

A Sustainability Assessment of the Future Options for Dale Farm & Oak Lane Caravan Park

*Commissioned by
the Residents of Oak Lane Caravan Park, the Gypsy Council
and Land Group (Billericay) Ltd*

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1. Introduction

1.1 About the Authors

Planning specialist, Stephen Hinsley, Director of Stephen Hinsley Planning Ltd, supervised the production of this report.

The report was drafted by Henry Carruthers. Henry read History at the University of Cambridge. He spent seven years working in central government, at departments including the Department for Work & Pensions, the Wales Office, the Department for Business, Innovation & Skills and the Department for Business, Energy & Industrial Strategy.

During his career in government, he was involved in analysis and policy development, contributing to 2017 and 2018 Budget briefs, scrutinising the cost of projects at the Land Registry, Ordnance Survey and the Green Investment Bank.

He was responsible for independent reports on the Retail Sector and Arbitration, in addition to leading teams responsible for developing regulations for the Single Electricity Market and No Deal Brexit.

1.2 Ownership of the Report

The report, *A Sustainability Assessment of the Future Options for Dale Farm & Oak Lane Caravan Park*, was commissioned by three parties, the Residents of Oak Lane Caravan Park, the **Gypsy Council** and the **Land Group (Billericay) Ltd**.

1.3 Purpose of the Report

This report presents the economic case for **Basildon Borough Council** to include the **former Dale Farm site** and **Oak Lane Caravan Park** as an area for imminent residential development in the **Revised Basildon Local Plan 2014 - 2034**.

The economic case has been developed against two objectives:

1. Establishing the most cost-effective way to address persistent challenges at Oak Lane Caravan Park and the former Dale Farm site.
2. Identifying how solutions to the challenges at Oak Lane Caravan Park and the former Dale Farm site can **cost-effectively** support Basildon Borough Council's short and long-term housing objectives.

These objectives have been considered against a body of evidence, which has been independently commissioned by the residents of Oak Lane Caravan Park and the Gypsy Council over the last six months.

Throughout this report, the economic case has been limited to quantifiable **public costs**. This means that the **human cost** has not been considered.

1.4 Approach

The economic case and sustainability assessment provided in this report, have been developed by assessing the costs and benefits of **four options** available to **Basildon Borough Council** to address the serious challenges faced by the residents of Oak Lane Caravan Park.

A value for money assessment for each of the four options has been provided to support informed decision making.

The four options considered in this report are:

1. Return the land to Open Green Belt

*This option addresses identified challenges at the site by returning the contaminated land at the former Dale Farm site, and the residential land at Oak Lane Caravan Park back to **open Green Belt**.*

*It would require the compulsory purchase of privately owned land at Oak Lane Caravan Park, decontamination of the former Dale Farm site, as well as revocation of the land's current status as **plotlands** within the **Green Belt**. This option would re-establish the area considered as open Green Belt, at the cost of displacing the residents at Oak Lane Caravan Park.*

2. Make Oak Lane Caravan Park Habitable

*This option addresses identified infrastructure challenges at Oak Lane Caravan Park and the former Dale Farm site, **returning the land to a habitable condition**.*

*This option requires the **decontamination** of the former Dale Farm site and a **programme of infrastructure works** at Oak Lane Caravan Park. Option outcomes include bringing the site up to a standard suitable for human habitation.*

3. Residential Development at Oak Lane Caravan Park

*This option addresses identified challenges at the site through **residential development**, empowering the private sector to address decontamination and providing residents with the financial means to relocate themselves from the site.*

*This option requires the land at the former Dale Farm site and Oak Lane Caravan Park to be designated for residential development in the Revised Basildon Local Plan, removing the area from the Green Belt. Option outcomes include **incentivisation of the private sector to decontaminate and redevelop land** at the former Dale Farm site, while lifting the majority of Oak Lane Caravan Park residents out of poverty.*

4. Do Nothing (Status Quo)

*This option has been provided as the **status quo** or ‘do nothing’ option. It does not address any of the identified challenges at the site.*

*This option requires no intervention from **Basildon Borough Council**. The outcome would be a continuation and projected worsening of conditions at Oak Lane Caravan Park.*

The costs and benefits of each option have been developed, in line with **HMT Green Book Guidance**, and are supported by:

- An assessment of the annual added cost of maintaining Oak Lane Caravan Park in its current condition against a comparable residential site.
- An assessment of the current condition of the infrastructure at Oak Lane Caravan Park, with a detailed programme of costed works, which are required to bring the site up to a habitable condition.
- An overview of the potential residential development at the site, as proposed by the Land Group (UK) Ltd on behalf of the residents of Oak Lane Caravan Park, with a review of the economic benefits it presents.

Evidence used in this report has been limited to quantifiable **public costs**.

This means that the **human cost** of each option has not been considered.

1.4 Report Circumstances

This report was commissioned by the **Residents of Oak Lane Caravan Park**, the **Gypsy Council** after concerns about serious issues identified at the site escalated. These issues include **exposure to contamination, overcrowding, fire safety hazards** and general **infrastructure failures**.

There is professional consensus that some form of **intervention is required to prevent further harm**, attributable to the site, coming to the **Residents of Oak Lane Caravan Park**. Already, contamination at the site has been identified to be severely impacting the residents' health and quality of life.¹

Although the programme of work required at the site is known, there is an unresolved dispute concerning who is responsible for funding the work; whether it is the residents or the local authority. Irrespective of the outcome of this dispute, it is noted that **Oak Lane Caravan Park is one of the most deprived communities in Essex and arguably England**.² Residents do not have the financial means to fund the work required to bring the site up to a habitable standard. Given the residents' limited financial means, relocation is also not an option, unless sponsored by the local authority.³

Currently, there is no foreseeable conclusion to this dispute. However, **Basildon Borough Council** are aware of the site's current condition, the serious impact it is having on residents' health and wellbeing, and the residents' inability to fund improvement works.

Presented with a situation that they are unable to address, the only option available to the **Residents of Oak Lane Caravan Park** is to make the case for the local authority to intervene on their behalf.

Given the projected high cost of the intervention required to make the site habitable, an alternative, lower cost option has been developed, which would address the persistent challenges at **Oak Lane Caravan Park**.

One of the alternative options considered in this report would deliver significant, long-term efficiency savings to the local authority, as well as opportunities to meet local housing objectives, at a significant economic benefit to the wider community.

Basildon Borough Council is invited to consider the feasibility of this option (**Option 3**).

¹ Dale Farm Health Report, July 2019; Oak Lane Caravan Park Indices of Deprivation Report, August 2019.

² Oak Lane Caravan Park, Basildon, Indices of Deprivation & Special Circumstances Report, 17 August 2019

³ Oak Lane Caravan Park, Health Questionnaire 2013 & 2019 Report, 29 June 2019

1.6 Executive Summary

Residents of Oak Lane Caravan Park, live at a site that is **not suitable** for **human habitation**. Direct intervention is required to address the **contamination** and **inadequate infrastructure** at the site.

Out of the **four options** available to the local authority, **three** would address the current condition of the site:

1. Relocating the community to a non-hazardous site and returning the land to open Green Belt at an estimated cost of **£27,594,500.00**. This option offers an adjusted benefit cost ratio of **0.11**.
2. Decontaminating the former Dale Farm site and upgrading the infrastructure at Oak Lane Caravan Park at an estimated cost of **£20,710,800.00**. This option offers an adjusted benefit cost ratio of **0.16**.
3. Designating the area for residential development in the **Revised Basildon Local Plan** at an estimated nominal cost of **£225,000.00**. This option offers an adjusted benefit cost ratio of **607.63**.
4. Do nothing. This option requires no investment. It does not address the challenges at Oak Lane Caravan Park and it is projected to result in a long-term, rising cost to the authority, resulting in this option offering a benefit cost ratio of **less than 1**.

While it is disputed whether responsibility for addressing the challenges at Oak Lane Caravan Park rests with the site's residents or the local authority, as one of the most deprived communities in Essex, the residents are unable to fund **Option 1** or **Option 2**. Even if residents were able to sell their private land, with the land and the surrounding land in its current condition, they would be unable to raise enough money to be permanently relocated.

It is estimated that the **additional, annual cost of maintaining Oak Lane Caravan Park** in its current condition is **£2,659,557.48**. Over ten years, this figure is estimated to be **£26,595,574.80** unadjusted. Continued inaction at the site will result in this figure increasing, delivering an adjusted benefit cost ratio of **less than 1** (*against options available that would decrease this overall cost*).

Over a period of ten years, all three options that entail intervention are projected to deliver efficiency savings for the public sector. The estimated ten year adjusted savings for **Option 1** and **Option 2** would not recoup the cost of intervention (**£2,659,211.16** & **£3,016,736.16**). Over the same period, **Option 3** is estimated to deliver efficiency savings of **£21,973,068.93**.

Proceeding with **Option 3** presents some political and media risk (not dissimilar to **Options 1 & 2**). However, proceeding with this option would address the challenges at Oak Lane Caravan Park at a **nominal cost** to **Basildon Borough Council**.

Option 3 is projected to deliver significant public sector efficiency savings (**£21,973,068.93**), while assisting the local authority achieve infrastructure investment savings (**£8,110,000.00**),

while supporting their objective of increasing the housing stock and protecting unspoiled Green Belt.

Site intervention with **Option 3** presents an adjusted benefit cost ratio to the local authority of **608.20**, while continued inaction presents an adjusted benefit cost ratio of **less than 1**. From a value for money perspective, **Option 3** and **Option 4** are the **only two viable options**.

Given the clear economic and social advantages of **Option 3** over **Option 4**, there is significant justification for **Basildon Borough Council** to consider **Option 3** as a means to achieve its objectives when seeking value for money, and more importantly, its responsibility an incredibly efficient way to intervene and support one of the most vulnerable communities in Essex.

2. Oak Lane Caravan Park, Basildon Essex

2.1 Introduction

To provide a complete picture of the site and the options available to the local authority, the current condition of the Gypsy / Traveller settlement needs to be understood.

This is because it is subject to a number of exceptional circumstances.

This section of the report provides:

- A background to Oak Lane Caravan Park.
- A summary of the exceptional circumstances present at the site.
- An estimate of the additional annual cost to the taxpayer of maintaining Oak Lane Caravan Park in its present condition.

2.2 Oak Lane Caravan Park Background

Oak Lane Caravan Park is a Gypsy / Traveller site situated around **Oak Lane, Crays Hill** in the parish of **Ramsden Crays, Essex**. It is adjacent to the **former Dale Farm site**.

Oak Lane Caravan Park hosts one legal Gypsy / Traveller site, with about **40 pitches authorised** through the planning system. While the site's population is subject to some variation throughout the year, four recent visits estimate the permanent residential community at **300**.⁴

An additional community of temporary residents, who meet the revised planning definition of Gypsy / Travellers, occupy the site on a short-term basis. Temporary residents of the site are predominantly made up of those displaced from the former Dale Farm site.

Oak Lane Caravan Park's permanent residents live in temporary and permanent residences, made up of chalets, mobile homes and caravans.

All pitches at Oak Lane Caravan Park are privately owned. The site's housing tenure is varied, with a mixture of owner occupied and privately rented accommodation units.

In total, Oak Lane Caravan Park and the former Dale Farm site occupy an area of **12.95 hectares** within the Green Belt.

Oak Lane Caravan Park's planning classification as Plotlands within the Green Belt restricts how the land can be developed, and in practice curtails the current owners' ability to sell or dispose of the land.

⁴ Proportion of the community that does not satisfy the revised planning definition of Gypsy / Traveller, as per Planning Policy for Traveller Sites, August 2015 - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/457420/Final_planning_and_travellers_policy.pdf

2.3 Oak Lane Caravan Park – Exceptional Circumstances

Background

Over a period of six months, a body of evidence has been developed on the behalf of the Residents at Oak Lane Caravan Park and the Gypsy Council, highlighting that the site is severely deprived. Various reports have **casually linked** the **evidenced deprivation** with the current **condition of the site**.

The settlement experiences **disproportionately high** rates of **unemployment, benefits receivership, low levels of educational attainment, and concerning trends of ill health**. Causal trends indicate that the poor health of residents is linked to unaddressed contamination at the former Dale Farm site, exasperated by inadequate infrastructure, which is recognised as unsuitable for supporting a community of this Oak Lane Caravan Park's current size.

While the body of evidence is substantial, there is no evidence to suggest (except that of health), that this is a result of the geographical location of the site, but instead lack of clearance of the former Dale Farm site, and the local authority's failure to upgrade basic critical infrastructure to the needs of the existing community.

A high proportion of residential properties at **Oak Lane Caravan Park** can be described as slum dwellings, with a **high proportion of overcrowded pitches** (25%), and enforceable infractions of the **Caravan Sites Act 1960** and its **Model Standards 2008 for Caravan Sites in England**, posing a serious risk of fire to the community.

These are **exceptional circumstances** that current residents are **incapable of addressing**. As one of the most vulnerable social groups in Essex, residents have severely limited financial means and are unable to find alternative accommodation to the site. Without some form of intervention from the Local Authority, these problems will persist.

Further, the exceptional circumstances at the site are contributing to **abnormal expenditure by local and central Government**, offering little to no return to the taxpayer. It is important to identify these abnormal instances of expenditure as they **directly impede the local authority and local public service's ability to deliver fundamental services** to the wider Basildon and Essex community.

2.4 Overview of Community Cost

Separate from the social cost, continued inaction at Oak Lane Caravan Park to address the decontamination and upgrade infrastructure to a basic standard, places direct and indirect costs on the public sector.

This negatively impacts the provision of basic services to the wider Basildon and Essex community.

Although all settlements carry a measurable cost, in the instance of Oak Lane Caravan Park, the site poses additional costs directly related to the condition of the site. To enable comparison, the additional cost to the taxpayer of continued inaction at the site has been calculated.

These costs can be broken down into **education**, **policing**, **health** and **benefit provision**. In this report, each cost is considered separately, and has been used to calculate the added cost of continued inaction at the site.

These basic costs are projected to increase without intervention, albeit, at present this is not expressed in the model.

2.5 Community Cost - Education

2.5.1 Background

Crays Hill's local primary school, **Crays Hill Primary School**, is almost entirely attended by the children of Residents of Oak Lane Caravan Park. In 2017, it was reported that **98%** of the **92 pupils** registered at the school were from the **Traveller / Gypsy** community.⁵

The limited ethnic mix of students attending the school is not related to geographic location. There is a much larger settled community, within walking distance of the school. However, these settled residents do not send their children to the school, largely because of the current ethnic mix, which is linked to the school's student's abnormally poor academic performance.⁶

The current situation has resulted in the settled community at Crays Hill enrolling their children at alternative schools, including **Noak Bridge Primary School** (2.7 miles from Oak Lane Primary School), **Whitmore Primary School** (5.3 miles from Oak Lane Primary School) and **St Peter's Catholic Primary School** (2.5 miles from Oak Lane Primary School). This places additional pressure on local services, while reducing the amenity of basic services to the settled community.⁷

It also isolates the cost associated with **Crays Hill Primary School** directly to the community at **Oak Lane Caravan Park**.

The annual grant funding allocation from the **Department for Education** to **Crays Hill Primary School** in **2017/18** was **£174,000**.⁸ This represents funding of around **£1,890** per pupil, per annum. This is well below the national average for annual funding per child at primary level of **£4,700**,⁹ indicating that **Crays Hill Primary School** experiences a funding shortfall of **£2,810** per pupil.

