed by the City of London and its southern boundary is just over 1 km from the north boundary of the Borough at Farnham Lane (Appendix 1).
- 2.2 Special Areas of Conservation (SAC) are within the top tier of nature conservation sites within England and are protected under the Conservation of Habitats and Species Regulations 2017 (as amended, hereafter referred to as the Habitats Regulations) and are stipulated in the National Planning Policy Framework (NPPF). This affords SAC with the highest level of protection in England's hierarchy of sites designated to protect the important features of the natural environment
- 2.3 The Habitats Regulations contend with the impact of developments and the impact of Development Plans upon the SAC. Local Planning Authorities are identified as the “competent authority” for the purposes of determining whether a proposed development scheme or development plan document is likely to have a significant effect upon a SAC. This assessment must

have regard to the SAC conservation objectives. The effect of the Habitats Regulations is to require Local Planning Authorities to ensure that any proposed development scheme or Development Plan will not adversely affect the integrity of a SAC.

- 2.4 Under Habitat Regulations the Council as local planning authority has to take account of the impact of new development on Burnham Beeches as a Special Area of Conservation. Large new developments cannot be approved without a Habitat Regulations Assessment having been carried out to determine what impact new development might have on Burnham Beeches. And the Council has to be satisfied, through an Appropriate Assessment, that development can go ahead without a significant environmental effect on the Beeches either alone or in combination with other projects. National Planning Policy Framework para. 175 and Core Strategy policy 9 (Natural and Built Environment) are also relevant to this matter in terms of protecting natural habitat and biodiversity.
- 2.5 The City of London have found evidence of damage to biodiversity and the sensitive environment because of the number of visitors to the site (Footprint report. Ref 3). They are now managing access to the site in various ways to limit further damage. New residential development in the surrounding area will create additional visitor pressure so the City of London, supported by Natural England and Buckinghamshire Council, seek ways to limit this pressure i.e. to mitigate it. In brief they seek ways to fund their continuing programme of access management, restoration work and creation of alternative natural or semi natural habitat spaces that can be used for informal recreation.
- 2.6 This type of contribution requirement is found in other Council areas where development takes place near Special Areas of Conservation or similar environmentally sensitive sites. Buckinghamshire adopted in November 2020 a Supplementary Planning Document - Burnham Beeches Special Area of Conservation - Strategic Access Management and Monitoring Strategy. The document requires developers to contribute £2,024 per dwelling for mitigation irrespective of dwelling type or size of development in a zone between 0.5 and 5.6 km from Burnham Beeches. The sum was established by calculating total mitigation costs and dividing it by the current estimate of new homes proposed for the area within the zone
- 2.7 The aim of creating the above mentioned alternative recreation spaces is firstly to attract visitors who might have otherwise travelled to Burnham Beeches and secondly to improve biodiversity for the area in general that, in terms of context for the Beeches, helps support biodiversity as part of a network of spaces. People can enjoy regular walks in local woodland or an area with natural habitat without necessarily going to Burnham Beeches on a regular basis. This is particularly so for dog walkers

- 2.8 The need for mitigation is only applicable to development within a zone 5.6 km from Burnham Beeches (see plan at Appendix 1) a zone referred to in Footprint report (ref 3) and used by Buckinghamshire Council. This zone covers the northern and western parts of the town up to and including the town centre.
- 2.9 Natural England have objected to some recent major new residential development planning applications. They withdrew their objection to the Horlicks and Akzo Nobel site schemes based upon developer contributions to mitigation works secured. For withdrawal of their objections to Montem Leisure Centre and Canal Basin site planning applications (and some more recent applications) they have requested formal approval of a mitigation strategy that will cover future development, outline appropriate mitigation proposals and state a level of developer contribution sufficient to fund the specified mitigation works. Consequently a Strategy needs to be approved by the Council and agreed with Natural England to avoid future objections. The objection to the Montem application has subsequently been withdrawn on the basis of a draft of this Strategy.

3 Background to the Mitigation Strategy

- 3.1 Upton Court Park, as described in Appendix 3, is used for general recreation and formal sports but because of its size and varied landscape/habitat it is not used intensively. There is scope for more people to use it without it appearing busy and there is an opportunity for quiet walks through natural habitat which make up part of the Park.
- 3.2 A key part of this Strategy is treating Upton Court Park as a ‘Suitable Alternative Natural Greenspace’ (SANG) combined with implementation of enhancement works which count as mitigation. Below is a quote from Natural England guidelines (ref 2) regarding SANG for Thames Basin Heaths Special Protection Area but adapted to refer to the Burnham Beeches SAC.

Its role is to provide alternative green space to divert visitors from visiting the Burnham Beeches (Special Area of Conservation (SAC)). SANG are intended to provide avoidance measures for the potential impact of residential development on the SAC by preventing an increase in visitor pressure on the SAC. The effectiveness of SANG as mitigation will depend upon the location and design. These must be such that the SANG is more attractive than the SAC to users of the kind that currently visit the SAC.

- 3.3 Whilst SANG are often created from land with other uses or no public access the guidelines also provide for SANG to be :

existing open space, which is already accessible, but which could be changed in character so that it is more attractive to the specific group of visitors who might otherwise visit the SAC (Burnham Beeches)

- 3.4 The guidelines also list features that are ‘must haves’ and ‘desirable’ for

land to become a SANG. Natural England are happy with the location of the Park and agree there is scope for it to become a SANG. How the Park and enhancements meet the guidelines is at Appendix 4. They have identified certain projects in the Park masterplan as appropriate to be treated as mitigation for this initial strategy.

- 3.5 Regarding the location of the Park the edge of it is 1 km from the middle of the town centre. Most new residential development over the next 20 years is planned to be located in and around the town centre as outlined in the Council's Spatial Strategy 2020. So the Park will be easily accessible to many new residents either on foot or bike. Its also accessible by car there being a large car park; accessibility by car is a Natural England guideline criteria.
- 3.6 The Park is large enough to create a 2.3 km walk route – one of the key criteria of the guidelines. And as an added benefit the Park adjoins open countryside with public path/cycle route links to nearby open spaces including the Jubilee River.
- 3.7 The number of new homes the enhanced Park can provide mitigation for – known as carrying capacity - is determined by Natural England guidelines. Based upon the guideline of 8ha of SANG needed per 1000 population, discounted by 50% because the Park is already in use for recreation; average occupancy of 2.4 people per home and 66 ha eligible area of the Park the mitigation proposals can be associated with 1,720 relevant new dwellings..
- 3.8 The Park is 68 ha in size but about 2 ha (primarily the moto cross track) is excluded from the calculation as it is not accessible to the public. The precise carrying capacity calculation is $((66/8) \times 1000)/2.4 \times 0.5 = 1719$ (rounded to 1720).
- 3.9 Relevant dwellings means those that will be associated with mitigation because of, firstly, their location within the 5.6 km Burnham Beeches zone of influence and secondly are treated as needing mitigation i.e. those within developments of 10 or more homes (net). This will be confirmed in forthcoming planning guidance.
- 3.10 The carrying capacity of the Park will be reviewed once visitor surveys have been carried out and any request from Natural England to adjust the area of the Park. The 50% discount on capacity is likely to be an over estimate. The review will also take account of Natural England's acceptance of an alternative project based calculation more suited to more dense urban areas with very few spaces suitable as SANG. (This alternative is being piloted by some London Boroughs). Consequently Upton Court Park may be able to provide mitigation for a greater number of homes than 1719.

4 The mitigation proposals.

4.1

Projects (brief details)	Part of package in masterplan
Create a continuous walking and cycling route in park	Walking and cycling infrastructure
Central wetlands area Restoration – core area, margins and access	Blue infrastructure and wetlands developments
New seating and bins along walking route	Improvements to the parks infrastructure
Interpretation boards (wetland area biodiversity)	Biodiversity and environment improvements

- 4.2 The above mitigation proposals are marked blue on the map at Appendix 2. These are projects identified by Natural England in liaison with the Council as key for mitigation associated with 1720 homes. Those projects will be the focus of this initial Mitigation Strategy. Developer contributions linked to those homes would fund the proposals (capital and maintenance costs).
- 4.3 Further details of the projects are within Masterplan Appendix A along with approximate costs at Appendix C (see Appendix 3 of this report for both). The costs list includes figures for long term maintenance, inclusive of renewals where relevant, for a period of at least 80 years. Maintenance cost estimates are based on the Council's experience of grounds maintenance and reference to industry advice. The long term estimates, which reflect estimates of inflation and investment income are based on information provided by Wokingham Borough Council and Bracknell Forest Borough Council re how they have dealt with Thames Basin Heath SPA mitigation. The calculations are in a background paper for the Masterplan document.
- 4.4 The details and costs in the appended Masterplan document include both recreation and natural habitat works. The latter is 'long list' of possible natural habitat related projects.
- 4.5 A future review of the Strategy may allow more proposals than those at para 1.8 to be funded via the mitigation route (and consequently more homes covered) once the carrying capacity has been reviewed (re para 3.10). Funding from other sources might allow implementation of other projects on the long list.
- 4.6 The level of contribution per relevant new home needs to be sufficient to

provide a fund that will pay for works and associated maintenance that can be judged as a meaningful enhancement of natural habitat relevant to the aim of making the Park attractive for visitors that might otherwise have visited Burnham Beeches. Some contributions, from specific developments, will pay for a complete project(s) others will be pooled to fund larger projects.

- 4.7 Taking account of the type of eligible enhancements proposals in the master plan and advice from Natural England the projects at para 4.1 have been judged as necessary as mitigation for 1,720 relevant new homes. Based upon the estimated project and maintenance costs this equates to an average developer contribution of about £ 570 per new home. The precise contribution per house type will be determined via planning guidance to reflect the varying impact of occupancy of different sized homes. Houses are expected to have a higher charge than flats.
- 4.8 There will be an aim for projects to be implemented in line with progress of new residential development to create a flow of enhancements as new homes are occupied. Choice of which project is linked to a particular contribution can be determined by reference to the expected income stream in terms of size and timing in relation to project costs and the practicalities or dependencies of implementing particular projects. Consequently a start on some large projects may need to wait until sufficient contributions, from more than one development, are received. There will be a periodic review of estimated future income streams to match expected funding to projects.
- 4.9 The Council owns Upton Court Park so it is able to implement the eligible projects. The Council as Park owner can commit to maintaining the enhancements long term to ensure the mitigation is in place in perpetuity.

end

References

- 1 Slough Borough Council Planning Committee report 21st June 2021
- 2 Natural England – Guidelines for Creation of Suitable Alternative Natural Greenspace (SANG) – August 2021
- 3 Footprint report Burnham Beeches

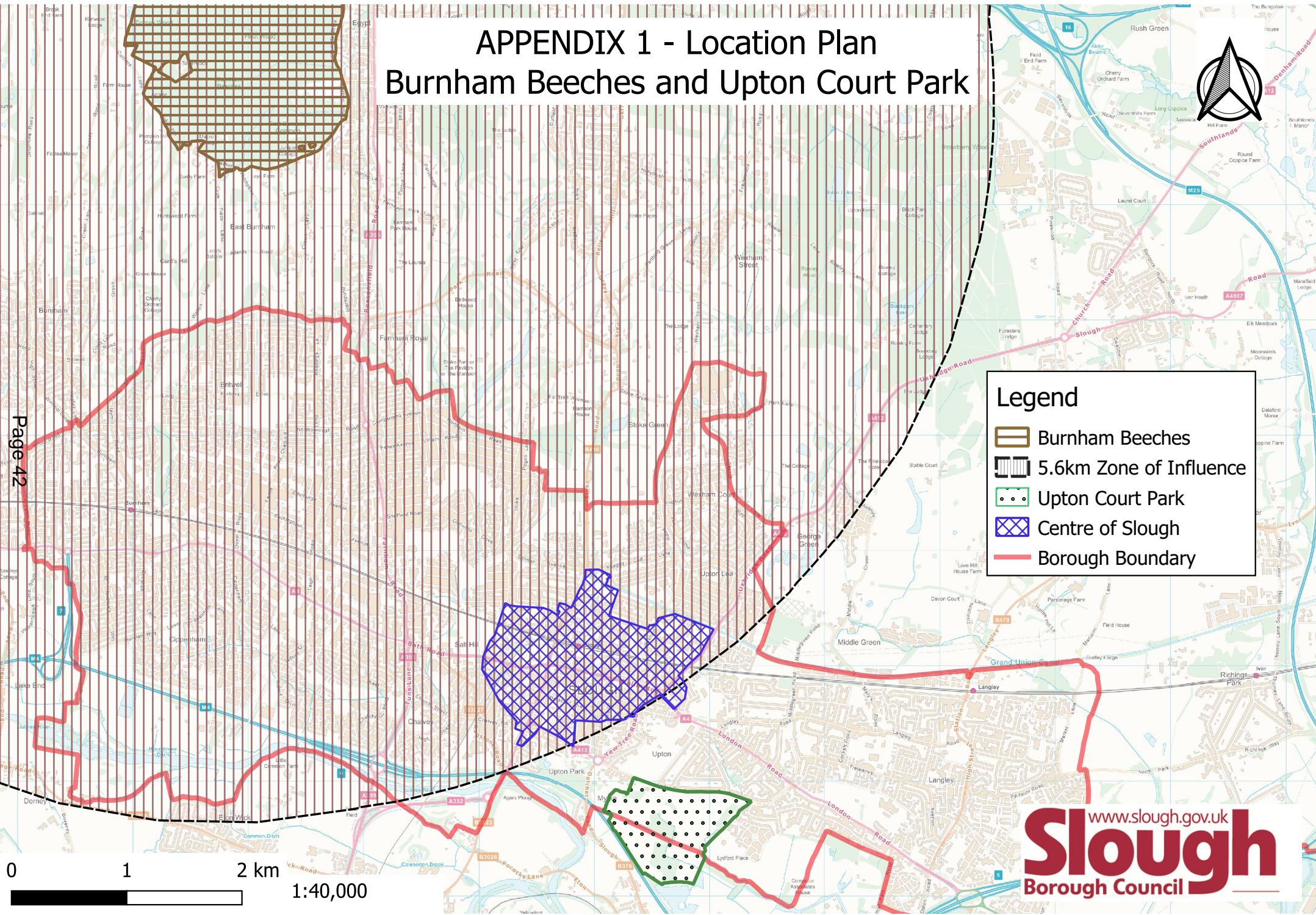
Liley, D. (2019). Impacts of urban development at Burnham Beeches SAC: update of evidence and potential housing growth, 2019. Report by Footprint Ecology for Chiltern and South Bucks Councils

Appendices

- 1 Location ; Park, Burnham Beeches and 5.6 km zone.
- 2 Plan of Natural England agreed mitigation projects in Upton Court Park
[see Appendix B of Cabinet report]
- 3 Masterplan Proposal document (including master plan map)
[See Appendix C of Cabinet report]
- 4 Natural England Checklist

APPENDIX 1 - Location Plan

Burnham Beeches and Upton Court Park



APPENDIX 2 and 3

- 2 Plan of Natural England agreed mitigation projects in Upton Court Park
[see Appendix B of Cabinet report]
- 3 Masterplan Proposal document (including master plan map)
[See Appendix C of Cabinet report]

Appendix 4: SANG Information Form Natural England Checklist

This form is designed to help you gather information about any potential SANG. For more guidance on the creation of SANG, please also refer to the relevant Borough Council's Thames Basin Heaths SPA Interim Avoidance Plan.

Natural England, Local Planning Authorities, and other organisations will then be able to consider the potential suitability of the proposed SANG based on this initial information.

