

WHITEHAVEN REGENERATION PROGRAMME – COASTAL FRINGE

EXECUTIVE MEMBER: Cllr M Ashbrook
LEAD OFFICER: Mike Tichford
REPORT AUTHOR: Brian Kirkbride

Summary: To inform Members of progress of the Coastal Fringe and the agreed scheme and to seek agreement to lease the land to the Land Restoration Trust.

Recommendation: That Members agree:

1. To note progress of the development of the Coastal Fringe scheme.
2. The scope of the works to be undertaken on Copeland land through the Coastal Fringe development - Appendix A
3. To Opt to Tax the land for VAT purposes subject to HMR confirmation.
4. In principle to a lease being granted to the Land Restoration Trust subject to Council approving the disposal and satisfactory terms being negotiated with the Trust
5. In principal to enter in to discussions with the Land Restoration Trust with regard to them being the delivery partner for the programme subject to clarification of roles/responsibilities.

Impact on delivering the Corporate Plan: The project will aid regeneration in Whitehaven and help diversify the offer of Tourism and Recreation for Whitehaven.

Impact on other statutory objectives (e.g. crime & disorder, LA21): The project will address areas of brown field decline and will provide enhanced public open space. The project will also support elements within the Shoreline Management Plan in regard to managing the coastline.

Financial and human resource implications: The implications of not opting to Tax the land relating to the Lease would have an impact on the Council not being able to reclaim VAT costs associated with the capital scheme, which against £1.7million scheme are significant.
A further implication of not opting to Tax could place the Council in a position were the limit of 5% established for the Council could be breached which would have considerable implications upon the Council.

Project & Risk Management: Consultants have been appointed to manage the project delivery on behalf of the Council and to advise on risk management of the project as part of the Project Implementation Plan.
The Lease also identifies key risks that will be managed as part of the lease arrangement with the Land Restoration Trust.

Key Decision Status

- Financial: N/A
- Ward: N/A

Other Ward Implications: None

1. INTRODUCTION

- 1.1 A report was presented the Executive on the 14th March 2006 detailing the concept of the Coastal Fringe project as part of the wider Whitehaven Regeneration Programme and subsequently updated on the 13th June 2006. This report presents the final proposals for redevelopment of land in Copeland Borough Councils ownership following local consultation and engagement with key partners.
- 1.2 The Coastal Fringe Enhancement Scheme, which targets the investment and improvement of the former Haig Colliery Site, is substantially funded through English Partnerships as part of its commitment to Priority Coalfield sites. English Partnerships have made a formal offer of Grant to Copeland Borough Council to invest on the site, which is within the Councils ownership; the level of funding offer is £1.7 million and substantially relates to capital investment on the site.
- 1.3 Detailed consultation has been undertaken with the Local Community and the Council as part of a process commissioned by the National Trust who will ultimately be managing the coastal fringe on behalf of the Land Restoration Trust who will hold the lease. In addition the Council has a duty in regard to administering Shoreline Management Plans and current proposals do not conflict with the Management plans although further discussions will be required specifically in regard to Saltom Pit and the cliff management aspects.
- 1.4 The nature of the scheme has altered from the original Master Plan following the views of the Community and partners advise in regard to providing a product that can be maintained in perpetuity by the Land Restoration Trust. The final scope of the scheme now being presented has agreement by English Partnerships and the Land Restoration Trust. Detail of the scheme are identified in Appendix A.

2. COASTAL FRINGE DEVELOPMENT

- 2.1 Following the report dated 14th March 2006 the Memorandum of Agreement has been signed by all parties and is now in place. A Funding Agreement has been received for the capital investment relating to Copeland land this is now agreed. The appointment of Turner and Townsend as Project Manager to aid the development and oversee the delivery of the capital scheme is now in place. It will be the role of the Project Manager to work with the Council to appoint a detailed design team and to oversee procurement of contractors to implement the capital works an urgent action has been agreed to progress the activity and tenders have been issued which will be due for return in early January.
- 2.2 The Land Restoration Trust in association with the National Trust held an event in June 2006 at which a number of the partners and Members were invited to take part in a number of workshops to aid the development of the Coastal Fringe Programme. The event was well attended and overall a common appreciation of the potential of the site was acknowledged the result of the event is that a revised scope of works has now been tabled as detailed in Appendix A.