2.5.2 Annual Education Funding Shortfall

The present shortfall in funding at Crays Hill Primary School is partially a result of how the **Department for Education** allocates funding to individual schools, which in practice it is partially determined by the number of recorded pupils. The funding shortfall also reflects the

⁵ Inside the school where 98% of the pupils are travellers, BBC News, 15 May 2017 - <https://www.bbc.co.uk/news/uk-england-essex-39139010>

⁶ In 2018 and 2017, no key stage one, or key stage two pupils at the school met the expected national standard in Reading, Writing, Maths or Science. At best, this performance is poor, but reflective of the general performance of students at the school. <https://www.crayshill.essex.sch.uk/school-performance/>

⁷ This factor has not been considered for the proposed development at Crays Hill, H22, in the Revised Basildon Local Plan, but in practice requires more thorough consideration of the need for a new primary school in the community.

⁸ Crays Hill Primary School, Financial Benchmarking, FY17/18 - <https://schools-financial-benchmarking.service.gov.uk/school/detail?urn=145772&tab=Income&unit=AbsoluteMoney&financing=Include&format=Charts#financialSummary>

⁹ Pg. 7, 2018 Annual Report on Education Spending in England, Institute for Fiscal Studies - <https://www.ifs.org.uk/uploads/publications/comms/R150.pdf>

local authority's decision not to proactively increase the funding available to the school in place of national funding.¹⁰

As almost all students are from an ethnic Gypsy / Traveller background, some spend a portion of the year travelling, and most do not have a consistent attendance record.¹¹ This impacts the official recorded number of pupils at the school, and subsequently funding, as the annual grant funding provided is based on attendance rates.

If the Gypsy / Traveller pupils attended a mixed school, these funding challenges would be offset. This would be achieved if the residents of Oak Lane Caravan Park were not concentrated in a single, arguably ghettoised, community.

Should the current situation persist, it is determined that the annual cost to the local authority, and local community, in terms of loss of funding, is **£258,400.00 per annum**.¹²

2.5.3 Inadvertent Infrastructure Costs

Crays Hill Primary School is a single school, that could be much better utilised by the local authority, and local community.

In 2018, the average cost of constructing a **new primary school** was estimated at **£6.41m**, while the cost of an extension or reopening of a primary school was placed at **£3.78m**.¹³

As a result, it can be estimated that if Oak Lane Caravan Park is maintained, it is costing the local community at least **£258,400.00 per annum**, with a one-off, opportunity cost of **£6.41m**, as the asset is being under-utilised, and could be used instead of building a new primary school.

¹⁰ Elements of the education budget are devolved to County Councils. It is up to them to determine whether certain schools should be allocated additional funding.

¹¹ Note that this is not for economic purposes, but to return to their homelands (Ireland, etc)

¹² This is the estimated loss of funding per pupil at Crays Hill Primary School per annum. It does **not** take into account the potentially inaccurate attendance rates at Crays Hill Primary School (it is more than likely that official numbers are an underestimate).

¹³ National School Delivery Cost Benchmarking, Hampshire Council with the Infrastructure & Projects Authority, Feb 2018 -

<https://www.local.gov.uk/sites/default/files/documents/F07125%20-%20National%20School%20Delivery%20Cost%20Benchmarking%20-%20Primary%20Secondary%20%20SEN%20Schools%20-%20February%202018%20Revision%204%20Final.pdf>

2.6 Community Cost - Health

2.6.1 Background

Between 2013 and 2019, the Residents of Oak Lane Caravan Park were interviewed about their health on two occasions.¹⁴

The latest survey identified that at least **48.70%** of respondents suffer from **serious cardiovascular** and/or **respiratory conditions**.¹⁵ The survey also found that **86.5%** of residents were in receipt of some form of **prescription medication**, with over **71.2%** of residents on a course of **antidepressants**.

2.6.2 Patient Costs

Annually, it is estimated that the average cost of a patient to the NHS is **£2,400**.¹⁶ The **Health Foundation** estimates that the most expensive patients cost the NHS **£9,789.50 per annum**¹⁷ with the most significant services being inpatient and outpatient care (**£6,433 and £1,647 respectively**).

An **unusually high proportion** of the **Residents of Oak Lane Caravan Park** are in receipt of high levels of **inpatient** and **outpatient care**. This has been causally linked to the effects of living within close proximity to a contaminated site, and other associated sources of pollution.

2.6.3 Health Costs at Oak Lane Caravan Park

Of those surveyed, **all residents** identified with a **severe medical condition** have been assessed to meet the criteria set out in the Health Foundation's working paper for the **highest patient cost**.¹⁸

As a result, it is projected that at least **48.70%** of Oak Lane Caravan Park residents fall into the **most expensive 5% of NHS patients**, at an estimated annual cost of **£1.43 million per annum**. The remaining **51.30%** of the population have been modelled at the average annual cost of a patient (**£2,400**).

Compared to a similar sized, healthy population, it is estimated that the average additional cost of health attributed to Oak Lane Caravan Park is **£1.08 million per annum**.

¹⁴ Conducted between 15 and 20 March 2013 and 25 June 2019.

¹⁵ Oak Lane Caravan Park Health Questionnaire, 29th June 2019

¹⁶ OCED Data, Health Spending, <https://data.oecd.org/healthres/health-spending.htm>

¹⁷ A descriptive analysis of health care use by high-cost, high-need patients in England; the Health Foundation -

<https://www.health.org.uk/news-and-comment/charts-and-infographics/high-cost-high-need-patients>

¹⁸ Ibid.

	Oak Lane Caravan Park	Comparably Sized Healthy Population	Difference
Estimated Spend On Health Per Annum	£1,799,605.95	£720,000.00	£1,079,605.95

Without intervention, it is projected that the number of residents experiencing severe medical conditions will increase, at an added cost to the local authority.

2.6.4 Social Health Cost

Although not factored into the analysis, it is worth noting that NICE drug approval procedures indirectly measure the value of a *quality adjusted year of human life*¹⁹ at between **£20,000** and **£30,000**.²⁰

While there are no current estimates on the potential reduction in life expectancy that can be linked to the site, the figure illustrates the enormous challenges faced by the residents of Oak Lane Caravan Park.

¹⁹ QALY, NICE, <https://www.nice.org.uk/glossary?letter=q>

²⁰ How much is a year of life worth?, BBC News, 29 August 2014 - <https://www.bbc.co.uk/news/health-28983924>

2.8 Community Costs - Policing Costs

2.8.1 Background

Despite local assumptions that crime isolated to Oak Lane Caravan Park is disproportionately high, there is no substantive evidence that the area exhibits more crime than other residential areas.²¹

However, there is a **disproportionately high level of police presence** recorded at **Oak Lane Caravan Park**, often amounting to **at least** two unsolicited rounds of police patrols per week. A similar has been observed at the **Gypsy / Traveller** community at **Meadow Lane, Runwell**.

Following this observation, a report on the cost of policing at Oak Lane Caravan Park, and **Meadow Lane, Runwell** was commissioned on the behalf of residents at both sites and the **Gypsy Council**, to estimate the **annual cost of policing each site**.

2.8.2 Cost of Policing

Analysis of the cost of policing at Oak Lane Caravan Park and Meadow Lane, concluded that the effective costs of policing Oak Lane Caravan Park per person were **£933 per annum** and **£1,000 per annum** respectively,²² due to the high frequency of specialist patrols at the site.

This is compared against the average police spend of **£159.73** per person, per annum for Essex.²³ In practice, this represents an additional cost of **£773.27 per person**, per annum at the site.

Per annum, this is an additional cost of **£231,981**. It is noted that this is likely to be an underestimate of the actual cost of policing the site, which Essex Police have been invited to provide.

2.8.3 Reason for High Levels of Policing

The **level of policing at Oak Lane Caravan Park is disproportionate to the level of crime**. This indicates that the high level of policing is linked to something else, potentially local and institutional stereotypes about the Gypsy / Traveller. This leads to the conclusion that this **disproportionate spend** could be **addressed if the community were dispersed**.

²¹ Detailed statistics for Crouch - <https://www.police.uk/essex/94/crime/stats/> & section 2.4, Oak Lane Caravan Park, Special Circumstances and Indices of Deprivation Report

²² The Cost Of Policing, Oak Lane Caravan Park & Meadow Lane, Essex, 31 December 2019

²³ Essex Police Force Value For Money Profile 2019, HMICFRS

2.9 Community Costs - Benefit Receivership

2.9.1 Background

In 2019, **46.15%** of all working-age residents at Oak Lane Caravan Park confirmed that benefits were their only source of income.²⁴

The most commonly received benefit was **Income Support (23.08%** of total surveyed population) and **Employment Support Allowance (23.08%** of total surveyed population). The most recent resident survey identified that almost half of the working-age adult population at Oak Lane Caravan Park are **registered unemployed**.

In addition to receiving work-related benefits, almost all working-age residents were found to be in receipt of child benefit for three or more children.²⁵

Of those interviewed, **78%** of residents confirmed that they were in receipt of housing benefit.

2.9.2 Benefits Overview

Benefits like Jobseekers Allowance, Universal Credit and Child Tax are paid at a national rate, while benefits like Housing and Council Tax are paid at a local rate, often determined by the local authority responsible for housing the area.

Working-age means tested benefits pay recipients on average **£73.10 per week**, or **£3,801.20 per annum**.²⁶

In Basildon, the weekly rate of housing benefit for a three bedroom house is **£199.80**, or **£10389.60 per annum**.²⁷

Child Benefit is paid nationally at a rate of **£48.10 per week** for three children, or **£2501.20 per annum**.

The national rate of unemployment for the working age population is **3.8%**.²⁸

²⁴ Oak Lane & Dale Farm Indices of Deprivation Report,

²⁵ The payable rate of child benefit is £20.70 per week for the first child, and £13.70 per week for each child after - <https://www.gov.uk/child-benefit/what-youll-get>

²⁶ Benefit and Pension Rates 2019 to 2020 -

<https://www.gov.uk/government/publications/benefit-and-pension-rates-2019-to-2020/proposed-benefit-and-pension-rates-2019-to-2020>

²⁷ LHA Housing Benefit Rate Tables,

<https://www.gov.uk/government/publications/local-housing-allowance-lha-rates-applicable-from-april-2017-march-2018>

²⁸ Unemployment Rate 2019 September to November, Office for National Statistics,

<https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment>

2.9.3 Benefit Expenditure at Oak Lane Caravan Park

The lower estimate of this expenditure for means-tested benefits at Oak Lane Caravan Park is **£175,425.38 per annum**, while the lower estimate of amount of child benefit is **£150,072 per annum**.

For Oak Lane Caravan Park, annual expenditure on housing benefit claims is estimated at **£810,388.80 per annum**.

Including the payment of Incapacity Benefit, the total expenditure at the site is estimated at **£1,181,414.78 per annum**.

For a community of this size (*estimated 300, with 100 working-age adults*), the average working age benefit expenditure would be **£14,064.44**, against child benefit expenditure of **£15,504.55** and housing benefit expenditure of **£62,275.26**.

	Oak Lane Caravan Park	Average Population Sample	Difference per Annum
Means-tested benefits	£175,425.38	£14,064.44	£161,360.94
Incapacity Benefit	£45,528.60	N/A	£45,528.60
Child benefit	£150,072.00	£15,504.55	£134,567.45
Housing Benefit	£810,388.80	£62,275.26	£748,113.54
Total	£1,181,414.78	£91,844.25	£1,044,041.93

The total difference or additional expenditure at Oak Lane Caravan Park is estimated at **£1,044,041.93 per annum**. This is over eleven times the expected cost.

2.10 Non-Economic Costs - Illegal Tipping

To the **west of Oak Lane Caravan Park**, there is a portion of land behind **Oak Tree Farm** that is currently subject to **industrial levels of fly tipping**. During all site visits, HGVs depositing containers' full of industrial waste were recorded.

Over twenty lorry loads are estimated to visit and dump waste on to this location daily, gaining access via the recently opened (estimated August) **southern access point of Oak Lane via the A127**.

In the financial year 2018/19, **Basildon Borough Council** removed **3,665 incidents of fly tipping**.²⁹ During the same financial year, there were **67,792** recorded incidents of fly tipping in the **East of England**. Those recorded in Basildon represent **over 5.41%** of the total number of fly tipping incidents in the region.

As is frequently noted by Crays Hill's settled community, there is a significant fly tipping issue around Oak Lane Caravan Park and the former Dale Farm site.

While this impact has not been costed, decontamination and clearance of the current site would lead to a reduction in fly tipping in the local vicinity. This would improve amenity.

²⁹ Fly tipping datasets in Excel format 2007/08 to 2018/19, DEFRA, <https://www.gov.uk/government/statistical-data-sets/env24-fly-tipping-incidents-and-actions-taken-in-england>

2.11 Loss of Revenue - Council Tax

Despite the community of Oak Lane Caravan Park numbering an estimated 300, with at least 100 residences, the maximum combined annual council tax contributions from the site are **£35,752.50**.³⁰

This figure is quoted as the maximum possible figure, as during four recent site visits, all interviewed parties indicated that they were not required to pay council tax.

The limited contribution of the community to local services is impeded by the high levels of recognised ill-health at the site, leaving residents unable to work.

To put this into perspective, a site of the size of Oak Lane Caravan Park under normal circumstances would be expected to generate Council Tax contributions of **£163,458.00**³¹ per year, without placing nearly as much pressure on community services.

³⁰ Valuation Office Agency, Council Tax Contributions, <http://cti.voa.gov.uk/cti/incts.asp>

³¹ Council Tax income from 100 Band C properties at Basildon Rates.

2.12 Overall Estimated Cost Per Annum of Maintaining Oak Lane Caravan Park

The overall estimated cost of maintaining Oak Lane Caravan Park in its current condition is an estimated additional **£2,659,557.48 per annum**.

Social Costs	Estimated Total Cost	Average Site	Difference
Health	£1,799,605.95	£720,000.00	£1,079,605.95
Education	£258,400.00 ³²	N/A	£258,400.00
Policing	£279,900.00	£47,919.00	£231,981.00
Benefits	£1,181,414.78	£91,844.25	£1,044,041.93
Total	£3,519,320.73	£859,763.25	£2,659,557.48

As a result, it is estimated that continued inaction to rectify challenges at Oak Lane Caravan Park costs the public purse an estimated **£2.66 million per annum**.

It is projected that **with intervention**, this figure would be reduced substantially.

2.13 Additional Impacts of the Existing Site

These figures do not include various other impacts of continued inaction at the site, including:

- **Suppression / devaluation** of house prices in the surrounding area due to proximity to a **large** and **contentious Gypsy / Traveller settlement**.
- The **cost of outreach services**, including **community liaison officers** and **social workers**.
- The **loss of private investment** to Crays Hill.
- Negative impact on amenity of the surrounding area through **spoiled Green Belt**, and severely limited access to the Green Belt.

³² Difference, not total provided as this is a loss of funding to the authority.

3. Cost of Site Upgrade and Clearance

This section provides an overview of expected costs required to bring Oak Lane Caravan Park up to a habitable condition.