Background information

Name and location of proposed SANG	Name: Upton Court Park Address: Upton Court Road, Slough, SL3 7.. Grid reference: 4985, 1785 (Please attach a map of the site with the boundaries clearly marked)
Size of the proposed SANG (hectares), excluding water features	hectares 68
Any current designations on land - e.g. LNR / SNCI	Part - Local Wildlife Site (2.88 ha)
Current owners name and address. (If there is more than one owner then please attach a map)	Slough Borough Council (part tenanted by Rugby Club, Motocross club, model car club, Scouts/Guides and pumping station)
Who manages the land?	Slough Borough Council (excepting above tenanted areas)
Legal arrangements for the land – e.g. how long is the lease?	SBC hold the land freehold
Is there a management plan for the site? (if so, please attach)	No

Current visitor arrangements

Is the site currently accessible to the public?	Yes.
Does the site have open access?	Yes (excepting tenanted areas but rugby club field is accessible)
Has there been a visitor survey of the site? (If so, please attach)	Not recently. A survey is to be carried out soon.
If there has been no visitor survey, please give and indication of the current visitor levels on site	Areas nearest car park and Upton Court Road plus play areas used most. Areas to the south and nearer motorway less well used other than north - south path to Datchet (over mway bridge). Overall the park is not normally perceived as busy and the southern portion in particular is never busy.
Does the site have existing car parking?	<p>How many car parks? 1 public CP off Upton Court Rd. The other CP is private Rugby club.</p> <p>How many car parking spaces? 174 public</p> <p>(Please mark car parks and numbers of car parking spaces on the site map)</p>
Are there any existing routes or paths on the site?	<p>Some surfaced paths on north edge; eastern drive, main drive, and national cycle route west-east.</p> <p>(Please mark these on the map)</p>
Are there signs to direct people to the site? (Please indicate where and what type of sign)	Yes - brown tourist info signs on local highway and site entrance signs.

Site quality checklist

Must/should haves – these criteria are essential for all SANG			
	Criteria	Current	Future
1	Parking on all sites larger than 4ha (unless the site is intended for use within 400m only)	yes	yes
2	Circular walk of 2.3-2.5km	yes - not mapped	yes - mown paths to be created where no existing path.
3	Car parks easily and safely accessible by car and clearly sign posted	yes	yes
4	Access points appropriate for particular visitor use the SANG is intended to cater for	yes	yes
5	Safe access route on foot from nearest car park and/or footpath	yes	yes
6	Circular walk which starts and finishes at the car park	yes; but not mapped/markd	yes
7	Perceived as safe – no tree and scrub cover along part of walking routes	yes	yes - identified route will in places be near to tree and shrub cover. Sightlines are reasonable. And there is scope to avoid these sections and stay in wide open spaces if necessary.
8	Paths easily used and well maintained but mostly unsurfaced	yes but users chose their own route	yes; mainly unsurfaced. Users will have the option of avoiding surfaced sections by diverting onto grass areas.

9	Perceived as semi-natural with little intrusion of artificial structures	yes	yes
10	If larger than 12 ha then a range of habitats should be present	yes	yes - habitats to be enhanced or expanded. wetland area, more woodland, orchard, wildflower meadow.
11	Access unrestricted – plenty of space for dogs to exercise freely and safely off the lead	yes	yes
12	No unpleasant intrusions (e.g. sewage treatment smells etc)	generally not but traffic noise noticeable near southern fringe; motocross site creates occasional near south boundary.	as existing
13	Clearly sign posted or advertised in some way	no	yes
14	Leaflets or website advertising their location to potential users	website - basic info	website info to be improved. Further promotion subject to funding
15	Can dog owners take dogs from the car park to the SANG safely off the lead	yes	yes
16	Gently undulating topography	modest undulations	as existing (scope for undulating path if bunding proposal funded)
17	Access points with signage outlining the layout of the SANG and routes available to visitors	no	yes
18	Naturalistic space with areas of open countryside and dense and scattered trees and shrubs. Provision of open water is desirable	Partly naturalistic within context of edge of an urban area and municipal park function of part of site. No open countryside but open field to west and east.	as existing but habitat enhancements to increase naturalistic space
19	Focal point such as a viewpoint or monument within the SANG	Yes - main drive with vista of Windsor Castle beyond.	as existing. (And scope for a viewing mound if funded)

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Upton Court Park Plan of Natural England Agreed Mitigation Works

Page 49



Key:

- Blue text** Mitigation Works
- Black text** Existing features
- Red circle with cyan center** New seats and bins

----- 3KM Circular Walk
 Cyan line Wetland area core works
 Red line Park extent

(to scale at A2) Revision F 25/8/22

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Proposal for the Development of an Upton Court Park Master Plan



Parks, Open Spaces and Allotments Team

Contacts: Sophia Norfolk / Gerald Pleace

November 2020 (Revised September 2022)

Background

Slough's parks and open spaces are well used and valued by local people. They encourage health and wellbeing, provide safe places for children to play, promote civic pride and support biodiversity. However their long term viability continues to be threatened through reductions in funding and public subsidies and therefore we need to develop a vision for how parks can be managed and maintained, how they can generate income and use resources differently to make the greatest difference and opportunities to address local people's priorities and needs. We hope to launch the town's ten year parks and open spaces strategy in 2021, which will detail the authority's vision and key priorities for the future.

At 68 hectares, Upton Court Park is Slough's largest park and provides a venue for events, clubs and sporting activities including football, rugby, hockey, cricket, moto cross and remote control model sports. The park also features three play areas catering for all age ranges and abilities.

Upton Court Park is home to a broad range of biodiverse habitat which providing important wildlife shelter, feeding and breeding grounds. These include open meadow and grasslands, woodland and wetland habitats.

Upton Court Park affords impressive views to Windsor Castle with great walking and cycling links to the town and beyond. Upton Court Park needs development to release the parks considerable potential as a go to 'Destination Park' for local residents and visitors from outside the borough.

Upton Court Park is a remnant of the former Upton Court Farm purchased by Slough Urban District Council in the 1930s. After some years of continued use as a farm the development of the park we know today began.

The proposals in this document are aimed at improving the quality of the experience for park users whilst further enhancing biodiversity through blue and green infrastructure enhancements.

The proposals can be worked up to form a comprehensive master plan to co-ordinate park improvement works to maximise benefits to residents in terms of recreation and biodiversity. And be used to help bid for funding.

1.Key drivers

- 1.1 The Covid 19 pandemic has put parks in the spotlight for their role and the value placed on them by local residents during lock down; a respite from the home environment
- 1.2 Upton Court Park is underutilised in all aspects and has the potential to be developed as a key destination park

- 1.3 There is very limited external grant funding available for parks development nationally so more innovative routes need to be identified to secure funding for improvements e.g. soil importation.
- 1.4 There is a legal requirement to provide appropriate mitigation against the increased demand and impact on the Burnham Beeches Special Area of Conservation. Buckinghamshire Council deal with through adoption a Supplementary Planning Document that requires new residential development comprising ten or more homes located within 5.6km from the Burnham Beeches Special Area of Conservation to provide financial contributions towards the Burnham Beeches Access Management Scheme. If the Council does not adopt its own charge for suitable compensation/mitigation for proposed major residential developments in Slough, within the same distance of Burnham Beeches the Council would not lawfully be able to approve those developments.
- 1.5 The recent loss of funding (circa £250K) through the Horlicks development to Burnham Beeches was a major disappointment for the council. Developing Upton Court Park as potential 'suitable alternative natural greenspace' is the opportunity to keep funding in the Borough enabling us to invest in our parks in the future.
- 1.6 Natural England has set criteria for the provision of accessible green space "Providing Accessible Natural Greenspace in Towns and Cities – A Practical Guide to Assessing the Resource and Implementing Local Standards for Provision". Following discussions with Natural England, they have confirmed that rather than spending financial contributions outside of Slough, they would be keen to see the funding remaining in Slough. A 2020 visit by Natural England to Upton Court Park was very positive in regard to meeting requirements for funding from proposed development sites.
- 1.7 Establishing Upton Court Park as a designated 'suitable alternative natural greenspace' could be the start of being able to secure a regular source of funding through legally required financial contributions associated with many major residential development for ecological and related leisure improvements for Upton or indeed any of Slough's parks and green space; subject to these projects coming forward and meeting the criteria required by Natural England.
- 1.8 As new residential development proceeds there will be a significant flow of Section 106 funding identified for ecological and leisure improvements from those developments
- 1.9 Major issues with the blue infrastructure contained within the park and the immediate surrounding area; with major water courses blocked after years of poor maintenance has caused flooding issues and poor drainage across the park and drying up of some of the wetland habitats.

- 1.10 Potential for income generation from more large scale events, hire of facilities and the proposed visitor centre
- 1.11 External funding opportunities from soil importing for landscaped bunds, possible grant funding from national governing bodies of sport and, after 2023, Biodiversity Net Gain money
- 1.12 The recently completed Playing Pitch Strategy for the borough highlights Upton Court Park as a priority open space for future playing pitch provision, but the condemned changing facilities does not allow for this.
- 1.13 The Council has a general duty to increase biodiversity under Section 40 of the Natural Environment and Rural Communities Act 2006. It “*...places a duty on all public authorities in England and Wales to have regard, in the exercise of their functions, to the purpose of conserving biodiversity.*”

2.Feedback from Natural England

2.1 The planning and parks team have been in dialogue with Natural England looking at potential mitigation against the loss of future funding to Burnham Beeches from developments in Slough. Following a positive site visit on 10 September 2020 with senior officers from Natural England to Upton Court Park we received feedback indicating the following as likely to be considered as mitigation being relevant to natural habitat/biodiversity and attracting more visitors to the Park. Subsequent discussions with Natural England have refined the areas/projects relevant to natural habitat and their importance re mitigation relevant to Burnham Beeches Special Area of Conservation. These are shown in the costings table (appendix C) and in a separate Mitigation Strategy document. Natural England requested the relevant proposals and background information be within a mitigation strategy together with costings for capital works and maintenance for at least 80 years.

- The wetlands project
- The spiral viewing mound
- Screening of the M4
- New paths need to be gravel and resin bound, no tarmac.
- Biodiversity improvements around the site, to be extended to offer more for the environment
- Seating, bins, and infrastructure at the park entrances
- Visitor centre will encourage people in, but it will need to be sympathetically designed in keeping with the park if possible.
- A Park Ranger service will massively increase mitigation contributions due to the in perpetuity nature of keeping someone on staffing rotas.
- Current car park is perfect
- Opening up of vista from main park down the avenue with views of Windsor Castle
- New extension to play area
- Cycle projects cannot be used as mitigation.

3.The proposal(s)

3.1 Appendix A details the proposed enhancements for the development plan. They are broken down into specific packages of projects that could be delivered independently and at different timescales when funding becomes available. The packages include:

1. Walking and cycling infrastructure
2. Blue infrastructure and wetlands developments
3. Improvements to the park's infrastructure
4. Recreational landforms
5. Cycle sport, recreation and physical activity
6. Assault Course
7. Play area improvements
8. Biodiversity and environment improvements
9. Main Infrastructure
10. Events
11. Park Ranger Service
12. Visitor centre, café/restaurant and changing facility

It is important to note that only certain elements above are relevant to natural habitat etc. and of those, Natural England currently only treat selected projects as suitable as mitigation in relation to new residential development and Burnham Beeches. A separate mitigation strategy states what the current mitigation related projects are. Only these can benefit from Burnham Beeches linked developer contributions.

A plan of the proposals is at Appendix B (Masterplan). Initial capital costs and long term maintenance cost estimates are at Appendix C. Details of the calculation of the minimum 80 year maintenance costs are in a background paper separate from this report.

4.Financial Implications

4.1 It is important to note that all costs are indicative and are estimates at this point of time. Work will need to be commissioned to work up the full masterplan and costs and it is proposed to use the in-house landscaping and design team at the Council to enable this. Specialist advice will also be commissioned e.g. surveys of the park, specialist landscaping etc.

4.2 Funding for the delivery of the master plan is expected to come from a variety of sources over many years. Full implementation can only happen if funding is available. Bearing in mind the Council's current circumstances it will not be able to fund projects for many years. Consequently, many of the projects are aspirational particularly those not associated with sport or natural habitat for which there is a greater chance of funding. Likely funding sources are:

- Developer contributions via planning obligations (Sec 106) or a future Community Infrastructure Levy (CIL) in connection with increased demand for recreation space.
- Developer contributions via planning obligations/CIL in connection with mitigation to reduce visitor pressure on Burnham Beeches as per feedback from Natural England above (re the Local Planning Authorities duties under the Habitats Regulations).
- Biodiversity Net Gain funds. Post 2023, The Environment Act will require developers to ensure there is a net gain in biodiversity on their development sites. If this is not possible, the developer will be required to contribute to enhancements off site. It is important to note any Net Gain projects must be over and above any Burnham Beeches mitigation projects; there can be no overlap.
- Income from controlled soil importation for planned mounding.
- The Football Foundation new capital programme for infrastructure works. This could provide grant funding towards changing facilities proposed to be incorporated with the new visitor centre.
- Other grant opportunities.

5.Risks

1. Natural England does not agree to the detail of Upton Court Park proposals re mitigation.
2. Funding may not be available, even long term, for all the elements proposed.
3. Some proposals can only progress if planning permission is gained.
4. Senior officers do not support the plan.
5. Members do not support the plan or funding proposals.
6. Without the plan Upton Court Park continues to be underused by the community and falls into further decline and dilapidation.

6.Taking forward the master plan

1. This document can be treated as an initial master plan and be linked to The Mitigation Strategy in relation to the natural habitat/biodiversity proposals to address Planning matters. But it is a stand-alone plan for the Park.
2. Next steps are report to CMT and Cabinet.
3. Completion of the 10 year Parks and Open Spaces Strategy 2022 – 2032.
4. Feasibility work commissioned
5. Obtain more accurate costings

7. Appendices

A Project details

B Plan of proposals (Upton Court Park Full Masterplan)

C Costs summary

D Wetland area ecological study; plans of existing and proposed (TVERC wetland restoration and improvement)

Appendix A Project details

1. Walking and Cycling Infrastructure

Upton Court Park is well provided with walking and cycling routes through and connecting to the National Cycling Network incorporating Sustrans Route 61.

The park is well used by walkers and cyclists, some who came specifically to visit the park where others are passing through as part of their onward journey. As well as the National Cycle Routes, there are links to other great walking and cycling destinations such as the Jubilee River and through Eton College grounds to Windsor and the Great Park in the south and links through parks to the canal towards Uxbridge and beyond into London. Using the string of parks and Cinder Track to the north connects to Farnham Royal and routes to Burnham Beeches.

Enhancing these through routes will encourage more people to adopt walking and cycling as part of their regular routine, improving their health, reducing traffic congestion and reducing carbon emissions.

The new Smart Motorway bridge has now reopened on completion of works; this is the main link to the Jubilee River, Eton and Windsor. The replacement bridge has improved what was a worn out surface and has improved the overall look to this southern entrance/exit to the park.

Improving the Sustrans Route 61 link eastwards through to Ditton Park will bring more walkers and cyclists to the southern section of the park. Lighting to this area would make park users feel more secure when using this as part of a circular walk around the park.

A new circular 3KM route with a mixture of close mown and unbound gravel surfacing, 1Km of Coxwell gravel path and 2KM levelled and mown grass path are proposed. These will greatly improve accessibility and movement throughout the park

We intend to extend the new path at the front of the park that has been recently installed as part of a safe route to school scheme. This will link the existing path to the main driveway as part of creating a loop around the park. Improvements to the driveway include patching and resurfacing to make the whole length uniform and fit for continued use. Although the capacity of the existing car park is adequate, improvements to signage road markings and barriers are

New mown paths will be created through the Jubilee Wood and meadow areas to increase interest and new options for people wishing to explore different parts of the park and linking educational and biodiversity trails.

2. Blue infrastructure and wetlands development

The wetland area towards the centre of the park is a result of natural run off down the slope from upper levels of the park and a system of ditches and streams that run to its southern and eastern edges. In recent years the site has begun to gradually change to become drier although still liable to flood at the southern half of the area during wet seasons. In the last two years, only the lower area seems to retaining water all year round. As a result of this reduction in wetland area, some invasive native and non-native species have begun to take over the understorey leading to a loss of important wetland habitat.