3 LEASE TO LAND RESTORATION TRUST

- 3.1 The end user of the site is to be the Land Restoration Trust ('LRT') and negotiations are continuing as to the terms of that occupation. Various terms need negotiating and the current position on each relevant term is as follows:

- Area – the property proposed to be leased to LRT is shown edged black on the plan shown as Appendix B;
- Length – the proposed length of the lease is 99 years;
- Rent – one peppercorn per annum;
- Maintenance - LRT will carry out works and treatments identified in a 'Land Management Plan' and keep the property in good repair. LRT will not however be responsible for the maintenance of certain structures. In respect of each of these structures the Council, under the terms of the lease, will be required to keep them in good and substantial repair. The structures are service media, the Candlestick, mineshafts, certain boundary walls and Saltom Pit. Additionally, the Council shall be liable for the management of and to carry out such repairs and maintenance to the cliffs forming part of the property, which arise from coastal erosion 'as the Council acting reasonably thinks fit'. At the moment the Council has different liabilities in respect of each matter and is not necessarily straightforward. For example in respect of mineshafts the Council has responsibility for known mineshafts and the Coal Authority may be liable for unknown ones. Under the LRT clause the Council would be become responsible for all. In each case it is would be beneficial if the Council's liability was restricted to its existing liability and no more.
- Contamination – the Council will be required to remediate any contamination within the site. It is expected that all contamination will be identified and remediated as part of the project.

In respect of the foregoing, negotiations will continue to remove any additional liability as far as possible.

- 3.2. The lease is a long lease at less than best consideration and the Council would need to be satisfied that the disposal is permitted by the general disposal consent issued by the former ODPM. A disposal can be made at less than the best consideration if it will secure the promotion or improvement of the economic, environmental or social well being of its area and the undervalue does not exceed £2m. The disposal will satisfy both requirements. The project facilitates all three well being powers and the undervalue is less than £2m. As the value is expected to be in excess of £100,000 approval to the disposal will need to be made by Council. It is therefore recommended that the Executive agrees in principle to the property being leased to the LRT but that the terms of the lease continue to be negotiated and reported to Council for approval in due course.

4 OPTIONS FOR DELIVERY

- 4.1 An opportunity has developed for the Land Restoration Trust to become the delivery body for the Coastal Fringe scheme in regard to procuring and ensuring delivery of the capital works. The benefits of this approach will mean that the land is leased in its current condition to the Land Restoration Trust and they will procure the contracts and oversee implementation of the scheme to Copeland agreed Masterplan proposals.
- 4.2 Due to the personnel changes with the Regeneration team and the opportunity of English Partnerships supporting the proposal within the agreed funding this option to support delivery of the programme would provide the dedicated human resources to ensure that the programme is achieved within English Partnerships timeframe. The discussions are currently being developed between English Partnerships and the Land Restoration Trust to determine if this approach can be utilised on the Coastal Fringe scheme, a decision is expected in January and if the option is viable a further report will be presented to the Executive detailing the implications.

5 CONCLUSION

- 5.1 The Coastal Fringe Programme has an investment of £4,088,000 approved through English Partnerships which they have programmed for actual expenditure in 2007/08 otherwise the investment may be pushed back to the end of their programme in 2012.
- 5.2 The actions taken to appoint a project Manager and supporting the production of a Conservation Management Plan will aid the delivery of the investment in 2007/08 as identified by English Partnerships. The further consideration to utilise the Land Restoration Trust to deliver the scheme will provide greater certainty in delivering within English Partnerships timeframe and reduce the risk of funding not being committed to the Haig Site. The remainder of the investment for the Haig Colliery will be subject to the development of the Haig Pit proposals by the Haig Pit Group with English Partnerships.

List of Appendices

Appendix A – Scope of works
Appendix B – Plan of Area

List of Background Documents:

Executive report 14/3/06 – Coastal Fringe

List of Consultees:

Corporate Team, Catherine Nicholson,
Paul Robson, Cllr Alan Holliday,
Duncan Fyfe, Clinton Boyce, Chris
Lloyd