3.1 Decontamination of the former Dale Farm Site

During the 2011 eviction of Dale Farm, buildings on the site were demolished. Since the eviction, in the absence of the private owners or the ability of private owners to clear the site, the site has remained un-cleared.

Badly damaged asbestos has been identified at the site, which has not been removed, or contained. Further, since 2011, the former Dale Farm site has been subject to significant levels of fly-tipping, including the disposal of medical waste.

The **Environment Agency** estimates that the site poses a significant contamination risk to the neighbouring Oak Lane Caravan Park. They estimate that the cost of clearance would amount to **£12 million**.³³

³³ Environment Agency, 2014

3.2 Infrastructure Improvements

Various infrastructure improvements required at Oak Lane Caravan Park have been identified. Their estimated costs are detailed in the section below.

3.2.1 Overcrowding

During each recent survey of Oak Lane Caravan Park, frequent instances of overcrowding have been documented. This presents a risk to sanitation and fire safety.

Based on the number of caravans per site, it is estimated that an additional **10 pitches** are required to address the current overcrowding at the site.

The cost of a new pitch to the public purse is estimated at **£142,000.00**.³⁴ This figure does not include the compulsory purchase of land for the pitch. Ten additional pitches presents an estimated cost of **£1.42 million**.

3.2.2 Water & Waste Infrastructure

The current water infrastructure at Oak Lane Caravan Park was not designed for a settlement of its current size. To provide adequate services to the site, and prevent further contamination of the water table from the former Dale Farm site, improvement works are required.

Essex and Suffolk and Anglian Water estimate the cost of water improvements at **£800,000**.³⁵

3.2.3 Foul Drainage

Waste infrastructure has also been identified as requiring redress. During the most recent site visit, there was evidence of at least one overflowing septic tank at the west of Oak Lane Caravan Park. Further, discussions with residents has revealed that some septic tanks installed around Oak Lane Caravan Park were not designed for use as septic tanks (metal holding tanks repurposed to hold effluent).

The **Environment Agency** has been concerned about the foul drainage system at Dale Farm for a number of years, as they believe there is the potential that many of the septic tanks that were installed have breached, and discharged to the surrounding land.

³⁴ Fol, South Norfolk District Council. "The Gypsy and Traveller DPD Officer's calculation, this Council will require approximately a further £3 million in grants from the Government for the 21 further pitches," working out at £142,000 per pitch -

https://www.whatdotheyknow.com/request/cost_of_traveller_sites

³⁵ Essex and Suffolk and Anglian Water, 2015

A full audit of the site, the removal of compromised septic tanks and the installation of new ones is estimated to cost **£700,000**.³⁶

3.2.4 Electricity Grid

EoN have identified the need for improvement works to the electricity infrastructure at the site.

Despite there being **existing capacity**, suitable for the expansion of an **additional 5,000 homes**, existing connections at the site are inadequate for the current number of residents.

Based on a cost per meter estimate from EoN, the total cost of this work is estimated at **£1.2 million**.³⁷

3.2.5 Access Issues

The south of the Oak Lane Caravan Park site cannot be accessed by large vehicles. In the case of the residents, this results in reduced access to basic services, such as rubbish collection. More worryingly, fire services are currently unable to access the southern section of the residential development. In addition to there being no fire hydrants at the site, as an incredibly dense development where overcrowding is present, the potential for a fire to decimate the site is a significant risk.

To prevent this risk, in addition to increased pitch allocation, access to the back of the site needs to be improved. Any action to improve access is estimated to entail the following costs:

A topographical survey at **£1,400**.³⁸

A cost of **£200,000 per 100m** for a tarmac road.³⁹

Based on the size of the site, it is conservatively **estimated that 300m of road** would be required to bring access up to standard, at a minimum cost of **£601,400**.

3.2.6 Relocation Costs During Site Decontamination

In addition to the outright cost of the work, there are some miscellaneous costs associated with the decontamination of the site.

³⁶ Anglian Water - waste cost

³⁷ EoN, 2015

³⁸ Cost of Highway Works, Wiltshire Council - <http://www.wiltshire.gov.uk/highways-works-cost> (note, given the similarities of public procurement, the figures published by Wiltshire Council should reflect Essex's, which are not used in this instance because they have not been published).

³⁹ Tim Doherty, Editor at Build It Magazine

Decontamination work will require the existing residents of Oak Lane Caravan Park to be temporarily relocated until the work has been completed.

Given the scale of the operation, it is estimated that the work would take a minimum of six months.

Initial estimates of the cost of putting up all residents in a local hotel for a period of six months at **£3.98 million**.⁴⁰

⁴⁰ *Estimated 200 rooms for 300 population, at an average of £109 per night, for a duration of 183 days (0.5 years). Basildon Premier Inn was used for this example.*

3.3 Total Estimated Cost of Infrastructure Upgrades and Decontamination

The total cost of work required to bring Oak Lane Caravan Park up to a habitable standard is estimated at **£20,710,800.00**.

Required Improvement	Estimated Cost
Decontamination	£12,000,000.00
Infrastructure	
Water	£800,000.00
Sewage	£700,000.00
Road Access	£601,400.00
Electricity	£1,200,000.00
Additional Pitches at Oak Lane / Elsewhere	£1,420,000.00
Misc	
Temporary Relocation	£3,980,000.00
Total	£20,710,800.00

4. Basildon Revised Local Plan & Infrastructure Plan

Basildon Borough Council are responsible for making planning decisions for **Crays Hill** and **Oak Lane Caravan Park**.

This section provides a brief summary of their recent strategic planning work, and why it is relevant to the future of **Oak Lane Caravan Park**.

4.1 Background

Basildon Borough Council's Local Plan aims to set out how the Council can **sustainably** manage the borough's growth through **2014 to 2034**.⁴¹ It presents a strategic plan for residential, commercial and to an extent, infrastructure projects in the borough over the next fourteen years. The latest version of the **revised annual plan** was published in **October 2018**.

The latest report assesses that Basildon Borough Council will require an additional **19,400 homes by 2034** (*over the period 2014-2034*). At present, the council has only identified supply for an additional **3,038 homes**.⁴² Faced with limited residential development land, the current Local Plan acknowledges that to meet the projected housing requirements, up to 4% of **all Green Belt land in Basildon** will need to be given up.

As a public authority, **Basildon Borough Council** is required to review value for money when considering potential areas for development. In line with the **National Planning Policy Framework**, Basildon Borough Council's Planning Policy has three overarching objectives, an economic objective, a social objective and an environmental objective.⁴³

4.2 Inclusion of Oak Lane Caravan Park and the former Dale Farm in the Local Plan

Land Group (Billericay) Ltd has been working on behalf of the Residents of Oak Lane Caravan Park and the Gypsy Council to have the area to be earmarked for residential development in the local plan.

Despite requests from the Residents of Oak Lane Caravan Park, supported by the **Land Group (UK) Ltd**, Basildon Borough Council have failed to consider the value of including the

⁴¹ Basildon Borough Revised Local Plan, October 2018 - https://www.basildon.gov.uk/media/9088/SUB001-Basildon-Council-Revised-Publication-Local-Plan-Oct-2018/pdf/SUB001_Basildon_Council_-_Revised_Publication_Local_Plan_-_Oct_2018.pdf?m=636898114356070000

⁴² Para 2.7, Pg. 4, Housing Delivery Test Action Plan, Basildon Borough Council, July 2019 - https://www.basildon.gov.uk/media/9530/Basildon-Council-Housing-Delivery-Test-Action-Plan-July-2019/pdf/Basildon_Council_-_Housing_Delivery_Test_Action_Plan_-_July_2019.pdf?m=636991471359330000

⁴³ Para 8, Pg. 5, National Planning Policy Framework, MHCLG, February 2019

site for redevelopment, and have identified that it has potential for redevelopment in the future.

4.3 Responsibility to the Green Belt

The **National Planning Policy Framework** stipulates that it is every planning department's responsibility to protect the Green Belt, stating, "*Once established, Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans.*"⁴⁴

In line with this, it is **Basildon Borough Council's** responsibility to carefully consider which existing areas of the Green Belt should be removed, and establish the **exceptional circumstances** for doing so.

Having already identified that **8,612 new homes** will come from the **Green Belt**, it is recommended that **before earmarking unbuilt and unspoiled Green Belt for development, Basildon Borough Council** consider existing areas where **Green Belt status is disputed**, or has **been spoiled** and would take a significant amount of investment to return to its natural condition, as is the case with the former Dale Farm site.

4.4 Revised Local Infrastructure Delivery Plan

Basildon Borough Council has developed an **Infrastructure Delivery Plan** to set out how infrastructure improvements will be delivered to cope with the projected increase to the number of people requiring services in the borough,⁴⁵ as a result of the **Revised Basildon Local Plan**.

The Plan sets out the authority's anticipated spending on education, policing, communication infrastructure, and health & social care. It does so by assessing the level of services each new development will require, and how funding will be secured for them.

The current Infrastructure Delivery Plan identifies that at present, there are **energy capacity challenges in the south and east of Basildon's jurisdiction**, which are projected to require capacity upgrades to meet projected demand. In comparison, the area east and north of Basildon, which includes **Cray's Hill**, is identified as **offering ample capacity**.⁴⁶

At present, the Infrastructure Action Plan identifies that the **biggest potential funding gaps** that **Basildon Borough Council** will face over the next fourteen years are the provision of

⁴⁴ Para 136, Pg. 40, National Planning Policy Framework, MHCLG, February 2019

⁴⁵ Residents, additional workers, etc.

⁴⁶ Para 4.1.15 to 4.2.2, P. 10, Basildon Borough Local Plan – Infrastructure Delivery Plan (IDP), October 2018

education, and **health & social care**, which are identified as **£103m** and **£45m** (77% and 68% unfunded respectfully) one-off payments.⁴⁷

It is important to highlight this as the proposed residential development at Oak Lane Caravan Park offers potential **educational infrastructure savings** of **£6.41 million**. Further, by proactively addressing the cause of ill health, specifically the former Dale Farm site, **Basildon Borough Council** has the opportunity to proactively decrease spending on health, rather than funding the projected increase in cost that continued exposure to the site will entail.

⁴⁷ Para 7.2.8, Pg. 23 & Para 6.3.7, Pg. 19, Basildon Borough Local Plan –Infrastructure Delivery Plan (IDP), October 2018

5. Land Group (Billericay) Ltd's Proposed Development at Oak Lane Caravan Park

On behalf of the Residents of Oak Lane Caravan Park and the surrounding Cray's Hill area and the **Gypsy Council**, **Land Group (UK) Ltd** have developed initial proposals for a residential development at the site. The development is contingent on reclassification of the land.

5.1 Proposal

It is proposed that the former Dale Farm site, the current Oak Lane Caravan Site and some surrounding agricultural land are residentially developed.

At present, it is proposed that a **mixed development** of **1,400 houses**, of which **31%** are affordable, is developed on the former Dale Farm site, Oak Lane Caravan Park and surrounding land.

The total proposed area of the development is **39.82 hectare site**. This includes **23.3 hectares** for the residential development at a density of **60 homes per hectare**, and protected green space for the community of **16.5 hectares**.

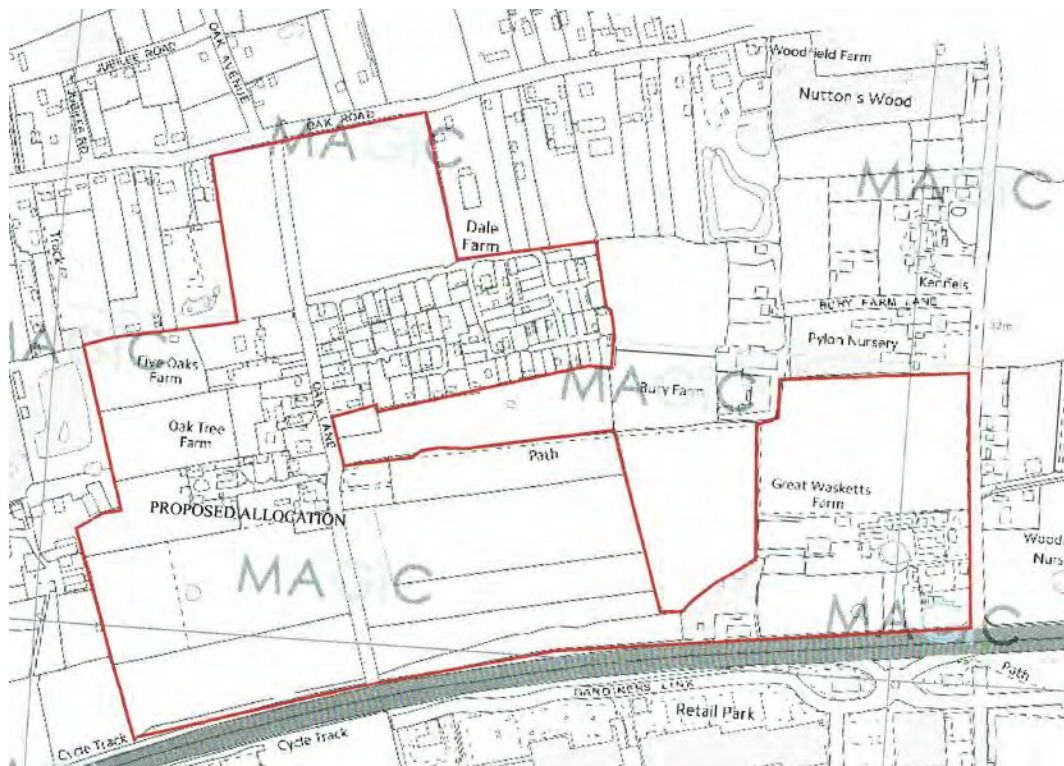


Fig. 1 - The Proposed Development Area at the former Dale Farm site and Oak Lane Caravan Park

5.2 Proposed Development Benefits

If planning permission is granted and the development proceeds, there are a range of quantifiable benefits that are not present on other, existing Green Belt sites.

Further, green-lighting the development will address the current challenges experienced at Oak Lane Caravan Park, by providing residents with the means to exit the site, at **no cost to the taxpayer**.

5.2.1 Economic Benefits

Increase in Land Value - The development is projected to increase the area's current non-built land value from an estimated range of **£0.00 - £291,375.00**⁴⁸ to an estimated **£98,755,787.00**. This presents an upper range increase in land value of **£98,755,787.00**.⁴⁹ Using the upper range, the increase in land value is **33,993%**. The expected increase in land value at a similar sized Green Belt site in Essex, with a like development is expected to be almost identical.

Decrease in Social Spending - 80% of the development profits will be transferred to residents. Almost all residents have agreed with the proposals to sell their stake and the majority of signatories are residents from **Oak Lane Caravan Park**. This development presents a significant economic opportunity for them, and if successful is projected to lift **90%** of current residents out of poverty, allowing them to exit the site. These are ethnic Gypsy / Travellers, however their current status does not conform with the revised planning definition. This will significantly reduce the additional financial burden placed on the authority for maintenance of the site, while improving the quality of residents' lives. This estimated impact is a decrease in additional spending outlined in the table below:

Social Costs	Pre-Development Additional Cost	Post-Development Additional Cost
Housing Benefit	£748,113.54	£18,763.62 ⁸
Other Benefit Expenditure	£341,456.99	£2,980.75 ⁵⁰

This would generate an estimated saving to the taxpayer of **£1,067,826.16** per annum, not factoring in the projected decrease to additional health expenditure.