Our intention is to return the lower southern part of the area to quality species, rich wetland and retain the northern part as oak dominant woodland all with a meadow edge using appropriate native species. We also intend to introduce a management schedule to the areas to ensure that the system of stream and ditches have an improved flow into and away from the wetland, work to coppice and make safe the crack willows and by creating the correct environment, encourage the re-establishment of natural native species.

Part of the area currently under canopy will be opened to light to create habitat for important invertebrate species such as dragonflies, waterborne insects and their natural predators.

Public access to the wetland and educational opportunities are a high priority and working with partners the Wildfowl and Wetland Trust we can make huge improvements to the biodiversity of the area. Improved public access is an important aspect of the project and will enhance educational opportunities to tell the story of a rare and declining natural environment.

As part of the public access to the wetland, we will install a walkway through to a central viewing area and across to the drier oak woodland. Interpretation panels will explain the importance of this habitat, site history, what flora and fauna can be found and maps to show how this area and connecting watercourses works as part of the greater sustainable urban drainage of Slough and the surrounding area.. Appendix D is a diagram of current and proposed improvements to wetland area. A summary of the wetland improvement works and potential phasing is below:

Phase 1. Restore streams and ditches feeding and draining the wetland area. Vegetation removal, de-silting and habitat restoration. Some works lay outside the wetland restoration.

Phase 2. Woodland management and clearance and eradication of invasive species, restocking with appropriate species where required and creating a meadow edge.

Phase 3. Creation of an area open to light and shallow excavation of the main wetland area to create a deeper habitat pond.

Phase 4. Installation of boardwalks, central rotunda and information signs and connecting gravel paths.

Phase 5. Eradication of invasive species

Phase 6. Create meadow edge on northern edge of wetland (just beyond the core wetland area)

Additional work beyond the core wetland area will be firstly improvement and restoration of further stretches of stream and ditch corridor feeding and draining the wetland (0.85km of stream habitat in 2 sections upstream and downstream) and creation of a rill to link main wetland and seasonal ponds. Implementation of the full extent of stream corridor related proposals will need the adjacent land owner's agreement.

Subsequent management and maintenance of the wetland will fall mainly to Slough Borough Council but we intend with the help of the Wildfowl and Wetland Trust (WWT) to introduce a volunteer workforce similar to the successful group set up for the Salt Hill Stream project.

Regarding the wetland area Appendix D includes a habitat assessment carried out by Thames Valley Environmental Records Centre. It describes the site in detail from an ecological perspective and includes some management suggestions.

3. Improvements to the park

Extra tree planting

As part of the council's commitment to tree planting, we will continue to plant trees to replace those that are dead or dying or where we need succession planting in the future. Where possible we will try to keep species similar to those currently in the park but may need to change these where current species are suffering from a widespread disease such as horse chestnuts and ash.

Jubilee Wood enhancement

Jubilee Wood planted as part of the Queen's golden jubilee celebration has established well but is in need of enhancement and expansion. We will replant and create trails through the



wood to make it more accessible and to allow different circulation routes through the park.

Jubilee Wood also features open areas of meadow and woodland fringe which will also be improved with the proposals.

Jubilee Wood existing Layout Plan

Extra seating and bins

Increased footfall into the park will require an increase in amenities such as benches and bins.

These will be allocated to higher traffic areas of the park and will be suited to match existing quality furniture. Non-conforming park furniture will be replaced. Sustainably sourced timber benches and litter bins will be provided in the more natural areas of the park to complement the signage.



Timber benches and litter bins for natural areas

4. Recreational landform, paths and trails

To reduce noise from the M4 motorway at the southern end of the park, we propose to build noise attenuating bunds including a viewing mound with a spiral access path affording views to Eton College, Windsor Castle and beyond.

The bunds and viewing mound could be self-funded by the controlled importation of appropriate inert licensed fill from companies who have successfully provided zero costs schemes before.

The bunds and viewing mound would be planted to represent natural landforms and would feature paths that would be used for walking and cycling.



Spiral Viewing Mound



Grass mown path through naturalised area

5. Cycle sport, recreation and physical activity

BMX track

With the current high interest in cycle sport and recreation, it is fitting that there is renewed interest in the existing BMX track.

Working with a group of enthusiasts we will restore the track that has been unused for over a decade, bringing it back into use as a dual circuit to cater for beginners and experts.

This track was a very early example of the development of the sport in the UK. In the infancy of BMX as a sport, this track hosted championship meetings including the World Championship in the early 1980s.

While the sport has moved on professionally, the track can be brought up to a good standard suitable for amateur sport with modern updates to keep it interesting. The area around the track is suitable for development of new facilities such as a pump track which is a tarmac surface with smaller bunds suitable for younger people and those using scooters etc.



1986 BMX World Championships held at Upton Court Park [BMX Championships Slough](#)

Velodrome

To cater for those keener on road bikes, we propose to build a velodrome into the edge of the noise bund utilising its shape both as part of the bowl structure and as informal seating to view bikes riding the circuit.

This whole complex will be popular with a variety of park users for casual or more demanding riding.



With a view to future income development, it is felt that this area could be independently managed by a group or semi-professional outfit who may charge for certain elements or to train cyclists.

Cycle training circuit

An early feature of the park lost to development was the cycle training circuit. This was where junior cyclists were trained road safety on a circuit that featured road junctions and roundabouts to enable children to learn road safety off the main roads. Although this approach is no longer currently supported, it would be a great feature that parents could use to good effect to ensure that their children are more familiar with the workings of the road system prior to using it for the first time.

Mountain bike trails

As previously mentioned, the bund to the southern extreme of the park will have trails for mountain bikes sign posted routes to cater for different abilities. These will encourage casual cyclists to challenge themselves and improve their bike skills.

6. Assault course

There is demand in the local area for a venue for events such as Tough Mudders. Setting up for events such as these is costly. As facilities are only available sporadically, we propose to install permanent elements of equipment in a location that can be enhanced for events such as these with supplementary equipment not suitable for year round use.



7. Enhancement to play facilities

The play facilities towards the central area of the park were installed after a successful application for Lottery funds some years ago. The theme of the play area is based on evolution and included elements of social and active play. The play area will be extended and improved, replacing damaged and worn equipment and adding more elements of natural play. The area will link to the adjoining wetland and also create space for Forest Schools.



8. Biodiversity and environmental improvements

Upton Court Park hosts a wide range of flora and fauna much of which is not seen or celebrated.

Along with the wetlands development proposal, we intend to create more bio diverse areas in the park improving the existing habitat types and introducing educational elements enhanced by themed events focusing on increasing interest and understanding of the natural world and our place in it. Interpretation boards will be installed to provide information on these habitat types

The park has several habitat types which support a range of species, all of which are of significance to the local and national environment. The following habitat types together with the blue infrastructure proposal for the wetland habitat and stream network are the key focus areas in the park.

Wild flower meadows/bee corridors

A wildflower meadow, created towards the eastern edge of the park has created a lot of interest and comment. The original meadow was created to bring colour and attract insects.

We intend to enhance this meadow and create the beginning of a bee corridor that will eventually create a route for pollinators through the whole of the borough. These will be seeded with natural locally appropriate species of flower with additional plants to attract bees in particular.

We also propose to create a wildflower woodland margin along the northern boundary of the wetland which is costed as part of the wetland improvements. This will further add to biodiversity of the park.



The inclusion of meadows and bee corridors has an aesthetic advantage as well as supporting endangered bee species and other pollinators.

Community orchards and foraging trails

To enhance the amenity of the park and add interest we propose to introduce community orchards and foraging trails where people will be able to view fruit and berries as they develop and to pick and eat them when they are ripe. Orchards bring an extra range of native species especially of insects that are an important part of biodiversity and huge benefit. Foraging trails will encourage people to look around to find edible fruits and nuts,



creating an interesting and healthy rewarding walk. The orchard and trail will have signage to highlight species and varieties of fruit, their uses and benefits.

9. Main infrastructure improvements

As part of the whole park improvement to make it a destination park, there is a need to make it easy to find attractions in the park and have welcoming entrances.

Entrance improvements and signage

The park has large iconic signs from Upton Court Road to make entrances easier to find whilst driving. These signs highlight access points to the main car park and eastern driveway.

This eastern driveway requires resurfacing due to its poor condition. Supplementary signage at the north east entrance is required to direct to the sports clubs based at the south east of the park and the rugby club.

We have procured a suite of signs for parks across Slough. These include information signs as well as entrance/byelaw signs. All will be created to a house style to create a corporate image across all parks. Upton Court Park signs and noticeboards will be created in this style. The circular walks and natural areas will feature informative signs along the routes providing information on biodiversity, history and walking distances relevant to their placement.

Vehicle entrances by necessity are not elegant as they have to be able to control access to commercial vehicles and prevent unauthorised access. We intend to investigate improving these to make them more welcoming to legitimate users.



Examples of entrance and information signage

Main drive/avenue

One of the parks unique aspects is a good view of Windsor Castle down the main driveway.

The original gate was destroyed some years ago in a road traffic accident so now there are just retractable bollards.

We intend to replace gates at this location with a new styled entrance to enhance the view of the castle and add to the quality feel of the improved park.

To enhance this area further the existing lamp columns will be improved by fitting heritage style lamp heads and base embellishments.

10. Events

Upton Court Park over the years has hosted a variety of small scale and large events including the annual firework display, Slough Show, dance and music events, dog shows, fun runs and Slough Mela. It has the capacity to host events attracting 20,000 +. The developments proposed for the park, we believe will enhance its attractiveness for events opening up opportunities for the council to maximize income generation.

11. Park Rangers

To increase security, support biodiversity and to enhance the visitor experience we propose to employ a park ranger service to manage the park, be on hand to advise or help park users, be a point of contact for emergencies and create a greater feeling of safety. The park ranger service would also assist in the running of events and promote public awareness of the park's natural features by organising and hosting events such as nature walks, tree planting, pond dipping, bug hunts and bat evenings. The ranger service would also liaise with the public, clubs and community groups that use the park to ensure all users and visitors have a say in the smooth running and management of the park.

12. Visitor centre, café/restaurant and changing facility

Upton Court Park requires a top quality focal point and facility to enhance the visitor experience. A park with the attractions and facilities the size of Upton Court Park would

usually have a visitor centre and conveniences that are a standard requirement for visitors to spend time there. Currently, there is no provision for refreshments and toilets within the park which limits the amount of time visitors will stay and their likelihood of revisiting.

We propose to demolish the existing end of life wooden changing rooms and replace them with a building that will accommodate both community and commercial uses including a base for the rangers and ecology and history interpretation.

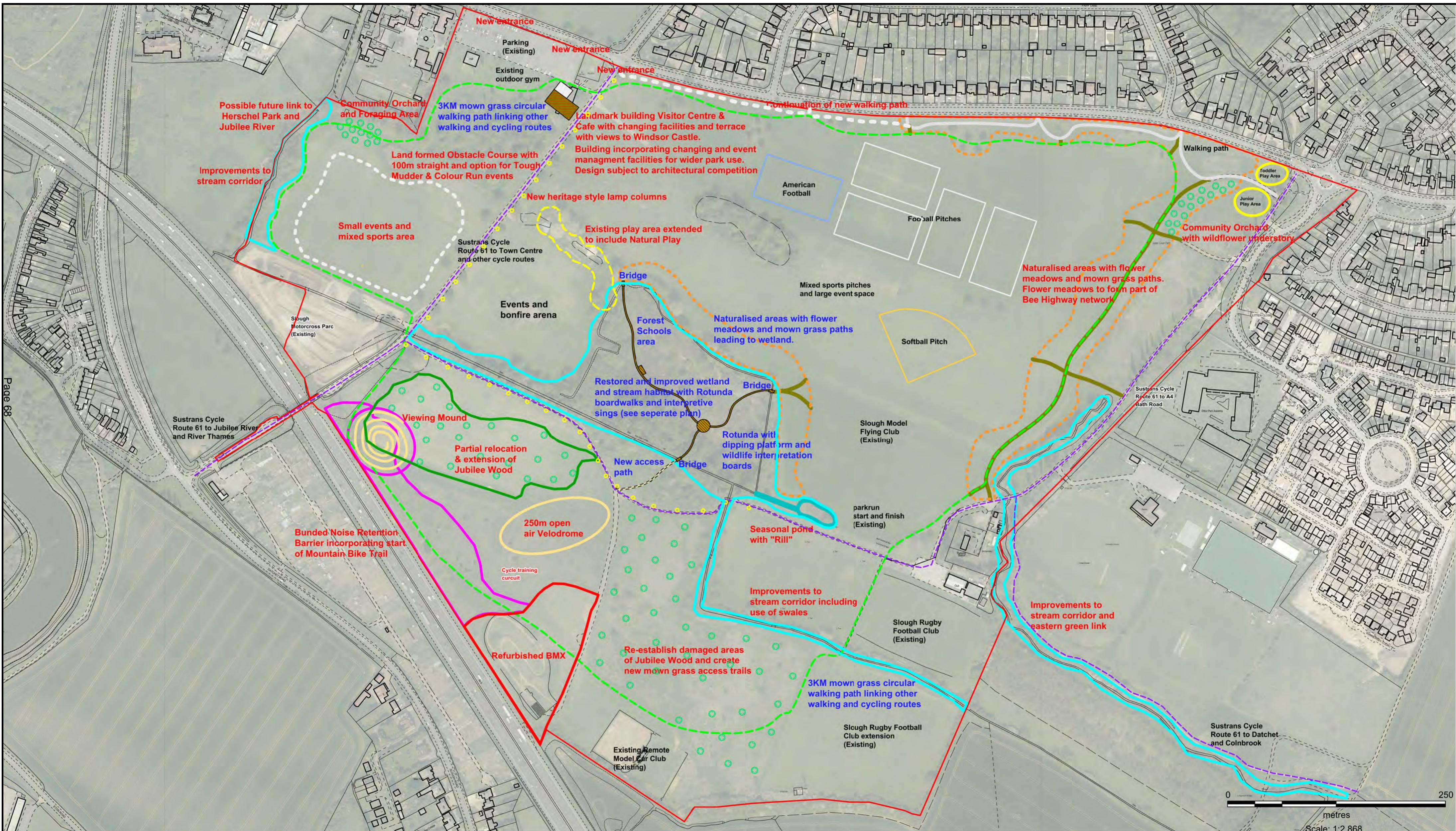
This building would be subject of an international architectural design competition; to design and build a truly iconic building that would enhance the park and take advantage of the views to Windsor Castle.

A top class restaurant and cafe, with a roof terrace would attract visitors from a large catchment area as well as catering for local residents.

Building design concepts



Upton Court Park Full Master Plan



Key: **Blue text** Mitigation Works
Black text Existing features
Red text Other Master Plan works

----- 3KM Circular Walk
----- Wetland area core works
----- Park extent

(to scale at A2) 2/9/22

Appendix C Upton Court Park Master Plan Proposals - Costs Summary (V6)

Natural habitat related packages

Items marked "Yes" in NE column are Natural England eligible mitigation

Master Plan Item	Packages	Projects	Details	NE	Estimated Costs (capital)	Maintenance cost over 80 Years
1	Walking and cycling infrastructure	Create continuous walking and cycling routes in park to join existing networks	3KM route mixture of close mown and unbound gravel surfacing. 1Km of Coxwell Gravel with timber edging and 2KM levelled and mown grass path	Yes	£ 6,000	£ 60,000
2	Blue infrastructure and wetlands developments	Central wetlands restoration (core area, margins and access)	Restore streams, ditches and open wetland area. Create access and walkways and information signs, Irradication of invasive species, create meadow edge	Yes	£ 280,000	£ 420,000
		Pond and rill	Linking main wetland to seasonal ponds		£ 75,000	£ 300,000
		Improvements and restoration of stream corridor	Vegetation clearance, de-silting and habitat restoration to 0.85km of stream habitat (2 sections)		£ 190,000	£ 120,000
3	Improvements to the park	Removal of dead trees whole park including Jubilee Wood			£ 17,500	£ 180,000
		Extra tree planting whole park including Jubilee Wood	120 standard trees		£ 18,000	£ 180,000
		New seating and bins along walking routes	Phase 1	Yes	£ 12,000	£ 105,056
		New seating and bins along walking routes	Phase 2		£ 12,000	£ 105,056
4	Recreational landforms	Mounds and bunds	Viewing mound, 350m length bund and landscaping, Paths and mountainbike trial. (Potential funding through soil import scheme)		£ 1,200,000	£ 270,000
8	Biodiversity and environment improvements	Bee corridors/ flower meadows	2 No. flower meadows, 1 x 32,640m ² , 1 x 10,840m ²		£ 15,000	£ 300,000
		Interpretation boards (Phase 1)	Suite of notice and information boards showing natural heritage	Yes	£ 10,000	£ 87,546
		Community orchard and foraging trails	2 Community Orchards totalling 2500m ² of mixed fruit trees and bushes. Foraging trails through orchards with interpretive signage		£ 30,000	£ 120,000
		Interpretation boards (Phase 2)	Suite of notice and information boards showing natural and built heritage		£ 10,000	£ 87,546
11	Park ranger service	Vehicle, tools, 2 full time park rangers	5 years x 2 staff FTE	Total Natural Habitat Items	£ 400,000	£ 667,319
				TOTAL	£ 2,275,500	£ 3,002,523
					£	5,278,023

SBC Aspirational Recreational Packages

Master Plan Item	Packages	Projects	Details		Estimated Costs (capital)	Estimated Costs P/A (revenue)
1	Walking and cycling infrastructure	Extension of new walking path from centre Upton Court Road entrance to main gate	345LM x 2.5m wide tarmac path with pcc edgings. (Path to same specification as existing recent path)		£ 100,000	TBA
5	Cycle sport, recreation and physical activity	Outdoor Velodrome	250m banked tarmac track and landscaping/infrastructure (Possibly run by a club/volunteers)		£ 185,000	TBA
		BMX Track refurbishments	Reprofiling and creating new surface configuration (Possibly run by a club/volunteers)		£ 80,000	TBA
		Cycle training circuit	Installation and landscaping junior road training circuit		£ 40,000	TBA
6	Assault course	TuffMudder style	Creating land form and infrastructure/ equipment		£ 28,000	TBA
7	Play area improvements	Enhancements to existing play area	Reconfigure and add to existing play		£ 150,000	TBA
9	Main infrastructure	New main gate	Design and install new feature gate to main driveway		£ 25,000	TBA
		New heritage style lights	Install new lamp columns to main driveways appropriate to setting/view		£ 28,000	TBA
		Resurface main drive	2400m2 tarmac resurfacing of existing drive		£ 170,000	TBA
		Resurface East drive	2800m2 tarmac resurfacing of existing drive		£ 198,300	TBA
10	Events		Externally provided with possible income to council		£ -	TBA
12	Visitor centre, café/restaurant and changing facility	New build - café / restaurant, changing facilities, community space / classroom. Some elements of the facility may be eligible for NE consideration	Revenue costs covered by franchise		£ 5,000,000	TBA
				Total SBC Aspirational Items	£ 6,004,300	

Appendix D – TVERC habitat assessment of wetland area

DRAFT							
SITE NAME				SITE CODE		CENTRAL GRID REFERENCE	
Upland Court Park Wetland				SU97Z02		SU987786	
SURVEY TITLE		DATE SITE SURVEYED		DATABASE CODE			
LWS assessment		14/06/2012					
DISTRICT / UNITARY		PARISH / WARD		SURVEYOR(S)			
Slough		Non-civil parish		Helen S Miller			
ASSESSMENT OF SURVEY (inc time taken, weather conditions and any limitations)							
1020 - 1315 hrs. (excl. travel)							
16 deg c. 80% cloud. Sun. F2-3. No precipitation							
Wet ground conditions and tall swamp vegetation made detailed mapping of vegetation difficult due to poor visibility and unsafe conditions. Some areas were impenetrable due to collapsing crack willows. Uncertain safety of ground conditions.							
LANDOWNER NAME AND ADDRESS:							
Mr Kelly Slough Borough Council St. Martins Place, 51 Bath Rd. Slough SL1 3U							
Access Permission from: Ollie Kelly							
SITE STATUS (At time of survey):							
NNR	SSSI	pSSSI	LWS	LGS	LNR	BBOWT Res	Other Res
Common land	Private land	AONB	ESA	SPA	SAC	Other	
MANAGEMENT BODY							
Slough Borough Council							
OTHER DETAILS							
SITE AREA (ha)		MAJOR ASPECT		MAJOR SLOPE		ALTITUDE (m)	
2.88		South		Depression		20	
GEOLOGY (solid / drift from Geology maps)							
Bedrock:	London clay formation						
Superficial:	Shepperton gravel member						
Soils	Neut	Cal	Acid	Clay	Loam		
	Sand	Peat	alluv	Rock	Scree		
	Spoil	Water logged	Poorly drained	Freely drained	Other		
SPECIAL INTEREST OF SITE							
UK PRIORITY BAP SPECIES:		1: Reed bunting					
LEGALLY PROTECTED SPECIES:		1 (historic): frog					
RED DATA BOOK SPECIES:		none					
NATIONALLY SCARCE or NOTABLE SPECIES:		none					
BIRDS OF CONSERVATION							
Red list:		2 historic records: song thrush, starling					

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Amber list:	3 - 2012: green woodpecker, whitethroat, reed bunting; 2 additional historic records: chiffchaff; house martin			
PRESENT USE AND MANAGEMENT OF SITE				
None apparent although indications of historic coppicing of the oaks in the northern woodland				
HABITATS ON SITE (Phase 1 and/or BAP priority Habitat classification)	ADJACENT LAND USE/HABITAT (Phase 1 classification)	BOUNDARIES TO SITE (river, ditch, fence, hedgerow etc.)		
Semi-natural broadleaved woodland. Swamp. Stream/wet ditch.	Amenity grassland. Broadleaved plantation. Tall ruderal/ephemeral vegetation. Japanese knotweed.	South: ditch. North, east & west: clear habitat boundary (woodland: amenity grassland)		
UK BAP habitats: wet woodland; lowland fen				
SITE DESCRIPTION				
Brief overview: The site is located in the River Thames corridor on the south-eastern edge of Slough, north of the M4 and Windsor. It is a semi-natural oasis amid a large expanse of amenity grassland park with localised planted copses. A children's adventure play ground is situated to the west. The site comprises, a large area of tall herb fen fringed with scrub and a strip of mixed broadleaved woodland on all sides. The northern edge, extending up a slight slope, comprises mesic woodland dominated by oak. The woodland along the east, south and west is dominated by willows and wetter ground conditions. There is substantial evidence of a gradual drying and lowering of the water table at this site. The 2003 survey noted that over a short period of five years, between surveys, the vegetation had changed from a predominantly wet fen, with sedge species occurring throughout to one where aster and willowherb and scrub encroachment is the norm. The current situation suggests that the drying out, although still evident, is slowing/stabilising. There are ditches along the north and south boundaries and mostly wet at the time of survey.				
Detailed description: Central wetland/fen: This area forms the central section and main bulk of the site with affinities to S5, S6/7, S28, OV24-OV27 NVC communities. It comprises a mosaic of locally dominant species poor swamp communities, including mono-species stands of greater willowherb, sedge, reed grass with bramble at the woodland edge. Himalayan balsam appears to be more dominant than in the previous survey conducted in 2003, although may be a reflection of timing of survey (2003 - September; 2012 - June). The vegetation suggests that the system is drying out, for example 1) north edge: abundance of aster species and nettles 2) the oaks and hawthorns, species of drier conditions, appear to be growing well with no sign of ill health resulting from wet soil conditions. 3) bramble is invading in the east with increased meadowsweet, greater willowherb and aster species taking over from the sedges. The latter also had a less strong growth form/smaller tussocks than the norm. 4) Himalayan balsam (associated with damp but not waterlogged soils) is invading areas dominated by reed grass, a species normally associated with very wet conditions. Mesic woodland: The elevated terrace along the northern boundary supports the main area of mesic woodland on this site. It has a more or less closed canopy of oak (English (D) & Turkey (R)) with an understory of scattered elder (R), hawthorn (O), blackthorn (LA), bamboo (LD). The ground flora is dominated by bare ground and Himalayan balsam with scattered nettle. There is a slight decline in Himalayan balsam in the east where the canopy is denser and nettle is more abundant. The woodland strip ends abruptly to the north with the intensively managed playing fields. This woodland has affinities to W10 but lacks key indicator species as a result of the dominance of nettle and Himalayan balsam. In the north-west, this habitat forms a transition into the wetland (see below).				

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Wet woodland: Wet woodland, dominated by willows, occurs on the east, south and west edges. Himalayan balsam and nettle dominate the ground flora. Where the canopy is more open, bramble is locally dominant. Other species generally occur at rare occurrence, with the exception of: orange balsam (LF), gypsywort (LF), yellow flag iris (LA), greater willowherb (LF), Yorkshire fog (LA), rough meadow grass (F). This woodland has affinities to W6 but the variant where willows dominate over alder.

Other features: In the north of the site is a heavily shaded stream/ditch with a maximum width of 1.5 m and graded banks. Fool's watercress and duckweed are locally dominant where the water is deeper, although rarely was deeper than 0.15 m. The substrate was composed of deep leaf litter and sand. The stream/ditch was drier and narrower (1 m) in the east with stepper (30-60 degrees), taller (0.75 m) banks. Invading Himalayan balsam. A similarly shaded wet ditch occurs along the southern edge.

ECOLOGICAL SITE EVALUATION

Typical species:

Woodland:	2 - holly; guelder rose
Grassland - acidic:	none
Grassland - calcareous	none
Wetlands:	10 - reed bunting; reedmace; great willowherb; bittersweet; hedge bindweed; reed canary-grass; greater pond sedge; lesser pond sedge; reed sweet grass
Heathlands:	none
Notable species:	See "Special Interest of Site"
Recommendations:	
Boundary change:	Extend along the ditch in the west: this habitat is an extension to the willow woodland in the south and east of the current site. The woodland in the south of the sites extends beyond the current boundary (ditch) but there are no physical boundaries on the ground or indicated on the map. No apparent reason for 'indent' on western boundary.
LWS status:	Retain as LWS. Extend along ditch in the east
Surveys:	Wetland/swamp invertebrates

ECOLOGICAL CONDITION ASSESSMENT AND MANAGEMENT SUGGESTIONS

Current management	Tick	Current condition	Tick
Management enhances overall		Good ecological condition	
Management maintains overall		Satisfactory ecological condition	
Potential for management to improve ecological interest	yes	Potential for improvement of ecological condition	yes

Comments

The vegetation composition suggests that the wetland is drying out since the last survey in 2003. The drying out of the wetland is likely to result in increased invasion by Himalayan balsam and scrub. However the scrub invasion appears to be more from existing specimens growing rather than new ones establishing. Increasing the wetness of the site, particularly early on in the growing season, may help control the invasion of Himalayan balsam and woody species. The change in vegetation towards species more associated with drier conditions may reflect the natural changes in water table as a result of the two very dry winters (2011/2012), rather than a permanent drop of water table. Therefore the situation should be assessed in detail before drastic changes are made to the systems drainage. Control adjacent Japanese knotweed to avoid potential spread into the woodland/wetland.

Local Wildlife Sites Slough 2012: Upton Park Wetland SU97Z02

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Local Wildlife Site - Habitats 2012

September 2012



Phase1Habitats

- Upton Park Wetland
- Broadleaved woodland - semi-natura
- Swamp

● Target notes (1-9)

→ Photos (1-10)

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Scale: 1:2 500

Local Wildlife Sites Slough 2012: Upton Park Wetland SU97Z02

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Local Wildlife Site - BAP Habitats 2012

September 2012



BAP Habitat

- Upton Park Wetland
- Lowland fens
- Lowland mixed deciduous woodland
- Wet woodland

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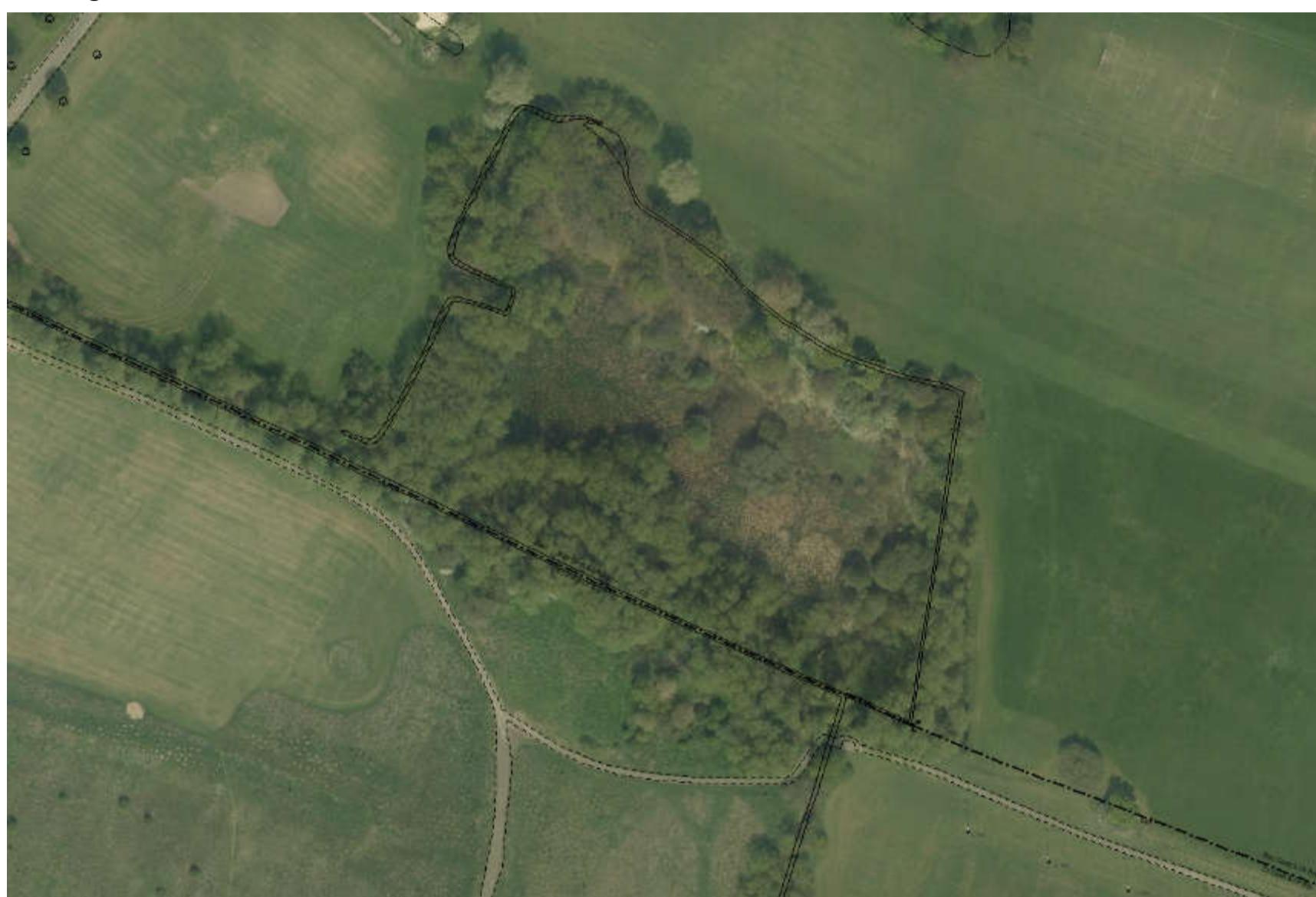
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Scale: 1:2 500