Better Value Policing - At present, the site attracts a police presence much higher than the Essex county average, working out at a spend of **£933 per person**, compared to **£159.73**.

⁴⁸ The estimated current land value of the 12.95 hectare site at the former Dale Farm site and Oak Lane Caravan Park is presented as a range, as continued existence of contamination at the former Dale Farm site renders it valueless. The upper range is based on the total non-built value of agricultural land for Essex, estimated at £22,500 per hectare - DCLG Land Value Estimates 2017. <https://www.gov.uk/government/publications/land-value-estimates-for-policy-appraisal-2017>

⁴⁹ Applied as above. Recommend using the 'higher' range as it results in less questions.

⁵⁰ These figures are based on 90% lifted out of poverty

Redevelopment of the site would reduce these exceptional patrols, decreasing cost in line with the average spend per person, resulting in an estimated annual saving of **£231,981.00**.

Better Use of Existing Public Resources - With the removal of Oak Lane Caravan Park, the settled community would start sending their children to Crays Hill Primary School, reducing the projected need for new primary school provision, saving the authority an estimated **£6.41 million**. It is hypothesised that the development would also guarantee the school with more consistent and accurate grant funding from the Department for Education, as on average, children would not be removed from school as frequently.

Significant Savings to the Taxpayer and Local Authority - Redevelopment of the land removes any requirement for infrastructure improvements at the site, or the burden of decontamination of the site to fall, unfunded, to the local authority. This generates an estimated potential saving of **£20.71 million**.

Indirect increase in value of proposed H24 development - The current local plan proposes the development of 65-70 houses within the Crays Hill community. Addressing the challenges of slum dwellings at Oak Lane Caravan Park will indirectly improve the outcomes of this development.

New Homes Bonus Payment - As per any increase to housing stock, the proposed development is estimated to achieve a first year **New Homes Bonus Payment** of **£2,098,641.00**, increasing to **£8,394,567.00** over four years.⁵¹

5.2.2 Social Benefits

Economies of Scale for Telecommunications Investment in Crays Hill - The Revised Basildon Local Plan identifies that communities in Crays Hill⁵² do not have access to fibre broadband. A large scale housing development will drive better economy and value for network extension in the locality.

Better Transport Investment Incentive at Crays Hill - Although **Basildon Borough Council** have hypothesised that an increase in housing stock at Crays Hill of **65-70 houses** will incentivise investment in transport to the locality, in practice, projected passenger increases this low are incredibly unlikely to do so. However, a development of 1,400 additional houses will bring the required economies to justify new public transport routes.

Pedestrian & Cycle Access Between Crays Hill and Basildon - The developer is committed to establishing **pedestrian and cycle access** from **Crays Hill** to **Basildon via a bridge across the A127**, which will improve pedestrian and non-motorised access to Basildon for the entire Crays Hill community.

⁵¹ Calculated with the MHCLG New Homes Bonus Payment calculator, based on estimated council tax bands of new development units.

⁵² Section 10.6, Pg. 95, Revised Publication Local Plan, October 2018

5.2.3 Environmental Benefits

Redevelopment of Spoiled Green Belt - Sale of the land for development will enable the currently unused, spoiled and inaccessible land at the former Dale Farm site to be redeveloped.

Preserving Existing Green Belt - Development of this site instead of an alternative open Green Belt site **preserves unspoiled Green Belt**, indirectly promoting a better aesthetic and retaining open spaces for others in the Borough of Basildon.

Reducing Illegal Waste Disposal - Addressing existing illegal tipping to the west and east of Oak Lane Caravan Park will allow the area to be returned to its natural condition, while discouraging continued tipping at the site.

6. Benefit Cost Ratio of Each Option

(provided in separate tables)

6.1.1 Overview of the Impact of Options for Taking Action at Oak Lane Caravan Park

6.1.2 Overview of the Impact of Options for Taking Action at Oak Lane Caravan Park

6.2.1 Benefit Cost Ratio Analysis of Options A-D - Appraisal Summary Table

6.2.2 Benefit Cost Ratio Analysis of Options A-D - Appraisal Summary Table

6.3 Overview of Economic, Social & Environmental Outcomes for Each Option

6.4 Risks

7. Detailed Option Assessment

This section provides a detailed overview of each option available to Basildon Borough Council to address the identified challenges at Oak Lane Caravan Park.

Each option provides an overview of the option, the actions that would need to be taken, its projected outcomes, overall costs and associated risks.

Comparison tables of associated costs, risks and outcomes are provided in **Section 6**.

7.1 Option 1 - Return the Land to open Green Belt

7.1.0 Overview

	Option 1.A <i>Return the Land to Open Green Belt (additional pitches)</i>	Option 1.B <i>Return the Land to Open Green Belt (additional social housing)</i>
Adjusted Cost (ten year)	£24,573,913.84	£45,274,413.84
Benefits & Savings (ten year)	£2,729,211.16	£2,834,211.16
Benefit Cost Ratio	0.11	0.06
Value for Money	Poor	Poor

7.1.1 Background

Two possible approaches to this option have been costed:

- **Option 1.A** provides a costing for establishing a new, similar site to Oak Lane Caravan Park.
- **Option 1.B** provides a costing for establishing new social housing for the displaced community.

As noted in **Section 4**, various independent investigations have identified a causal relationship between the current condition of the land at the former Dale Farm site and the health of Oak Lane Caravan Park residents.

As a result, Basildon's first option to address the challenges at Oak Lane Caravan Park is to intervene and return the site to open Green Belt, and relocate the Oak Lane Caravan Park community at an alternative site.

Basildon Borough Council have acknowledged that the land currently occupied by Oak Lane Caravan Park and the former Dale Farm site is spoiled, and no longer adequately serves its function as open Green Belt.⁵³

⁵³ "The Green Belt serves five purposes: a. to check unrestricted sprawl of large built up areas, c. to assist in safeguarding the countryside from encroachment, d. to preserve the setting and special characteristic of historic towns, e. to assist in urban regeneration, by encouraging the recycling of derelict and other urban land." Section 134, Pg. 40, National Planning Policy Framework, MHCLG, February 2019

The land at the former Dale Farm site is contaminated, and at present, not suitable for public access. Currently, the land is not accessible to the public, it does not provide green space, and it does not positively contribute to the local aesthetic. Instead, the former Dale Farm site and Oak Lane Caravan Park are frequently cited as contributing to a significant detriment to the local aesthetic.

Basildon Borough Council have tasked both themselves⁵⁴ and the Dale Farm landowners to clear the former Dale Farm site. However, identification of the former Dale Farm land owners has proved difficult, and there is limited evidence to suggest that the current permanent residents of Oak Lane Caravan Park were responsible for the alleged unauthorised encampments at the former Dale Farm site.

This has created a situation in which, if any action is going to be taken, the Local Authority are the only party able to intervene.

7.1.2 Actions Required

To pursue this option, **Basildon Borough Council** would be expected to:

- Plan, commission and oversee the clearance and decontamination of the site.
- Use compulsory purchase powers to reclaim the private pitches at Oak Lane Caravan Park.
- Reimburse residents for the cost of eviction.
- Reassess accommodation requirements for the borough, planning and developing pitches, or additional social housing as required (both options have been costed as **Option 1.A** and **Option 1.B** respectively).

7.1.3 Outcomes

Once returned to open Green Belt, the land would positively contribute to the amenity of non-displaced Crays Hill residents. To maximise the amenity, the local authority would be required to establish routes of public access to the site.

Returning the land to open green belt, and ensuring a long term return on investment in the form of efficiency savings would require the displacement of the existing community at Oak Lane Caravan Park. Irrespective of how the community is rehoused, as private land, the council would be required to go through compulsory purchase of each pitch, at an estimated cost of £50,000 per pitch. This cost has the potential to escalate, should residents seek legal action to prevent their removal.

Once plots are compulsory purchased, it is inevitable that almost all existing residents will be displaced. Irrespective of tenures, whether residents are privately renting or own their own

⁵⁴ Basildon Borough Council appointed a contractor to undertake completion phase works at the former Dale Farm Travellers Site Oak Lane Crays Hill Billericay, Basildon Borough Council, 02 December 2016.

pitches, the price at which plots will be compulsory purchased will not provide them with the financial freedom to privately purchase alternative residences.

The local Gypsy and Traveller Accommodation Needs Assessment identifies that Essex county has a projected deficit of **452** pitches for Gypsy / Travellers that meet the planning definition, around half of the current provision. While the displacement of the permanent community at Oak Lane Caravan Park will not seriously impact this pressure, the temporary community displaced from the site will place additional pressure on existing pitches. It is noted that the displacement of travellers at Dale Farm in 2011 was estimated to have resulted in a rise in the need for at least 136 pitches in the county.⁵⁵

Given that the site is already overcrowded, it is estimated that should the travellers be displaced, given there is not the local infrastructure in place to support their movement, and that they will not have the funds to purchase new permanent property, those at the site will require the Local Authority to provide alternative accommodation, whether at a similar site (**Option 1.A**), or in the form of more social housing (**Option 1.B**).

7.1.4 Cost

The estimated cost of this option to Basildon Council and Essex Borough Council, as noted, will involve various expenditures:

- The Environment Agency estimates that the cost of decontaminating the land, and returning it to open Green Belt will cost the authority **£12 million**.
- A conservative estimate of the cost of the compulsory purchase of the land is **£2 million**, at **£50,000 per pitch** (estimated built land value of each pitch).
- Provision of a new, similar site for the community at **£7.1 million**⁵⁶ (**Option 1.A**) or allocation of new social housing at an estimated **£28 million**⁵⁷ (**Option 1.B**).
- It is also assumed that in the scenario of a compulsory purchase, there would be no saving to the Local Authority, except a long-term reduction to health expenditure. This continued added expenditure is estimated at **£2.32 million per annum**, without the benefit of additional council tax revenues.
- Assuming residents are relocated enmasse, it is projected that the Local Authority will have to pay for the provision of a new Primary School at the cost of **£6.41 million**. This will be either by choice or as a consequence of the local community moving their children from an existing local school in reaction to an influx of ethnic Gypsies / Travellers.

⁵⁵ "A further 136 pitches arise from the needs generated by the unauthorised pitches which were at Dale Farm." Para 3.7, P. 4, Chelmsford City Council Development Policy Committee, 3 March 2016 - Agenda Item 9, BASILDON BOROUGH COUNCIL DRAFT LOCAL PLAN CONSULTATION

⁵⁶ £142,000 per pitch, "the Gypsy and Traveller DPD Officer's calculation, this Council will require approximately a further £3 million in grants from the Government for the 21 further pitches which the Regional Planning Authority (EERA) requires in South Norfolk" -

https://www.whatdotheyknow.com/request/cost_of_traveller_sites

⁵⁷ Estimated cost of 75 new three-bed social houses

- Devaluation of portions of the land as a result of its revoked plotland status.⁵⁸

Over a ten year period, a conservative estimate places the adjusted cost of each suggested approach at:

- **Option 1.A** at **£24,865,288.84**, without any net measurable economic benefits.
- **Option 1.B** at **£45,274,413.84**, without any net measurable economic benefits.

7.1.5 Economic Benefits

While this option presents some isolated economic benefits to the taxpayer, with projected efficiency savings of **£2,659,211.16** over a ten year period, the net economic impact of this option offers no measurable benefits.

7.1.6 Non-Economic Benefits

There are a range of non-economic benefits:

1. It would increase the amenity of the local region through improved access to the open Green Belt.
2. The land would no longer be contaminated, resulting in an unmeasured improvement to the health of residents in the local community.
3. The site residents would be moved to a location that is not contaminated, dramatically improving their health and wellbeing.

7.1.7 Risks

In addition to the cost of this option, there are also a number of risks that should be considered:

1. High risk of legal action from residents during the compulsory purchase phase, at an increased cost to the local authority.
2. The political challenge of locating and funding the provision of new accommodation for the displaced community, when the community could have been empowered to move on independently, at no cost to the local authority.
3. The political risk of proceeding with future residential development at an alternative open Green Belt site, while allocating resources to clean up a spoiled section of the Green Belt that could have been developed instead.
4. The cost of temporarily housing residents while alternative accommodation is being sought.
5. A media risk related to the public's perception that the Local Authority has just moved the problem, rather than addressing it.

⁵⁸ If plotland status is revoked the land will revert to agricultural use. Value associated with a former plot land development typically results in an up-lift of plot value by about £20,000.00.

7.1.8 Conclusion

Although the amenity presented by this option for the non-displaced community at Crays Hill is important, as is the health of the residents at Oak Lane Caravan Park, this option requires significantly more investment than the savings it would achieve.

As a result, whether considering **Option 1.A** or **Option 1.B** this presents **extremely poor value for money**.

7.2 Option 2 - Maintain the Site, While Addressing the Decontamination

7.2.0 Overview

	Option 2 <i>Maintain the Site & Address Decontamination</i>
Adjusted Cost (ten year)	£20,710,800.00
Benefits & Savings (ten year)	£3,030,736.16
Benefit Cost Ratio	0.16
Value for Money	Poor

7.2.1 Background

An alternative to relocating the residents of Oak Lane Caravan Park is for Basildon Council to remove contamination at the former Dale Farm site, and to commit to a programme of infrastructure improvements.

This option would allow residents to continue to live at the site, after action has been taken to make it habitable.

While this option is to an extent, maintaining the status quo, it is not zero-sum. This is because there is a significant cost associated with addressing challenges identified that the site..

To maintain the site and remove any risk of legal action from residents, Basildon Borough Council must address contamination at the neighbouring former Dale Farm site, reinvest in infrastructure works including sewage, water, electricity, and access while addressing overcrowding at the site. It is also recommended that the Local Authority authorises at least ten new pitches to address overcrowding.

7.2.2 Actions Required

To proceed with this option, Basildon Council would be expected to:

- Plan, commission and oversee the clearance and decontamination of the site.
- Plan, commission and oversee a range of infrastructure work at the site.

- Authorise ten new pitches to address overcrowding.
- Temporarily relocate Oak Lane Caravan Park residents during the decontamination work.

7.2.3 Outcomes

The principle outcome of this option is that the contamination at the former Dale Farm site will be cleared, removing its detrimental impact to local amenity, while dramatically improving the condition of the site, and health of the residents living in the immediate vicinity.

However, this outcome does not return the land to open Green Belt. This is because the existing residential community will remain at the location on hard-standing pitches and the site will remain inaccessible to the non-immediate community.

Health conditions linked to exposure to the site will abate, while the residents will be able to access the amenities that they need to live at a proper human standard.

The current identified increased proportion of expenditure at the site will be reduced over time, delivering some efficiency savings to the authority.

7.2.4 Costs

To deliver this option and maintain the site at its current capacity, it is estimated that it would cost the Local Authority the following:

1. **Decontamination of the land.** The Environment Agency estimate that the cost of decontaminating the land at the former Dale Farm site would be **£12 million**. Following the identification of asbestos at the site, and the inability of residents to pay for infrastructure improvements to the local area, the only party able to deliver this work is Basildon Borough Council.
2. **Water improvement works.** There are existing identified challenges to the water infrastructure, which are estimated to run at a cost to the Local Authority of **£800,000**.
3. **Foul drainage improvements.** A number of septic tanks at the site need to be replaced. If they are not, the community will continue to live without proper sanitation. The estimated cost of improvements is **£700,000.00**.
4. **Electricity.** While there is existing energy infrastructure at the site, in the form of a substation for Oak Lane Caravan Park, there is not adequate wiring at the site. It is estimated that to address this would come at a cost to the authority of **£1.2 million**. As this presents improvement works to an existing site, it would not be covered by a grant from **Ofgem**.
5. **Improvement to Road Access.** Poor existing access to the south of the site presents a serious fire risk and requires rectification at an estimated cost of **£601,400**.