Diagram of current and proposed improvements to wetland area

Upton Court Park Wetland Restoration and Improvement Scheme

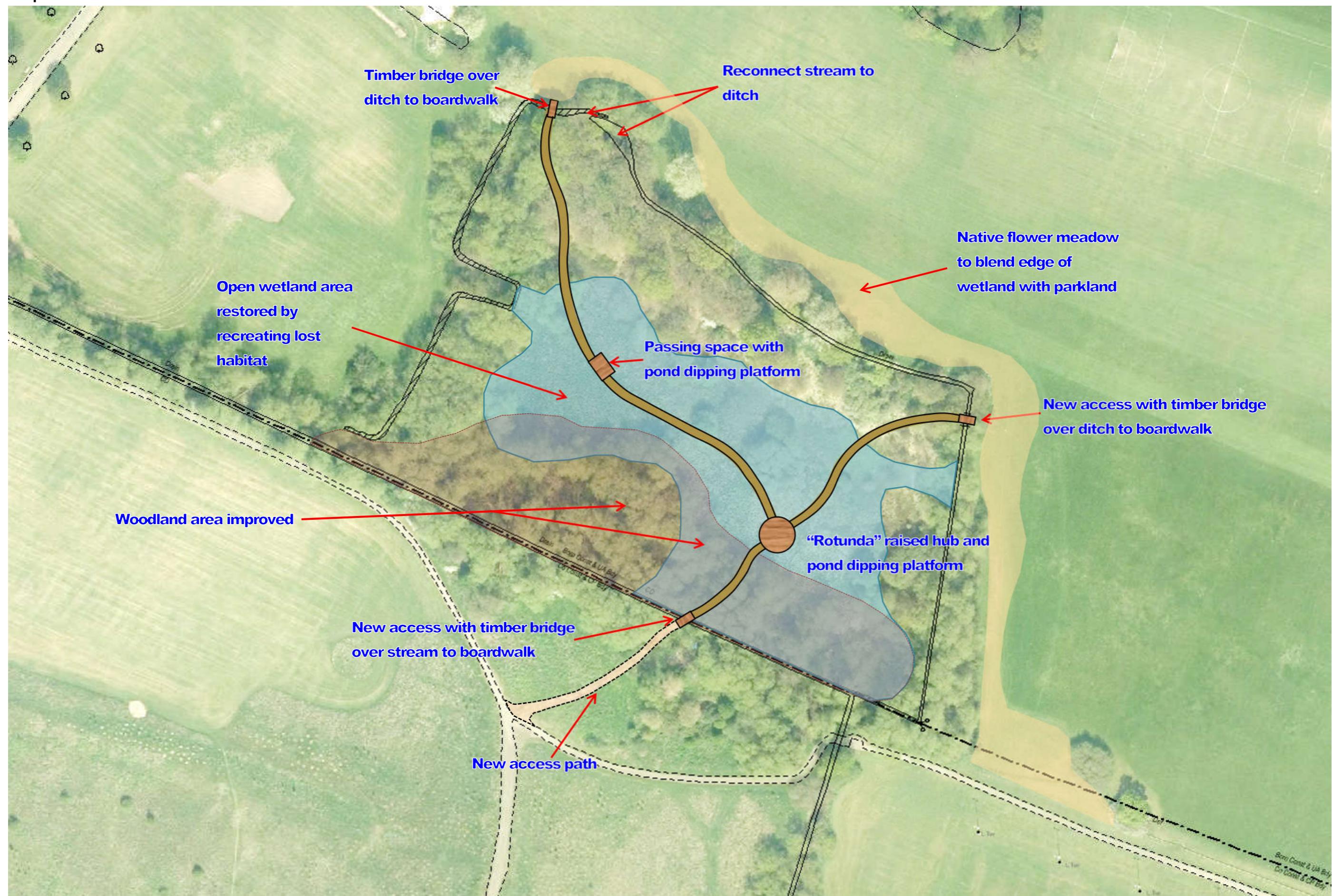
Existing Wetland



Existing Wetland Watercourses



Proposal



Appendix D

Upton Court Park masterplan proposal enhancement projects summary list				
	Package	Project	Relevant to Natural habitat	Mitigation Strategy projects. Only these 4 projects are eligible for the initial mitigation strategy.
1	Walking and cycling infrastructure	New walking path to main gate		
		Create a continuous walking and cycling route in park	yes	yes
2	Blue infrastructure and wetlands developments	Central wetlands restoration (core area, margins and access)	yes	yes
		Pond and rill	yes	
		Improvements and restoration of stream corridor	yes	
3	Improvements to the parks infrastructure	Removal of dead trees	yes	
		Extra tree planting	yes	
		New seating and bins (on walking route)	yes	yes
4	Recreational landforms	Mounds and bunds	yes	
5	Cycle sport, recreation and physical activity	Outdoor Velodrome		
		BMX Track refurbishments		
		Cycle training circuit		
6	Assault Course	TuffMudder style		
7	Play area improvements	Enhancements to existing play areas		
8	Biodiversity and environment improvements	Bee corridors/ flower meadows	yes	
		Interpretation boards (wetland)	yes	yes
		Community orchard and foraging trails	yes	
9	Main Infrastructure	New main gate		
		New heritage style lights		
		Resurface main drive		
		Resurface East drive		
10	Events			
11	Park Ranger Service 5 years		yes	
12	Visitor centre, café/restaurant and changing facility	New build - café / restaurant, changing facilities, community space / classroom.		

(It should be noted some 'hard' projects are classed as linked to habitat because they encourage walking or interest in nature such as seating and interpretation boards)

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Slough Borough Council

REPORT TO:	Cabinet Committee – Asset Disposals
DATE:	13 th October 2022
SUBJECT:	Recommendations of the Cabinet Committee - Asset Disposals Strategy
PORTFOLIO:	Lead Member for Financial Oversight & Council Assets
CHIEF OFFICER:	Richard West, Executive Director Place and Community Steven Mair, Executive Director Finance and Commercial (s151)
CONTACT OFFICER:	Fin Garvey, Group Manager – Place Delivery Peter Worth, Finance Lead Technical Advisor
WARD(S):	None
KEY DECISION:	YES
EXEMPT:	Public with exempt Appendices 2 and 3 under paragraph 3 of Schedule 12A Local Government Act 1972 – Information relating to the financial or business affairs of the Council
DECISION SUBJECT TO CALL IN:	YES
APPENDICES:	Appendix 1 – Asset Disposal Strategy Appendix 2 - Confidential Asset Review Report from Avison Young Appendix 3 – Confidential Asset Pricing & Recommendations from Avison Young Appendix 4 –Phase I List of Assets proposed for marketing and disposal in current financial year Appendix 5 –Asset Disposals Programme Budget

1. Summary and Recommendations

- 1.1. This report is seeking the Committee to recommend to Cabinet approval of an Asset Disposal Strategy further to previous reports on the Council's approach to disposal of assets in order to obtain capital receipts to reduce its debt. The Asset Disposal Strategy set out at Appendix 1 will ensure best use of Council property assets and, where identified for disposal, that best consideration is achieved. Further to detailed analysis of the Council's asset register, Avison Young has prepared an Asset Review report that provides the underpinning data, analysis and structure for the proposed Asset Disposals Strategy.

Recommendations:

- 1.2. To recommend to Cabinet to:
 - a) Agree the Asset Disposals Strategy set out at Appendix 1.
 - b) Approve the declaration of the assets listed in Appendix 4 as surplus and to delegate authority to the Executive Director of Housing and Property, in consultation with the appropriate lead member and the Executive Director of Finance and Commercial, to market these assets for disposal, subject to:
 - i. The removal of 2 Victoria Street and 34 Herschel Street from the list of assets declared surplus.
 - c) Delegate authority to the Executive Director of Housing and Property, in consultation with the Lead Member for Financial Oversight & Council Assets and the Lead Member for Housing & Planning, to determine whether 2 Victoria Street and 34 Herschel Street should be declared surplus and to commence marketing.
 - d) Approve the proposed Asset Disposals Programme budget.

Reason:

- 1.3. Agreement to the recommendations in this report will contribute to the reduction in the Council's future financial commitments, generate disposal receipts at the earliest opportunity and reduce the Council's borrowing and Minimum Revenue Provision (MRP). The proposed asset sales will be subject to a due diligence process and reflect best consideration for the disposal of the assets in accordance with section 123 of the Local Government Act 1972.
- 1.4. The disposal strategy supports the priority of the new Corporate Plan for "a Council that lives within its means, balances the budget and delivers best value for taxpayers and service users."
- 1.5. The disposal of these assets will enable the Council to simplify the property portfolio and enable the Council to focus on its core activities and services.

Commissioners Review

- 1.6. *"The adoption of this strategy and its delivery at sufficient pace are an essential component of the journey back to financial stability. Cabinet had demonstrated to it, at its last meeting, how accelerated disposals have a major beneficial impact on the Council's overall financial position. There are substantial external environment risks inherent in this programme as forecasting likely values to be achieved will depend on a stable overall economy. It is therefore strongly recommended that the Council aggressively pursue the process of freeing additional assets for disposal and bring them forward as quickly as possible to guard against shortfalls in achievement and building a cushion against future financial shocks."*
- 1.7. *Alongside this it is important that the Council set out a clear operating model which will seek to minimise the use of fixed assets, the cost of which are a first charge on all budgets."*

2. Report – Council’s Asset Disposal Strategy

Introduction and Context

Context

- 2.1. Following a detailed procurement exercise, Avison Young (AY) were appointed to support the delivery of the Asset Disposal Programme in March 2022. The appointment comprises two phases:
 - Phase 1 - To develop and report back on an asset disposal strategy for the Council; and
 - Phase 2 – to market and dispose of assets identified under Phase 1.
- 2.2. The Phase 1 report provides the foundation for the Asset Management Strategy being presented in this paper. This strategy supports the requirements of the Treasure Management Strategy [TMS] and sets out the guidance and governance necessary to enable the disposals programme to progress at pace while a more detailed Asset Management Plan [AMP] is being developed. This AMP will be completed in the 22/23 financial year and will ensure the best use of the Council’s assets and will complement the Corporate Plan (22-25) (Improvement and Recovery).
- 2.3. The Council requires a formal approach to the management of its assets and, in particular, their disposal where identified as either surplus or no longer key to the delivery of services. The strategy proposes a structured and controlled methodology to ensure that any asset disposals do not cause longer-term operational difficulties or fail to achieve the best return for the Council.
- 2.4. The proposed Strategy will allow the Council to consider and approve disposals, in advance of the adoption of the AMP.

Wider policy considerations

- 2.5. To ensure that the best outcome is achieved from disposals, these will consider:
 - Holding cost of surplus assets if retained for longer term use or sale
 - Running costs for under-utilised assets and how these can be reduced
 - Service requirements across the Council to ensure an asset is not sold if it could provide a cost effective solution for another service area
 - Potential benefits from delaying a disposal
 - Loss of revenue from any income producing assets
 - Impact on the local area from holding assets empty for prolonged periods
 - Additional benefits from regeneration
- 2.6. The structuring of the Assets Disposals Programme is designed to bring forward the less constrained/simplest assets for disposal. This will be delivered through the following four phases:
 - I. Vacant small/ medium development sites and investment properties out of borough,
 - II. Income producing assets,
 - III. Assets currently utilised for service delivery, including office accommodation
 - IV. HRA Retail assets and, finally

V. the Stock Transfer of housing (if approved)

Governance

2.7. The Council recognises that good governance is a key component of this strategy, so it is essential that all decisions to dispose of an asset must follow a defined process. Principally, all matters regarding the disposal of assets will be firstly considered by the Asset Disposals Cabinet Committee with recommendations as appropriate being made to Cabinet. Full details of the governance processes are set out in the Strategy at Appendix 1.

2.8. Asset to be declared surplus

The assets listed in Appendix 3 are now being submitted for Cabinet approval to market.

Council Property Portfolio Review

2.9. The Council's property holdings are diverse in size, type, condition and value.

2.10. The Council's properties are valued annually by the Council's appointed registered valuers, Wilkes, Head and Eve ('WHE') LLP in accordance with accounting standards and RICS valuation standards.

2.11. As at 31 March 2021 the Council's property portfolio was valued at £1.3bn comprising:

- c. £750m non-residential assets and
- c. £550m of residential assets; and

is summarised in the following table.

Asset category	Valuation £m	Valuation basis
Council dwellings	551	Existing Use Value - Social Housing
Other land and buildings	418	Non-specialised assets - Existing Use Value Specialised Assets - Depreciated Replacement Cost
Investment property	163	Fair Value
Plant, vehicles and equipment	15	Depreciated Historic Cost
Infrastructure	118	Depreciated Historic Cost
Assets under Construction	22	Depreciated Historic Cost
Surplus Assets	10	Fair Value
Community Assets	10	Depreciated Historic Cost
Total	1307	

2.12. This asset register has formed the basis for the work undertaken by Avison Young.

Potential Asset Sales

2.13. AY have identified a total of 108 readily saleable assets which could potentially generate £335m of capital receipts from the Council's property portfolio. Excluding HRA (council dwellings) and receipts from SUR assets.

2.14. The table below sets out the potential level of capital receipt that could reasonably be expected to be delivered aligned to current market conditions over the next four years based on the Disposal Strategy.

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Potential receipts based on AY Disposal Strategy	108	83	53	20	71	335

- 2.15. It should be highlighted that the property market conditions are extremely uncertain due to current macro economic factors which are unlikely to improve for some considerable time. This could result in significant volatility and therefore sales receipts could vary from those forecast, especially should there be any delay in taking assets to market.
- 2.16. To mitigate the market volatility risk officers will identify ‘surplus’ assets for approval for disposal as soon as possible subject to expert advice and review by the Cabinet Committee.
- 2.17. Alongside the review of the general fund property assets, AY have also been asked to provide a potential capital value if the Council were to pursue a large-scale voluntary transfer (LSVT) of its housing portfolio. This work is continuing to better understand what value might be realisable within the housing stock and how it could potentially contribute towards debt recovery targets. Options of partial stock transfer will also be explored. No formal decision has been made to pursue LSVT.
- 2.18. AY have been instructed to provide an indication of what capital receipts could be generated for the Council through selling its assets and in certain cases this has led to a significant difference from the ‘asset value’ held by the Council. For example in the case of assets such as a leisure centre, the cost of replacement can be far in excess of the price this asset is likely to reach were it brought to market.
- 2.19. AY have categorised the asset portfolio as follows:
- Assets which cannot be disposed of usually because they are inalienable assets such as highways infrastructure
 - Those which are saleable subject to legal processes and
 - Assets which are readily saleable.
- 2.20. The Asset Disposals Strategy will not only focus on the surplus properties but will also consider the Council’s wider property requirements so that other opportunities for consolidation and disposal or for a more viable alternative use can be considered.
- ### Progress
- 2.21. Cabinet approved the following early tranche of assets for disposal on 21 September 2022:
- Wickes, Wolverhampton;
 - Euroway, Bradford;
 - Waitrose, Gosport;
 - Odeon, Basingstoke.
- 2.22. The above assets were approved for disposal ahead of the Asset Disposal Strategy as these assets would always need to be disposed of. In addition, high value assets within the Borough have also been marketed and will be reported to Cabinet for disposal decisions in Autumn 2022.
- 2.23. In the light of the progress made to date in identifying and marketing assets for disposal, the forecast of capital receipts has been updated and the forecast at 21 September is set out below for both asset disposals under the AY contract and those

being managed in-house in respect of Slough Urban Renewal. This shows forecast total capital receipts over the period 2022/23 to 2027/28 of £424m.

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	Total £m
Avison Young	121	85	54	43	46	35	384
SUR sites	22	8	10				40
Total	143	93	64	43	46	35	424

Resource Requirements to Implement this Strategy

- 2.24. The Asset Disposals Programme will require a separate budget and resource to be set up to allow the correct process to be followed and undertaken in a timely manner. The budget will provide for works, specialist advice, and if appropriate, planning consent to be obtained.
- 2.25. Any capital expenditure to allow for the relocation of staff, both for the physical move and any new facilities will be required and a suitable budget should be established for asset rationalisation work as part of the strategy.
- 2.26. Regulation 23(h) of The Local Authorities (Capital Finance and Accounting)(England) Regulations 2003, as amended by Regulation 4(c) of The Local Authorities (Capital Finance and Accounting)(England) Regulations 2010 permits local authorities to fund the costs of disposing of General Fund assets from the capital receipt up to a maximum of 4% of the capital receipt.
- 2.27. The total budget for the proposed asset disposal programme is £8.2m over the six-year period 2022/23 to 2027/28, of which £6.5m will be met from the capital receipts with the remainder being a charge to revenue. The budget is summarised below and detail is set out in Appendix 4.

Cost to be met from:	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s	2027/28 £000s	Total £000s
Revenue	526	326	277	252	168	163	1,711
Capital Receipts	2,015	1,390	1,120	865	580	525	6,495
Total	2,541	1,716	1,397	1,117	748	688	8,206
Estimated Capital Receipts	143,000	93,000	64,000	43,000	46,000	35,000	424,000
Net capital receipts	140,985	91,610	62,880	42,135	45,420	34,475	417,505
Costs met from capital receipts as %	1.41%	1.49%	1.75%	2.01%	1.26%	1.50%	1.53%

- 2.28. As can be seen the costs of disposal which can be from capital receipts average at 1.53% which is well below the 4% maximum.

Options considered

- 2.29. Option A - To progress the assets disposals programme without the benefit of an overriding asset disposals strategy which could lead to missed opportunities, premature decision-making, reduced capital receipts or loss of important revenue generating assets.
- 2.30. Option B - To agree the proposed Asset Disposals Strategy set out at Appendix 1.
- 2.31. **Option B is recommended** to Cabinet for approval.

3. Implications of the Recommendation

Financial implications

- 3.1. The Capitalisation Direction was updated in September 2022 and reduced from £479m to 2027/28 to £367m to 2027/28 of which £355m is to be funded from capital receipts.
- 3.2. The Asset Disposal Strategy together with the sales of the SUR sites are estimated to generate total capital receipts of £424m gross and £418m net of disposal costs by 2027/28. The net total is £63m greater than the sum needed to fund the Capitalisation Direction.
- 3.3. Approving the Asset Disposal Strategy to generate this quantum of capital receipts will allow the Council to return to a financially sustainable position by 2027/28 by using the capital receipts to:
 - reduce borrowing to c. £250m which will reduce interest to £7.5m split £4m General Fund and £3.5m HRA; and
 - reduce MRP to £6.5m.
- 3.4. This will bring total debt charges as a proportion of net revenue budget to 7.7% which is affordable and will represent a 70% reduction from 2022/23.
- 3.5. The total cost of administering the asset disposal programme is estimated to be £8.2m over the six-year period 2022/23 to 2027/28 of which £6.5m can be met from capital receipts and at 1.53% is well within the maximum permitted to be charged to capital receipts. The balance of £1.7m of costs will be met from within existing Place Directorate budgets.

4. Legal implications

The Council has statutory powers to dispose of land, including under:

- Section 123 of The Local Government Act 1972;
 - Housing Act 1985;
 - Section 233 of the Town and Country Planning Act 1990;
 - Local Authorities (Land) Act 1963;
 - Housing and Planning Act 2016; and
 - Localism Act 2011.
- 4.1. When disposing of land, the Council has a duty to obtain best consideration under section 123 LGA 1972, not less than the best that can be reasonably obtained. What is reasonable in any particular case depends entirely on the facts of the transaction. Although there is no absolute requirement to market the land being disposed of, or to obtain an independent valuation, in order to comply with the best consideration duty, the Council should obtain independent professional valuation advice, as a failure to take proper advice can constitute a breach of section 123 LGA 1972.
 - 4.2. It is for the authority to demonstrate that it has achieved best consideration; if best consideration is not obtained, Secretary of State approval will be required. A local authority may dispose of land at less than best consideration where the Secretary of State has given permission to do so or under the Local Government Act 1972: General Disposal Consent (England) 2003 in circumstances where the local authority considers the disposal is likely to contribute to the social, economic or environment wellbeing in its area and the undervalue does not exceed £2 million.

- 4.3. No disposal terms should be settled without assessing the legislative requirements arising as a result of the manner in which the relevant land is held (e.g. open space, allotment land, HRA land etc) and concluding any appropriate legal and financial due diligence. Each site will need to be considered on a case by case basis in the form of a report on title, which shall advise on any restrictions or impediments to the disposal of the land.
- 4.4. The Council has employed Avison Young (“AY”) as specialist property advisors to advise on an asset disposal strategy and to market and dispose of the assets identified for disposal. AY will be aware of the Council’s statutory duty to achieve best value pursuant to section 123 LGA 1972 when carrying out marketing exercises and agreeing offers in respect of the disposals.
- 4.5. In relation to the SUR assets, the Council’s existing joint venture (JV) obligations are governed by legal documents, including the SUR Partnership Agreement (PA), the NWQ PA and the individual site Option Agreements. The Council must comply with all relevant legal and governance requirements under the JV arrangements to enable the disposal of SUR assets to take place

5. Risk management implications

- 5.1. The recommendations required from Cabinet, as outlined in this report, are intended to improve the Council’s financial position, by adopting an asset disposals strategy which is targeting the realisation of capital receipts which can then be used to repay Council borrowing from the existing high level and reduce debt servicing charges in the form of interest and MRP. If the recommendations are not approved this will delay the Council being able to return to a financially sustainable position. – specific risks are summarised below:

Risk	Summary	Mitigations
Financial	Delay in realising capital receipts from assets sales will delay the Council’s financial recovery	Cabinet to approve officers to proceed with the sales. Accelerate the disposals process to limit exposure to future market decline.
Governance	Failure to obtain best consideration from the disposals could expose the Council to risk of legal challenge	The Council has employed external property advisors to manage and market the properties, having access to wider markets than officers locally.
Legal	Delay to contract negotiations	Bi-weekly monitoring of asset disposals by commissioners and officers
Governance	Failure to establish robust governance arrangements could expose the Council to risk of impropriety and legal challenge	The Council has established sound governance arrangements for asset disposals to ensure that the Council achieves best consideration from asset disposals

Reputational	Unable to agree a way forward causing delay to asset disposals and failure to deliver capital receipts within the timescales set out in the Debt Reduction/Asset Disposal Strategy	Governance, project management and decision-making operate effectively to deliver asset disposals on time and best consideration for the Council.
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6. Environmental implications

6.1. No environmental implications have been identified as a direct result of this report.

7. Equality implications

7.1. No equality implications have been identified as a direct result of this report.

8. Procurement implications

8.1. The appointment of Avison Young as the Council's external property advisors was secured in compliance with:

- The Public Contracts Regulations 2015
- Council Contract Procedure Rules, and
- Expenditure Control Panel requirements.

9. Workforce implications

9.1. No workforce implications have been identified as a direct result of this report.

10. Property implications

10.1. This report will directly impact on the Council's property holdings. Full details will be provided via progress reports to Cabinet.

11. Background Papers

None

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Asset Disposal Strategy

1. Introduction and Context

Context

- 1.1. Slough Borough Council's Corporate Plan 2022-2025 sets out the Council's new strategic priorities, following a finding by the Secretary of State for Levelling Up, Housing and Communities that it failed to comply with its best value duty and the appointment of commissioners to support the Council with its improvement and recovery plans.
- 1.2. One of the Council's strategic priorities is to be a Council that lives within its means, balances the budget and delivers best value for taxpayers and service users. This will require the disposal of a significant number of assets to reduce the Council's financial commitments and reduce its borrowing.
- 1.3. The Council approved a Treasury Management Strategy for the period 2022 to 2027 covering key areas:
 - Borrowing and debt reduction strategy
 - Prudential indicators
 - Minimum Revenue Provision (MRP)
 - Investment strategy
- 1.4. A key focus of this strategy was to bring the Council back onto a financially sustainable footing through a combination of debt reduction and a programme of asset disposals and to provide an effective framework for future decision making.
- 1.5. The disposal of assets will also enable the Council to simplify its property portfolio and focus on its core activities and services.

Wider policy considerations

- 1.6. To ensure that the best outcome is achieved from disposals, the Council will consider:
 - Holding cost of surplus assets if retained for longer term use or sale
 - Running costs for under-utilised assets and how these can be reduced
 - Service requirements across the Council to ensure an asset is not sold if it could provide a cost-effective solution for another service area
 - Potential benefits from delaying a disposal
 - Loss of revenue from any income producing assets
 - Impact on the local area from holding assets empty for prolonged periods
 - Additional benefits from regeneration
- 1.7. As a general principle, any new property arrangements should be on commercial terms and decisions should be made informed by the full cost of an asset. For lease arrangements, this will be on a Full Repairs and Insurance [FRI] basis with market-facing commercial terms unless otherwise justified.
- 1.8. There may be valid reasons, however, to take a non-commercial approach in certain instances, but the Council should fully test the financial and legal

implications of any such decision, including the need for specific consent to dispose of land at an under-value.

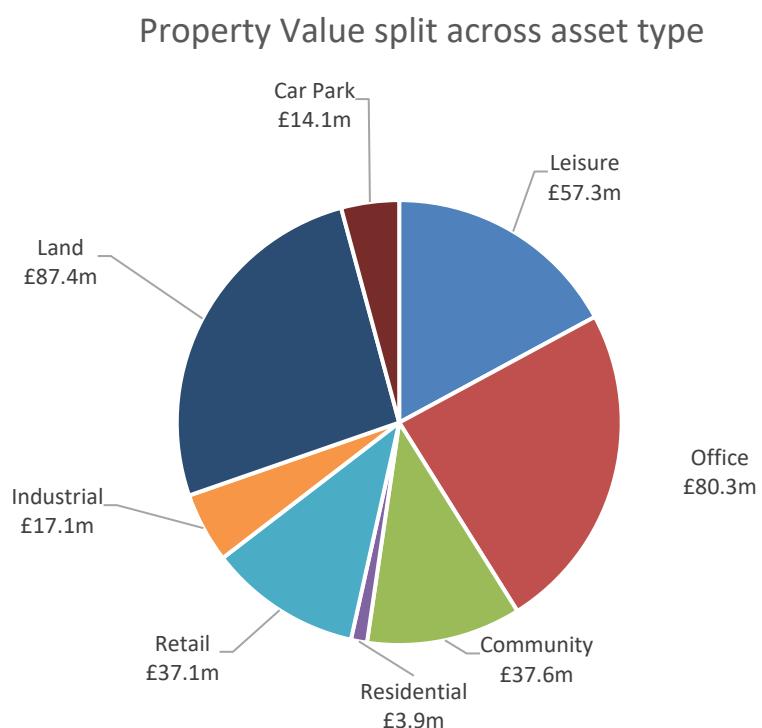
2. Type of Asset Holdings

2.1. At a portfolio level we summarise the following:

- There are a total of 108 readily saleable assets which have been categorised as follows:

AY Sector Category	Properties previously categorised by the Council
Office	Offices
Retail	Retail
Industrial	Industrial
Land	Land, residential development, garages, waste transfer station
Leisure	Leisure, hotel, bus garage, public house, caravan site, bus station, club, sports centre, cinema
Community	Community Centres, Care homes, community use, doctor's surgery, crematoria, library, social services, school, youth resources, resource unit, adult education, court building
Car Park	Car Parks
Residential	Dwellings, Farm, Residential, house, caretakers house

2.2. The pie chart below summarises our view that the Council could potentially generate £335m of capital receipts from the Council's property portfolio.



Office

- 2.3. These properties are currently utilised or designated as office buildings.
- 2.4. The Council owns a total of six office buildings:
 - four are leased out to generate an income of £3.14m per annum (2021/22),
 - one is occupied by the Council (Observatory House), and
 - one of which is vacant (St Martins Place).
- 2.5. Disposal of these assets is contingent upon the Council making decisions about its future occupation requirements. When making a decision, the Council must take account of the cost of fitting out an alternative office building.

Retail Assets

- 2.6. The Council owns a total of 21 retail assets including single units and parades of shops. Some retail assets have been acquired as part of an investment portfolio and are not located within Slough. The majority of the remaining assets are held within the Housing Revenue Account and are below residential housing units.
- 2.7. The disposal of shopping parades will need to consider the implication for residential housing units above.

Industrial Assets

- 2.8. The Council owns a total of five industrial assets. These are generally lower quality assets generating a rental income. One asset is out of borough and the remainder are located in Slough.
- 2.9. Taking account of the rental income generated, MRP and interest charges the analysis indicates that the Council could generate substantial revenue savings in the disposal of these assets.

Community Assets

- 2.10. Whilst some of these assets are generating a rental income, these are not all on commercial terms. Some of the assets are subject to restrictions limited their alternative use. Some assets are also utilised for service delivery of statutory functions. As well as considering the service delivery needs in advance of any decision to dispose of the land, the uses may be protected in planning terms, meaning any planning application will need to demonstrate no net loss of community space. This may impact on the viability of schemes and as such the value of such land.
- 2.11. For community assets, the following considerations must be taken into account:
 - Status of the asset i.e. vacant or occupied
 - If occupied, the terms of that occupation (Council or third party)
 - Consideration of what services are being/ have been delivered within the building and what the current need for these services is in property terms (ie type and quantum of space, location of space, need for co location of groups/ service providers)
 - What obligations sit with the Council to provide these services/ to provide property to enable these services to be delivered

- Its Public Sector Equality Duty relating to those with protected characteristics who either occupy or use the services the occupier provides

Leisure Assets

- 2.12. The Council holds 16 leisure assets varying in quality and type. Leisure and sports facilities are typically protected in planning terms and alternative facilities may be required to satisfy planning policy.
- 2.13. The leisure assets include a hotel and four leisure assets which are subject to management agreements.
- 2.14. The disposal of these assets will also consider the revision to the current leisure strategy which is targeted for completion in early 2023.

Land

- 2.15. The Council owns 24 land assets which comprise a mix of clear development opportunities, designated public open space and some operational assets. A nominal rent is generated from some assets. Some assets are subject to operational use or have a specific designation which limits the options for disposal.

Residential

- 2.16. Aside from the HRA holdings, there are a small number of residential assets which are generating a nominal income. Some assets require consent for disposal or are part of agreements restricting their disposal.

Car Parking

- 2.17. The Council owns 9 car parks which are of mixed quality. This includes surface and multi-storey car parks, one of which is subject to an agreement to supply car parking to a third party. Prior to disposal decisions a full review of car parking needs across the Borough will be required to determine whether the land should be disposed of with conditions in relation to car parking.

3. Phasing of Asset Disposal Programme

- 3.1. The structuring of the Assets Disposals Programme is designed to bring forward the less constrained/simplest assets for disposal and those that were purchased as investments and are not required for service delivery. This will be delivered through the following phases:
 - I. Vacant small/ medium development sites and investment properties out of borough,
 - II. Income producing assets within borough
 - III. Assets currently utilised for service delivery, including office accommodation
 - IV. HRA Retail assets and, finally
 - V. the Stock Transfer of housing
- 3.2. The phasing does not assume the disposal of any specific asset. Decisions on individual assets will be taken by the appropriate decision-making body.