6. **Addressing Overcrowding at the Site.** It has been concluded that the current site is overcrowded. To address this, an additional ten pitches need to be authorised and allocated by the LA, at a cost of **£1.42 million**.
7. **Cost of relocation of Oak Lane Caravan Park residents during decontamination works.** During decontamination works, Oak Lane Caravan Park residents will need to vacate the site. If they do not, they will face serious health complications, due to the removal of asbestos, and other toxic substances. This temporary relocation will come at the expense of the council, which is estimated at a cost of **£3.98 million**.

This presents a one-off cost of **£20,701,400.00**.

In addition, there is the continued inflated cost of benefit expenditure on the inhabitants of Oak Lane Caravan Park, at an estimated annual cost of **£2.32 million**.

Over a ten year period it is estimated that this option will cost the local authority **£43,560,588.64**. This cost is adjusted against **option 4**, at **£17,680,063.84** over the same period.

7.2.5 Economic Benefits

The economic benefits of this option are limited to:

- A minor potential increase in land value to the former Dale Farm site.
- A decrease in health spending, as a result of Oak Lane Caravan Park residents no longer being exposed to a contaminated site, resulting in an estimated annual efficiency saving of **£301,673.62**.

7.2.6 Non-Monetary Benefits

The non-monetary benefits of this option include:

- Dramatic improvements to the standard of living of Oak Lane Caravan Park residents.
- Significant health improvements to the residents of Oak Lane Caravan Park following the decontamination of the former Dale Farm site.
- Amenity improvements following the decontamination of the former Dale Farm site, which will improve the amenity of the local site, but not improve access, as the land will not be returned to open Green Belt.
- Following the decontamination of the site, additional pitches could be located at the former Dale Farm site.

7.2.7 Risks

There are various risks associated with this option:

- High risk that the spending required to bring Oak Lane Caravan Park up to a habitable condition is allocated at the expense of the wider Basildon and Essex community.
- Media risk of Basildon and Essex Council being seen to clear the former Dale Farm site, at the expense of alternative investment in the community.
- Potential increase to the number of illegal encampments in the local area once the site is cleared.
- Future contamination of the cleared site.
- Media risk of infrastructure investment by the local authority at a time when the funding for the proposed local plan is not met.
- Continued annual additional expenditure on social services that could have been addressed, by raising a significant proportion of the community out of poverty.

7.2.8 Conclusion

Although the health of the Oak Lane Caravan Park community should be one of the local council's immediate concerns, given that no savings would be made through the provision of the site, and the economic benefit of this investment is less than the efficiency savings gained, this option presents **poor value for money**.

7.3 Option 3 - Allocate Land for Redevelopment

7.3.0 Overview

	Option 3 <i>Redevelop Oak Lane Caravan Park</i>
Adjusted Cost (ten year)	£225,000.00
Benefits & Savings (ten year)	£136,717,047.93
Benefit Cost Ratio	607.63
Value for Money	Very High

7.3.1 Background

The Land Group (Billericay) Ltd, the Residents of Oak Lane Caravan Park, the Gypsy Council and surrounding residents have put together a development proposal that already has buying partners in place to develop on the existing land at the former Dale Farm site and Oak Lane Caravan Park. For this to happen, Basildon Borough Council would have to designate the land around Oak Lane Caravan Park for residential development in the short-term revised local plan.

Unlike the other options, this option provides an outcome that removes the council's requirement to address existing contamination at the former Dale Farm site.

The cost sharing arrangement proposed by the developer will result in a significant proportion of current residents no longer requiring support from the local authority or central government, in the form of housing benefit, means tested benefits, or need to be assisted by the council to find alternative accommodation. It is also projected that relocation from the site will deliver significant efficiency savings to health expenditure for the local community.

Distinct from the other options available, this option has existing local support. It is the only available option that will actually improve the value of the land and poses a positive economic benefit to the community.

Further, this presents Basildon Borough Council with the opportunity to preserve an area of open Green Belt that is not spoiled, unlike the area at the former Dale Farm site.

In this option, a planning decision taken by the local authority at a nominal cost would support an uplift in the land's value and a significant, measurable economic benefit to the local economy, both as a result of the development, reduced overall annual expenditure on a

specific, but measurable group, while also reducing the potential legal risk posed against the authority to complete the stipulated work.

7.3.2 Actions to Proceed

To proceed with this option, the Local Authority would need to complete the following:

1. Include the land surrounding Dale Farm and Oak Lane Caravan Park in the Revised Basildon Local Plan for immediate development within the Green Belt. This would come at no cost to the authority, particularly given that those areas currently identified in the plan on Green Belt have not yet been allocated developments.
2. Engage with residents and the developer on the project and come to an agreement on planning permission requirements.
3. The allocation of at most, ten units of social housing, for those displaced from the site. Given the lack of gypsy / traveller definition of these residents, alternative pitches would not need to be found, instead, only alternative accommodation as these residents do not meet with planning definition of Gypsy / Traveller.

7.3.3 Outcomes

The following outcomes would be achieved if the work were to proceed:

1. Clearance and decontamination of the former Dale Farm site at no expense to the Local Authority.
2. Infrastructure improvements at no expense to the Local Authority.
3. Ability of the Local Authority to tax the land on the former site of Dale Farm and Oak Lane Caravan Park, ensuring that residents are paying their fair share of costs for public services. Resulting in an indirect means of recovering some of the alleged costs of the eviction of Dale Farm.
4. Reduction in local policing costs and ability to reallocate policing to other areas of the county.
5. A dramatic economic uplift to land value, substantially supporting the existing infrastructure narrative for the improvement of transport links and services around Crays Hill.⁵⁹
6. A resolution, at no cost, to the on-going controversy surrounding the former Dale Farm, and current Oak Lane Caravan Park site.
7. The opportunity to save open Green Belt that is unspoiled from unnecessary development.

7.3.4 Economic Benefits

The economic benefits of this option are:

⁵⁹ Note that the impact of the proposed 66 residences to be developed around Crays Hill in the existing Local Plan are unlikely to support any real transport improvements to the area. Instead, a much more significant number of residences will be required to improve the situation at the site.

- Measurable annual savings on benefit, police, education and health expenditure of an estimated **£2.20 million per annum**, projected to increase over the course of the development.
- An uplift in land value of **£98.46 million**.
- Estimated annual Council Tax contributions of **£2.68 million**.
- Achieving almost all of the benefits of Options A and B, without incurring any of the expense.

Further detail of the economic benefits are provided in section 5.2

7.3.5 Non-Measurable Economic Benefits

Detailed in section 5.2

7.3.6 Risks

Despite the controversy that has previously surrounded the former Dale Farm site, the risks associated with this option are reasonably limited.

- **Media reporting on perceived financial gain of the residential community.** Although the local community has expressed strong support for the proposed development, there is the possibility that the national press will run stories on the sale. Similar to the one ran in the Sun in July 2019.⁶⁰
- **Limited local opposition to the development.** Despite the immediate local community expressing strong support for the development, there may be limited opposition in the wider Basildon and Essex community.

7.3.7 Conclusion

This option requires no immediate investment from the local authority, but it achieves:

- A resolution to contamination at the former Dale Farm site;
- Relocates the vast majority of residents from the site without adding to the authority's housing supply challenges;
- Delivers significant annual savings to the public purse.
- Offers better value for money with respect to an increase in land value than alternative open Green Belt development options.

This option presents **very good value for money**.

⁶⁰ Sale Farm - Evicted Dale Farm Travellers 'Could Make Millions Selling Their Land To Developers', 21 July 2019 - <https://www.thesun.co.uk/news/9551843/evicted-dale-farm-travellers-could-make-millions-selling-land-developers/>

7.4 Option 4 - Do Nothing

7.4.0 Overview

	Option 4 (Status Quo) Do Nothing
Adjusted Cost (ten year)	£0.00
Benefits & Savings (ten year)	£0.00
Benefit Cost Ratio	Less than 1
Value for Money	Poor

7.4.1 Background

The final option is the status quo. This would require Basildon Borough Council to take no action at Oak Lane Caravan Park.

7.4.2 Actions to Proceed

To proceed with this option, the Local Authority would not need to do anything.

7.4.3 Outcomes

The following outcomes would be achieved if the work were to proceed:

- The former Dale Farm site will remain contaminated.
- Infrastructure will remain insufficient at Oak Lane Caravan Park.
- Health spending will increase due to the community's continued exposure to the contaminated site.
- Basildon Borough Council and taxpayer will achieve no efficiency savings, and will continue spending a significant additional amount of money in terms of benefit payments, to maintain the site.
- An alternative, less spoiled area of the open Green Belt will be developed instead of a spoiled region of the Green Belt.

7.4.4 Economic Benefits

There are no economic benefits to this option.

It is estimated that proceeding with no action will cost the Government between **£2,659,211.16** and **£21,973,068.93** of lost efficiency savings over a ten year period. This figure does not factor in unnecessary infrastructure expenditure.

The land at Oak Lane Caravan Park, will for all intents and purposes, remain valueless because of the high level of investment required to bring the site up to a habitable condition.

7.4.5 Non-Measurable Economic Benefits

The former Dale Farm site will remain inaccessible and the amenity of the settled community at Crays Hill will remain poor.

7.4.6 Risks

Continued inaction presents a number of risks for the Local Authority.

- **Legal action.** The residents of Oak Lane Caravan Park have presented an option to address the challenges within their community that presents no immediate cost to the authority, and presents a case for achieving better value for money from the Green Belt than can be achieved from an alternative residential development. If the local authority decides to take no action, the residents will have no other recourse except to pursue action through the courts.
- **Media risk.** Channel 5 have already commissioned a programme entitled '*Death Camp Gypsy*', which is planned to feature the community at Oak Lane Caravan Park. Already, inaction has the potential to become a national story.

7.4.7 Conclusion

The '*do nothing*' option is the status quo.

If only Option 1 and 2 were available in place of Option 3, without considering the potential cost of legal action, this would present the best value for money option.

However, as Option 3 is a possibility, proceeding with this option presents **poor value for money**, as with no investment Basildon Borough Council could achieve a number of their objectives, while delivering a saving to the taxpayer.

8. Assumptions, Estimations & Costings with Rationale

A range of assumptions were developed to support the economic assessment and calculation of a benefit cost ratio for various options to address challenges at the former Dale Farm site and existing site at Oak Lane Caravan Park.

In the interest of transparency, and to facilitate further refinement of the assessment, the assumptions and calculations used are provided in this section.

It is split into sections, for ease of review. It is recommended that each assumption is not considered in isolation. All assumptions are appropriately sourced.

8.1 Oak Lane Caravan Park - Current Site

8.1.1 Population

The population at Oak Lane Caravan Park experiences minor fluctuations throughout the year, as a proportion of residents travel. However, it should be noted that the residents considered in this survey are for all intents and purposes permanent, and do not meet the planning definition of Gypsy / Traveller.

For this report, it was estimated that the permanent population at Oak Lane Caravan Park is:

- Total residential population: 300
- Total number of dwellings: 100⁶¹
- Number of authorised pitches: 40
- Land area for Oak Lane Caravan Park and the former Dale Farm site: 12.95 hectares

Age Group	Number of People	Proportion of population (x/300)
Children (0-15)	182	60.67%
Working Age (16-64)	100	33.33%
Retired (65+)	18	6.00%

8.1.2 Estimated Value of Each Pitch

The Oak Lane Caravan Park community report the value of individual pitches at £50,000. While, it is noted that some of the properties in the community have recently sold for as much as £155,000⁶², this concerned the sale of a bungalow, not an empty pitch.

As a result, for the purposes of this report, it is assumed that each pitch is worth £50,000 at compulsory purchase.

8.1.3 Council Tax Revenue

A review of all registered properties at Oak Lane Caravan Park concludes that the maximum amount of Council Tax that is collected on the site is **£35,752.50**.⁶³ This figure is considered as a maximum, as there is no evidence to suggest that it is collected on each property. Instead, anecdotal evidence from the residents implies that the figure is much lower.

⁶¹ Mixed caravan and temporary residential structures, including chalets

⁶² Sale of 4a, Oak Lane, CM11 2YH for £155,000 on 21 Feb 2019, Source: <https://www.rightmove.co.uk/house-prices/CM11/Oak-Lane.html>

⁶³ Based on 25 registered properties, listed in supporting spreadsheet

The VOA's property listings also shows that the majority of pitches at the site have not been valued.

To develop an estimate of expected, and unrealised land based revenue offered by the site, it was assumed that every dwelling (100) paid council tax, at the average rate (band C) in Ramsden Crays, Basildon.

Council Tax	Per Annum
Maximum Current Revenue	£35,752.50
Expected Revenue	£163,458.00
Difference	£127,705.50

The maximum potential council tax revenue is used to offset some costs throughout the analysis.

It is not used for the purposes of offsetting expenditure, instead to show the difference in funding between all options.

8.2 Oak Lane Residential Development

8.2.1 Basic Assumptions

Number of houses: 1,400

Estimated residential population: 3,360⁶⁴

8.2.2 Housing Cost & Income

Type	Units (Private)	Units (Affordable)
1 bed flats	125	142
2 bed flats	0	193
2 bed houses	233	0
3 bed houses	358	18
4 bed houses	180	11
Retirement bungalows	50	0
Retirement flats	20	0
Retirement 1 bed flats	0	35
Retirement 2 bed flats	0	35
Total	966	434

To calculate the estimated Council Tax Revenue (2020), current sale price estimates were revised to 1991 Q2 prices (as per RPI) for South East England, using Nationwide's house price data set.⁶⁵

Type	Projected value 2020	Estimated Value 1991	Estimated Council Tax Band	Estimated Max Council Tax Revenue (total)
1 bed flats	£200,000.00	£44,629.00	B	£381,836.70
2 bed flats	£260,000.00	£58,017.00	C	£315,439.20
2 bed houses	£310,000.00	£69,175.00	D	£428,417.10
3 bed houses	£400,000.00	£89,257.00	E	£844,984.80
4 bed houses	£480,000.00	£107,109.00	E	£429,234.30

⁶⁴ The average UK household contains 2.4 people, $2.4 \times 1,400 = 3,360$, Families and households in the UK 2017, Office for National Statistics, <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2017>

⁶⁵ House Prices Data, Nationwide <https://www.nationwide.co.uk/about/house-price-index/download-data#xtab:regional-quarterly-series--by-property-age-group-data-available-from-1991-onwards> (note, this was used in place of the Land Registry's dataset because it is more exhaustive).