4. Governance

- 4.1. The Council recognises that good governance is a key component of this strategy, so it is essential that all decisions to dispose of an asset must follow a defined process.
- 4.2. Assets identified for disposal will need to be declared surplus. This will require formal approval. For lower value and less sensitive sites this will be agreed by the Executive Director of the service area. The sites will be considered by the internal Asset Disposal Working Group to consider their operational value. Higher value and more sensitive sites will require approval by the Asset Disposal Cabinet Committee and in the highest value sites, by Cabinet.
- 4.3. Once an asset has been declared surplus, a legal site report will be commissioned, following by an independent valuation. An appropriate marketing strategy will be determined to ensure best consideration.
- 4.4. Prior to marketing a site, consideration must be given to consulting with ward members to understand any community significance and local issues that are relevant considerations. In appropriate cases, the Council may need to undertake statutory processes or consult with stakeholders, including the public, to inform its decision on whether and how to market a site.
- 4.5. Upon receipt of satisfactory bids, a report will be prepared for the decision-maker. The report must include the following:
 - A market assessment by a suitably qualified agent familiar with the local market/asset type recommending disposal strategy
 - Evidence of an independent valuation to show that best consideration requirements are fully complied with
 - Review of the financial implications of the disposal
 - Review of the legal implications of the disposal
 - Proposed timing of the disposal
 - Impact/risks of the disposal
- 4.6. The decision-maker for asset disposal is as follows:
 - A disposal decision that forms a key decision or a reserved function of cabinet as set out in the executive responsibility of functions – Cabinet
 - A disposal decision where an officer has declined delegation due to complexity or sensitivity of the decision or where the DLUHC commissioners have advised that the decision should be made by elected members, but a cabinet decision is not required – Asset Disposal Cabinet Committee
 - Non-key decisions to dispose of a site (where the capital receipt is less than £1 million and the disposal is not significant in its impact on more than one ward) - Executive Director of Property and Housing. Before making a decision, the Executive Director should consult the relevant lead member and the Executive Director of Finance and Commercial.

Best Consideration – Definition

- 4.7. Local authorities hold land and buildings on behalf of their local communities. In that sense they can be seen as akin to trustees in relation to such land. For this reason, local authorities are under a duty to sell land at the best price reasonably

obtainable. Section 123 of the Local Government Act 1972 states that a local authority cannot dispose of its land for a consideration less than the best that can be reasonably obtainable in the market, except with the consent of the Secretary of State. There are general consents in relation to a disposal where the under-value is less than £2 million and there are clear economic, social or environmental benefits. A disposal includes sale of the freehold, granting a lease of 7 years or more, assigning an unexpired term of a lease and granting an easement. Case law has determined that entering into an option to purchase the freehold or a lease is also a disposal and removal of a restrictive covenant may constitute a disposal.

- 4.8. In determining best consideration, the only consideration that can be taken into account is that which has commercial or monetary value to the Council. The following are examples of considerations that cannot be taken into account:
 - An undertaking to create a number of jobs for people in the area or the desire to retain a particular use that would create jobs for the area
 - The desirability of the proposed use of the land for a specific purpose
- 4.9. It will be the responsibility of the Property and Housing Directorate to ensure that Best Consideration is achieved on all asset disposals. Decisions to dispose of land at less than best consideration, even where it is in accordance with a general consent, will be referred to Cabinet for a decision.
- 4.10. The Council will not assume that capital, interest, and other financial savings from a potential disposal have been confirmed until the asset has been sold and the net proceeds have been realised.

5. Assets held within Housing Revenue Account

- 5.1. The Council holds some of its land within its Housing Revenue Account. Section 32 of the Housing Act 1985 provides a power for local authorities to dispose of land held for housing purposes. Disposals cannot be made without consent of the Secretary of State, although there are a number of general consents that can be relied upon.
- 5.2. Section 105 of the Housing Act 1985 confirms that local authorities, in their capacity as landlord, shall maintain arrangements to enable those of its secure tenants who are likely to be substantially affected by a matter of housing management to be informed of proposals, to make their views known and for any representations to be considered prior to any decision being taken. Housing management is defined as a matter which relates to (a) the management, maintenance, improvement or demolition of dwelling-houses let by the authority or the provision of services or amenities in connection with such dwelling-houses.
- 5.3. There are specific rules that apply to a decision to undertake a large scale or whole scale stock transfer. Any decision to commence work on a stock transfer will require Cabinet approval and a detailed report setting out the legal and financial implications of such a proposal.

6. Council Property Portfolio Review

- 6.1. The Council's property holdings are diverse in size, type, condition and value.
- 6.2. The Council's properties are valued annually by the Council's appointed registered valuers, Wilkes, Head and Eve ('WHE') LLP in accordance with accounting standards and RICS valuation standards. However, these valuations

were not informed by a legal site report on the individual site and as such will not generally be relied upon as an independent valuation to demonstrate best consideration.

- 6.3. As at 31 March 2021 the Council's property portfolio was valued at £1.3bn comprising:
- The Council's current asset portfolio and basis of valuation is set out below:
 - c. £750m non-residential assets and
 - c. £550m of residential assets.

Asset category	Valuation £m	Valuation basis
Council dwellings	551	Existing Use Value - Social Housing
Other land and buildings	418	Non-specialised assets - Existing Use Value Specialised Assets - Depreciated Replacement Cost
Investment property	163	Fair Value
Plant, vehicles and equipment	15	Depreciated Historic Cost
Infrastructure	118	Depreciated Historic Cost
Assets under Construction	22	Depreciated Historic Cost
Surplus Assets	10	Fair Value
Community Assets	10	Depreciated Historic Cost
Total	1307	

- 6.4. This asset register has formed the basis for the work undertaken by Avison Young.

7. Consolidation of property portfolio

- 7.1. The Asset Disposals Strategy will not only focus on the currently surplus properties but will also consider the Council's wider property requirements so that other opportunities for consolidation and disposal or for a more viable alternative use can be considered.
- 7.2. The increased technology and the Council's digital strategies provide opportunities to rationalise the Council's office accommodation needs and to move away from face-to-face service delivery, where services can be delivered via other means. In addition, the Council will look to utilise other community assets to deliver services from, to reduce its reliance on managing its own property portfolio.

8. Marketing and Disposal of Assets

- 8.1. The following guiding principles will be followed for assets that are brought to market:
 - A bespoke and tailored marketing campaign
 - Asset specific marketing particulars and due diligence packs are drafted providing all salient details about the property/ properties
 - A combination of targeting mail shots, property wide press advertisements and online portals will be utilised to ensure full expose to potential buyers
 - All marketing materials to be pre-approved by the Council's internal Asset Working Group

- 8.2. An Informal Treaty process will generally be used where sealed bids are called following the marketing period. This helps to drive competitive tension amongst bidders and also tests the ability of parties to ‘perform’ within a designated timeframe and process which can give an indication of their likelihood to proceed through the contractual period.
- 8.3. An informal treaty process has the benefit of proving a transparent bidding process but does not legally bind the Council to treat with the highest offer.
- 8.4. In certain instances, typically for low value assets or single residential units, the use of either an auction or local estate agent is proposed as these types of assets are more likely to be appeal to local owner occupiers/ investors and additional value is unlikely to be derived through a national marketing and sales campaign.
- 8.5. Given the diverse nature of the portfolio it is not proposed that assets are generally marketed as part of a group portfolio as this could limit bids from local purchasers who are likely to bid keenly for assets due to adjacencies and local interest.
- 8.6. Certain asset types such as offices and retail units may benefit from being offered to market as portfolios. The majority of the retail units are however situated in parades as part of wider HRA property holdings. There is a risk to future regeneration/ development plans if retail units are carved out of the Council’s existing holdings so this will be carefully considered in advance of any disposal decisions.
- 8.7. Where possible, key local agents will be used for the disposal of non-specialist assets as they will be best placed to understand the market, demand and major purchases within Slough.
- 8.8. The appointment of a single local agent to work with the Council across a number of the small sites will help to achieve a structured marketing approach that will help maximise value and allow assets to be linked where appropriate.
- 8.9. For larger sites or specialist assets, it will be more appropriate to engage parties who will have the relevant expertise and wider market coverage required for this type of disposal.

9. Review process

- 9.1. All detailed consideration of the progress of individual sites together with a progress monitor with highlighted issues will be reported in future to meetings of the newly established Asset Disposals Cabinet Committee, progress reporting to each meeting and the recommendations being amended accordingly.
- 9.2. Alongside reports on individual sites, the Asset Disposal Cabinet Committee will receive regular update reports on progress of the programme against financial targets and timescales. As part of this review process, this strategy should be reviewed to ensure it remains fit for purpose. A decision to amend the strategy must be made by Cabinet and therefore the Committee should make a formal recommendation to cabinet if the strategy needs amendment.
- 9.3. As well as considering a review of the current strategy, the role of Overview and Scrutiny Committee and Audit and Corporate Governance Committee should be considered in reviewing the performance of the programme and capturing any learning. A key area of learning may be understanding why decisions were made to acquire properties and whether sufficient information was available to inform those decisions. A key element of the internal Asset Disposal Working Group is

to capture learning and ensure it is reported to elected members and that procedures are reviewed to respond to such learning.

- 9.4. Further reports will be developed, for consideration by members, which will address the changes required to the Council's operating model as a result of the asset disposal programme and on-going efficiency reviews.

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Appendix 4 – List of Assets proposed for declaring surplus and marketing

Property Name	Estimated Completion Date	Oper'l Need	Recommended Disposal Auction/Informal Tender/Solus	HRA	Purchase Price	Purchase Date	Purpose
380 Bath Road	Mar-23	N	Informal Tender	N	£4,037,500	26/07/2016	Secure income generator / potential redevelopment site on expiry.
Bus Garage, Stoke Road (Parcel One)	Mar-23	N	Solus	N	£35,000	27/03/1972	1-30 Railway Terrace, Car Park, Highways Act 1959,
Bus Garage, Stoke Road (Parcel Two)					£40,000 (including other property/land)	20/11/1961	1-11 Grays Place, Housing, Town & Country Planning Act 1947
4 Broad Oak	Dec-22	N	Auction	N	£545,000	15/06/2018	James Elliman Homes Ltd. For conversion to HMO/Temporary Accommodation Unit
24 Dawes Moor	Dec-22	N	Auction	N	£180,000	03/07/2018	Empty Property, Compulsory Purchase Order (CPO) under section 17 of the Housing Act 1985 and the Acquisition of Land Act 1981
32 Chalvey Road East	Dec-22	N	Auction	N	Not known	1960s (assumed)	Highway Improvement (assumed)
3/5 Mackenzie Street	Mar-23	N	Auction	N	£37,500	17/08/1965	Central Area redevelopment, Minster of Housing and Local Govt, Town & Country Planning Act 1962, Sec. 68
7 MacKenzie Street	Mar-23	N	Auction	N	£375,000	04/01/2021	Central Area redevelopment, Minster of Housing and Local Govt, Town & Country Planning Act 1962, Sec. 68

546 Bath Road	Dec-22	N	Auction	N	£400,000	07/12/2018	Empty Property, Compulsory Purchase Order (CPO) under section 17 of the Housing Act 1985 and the Acquisition of Land Act 1981
7 - 9 Elliman Ave	Dec-22	N	Auction	N	£120,000	21/04/2021	Empty Property, Compulsory Purchase Order (CPO) under section 17 of the Housing Act 1985 and the Acquisition of Land Act 1981
314 High Street	Mar-23	N	Auction	N	£25,500	03/06/1974	314 & 316 High Street. Town Centre Redevelopment, Town & Country Planning Act
Huntercombe Spur Land	Mar-23	N	Solus	N	£7,600	05/06/1980	Borough of Slough (West Point Allotments) CPO 1974 and Allotments Act 1908
150 Bath Road	Mar-23	N	Informal Tender	N	Unknown	Unknown	Acquired by Bucks CC. Assume for Highways
152 Bath Road					£16,500	22/10/1979	Highways Act 1959
154 Bath Road					£22,000	18/02/1983	Highways Act 1980
156 Bath Road					£18,500	20/06/1980	Town & Country Planning Act 1951 - Blight Notice
158 Bath Road					Unknown	Unknown	Acquired by Bucks CC. Assume for Highways
160 Bath Road					£18,500	22/04/1980	Town & Country Planning Act 1972 - Blight Notice
165 Bath Road	Q3, 23-24	N	Informal Tender	N	£18,740,000	02/05/2017	Secure income generator
33 Bath Road - Capital Point	Q3, 23-24	N	Informal Tender	N	£12,960,000	18/10/2018	Short term income pre renewals (still 100% let). Strategic site & potentially benefit from proximity of SMP& TVU

12-14 Bath Road, Aquasulis House	Q3, 23-24	N	Informal Tender	N	£6,825,000	05/07/2019	Multi let income generator (seller topped up S.C caps & voids for 12 months)
3 Bath Road - Adelphi	Q3, 23-24	N	Informal Tender	N	£4,600,000	22/08/2018	Short term income and to be assessed against other user options
Extra Care Home Site Wexham Road	Q2, 23-24	N	Informal Tender	N	£12,500	13/02/1952	Physical Training Act 1937 & Slough Corp Act 1949
Norway Drive Land	Q3, 23-24	N	Informal Tender	N	£52,010 including most of Wexham Court Housing Estate)	09/06/1937	Housing Act 1936
2 Victoria Street	Q3, 23-24	N	Informal Tender	N	£400,000	11/05/2017	HRA acquisition. Temporary accommodation.
34 Herschel Street	Q3, 23-24	N	Informal Tender	N	£350,000	11/05/2017	HRA acquisition. Temporary accommodation.
Slough Crown Court Chalvey Park	Q3, 23-24	N	Informal Tender	N	Unknown	Unknown	Acquired by Bucks CC. Assume for provision of court houses.
26 Wexham Business Village	Q3, 23-24	N	Informal Tender	N	£575,000	22/01/2019	Short term let opportunity & located between key development sites
27-28 Wexham Business Village	Q3, 23-24	N	Informal Tender	N	£702,900	02/10/2020	Short term let opportunity & located between key development sites
St. Martin's Place	Q3, 24-25	N	Informal Tender	N	£7,250	12/09/1949	Purchase of land known as 'The Montem' and a few 'cottages'. Purchased for 'Open Space and Expansion of Town Hall'.

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Appendix 5

Asset disposal budget

Description	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s	2027/28 £000s	Total £000s
Site Security	20	20					40
Hoardings	25						25
Demolitions	400						400
Site Analysis/options appraisals	100	100	100	100	100	100	600
Planning Fees	50	50	50	50			200
Marketing	150	150	150	50			500
HB Law Legal Fees	450	450	450	450	200	200	2,200
Other Legal Fees	50	50	50				150
Salaries	100	125					225
Property Consultant - Phase I	100						100
Property Consultant - Phase II (% fees)	715	465	320	215	230	175	2,120
Property Consultant - Phase II (time-based fe	150	150	150	150	150	150	900
Sub-total	2,310	1,560	1,270	1,015	680	625	7,460
Contingency (10%)	231	156	127	102	68	63	746
Total Budget	2,541	1,716	1,397	1,117	748	688	8,206
Funding from:							
Revenue	526	326	277	252	168	163	1,711
Capital Receipts	2,015	1,390	1,120	865	580	525	6,495
	2,541	1,716	1,397	1,117	748	688	8,206
Estimated Capital Receipts	143,000	93,000	64,000	43,000	46,000	35,000	424,000
Net capital receipts	140,985	91,610	62,880	42,135	45,420	34,475	417,505
Costs met from capital receipts as %	1.41%	1.49%	1.75%	2.01%	1.26%	1.50%	1.53%

The pale green shaded rows identify the costs which can be met from capital receipts, totalling £6.495m.