Retirement bungalows	£400,000.00	£89,257.00	E	£112,365.00
Retirement flats	£400,000.00	£89,257.00	E	£44,946.00
Elderly 1 bed flats	£250,000.00	£55,786.00	C	£57,204.00
Elderly 2 bed flats	£350,000.00	£78,100.00	D	£64,354.50
Total				£2,678,781.60

This established an estimated Council Tax revenue for the development of **£2,678,781.60 per annum**.⁶⁶

8.2.3 Population

Based on the housing breakdown, the basic age stratification of the population was calculated, assuming that all retirement properties were occupied by those of retirement age (65+).

$$\begin{aligned}\text{Retirement age properties} &= 50 + 20 + 35 + 35 \\ &= 140\end{aligned}$$

Assuming a lower household rate for retired age groups of 1.5, it was estimated that the projected 65+ population of the development would be 210.

It is estimated that the proportion of the UK classed as working age is 62%⁶⁷, and the estimated retirement population is 18%⁶⁸, the final population figures (integers) was calculated to be:

Age Group	No. of people
Children (0-15)	767
Working Age (16-64)	2383
Retired (65+)	210

⁶⁶ Note, this figure does not factor into any of the option costing, but is provided here for reference, and to facilitate the calculation of the New Homes Bonus Payment.

⁶⁷ Estimated working age population of 42,111,000 (Statistica projected working age population in 2020) divided by estimated total UK population of 67,886,011 (Statistica projected total UK population in 2020)

⁶⁸ ONS, Overview of the UK population: July 2017, <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/july2017>

8.3 Cost of Benefits (Oak Lane Caravan Park)

A significant measurable cost to the taxpayer of any area that suffers from a high index of deprivation are the cost of various benefits awarded to those who are economically inactive. It is a key measure in the performance of government policies, and proposed government intervention.

8.3.1 Proportion of Residents in Receipt of Benefits

Following site surveys, it was found and reported⁶⁹ that the following number of adult residents are in receipt of the following means-tested⁷⁰ benefits. In addition, a proportion of the population were found to be in receipt of the non-means tested legacy benefit, Incapacity Benefit.

Surveys also revealed the proportion of residents in receipt of housing benefit, and Child Benefit. These are listed in the table below.

Benefit	Reported Incidence	Estimated total
Working Age Unemployed	46.15%	46
Incapacity Benefit	7.8%	8
Housing Benefit	78%	78
Child Benefit (average 3 children)	60% ⁷¹	60

8.3.2 Average Benefit Expenditure

As noted in the **Oak Lane Caravan Park - Indices of Deprivation Report**, there is a much higher frequency of residents receiving benefits at Oak Lane Caravan Park than the national average. To develop a relative comparison, or base estimated cost for a population size of 300, the following national averages were used:

Benefit	Average Incidence	Estimated total
Working Age Unemployed	3.7%	3.7 people
Incapacity Benefit	N/A ⁷²	

⁶⁹ Oak Lane Caravan Park, Indices of Deprivation Report

⁷⁰ Means tested benefits, as defined by the Department for Work and Pensions include: Income Support, Employment and Support Allowance, Jobseekers Allowance, Universal Credit

⁷¹ Note that this covers almost all under 16s at the site

⁷² Incidence of Incapacity Benefit in general UK population is well below 0.1%, so this figure is disregarded.

Housing Benefit	5.94%	5.94 people
Child Benefit (average 2 children) ⁷³	8.67%	8.67 people ⁷⁴

8.3.3 Means-Tested Benefits

The amount awarded for each means-tested benefit is standardised throughout the UK. Although higher rates exist, for the vast majority of means-tested benefits, the amount is £73.10 per week, or £3,801.20 per annum.⁷⁵ This figure was used to calculate means-tested benefit expenditure at the site.

8.3.4 Incapacity Benefit

Incapacity Benefit is a legacy benefit, and delivered at a different rate to means-tested benefits.

Incapacity Benefit	Per Week	Per Annum
2019 rate	£112.25	£5,837.00

8.3.5 Housing Benefit

Housing benefit is assessed at a borough level, and figures specific to Basildon⁷⁶ were used at the site. These are listed in the table below:

No. of Bedrooms	Per Week	Per Annum
Shared Accommodation	£67.37	£3,503.24
1 Bedroom	£136.00	£7,072
2 Bedrooms	£171.08	£8,896.16
3 Bedrooms	£199.80	£10,389.60
4 Bedrooms	£266.65	£13,865.80

For the purposes of this study, the three bedroom rate was applied to each benefit recipient. This is based on the findings that most mothers at the site had single status and lived with three or more children.

⁷³ Note that the average figure is for two children, not three.

⁷⁴ For a population of 100 adults, the relationship between proportion of benefit recipients to proportion as a percentage is 1:1.

⁷⁵ Benefit and pension rates 2019 to 2020, Department for Work and Pensions - <https://www.gov.uk/government/publications/benefit-and-pension-rates-2019-to-2020/proposed-benefit-and-pension-rates-2019-to-2020>

⁷⁶ Housing Benefit Rates, Basildon, Source: <https://www.basildon.gov.uk/article/6673/What-are-the-Current-Local-Housing-Allowance-Rates->

8.3.6 Child Benefit

Child Benefit is awarded on a means-tested basis to parents of one or more children under 16. Child benefit is paid at national rates⁷⁷, at a different rate per first child and subsequent children. The rates are:

Child Benefit	Per Week	Per Annum
2019 rate (first child)	£20.70	£1,076.40
2019 rate (second and subsequent child)	£13.70	£712.40
Total rate for three children	£48.10	£2,501.20

8.3.7 Estimated (Various) Benefit Expenditure at Oak Lane Caravan Park

To calculate the estimated benefit expenditure at Oak Lane Caravan Park, the total number of benefit recipients was multiplied by the qualifying benefit rate per annum.

For means tested benefits, the calculation was:

means-tested benefit expenditure = (number of recipients) x (annual rate)

Means-tested benefit expenditure = 46 x 3801.20

Means-tested benefit expenditure = £174,855.20 per annum

The same principle was applied to other benefits at the site, and to the hypothesised average figure, as follows:

Benefits	Per Annum	Average Cost	Difference per Annum
Means-tested benefits	£220,953.98	£14,064.44	£206,889.54
Incapacity Benefit	£45,528.60	£0.00	£45,528.60
Child benefit	£150,072.00	£15,504.55	£134,567.45
Housing Benefit	£810,388.80	£62,275.26	£748,113.54
Total	£1,181,414.78	£91,844.25	£1,089,570.53

This table shows that the expected benefit expenditure for a site like Oak Lane Caravan Park (based on national averages) is **£91,844.25 per annum**, while the actual estimated cost of benefit expenditure per annum at Oak Lane Caravan Park is **£1,181,414.78 per annum**.

⁷⁷ Child Benefit Rates, Department for Work and Pensions, <https://www.gov.uk/child-benefit>

To develop the additional cost to the taxpayer at the site, the difference between total estimated expenditure at Oak Lane Caravan Park, and the national sample was used.

The purpose for this is two-fold:

1. It provides an estimated cost additional cost that can be indirectly linked to the condition of the current site.
2. An actual figure that would be removed should residents achieve financial independence from the state.⁷⁸

⁷⁸ Projected as one of the outcomes of the sale of the site (proportion of residents achieving financial independence).

8.4 Health Costs

The Oak Lane Caravan Park Health Report identified that a much higher than average proportion of the site's residents suffer from serious medical conditions. Casual analysis suggests that this is linked to the condition of Oak Lane Caravan Park and its proximity to the contaminated former Dale Farm site.

As a result, it is estimated that there is a higher health cost to the taxpayer as a result of exposure to the area. This is factored in as a continued cost of the site.

8.4.1 Health Costs

The average cost of delivering health services in the United Kingdom is **£2,400 per person**. This figure includes prescriptions, outpatient services, inpatient services and check-ups.⁷⁹

£2,400 per person, per annum is a mean average. There is a significant difference in the cost between the **most costly five percent of patients**, and the **least costly five percent**. The Health Foundation⁸⁰ estimate:

Patient Category	Annual Cost
Most costly 5% of patients (2014/15 prices)	£9,789.00
2019 rate (second and subsequent child)	£487.00
National Average	£2,400.00

8.4.2 Proportion of Oak Lane Caravan Park Residents Experiencing Poor Health

The Oak Lane Caravan Park Health Report found:

Condition	Reported Incidence	Estimated Total
Terminal illness	20.5%	62
Chronic & Aggressive Respiratory	74.4%	223
Severe cardiovascular	48.7%	146
In Receipt of Prescription	89.7%	269

⁷⁹ OCED Data, Health Spending, <https://data.oecd.org/healthres/health-spending.htm>

⁸⁰ The Health Foundation, Average annual costs per patient for the top 5% of patients are over 20 times higher than all other patients, <https://www.health.org.uk/news-and-comment/charts-and-infographics/high-cost-high-need-patients>

Medication		
Percentage of site estimated to receive the highest level of care	48.7%	146

The estimation of 48.7% of residents receiving the highest level of care is based on the lowest common denominator / serious illness. Of those surveyed, many suffered from multiple conditions.

However, 48.7% were found to be experiencing severe cardiovascular conditions, which generally incur high inpatient costs, high prescription costs, and routinely high outpatient costs.

It was assumed that, given the high proportion of reported prescriptions throughout the site, that it can be assumed that the remaining residents fall into the average cost category.

As a result, the following proportions were used as an estimation of the current burden of health costs at Oak Lane Caravan Park:

Patient Category	Proportion of Residents	Number of People	Annual Cost
Most costly 5% of patients (2014/15 prices)	48.70%	146	£1,430,245.95
National Average	51.30%	154	£369,360.00
Total			£1,799,605.95

8.4.3 Comparison to an Average Site

An average site of 300 people is assumed to incur an annual health cost per person of £2,400, as it is assumed it will conform with the average.

As a result, the difference between the two scenarios is projected to be:

	Oak Lane Caravan Park	Standard Site	Annual Cost
Estimated health cost per annum	£1,799,605.95	£720,000.00	£1,079,605.95

This indicates that the current additional cost of health at Oak Lane Caravan Park is **£1,079,605.95 per annum**.

8.4.4 Change to Cost of Health

It is assumed that the outcome of some options will be a reduction in health expenditure, caused by an improvement to health.

This is modelled as a change in cost over time.

A ten year period is used, with a projected and maintained reduction in health costs for the period.

This is simply described as no reduction, a 25% reduction over five years, and a 50% reduction over five years. The reduction is projected to be maintained over the final five years.

Using the estimated cost for Oak Lane Caravan Park and the estimated cost for a standard site, the following figures have been derived. Here they are shown as year reductions. Each reduction is treated as linear.

It is assumed that average cost remains the same:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
No change per year	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95	£1,799,605.95
No change cumulative	£1,799,605.95	£3,599,211.90	£5,398,817.85	£7,198,423.80	£8,998,029.75	£10,797,635.70	£12,597,241.65	£14,396,847.60	£16,196,453.55	£17,996,059.50
25% reduction per year	£1,799,605.95	£1,687,130.58	£1,574,655.21	£1,462,179.83	£1,349,704.46	£1,349,704.46	£1,349,704.46	£1,349,704.46	£1,349,704.46	£1,349,704.46
25% reduction cumulative	£1,799,605.95	£3,486,736.53	£5,061,391.73	£6,523,571.57	£7,873,276.03	£9,222,980.49	£10,572,684.96	£11,922,389.42	£13,272,093.88	£14,621,798.34
50% reduction per year	£1,799,605.95	£1,574,655.21	£1,349,704.46	£1,124,753.72	£899,802.98	£899,802.98	£899,802.98	£899,802.98	£899,802.98	£899,802.98
50% reduction cumulative	£1,799,605.95	£3,374,261.16	£4,723,965.62	£5,848,719.34	£6,748,522.31	£7,648,325.29	£8,548,128.26	£9,447,931.24	£10,347,734.21	£11,247,537.19
Average cost per year	£720,000.00	£720,000.00	£720,000.00	£720,000.00	£720,000.00	£720,000.00	£720,000.00	£720,000.00	£720,000.00	£720,000.00
Average cost cumulative	£720,000.00	£1,440,000.00	£2,160,000.00	£2,880,000.00	£3,600,000.00	£4,320,000.00	£5,040,000.00	£5,760,000.00	£6,480,000.00	£7,200,000.00

Using these projections, the difference of each outcome against the average option delivers assumed added cost, or in this case, saving against the current scenario:

	Total	Difference / Added Cost Against Average Cost	10 Year Saving
No change	£17,996,059.50	£10,796,059.50	£0.00 ⁸¹
25% reduction	£14,621,798.34	£7,421,798.34	£3,374,261.16
50% reduction	£11,247,537.19	£4,047,537.19	£6,748,522.31

To calculate the ten year saving:

Establish the ten year cost of health expenditure at a single value (£17,996,059.50 per annum)

Calculate the ten year spend on a specific reduction (25% reduction at £14,621,798.34)

Establish the ten year average estimated cost of health for a population of this size per annum (£7,200,000)

Health spending efficiency gain =

(Max ten year health spend - average ten year health spend) - (reduced ten year health spend - average ten year health spend)

Health spending efficiency gain =

(£17,966,059.50 - £7,200,000) - (£14,621,798.34 - £7,200,000)

Health spending efficiency gain =

(£10,796,059.50) - (£7,421,798.34)

Health spending efficiency gain =

£3,374,261.16 (over ten years)

⁸¹ No saving as 'no change' is the base cost.

8.5 Policing Costs

Analysis on the cost of policing at Oak Lane Caravan Park and Meadow Lane, Runwell found that there is currently a disproportionate amount of money spent on policing in both locales.

At Oak Lane Caravan Park, police spend per person was estimated at £933.00.⁸²

The average police spend per person in Essex is £159.73.⁸³

From this it is estimated that current police expenditure at Oak Lane Caravan Park is **£279,000.00 per annum**, while the average police spend on a similar population in Essex would be £47,919.00 (159.73 x 300).

Policing	Per Annum	Average Cost	Difference per Annum
Oak Lane Caravan Park	£279,900	£47,919.00	£231,981

This enables the calculation of additional expenditure at Oak Lane Caravan Park to be estimated at **£231,981 per annum**.

⁸² The Cost Of Policing, Oak Lane Caravan Park & Meadow Lane, Essex, December 2019

⁸³ HMICFRS – Essex Police Force Value For Money Profile 2019

8.6 Education Costs

Children at Oak Lane Caravan Park only attend one school, which predominantly serves the local Gypsy / Traveller community.

Annual funding for the school is £174,000 per annum.

It is reported that 92 children currently attend the school.⁸⁴

This works out at a spend of £1,891.30 per pupil.

On average, in Essex, funding per pupil is estimated to be £4,700.00 per annum.

It is assumed that this difference in funding, as it is based on attendance rates, is significantly reduced because attendees are all from a Gypsy / Traveller background, and their parents regularly remove them from school to travel at certain points in the year.

The impact of this is a reduction in funding per pupil. If the school were not predominantly serving Gypsy / Traveller children, and instead were mixed, the impact of this funding loss would be less significant.

However, as this represents a loss of funding to the local authority, for the purposes of this report, the difference between the average funding of a site similar to that of Oak Lane Primary School, and the actual funding of Oak Lane Primary School, is applied as the additional cost to the site.

Education	Crays Hill Primary School	Average	Difference
School grant funding per annum	£174,000.00	£432,400.00	-£258,400.00
Funding per pupil	£1,891.30	£4,700.00	-£2,808.70

Hence, it is concluded that the site contributes to an annual funding shortfall of £258,400.00 per annum.