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Slough Borough Council

Report To:	Cabinet
Date:	17 October 2022
Subject:	Recommendations of the Cabinet Committee - Disposal of Council Asset at Montem Lane
Portfolio:	Councillor Anderson, Lead Member for Financial Oversight and Council Assets
Chief Officer:	Richard West, Executive Director Place and Community Steven Mair, Executive Director Finance and Commercial (s151)
Contact Officer:	Dean Tyler, Associate Director Strategy Carmel Booth, Financial Advisor
Ward(s):	All
Key Decision:	YES
Exempt:	Public with exempt appendices under paragraphs 3 and 5 of Schedule 12A to the Local Government Act 1972 Act (as amended), as the appendices contain information relating to the financial and business affairs of Slough Borough Council and Muse and Slough Urban Renewal LLP, and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
Decision Subject To Call In:	YES
Appendices:	<p>Confidential Appendices</p> <p>1 - Summary of the Commercial and Financial Implications</p> <p>2 – Draft Formal Site Development Plan to be Adopted</p> <p>3 - Haslam's Best and Final Offer Tender Review Report which also including appendices relating to: Haslam's Land Valuation Report, Haslam's Market Report, Haslam's First Round Tender Offer Summary and BAFO letters from final two bidders</p> <p>4 - Heads of Terms</p>

1. Summary and Recommendations

- 1.1 This report seeks approval for the disposal of land assets at Montem Lane which is one of a series of sites that are owned by the Council and opted to Slough Urban Renewal (SUR).
- 1.2 The proposed asset sale has been subject to option review and a due diligence process and reflects the best consideration reasonably obtainable for the disposal of the asset in accordance with section 123 of the Local Government Act 1972. The asset sale will generate a capital receipt which will be applied to reduce borrowing and the Council's Minimum Revenue Provision (MRP).

Recommendations:

- 1.3 The Cabinet is recommended to:
 - a) Agree to the disposal of the Montem Lane asset and to delegate authority to the Executive Director of Housing and Property, in consultation with the Lead Member for Financial Oversight and Council Assets and the Executive Director of Finance and Commercial, to enter into the sale contract and the related legal documentation in connection with the disposal in accordance with the Heads of Terms and Site Development Plan (SDP) appended at Appendix 4 and 2.
 - b) Approve the Draft Formal Site Development Plan for Montem Lane so that this document can be considered to be "Adopted" in accordance with the terms of the SUR Partnership Agreement (PA).

Reason

- 1.4 The early disposal of surplus assets is a key element of the Council's new Corporate Plan, which includes a strategic priority to be "a Council that lives within its means, balances the budget and delivers best value for taxpayers and service users." Agreement to the recommendations in this report will contribute to the reduction in the Council's future financial commitments/liabilities, generate disposal receipts at the earliest opportunity and reduce the Council's borrowing and MRP. The proposed asset sale has been subject to a due diligence process and reflects best consideration for the disposal of the asset in accordance with section 123 of the Local Government Act 1972.
- 1.5 The disposal of this asset will also enable the Council to simplify its property portfolio and enable the Council to focus on its core activities and services.
- 1.6 The site is subject to a lengthy option agreement therefore the Council's options to dispose of the site and are very limited. The utilisation of the On-Site Sale Mechanism within the SUR Partnership Agreement is considered to be the best option to realise early receipts and capitalise on market conditions.
- 1.7 On 18 July 2022, Cabinet agreed that the Council should pursue a disposal strategy via SUR, to generate receipts, reduce future financial commitments/liabilities and to best enable the delivery of a number of strategic objectives; including the delivery of new housing (including affordable housing). The recommendations in this paper are aligned with the disposal strategy previously approved by Cabinet.

Commissioner Review

"This disposal is essential to meet the financial recovery goals and is considered to be best value in the market today. The recommendations are strongly supported."

2. Report

Introduction

- 2.1 On 21 June 2021, Cabinet approved the Asset Disposal Programme which outlined the principles and process for disposing of surplus General Fund land and property assets to reduce borrowing costs. The report highlighted that the Council would seek to dispose of surplus assets to support the following objectives:
- Provide capital receipts to contribute to the 2022/23 budget through reducing MRP and borrowing costs; and
 - Provide capital receipts to meet Capitalisation Directive commitments and align with the Medium-Term Financial Strategy (MTFS) to reduce overall borrowing costs.
- 2.2 The Asset Disposal Programme approved in June 2021 set out the following sequential steps for disposing of assets:
- Identify assets for disposal;
 - HB Public Law to produce detailed Reports on Title for each asset identified for disposal;
 - Asset valuation – obtain up to date independent valuations to provide a benchmark for assessing best consideration;
 - Methods of disposal - take advice on the most advantageous method of disposal; and
 - Officer Delegation – authorise the Executive Director (Place), subject to proper legal/valuation of advice to dispose of assets up to £1m in value after consultation with the S151 and Monitoring Officers.
- 2.3 As part of the Council's budget setting process for 2022/23, the Council approved a Treasury Management Strategy (TMS) for the period 2022/23 to 2026/27 on 10 March 2022. A key element of the TMS is the need to reduce borrowing to bring the Council back onto a more sustainable financial footing.
- 2.4 The TMS includes a target to generate capital receipts from asset disposals of £50m in 2022/23 with an aspiration to realise £100m of receipts by 31st March 2023. This forms part of an overall target to generate between £400m and £600m by 31 March 2027 set out in the Debt Repayment Strategy.

Montem Context

- 2.5 In August 2021, the Council commissioned an Options Review to consider the options available to the Council with regards to the Council owned sites that are optioned to SUR. The contractual obligations and restrictions imposed on these assets means that whilst the principles of the Asset Disposal Programme steps above remain valid, the asset disposal approach and associated considerations are more complex.

- 2.6 The SUR Partnership Agreement sets out the mechanism for onward disposal of a site to a third party rather than the site being developed by the JV. This includes, for example, the mechanism to be used to agree the valuation of the Council's land before planning permission is secured plus the tender process and partners distributions that will apply following the successful sale of the site. Both partners share in the uplift in land value as a result of the Planning Difference / uplift in value that SUR achieves. The Site Development Plan sets out the mechanism and financial distributions.
- 2.7 In the context of the disposal of the Montem site:
- Montagu Evans were appointed to undertake the Options Review and recommend a preferred option for the Council (sale of site);
 - Bevan Brittan has provided legal advice to the Council on the transaction, including advice on title and other legal documentation as set out in the Site Development Plan. Their advice has been overseen by HB Law and the SUR COB which includes representation from Treasury and HB Law;
 - The SUR DM has managed the marketing, tendering and evaluation process in line with the On-Site Sale Mechanism, with instruction and oversight from both JV partners (the Council and Muse) throughout;
 - Haslam's were appointed to provide valuation advice on the Council's land to determine the Market Value without Planning Permission (MVWPP). They have also acted as lead property advisor on the disposal and have produced a valuation report, marketing report and tender report (included in the Confidential Appendices).
 - The PA sets out the disposal methodology which is in line with best practice – a competitive tender process with full transparency with both partners support the demonstration of best consideration; and
 - As the value is over £1m, approval is sought from the Cabinet to dispose of the site. In addition, the SUR Board will also be asked to approve the disposal in line with the governance requirements as set out in the PA.
- 2.8 The Cabinet decision of 18 July 2022 resolved:
- That the updated Site Development Plan for Montem Lane which recommended a disposal strategy be agreed and that delegated authority be given to the Executive Director Place and Community in consultation with the Lead Member for Financial Oversight and Council Assets and the section 151 officer to pursue that disposal strategy (including the negotiation and agreement of all legal documents that give effect to the Sale) and to report back to Cabinet for approval of the [to be] Adopted Site Development Plan and the final agreed disposal terms, subject to the demonstration of best value consideration for the disposal; and
 - That it be noted that those parts of the Montem site which belong to the Council were no longer required for the purposes for which they were presently held, and recommend to full Council that officers be authorised to take all necessary steps to appropriate the site (shown edged red on the plan in Appendix 5 to the original report) for planning purposes to facilitate the carrying out of development, re-development or improvement on or in relation to that land.
- 2.9 On 22 September 2022 Council resolved to appropriate the Montem site to planning under section 226 of the Town and Country Planning Act 1990 on the

grounds that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land, and the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the whole, or any part, of their area.

Montem Disposal

The Site

- 2.10 The total area under the Option was 6.46 ha and included two expansion zones, the Ice Arena, Montem Leisure Centre, Stabmonk Park and public open space. The planning red line area is 5.5 ha and excludes the Ice Arena and Montem Mound. The net usable area for development is 2.4 ha; the remainder will be released under the option and areas of open space that are due to be enhanced will continue under the Council's ownership and management.
- 2.11 Planning was granted in January 2021 and the S106 formal decision notice was issued in August 2022. The Judicial Review Period expired on 13 September 2022 without challenge. The consented scheme provides for 212 new homes and includes 20% affordable housing.

Marketing

- 2.12 A Draft Indicative Site Development Plan was approved by Cabinet in July 2022 which set out the disposal and marketing strategy. Haslam's were appointed to advise on the disposal including the preparation of a marketing document, oversight of the tender process and production of a tender report.
- 2.13 In line with the marketing strategy, sixteen potential purchasers were initially identified which was reduced to a shortlist of five following the consideration of a range of criteria. Formal marketing of the site commenced on 11 July and initial offers were sought from all parties by 18 August. Offers were sought on an unconditional basis in the region of £13,575,000. Best and final offers (BAFO) were submitted by 16 September and a preferred bidder has been identified following an evaluation of bids.
- 2.14 The marketing approach was designed to maximise the level of interest from purchasers locally, regionally and nationally with an ability to progress at pace and deliver a scheme of this nature.

Valuations

- 2.15 All of the Council's assets were valued at 31 March 2022 by the Council's independent valuers, Wilks Head and Eve LLP. Assets are held at fair value in line with accounting standards. Fair value measures the "highest and best" value in the most advantageous market for an asset (i.e. this method of valuation includes considering alternative uses for the asset as well as its current use).
- 2.16 In addition, for the purposes of establishing a guide price for sale, Haslam's were commissioned to undertake a valuation for SUR (with a duty of care to both JV partners). Valuation details are set out in Appendix 1.

Preferred bidder

- 2.17 Details of the preferred bidder are set out in the Confidential Appendices. This bidder was selected on the basis of a higher financial receipt, funding in place, strong delivery track record and ability to complete before the end of 2022. There are no material conditions to the offer. Details are set out in Confidential Appendix 1.

Options considered

- 2.18 Option A – Council to retain the site and consider options for site disposal opportunities following the winding up of the Partnership.
This option does not generate a capital receipt in the medium term as the Partnership is not scheduled to terminate until March 2028 and will effectively mothball the site with no delivery/new housing.
- 2.19 Option B - Terminate the Option Agreement and the Council seeks to sell the site at the earliest opportunity (not via SUR).
Based upon legal advice a termination case would be difficult to demonstrate and this is likely to be a lengthy process with significant costs and uncertainty of outcomes.
- 2.20 Option C - Restructure the Council's participation in the site such that Muse develop the scheme and the Council's land value is secured at the earliest opportunity with reduced or no equity.
This option has been actively considered and explored although the Council's receipt would be substantially reduced and Muse do not wish to pursue this option, rendering this option undeliverable.
- 2.21 Option D - Dispose of the site now utilising the SUR On-Site Sale Mechanism, producing a substantial capital receipt for the Council in 2022, plus MRP saving.
This option is quick and simple to achieve (with buy-in from both partners), this achieves earlier receipts for the Council and greater receipts compared to Option C plus this approach should unlock the site to enable delivery.
- 2.22. **Option D is recommended** to Cabinet for approval.

3. Implications of the Recommendation

Financial implications

- 3.1 The site was acquired in the 1930s and as such there are no acquisition costs or debt associated with the site. The former leisure centre on the site was demolished in 2019/20 at a cost in the region of £500k. There are no ongoing revenue costs/income streams associated with this site.
- 3.2 The terms of the offer remain subject to contract and as such the detailed financial implications are reported in Confidential Appendix 1 only.
- 3.3 However it is estimated that the Council will have a MRP saving in the region of £350-400k in each of the next five years. Plus the valuation for accounting purposes (at fair value) is less than the preferred offer.
- 3.4 The site has increased in value since the Council acquired the site and the valuation in the accounts is significantly less than the market valuation/BAFO received.

Legal Implications

- 3.5 The Council has statutory powers to dispose of land, including under:
- Section 123 of The Local Government Act 1972;
 - Housing Act 1985;
 - Section 233 of the Town and Country Planning Act 1990;

- Local Authorities (Land) Act 1963;
 - Housing and Planning Act 2016; and
 - Localism Act 2011.
- 3.6 Under section 123 of the Local Government Act 1972 (LGA 1972), the Council has the power to dispose of land in any manner it wishes, subject to certain provisions. The Council has a statutory duty to obtain the best price reasonably obtainable, subject to certain exemptions.
- 3.7 What is reasonable in any particular case depends entirely on the facts of the transaction. Case law has determined that whilst there is no absolute requirement to market the land being disposed of, or to obtain an independent valuation, to comply with the duty, the Council should obtain independent professional valuation advice, as a failure to take proper advice can constitute a breach of section 123 of the LGA 1972. The Council has received independent professional valuation advice that the proposed sale is at the best price reasonably obtainable (see Appendix 1).
- 3.8 The Council's joint venture with Muse was procured in 2012 under a compliant public procurement procedure. The JV is governed by (amongst other documents) a combination of the SUR Partnership Agreement, and the individual site Option Agreements (OA). The Council (as JV Partner) has to date complied with the relevant legal and governance requirements under the JV arrangements to enable the disposal of the Montem Lane Asset to take place and by making the resolutions referred to in paragraph 1.3 (Recommendations) the Council will take the final steps in this regard.

Risk Management Implications

- 3.9 The recommendations required from Cabinet, as outlined in this report, are intended to improve the Council's financial position, by realising capital receipts which can then be used to repay Council borrowing from the existing high level and reduce debt servicing charges in the form of interest and MRP. If the recommendations are not approved this will delay the Council being able to return to a financially sustainable position. Specific risks are summarised below:

Risk	Summary	Mitigations
Financial	<p>Delay in realising capital receipts from assets sales will delay the Council's financial recovery</p> <p>Failure to agree a deal may result in Council liabilities (Site WIP)</p>	Cabinet to approve officers to proceed with the sale to achieve the stated exchange/completion date
Governance	Failure to obtain best consideration from the disposals could expose the Council to risk of legal challenge	SUR has appointed external property advisors (with a duty of care to Muse and the Council) to advise on land valuation (for the purposes of calculating the land value under the

Risk	Summary	Mitigations
		<p>terms of the PA) and the marketing and bidder evaluation process</p> <p>Council Officer oversight of the valuation, marketing and sales process via the SUR Board and the Council's COB. Plus at least weekly programme meetings between the Council, SUR and Muse</p> <p>Advance agreement of the Council's land value in advance of marketing process based upon a range of valuations</p> <p>Independent assessment of best consideration</p>
Legal	<p>Failure to ensure legal title/deeds etc which could delay or halt sale</p> <p>Delay to contract negotiations</p> <p>Non compliance with the terms of the Partnership Agreement</p>	<p>Legal title reports obtained for all disposals in advance</p> <p>SUR Corporate Oversight Team meet bi-weekly to discuss progress and compliance</p> <p>Weekly meetings between the Council and SUR to monitor critical requirements to enable exchange/completion</p> <p>Independent assessment of compliance with the terms of the PA (including waterfall payments)</p>
Governance	Failure to establish robust governance arrangements could expose the Council to risk of impropriety and legal challenge	The Council has established sound governance arrangements for SUR asset disposals to ensure that the Council achieves best consideration from asset disposals, including the COB
Reputational	Unable to agree a way forward causing delay to asset disposals and failure to deliver capital receipts within the timescales set out in the Debt Reduction/Asset Disposal Strategy	Governance, project management and decision-making operate effectively to deliver asset disposals on time and best consideration for the Council

Environmental Implications

No environmental implications have been identified as a direct result of this report.

Equality implications

No equality implications have been identified as result of the options in this report.

Procurement implications

No issues have been identified for the Council.

Workforce implications

No workforce implications have been identified as a direct result of this report.

Property implications

This report will directly impact on the Council's property holdings. Full details will be provided via progress reports to Cabinet.

4. Background Papers

July cabinet report – Part 1 and Confidential

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