⁸⁴ <https://get-information-schools.service.gov.uk/Establishments/Establishment/Details/145772>

8.7 Costs for Each Option Explained

Each option includes a range of costs and benefits, based on some overarching assumptions. The assumptions are:

8.7.1 Displacement Rate

This factor expresses the proportion of existing residents that will need to be relocated, as a result of each option. It is assumed that all options will cause some displacement of residents, due to existing overcrowding at the site.

	Option 1 - Return Site to Green Belt	Option 2 - Maintain Site with necessary work	Option 3 - Proceed with the development	Option 4 - Do nothing
Displacement rate	100.00%	0.00%	10.00%	25.00%

- Option 1 presents a displacement rate of 100% because returning the entire site to Green Belt would require removal of the residents. Given that there is already an identified deficiency of Gypsy / Traveller pitches in Essex, unless the local authority provide more pitches, this results in an unmet need.
- Option 2 presents a displacement rate of 0% because the option includes extension of the site, to address current safety hazards caused by overcrowding. If this option proceeded without addressing overcrowding, it would present a displacement rate of 25%.
- Option 3 has a displacement rate of 10%. While the majority of pitches are privately owned, and there are future housing arrangements in place, the existing community that it is anticipated that the project will displace does not meet the planning definition for Gypsy / Traveller. As a result, when displaced they will require additional accommodation through the local housing stock.
- Option 4 presents a displacement rate of 25%, based on the assessment that ten pitches are currently overcrowded, and need to be replaced like for like (10 pitches at a site of 40 is 25%).

8.7.2 Estimated Reduction in Health Spending

It is assumed that the outcome of various options will be an uplift in the health of residents at Oak Lane Caravan Park.

The assumption is the assumed output of three outcomes.

- It is assumed that the residents of Oak Lane Caravan Park will experience an uplift in health, following either decontamination of the site, or relocation to an alternative site that provides adequate infrastructure.
- It is assumed that there is a greater uplift in health when residents are given the opportunity to sell their pitches, as this will raise a significant proportion of residents out of poverty, while also removing them from a contaminated site.

The projected decrease in health spending over five years for each option is:

	Option 1	Option 2	Option 3	Option 4
Estimated health spending in five years	75% (of max figure)	75%	50%	100%

In the report, option 4 is modelled as experiencing no change over ten years, however, it is assumed that this would instead be an uplift (increase in health spending) as residents' health continued to deteriorate due to exposure to the former Dale Farm site.

The decrease is against the initial higher costing, meaning it remains above the national average in all scenarios. Refer to 9.4.4 for the breakdown.

8.7.3 Estimated Reduction in Police Spending

Crime statistics indicate that crime is not significantly higher at Oak Lane Caravan Park than the surrounding area. As a result, it is assumed that the above average level of resources devoted to patrolling Oak Lane Caravan Park are caused by a combination of increased reported crime, and institutional biases.

The assumptions are set for each option as follows:

	Option 1	Option 2	Option 3	Option 4
Police Spending	100% ⁸⁵	100%	0% ⁸⁶	100%

- Option 1 - No change to police spending. Despite relocation from the site, it is assumed that the community would be relocated to another location, en masse, resulting in no reduction to spending.
- Option 2 - No change to police spending. Although the condition of the site is improved, there is no increase to police spending, as current assessment indicates that police spend in this case is not linked to incidents.

⁸⁵ Maintaining 100% of added cost per person

⁸⁶ Return to normal spending

- Option 3 - Reduction in police spending to average levels, i.e. moving from £933 to £159.73 per person. This is the expected outcome of the closure of the existing Oak Lane Caravan Park site, and anticipated displacement of individual families in the community to alternate, non-Gypsy / Traveller accommodation.
- Option 4 - Modelled as no change to police spending. However, it is projected that this has the potential to increase as the site becomes less habitable and residents become more marginalised, as a result of no action.

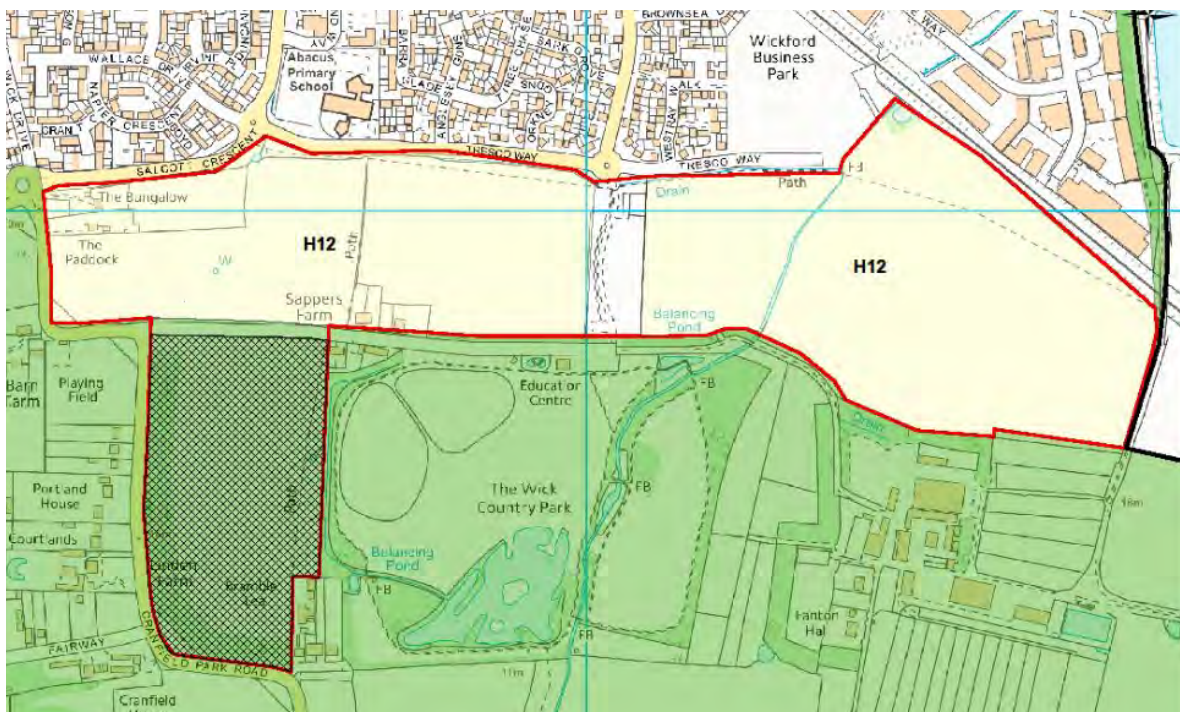
Annex A - Comparison of the *proposed* Oak Lane Development against the *proposed* H12 development in the Revised Basildon Local Plan

A1. Summary

1. This section of the report compares the economic benefits of the proposed development at Oak Lane Caravan Park against H12, a proposed residential development in the Revised Basildon Local Plan. It provides an overview of the immediate economic benefits of each option.

A2. H12 Background

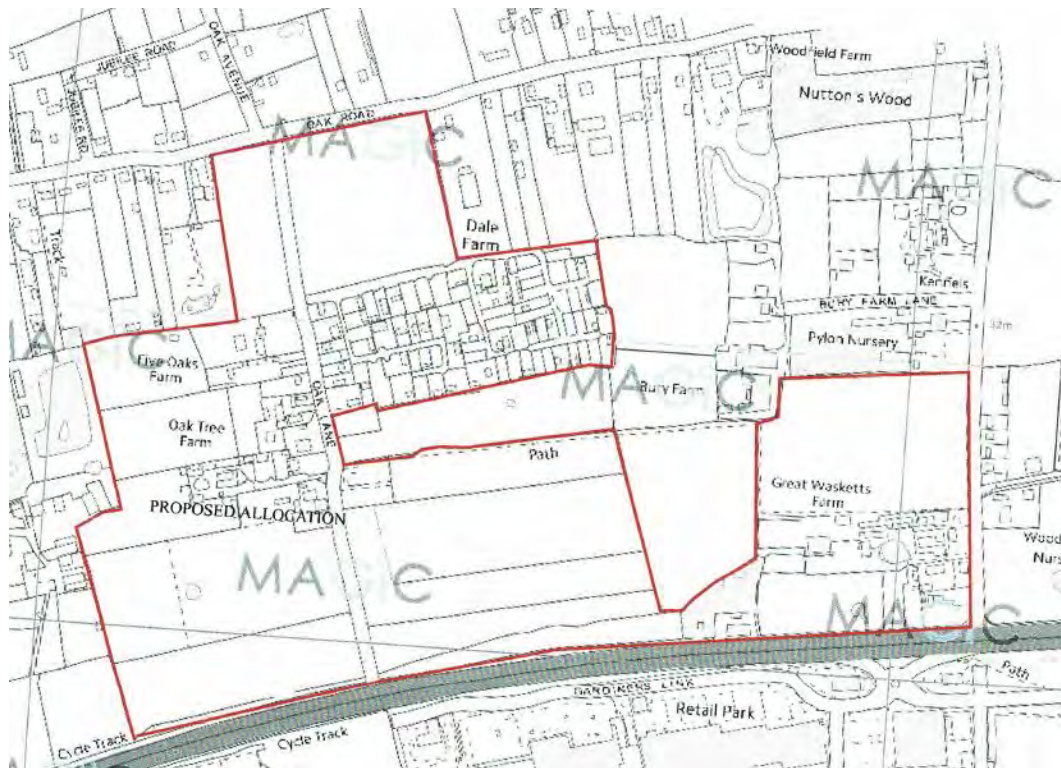
2. H12 is a proposed development that has been included in the Revised Basildon Local Plan. The development is comprised of 38 hectares of land in Wickford, south of Salcot Crescent and Tesco Way. The proposed residential density of the development is 45 units per hectare, with 1,100 units. 29 hectares of land have been earmarked for residential use, with 9 hectares remaining for open space. All of the development area sits within the open Green Belt. H12 would introduce 1,100 residential units to Basildon.



H12 - Land South of Wickford - pg. 44, Basildon Borough Council Local Plan 2014 - 2014, Policies Map Changes Booklet 2018

A3. Oak Lane Development Background

3. The Oak Lane Caravan Park development is a proposed residential development around Oak Lane in Crays Hill, Basildon. It is yet to be included in the Revised Basildon Local Plan. The proposed development is comprised of 39.82 hectares of land north of the Southend Arterial Road (A127). The proposed residential density of the development is 60 units per hectare, with 1,400 units. For this proposed development, 23.3 hectares of land would be earmarked for residential development, with 16.49 remaining as open space.
4. To facilitate a like-for-like comparison between the two developments, a hypothetical development of 1,100 units at a density of 45 units per hectare has been developed. All of the development area of this proposed development sits within green belt plotlands.



Proposed Oak Lane development area

A4. Rationale Behind the Comparison

5. H12 has been provisionally deemed by Basildon Borough Council to offer adequate benefits to justify the removal of 38 hectares from the metropolitan Green Belt, to meet the borough council's objective of housing supply.
6. Of proposed developments in the Revised Basildon Local Plan, it is an almost identical size to the proposed Oak Lane development (38 hectares compared to 39.82). The distance between both developments (as the crow flies) is 2.4 miles.

A5. H12 Additional Development Requirements

7. The Revised Basildon Local Plan states that H12 will require the allocation of 2.1 hectares of land for a new primary school.⁸⁷ The estimated infrastructure cost of building a new primary school is £6.41 million.⁸⁸

A6. Oak Lane Development Requirements

8. It is assumed that an additional primary school would be required to support the Oak Lane development. Crays Hill Primary School would be vacated following removal of the Gypsy / Traveller site at Oak Lane Caravan Park, allowing it to be repurposed in place of refurbishing or building a new primary school, at a saving of **£6.41 million**. While the developers commitment to introduce pedestrian access over the A127 results in a saving to the authority and benefit to the existing Crays Hill community of **£1.7 million**. This delivers a total saving of **£8.11 million**.

A7. H12 - Efficiency Savings

9. The proposed development land at H12 is currently unoccupied, and subject to no exceptional circumstances (there are an estimated five dwellings within the entire area of the proposed development site). Instead it is open, and unspoiled Green Belt.
10. Basildon Borough Council have identified no efficiency savings in the Revised Basildon Local Plan, attributed to the development at H12. Therefore, it is assumed that there would be no efficiency savings associated with the site.

A8. Oak Lane Development - Efficiency Savings

11. Analysis projects that development of the land at Oak Lane would result in efficiency savings over a period of ten years of around **£21,517,782.93**, due to a reduction in additional spend on social services directly linked to the site, including policing, education, health spending and benefit spending.

⁸⁷ Policy H12, Land south of Wickford, p. 123, Revised Basildon Local Plan - https://www.basildon.gov.uk/media/8646/Basildon-Council-Revised-Publication-Local-Plan-Oct-2018/pdf/Basildon_Council_-_Revised_Publication_Local_Plan_-_Oct_2018.pdf?m=636765818012070000

⁸⁸ National School Delivery Cost Benchmarking, Hampshire Council with the Infrastructure & Projects Authority, Feb 2018 - <https://www.local.gov.uk/sites/default/files/documents/F07125%20-%20National%20School%20Delivery%20Cost%20Benchmarking%20-%20Primary%20Secondary%20%20SEN%20Schools%20-%20February%202018%20Revision%204%20Final.pdf>

A9. Comparison of Economic Benefits of the proposed H12 and the proposed Oak Lane Development

12. To facilitate the assessment of the comparative economic advantages of proceeding with the development at H12 and Oak Lane, the table below is provided.

13. It shows that while both developments deliver almost a like-for-like increase in land value (the figure at Oak Lane is higher because the area is slightly bigger), H12 does not offer the extraordinary savings, or the projected efficiency savings of the proposed Oak Lane development, whether it is the like-for-like comparison, or actual proposal of 1,400 units.

	H12 <i>Proposed development in the Basildon Local Plan</i>	Oak Lane Development <i>Like for Like (1100 units)</i>	Oak Lane Development <i>Proposed Development (1400 units)</i>
Units	1,100	1,100	1,400
Density (units per hectare)	45.00	45.00	60.00
Total Area	38.00	39.82	39.82
Residential Area	29.00	25.50	23.33
Open Space	9.00	15.32	16.49
Pre-Development Land Value	£855,000.00	£895,950.00	£895,950.00
Post-Development Value	£74,047,354.10	£77,593,832.64	£98,755,787.00
Increase in Land Value	£73,192,354.10	£76,697,882.64	£97,859,837.00
Ten year efficiency savings	£0.00	£21,517,782.93	£21,517,782.93
Extra-ordinary savings	£0.00	£8,110,000.00	£8,110,000.00
Additional costs	£6,410,000.00	£0.00	£0.00
Adjusted Benefit	£66,782,354.10	£106,325,665.58	£127,487,619.93
Additional Benefit Compared Against H12 Development	0.00%	59.21%	90.90%

14. Instead, over a ten year period, the Oak Lane like-for-like development offers an economic benefit that is **59.21%** higher than **H12**, while the actual proposed Oak Lane development offers an outcome that is **90.90%** higher than **H12**.

15. This analysis concludes that the immediate economic benefits, without factoring in the indirect economic impact of either development, are significantly higher for the

Oak Lane Development than H12, and that arguably, if Basildon Borough Council are committed to achieving value for money from planning, have a better case to consider development at Oak Lane in place of the area south of Wickford.

A10. Non-Monetised Development Outcomes

16. In addition to monetised outcomes, there are various, comparable non-monetised outcomes offered by both developments, which are summarised in the table below:

	H12	Oak Lane Development
Protecting the Green Belt	H12 removes 29 hectares ⁸⁹ of undeveloped, and unbuilt land from the open Green Belt, without providing a case for the exceptional circumstances for doing so.	The Oak Lane Development proposes to remove either 23.33 (1,400 units at 60 units per hectare) or 25.5 hectares (1,100 at 45 units per hectare) of recognised spoiled and inaccessible plotland from the Green Belt, while providing a case for the exceptional circumstances to do so.
Addressing local deprivation	Wickford is not considered as deprived as Crays Hill.	Crays Hill, or Ramsden Crays is one of the most deprived parishes in Basildon
Dispersion of Gypsy / Travellers at Oak Lane Caravan Park	No impact	Achieved, with non-monetised long-term benefits to the borough council and local community
Addressing acknowledged infrastructure funding gaps	No attempt to address identified infrastructure funding shortfall of an estimated £104 million through location of a new site	Achievement of unmeasured cost benefit by reusing and reducing pressure on existing public services, including GP surgeries, schools, etc.
Removal of contamination and unlocking basic land value at the former Dale Farm site	No change to identified contamination at the former Dale Farm site	The private sector assumes responsibility for the removal of contamination at the former Dale Farm site.

A11. Conclusion

17. Basic analysis indicates that there is a much stronger economic, environmental and social case for residential development to proceed at the plotlands at Oak Lane, Crays Hill, than H12 in the Revised Basildon Local Plan.

18. If H12 is considered an adequate area of the open green belt for residential development by Basildon Borough Council, there appears to be no case for the omission of the former Dale Farm site and Oak Lane Caravan Park for immediate development in the Revised Basildon Local Plan.

⁸⁹ 7.27% of the land Basildon Borough Council are proposing to remove from the Green Belt in the Revised Local Plan.

Sustainability Appraisal - Notes

Purpose

- The report was commissioned by the residents of Oak Lane Caravan Park and the Gypsy Council following rising concerns about the condition of the former Dale Farm site and its impact on residents' health and social wellbeing
- Its purpose is to present the options available for resolving long standing issues at Oak Lane Caravan Park in the most cost effective way possible

Methodology

- The report uses HM Treasury Green Book Guidance to estimate the cost of maintaining Oak Lane Caravan Park over a period of 10 years. The Green Book is a collection of guidance used by Central and Local Government to appraise policies, programmes and projects, including a framework to assess the value for money of projects. For this paper, MHCLG's Benefit Cost Ratio guidance is used to assess the value of the project.
- The report uses evidence gathered during independent surveys at the site (2013 to 2020), the **Oak Lane Caravan Park Health Report**, an **Independent Report into the Cost of Policing** and an assessment of **Indices of Deprivation at the Site**.
- The report assesses the cost of four options available to the LA:
 1. Return the land to Open Green Belt
 2. Make Oak Lane Caravan Park Habitable
 3. Residential Development at Oak Lane Caravan Park
 4. Do Nothing (Status Quo)

Key Findings

1. Professional consensus dictates that some form of intervention is required at the former Dale Farm site to prevent further harm to residents. This is due to exposure to contamination, overcrowding, fire safety hazards and general infrastructure failures.
2. Relocating the community to a non-hazardous site and returning the land to open Green Belt at an estimated cost of **£27,594,500.00**. This option offers an adjusted benefit cost ratio of **0.11**
3. Decontaminating the former Dale Farm site and upgrading the infrastructure at Oak Lane Caravan Park at an estimated cost of **£20,710,800.00**. This option offers an adjusted benefit cost ratio of **0.16**
4. Designating the area for residential development in the **Revised Basildon Local Plan** at an estimated nominal cost of **£225,000.00**. This option offers an adjusted benefit cost ratio of **607.63**
5. Do nothing. This option requires no investment. It does not address the challenges at Oak Lane Caravan Park and it is projected to result in a long-term, rising cost to the authority, resulting in this option offering a benefit cost ratio of **less than 1**
6. The former draft local plan considers alternative, uncontaminated areas of land, which do not offer the same long term cost benefit ratio as development at Oak Lane Caravan Park. Over a ten year period, the Oak Lane like-for-like development offers an economic benefit that is **59.21%** higher than **H12**, while the actual proposed Oak Lane development offers an outcome that is **90.90%** higher than **H12**

Conclusion

- Green lighting development Oak Lane Caravan Park is the cheapest long term option for addressing challenges at the former Dale Farm site, while also offering the most economic option for addressing the housing requirements in the borough

6.1.1 Overview of the Impact of Options for Taking Action at Oak Lane Caravan Park

An overview of four potential options to address the current challenges at Oak Lane Caravan Park, including risks, benefits and comparative value for money assessments.

		Option 1.A <i>Return the Land to Open Green Belt (additional pitches)</i>	Option 1.B <i>Return the Land to Open Green Belt (additional social housing)</i>	Option 2 <i>Maintain the Site</i>	Option 3 ¹ <i>Redevelop Oak Lane Caravan Park</i>	Option 4 (Status Quo) <i>Do Nothing</i>
A. Present Value Benefits	Land Value <i>(change in land value)</i>	£291,375.00 <i>(unlocking land previously worth £0.00)</i>	£291,375.00 <i>(unlocking land previously worth £0.00)</i>	£291,375.00 <i>(unlocking land previously worth £0.00)</i>	£98,464,412.00 <i>(33,793% uplift in land value)</i>	£291,375.00 ² <i>(no change)</i>
B.1 Government Efficiency Savings - Social Spend	Average Unadjusted Additional Cost to LA of Oak Lane Caravan Park (2020 prices)	£2,322,131.36	£2,322,131.36	£2,322,131.36	£651,448.83 ↓	£2,659,557.48 ↑
	Estimated Unadjusted 10 year additional cost of Oak Lane Caravan Park to LA (2020 prices)	£23,221,313.64	£23,221,313.64	£23,221,313.64	£4,264,980.87	£26,238,049.80
	Land Based Revenue from Oak Lane Caravan Park (ten years)	£0.00 (£0.00)	£0.00 (£0.00)	£35,752.50 (£357,525.00)	£2,678,781.60 (£13,393,908.00 ³)	£35,752.50 (£357,525.00)
	Adjusted Annual Cost / Savings to LA (ten year)	£265,921.12 (saving) (£2,659,211.16)	£265,921.12 (saving) (£2,659,211.16)	£301,673.62 (saving) (£3,016,736.16)	£2,197,306.89 (saving) (£21,973,068.93)	£0.00 ⁴ (£0.00)
B.2 Government Efficiency Savings - Infrastructure Spend	Extraordinary Savings	£0.00	£0.00	£0.00	£8,110,000.00 ⁵	£0.00
	One-Off Income (ten years)	£17,500.00 (£70,000.00) ⁶	£43,750.00 (£175,000.00)	£3,500.00 (£14,000.00)	£2,098,641.00 (£8,394,567.00)	£0.00
	Ten Year Total	£70,000	£175,000.00	£14,000	£16,504,567.00	£0.00
C. Cost of the Option to the LA <i>Present Value Costs</i>	Decontamination Costs	£12,000,000	£12,000,000	£12,000,000	£0.00	£0.00
	Infrastructure Costs	£6,410,000.00	£6,410,000.00	£3,301,400.00 ⁷	£0.00 ⁸	£0.00
	Relocation Costs (temporary & permanent)	£9,194,500.00 ⁹	£30,000,000.00 ¹⁰	£5,409,400.00 ¹¹	£0.00 ¹²	£0.00
	Other Costs	£0.00	£0.00	£0.00	£225,000.00 ¹³	£0.00
	Total One-Off Cost	£27,594,500.00	£48,400,000.00	£20,710,800.00	£225,000.00	£0.00
D. Total Cost / Benefit	Total Unadjusted Cost to the Taxpayer (ten year)	£50,745,813.64	£71,446,313.64	£43,560,588.64	-£10,314,586.13 (net saving)	£25,880,524.80
	Adjusted Cost to the Taxpayer (ten year)	£24,865,288.84	£45,565,788.84	£17,680,063.84	-£36,195,110.93 (net saving)	£0.00

¹ 60 units per hectare are assumed for this option

² With the contamination at the former Dale Farm site left unaddressed, while the land may be valued at £291,375.00, it is unlikely that without some form of Government grant that any private developer would purchase the land, because of the significant cost of rectifying the damage inflicted on the land.

³ Council Tax Revenue is not factored into option 3, as it is assumed that the impact is zero sum (£0). Ten year figure is based on the assumption that revenues would not begin until the sixth year, after the development is complete.

⁴ With status quo as base expenditure, this expenditure is set to zero.

⁵ Saving to the authority of constructing a new primary school and pedestrian access over A127.

⁶ Estimated New Homes Bonus Payment

⁷ Water improvements at £800,000.00, sewage at £700,000.00, access roads at £601,400.00 and grid upgrade at £1,200,000.00.

⁸ Upgrades handled privately / covered by S.106 & CIL

⁹ Including compulsory purchase costs for Oak Lane Caravan Park, cost for new pitches at £142,000 per pitch and compulsory purchase of suitable land, 4.2 hectares at agricultural rates

¹⁰ Cost of compulsory purchase of the Oak Lane Caravan Park site and the estimated cost of 75 additional, three-bedroom properties at £400,000 face value, £280,000 social value.

¹¹ Cost of authorising ten additional pitches and temporary accommodation provided during decontamination process

¹² Assumed zero cost as private renters are not Irish Traveller / Romany Gypsy and will relocate to settled social housing

¹³ Cost to LA of assessing a planning application for the site

6.1.2 Overview of the Impact of Options for Taking Action at Oak Lane Caravan Park

Supporting explanation table showing how 6.1 was calculated, quoting the figures involved.

		Option 1 <i>Return the Land to Open Green Belt</i>	Option 2 <i>Maintain the Site</i>	Option 3 <i>Redevelop Oak Lane Caravan Park</i>	Option 4 (Status Quo) <i>Do Nothing</i>
A. Present Value Benefits	1. Land Value <i>(change in land value)</i>	Current Land Value of 12.95 hectare site at Dale Farm & Oak Lane (Agricultural land value per hectare) x 12.95 £22,500 x 12.95 ¹⁴	Current Land Value of 12.95 hectare site at Dale Farm & Oak Lane (Agricultural land value per hectare) x 12.95 £22,500 x 12.95	Post development land value based on 60 units per hectare, resulting in development site of 23.33 hectares, at £98,755,787. Uplift is based on rise in value of 12.95 hectares unlocked £98,755,787.00 - £291,375.00	No change to land value, consistent with the assumption that the land currently offers no practical value
B.1 Government Efficiency Savings - Social Spend	1. Average Unadjusted Additional Cost to LA of Oak Lane Caravan Park (2020 prices)	Average annual figure of expected expenditure on social services, against the estimated national average. This includes health, benefits, policing and education. The figure is the additional expected spend, not the total spend.	Average annual figure of expected expenditure on social services, against the estimated national average. This includes health, benefits, policing and education. The figure is the additional expected spend, not the total spend.	Average annual figure of expected expenditure on social services, against the estimated national average. This includes health, benefits, policing and education. The figure is the additional expected spend, not the total spend.	Average annual figure of expected expenditure on social services, against the estimated national average. This includes health, benefits, policing and education. The figure is the additional expected spend, not the total spend.
	2. Estimated Unadjusted 10 year additional cost of Oak Lane Caravan Park to LA (2020 prices)	As above, but over a ten year period (Health + Education + Policing + Housing Benefit + Working age benefit) (£7,421,798.34 + £2,584,000.00 + £2,319,810 + £7,481,135.38 + £3,414,569.92)	As above, but over a ten year period (Health + Education + Policing + Housing Benefit + Working age benefit) (£7,421,798.34 + £2,584,000.00 + £2,319,810 + £7,481,135.38 + £3,414,569.92)	As above, but over a ten year period (Health + Education + Policing + Housing Benefit + Working age benefit) (£4,047,537.19 + £0.00 + £0.00 + £187,636.18 + £29,807.50)	As above, but over a ten year period (Health + Education + Policing + Housing Benefit + Working age benefit) (£10,796,059.50 + £2,584,000.00 + £2,319,810 + £7,481,135.38 + £3,414,569.92)
	3. Land Based Revenue from Oak Lane Caravan Park <i>(ten years)</i>	The amount of council tax raised from the site. ¹⁵	The maximum amount of council tax raised from Dale Farm residents per year (the maximum amount of council tax raised over ten years at 2020 prices)	The estimated annual total revenue from the developed site (ten year figure, starting in sixth year, under assumption that the development will take five years)	The maximum amount of council tax raised from Dale Farm residents per year (the maximum amount of council tax raised over ten years at 2020 prices)
	4. Adjusted Annual Cost / Savings to LA (ten year) <i>This shows how much money is saved to the taxpayers via efficiencies to the social budget</i>	Adjusted relative to the status quo. The difference between annual social services expenditure of Option 4 and Option 1 - Option 4 land based revenue (£2,659,557.48 - £2,322,131.36 - land based revenue (£35,752.50)	Adjusted relative to the status quo. The difference between annual social services expenditure of Option 4 and Option 2 - land based revenue of Option 4 + land based revenue of Option 2 (£2,659,557.48 - £2,322,131.36 - £35,752.50 + £35,752.50)	Adjusted relative to the status quo. The difference between annual social services expenditure of Option 4 and Option 3 - land based revenue of Option 3 + former land based revenue of Option 3 (£2,659,557.48 - £426,498.09 - £35,752.50 + £0.00 ¹⁶)	As the status quo option, this is adjusted to zero, because there is no change in expenditure
B.2 Government Efficiency Savings - Infrastructure Spend	1. Extraordinary Savings	The infrastructure savings to the local authority enabled achieved through the option, i.e. lower spending on transport infrastructure, etc. For this option, it is assumed that no savings are achieved	The infrastructure savings to the local authority enabled achieved through the option, i.e. lower spending on transport infrastructure, etc. For this option, it is assumed that no savings are achieved	The infrastructure savings to the local authority enabled achieved through the option, i.e. lower spending on transport infrastructure, etc. (Saving of removing requirement to build a new primary school + saving of pedestrian access infrastructure carried by developer) (£6.41 million + £1.7 million)	The infrastructure savings to the local authority enabled achieved through the option, i.e. lower spending on transport infrastructure, etc. For this option, it is assumed that no savings are achieved
	2. One-Off Income (ten years)	New Homes Bonus Payment for additional fifty traveller pitches, paid by central gov £17,500 for first year £70,000 over four payment years	New Homes Bonus Payment for additional ten traveller pitches, paid by central gov £3,500 for first year £14,000 over four payment years	New Homes Bonus Payment for additional ten traveller pitches, paid by central gov £2,098,641.00 for first year £8,394,567.00 over four payment years	No New Homes Payment as no additional housing stock offered by this option
	3. Ten Year Total	Extraordinary Savings + One-Off Income (£0.00 + £70,000)	Extraordinary Savings + One-Off Income (£0.00 + £14,000)	Extraordinary Savings + One-Off Income (£8,110,000.00 + £8,394,567.00)	Extraordinary Savings + One-Off Income (£0.00 + £0.00)
C. Cost of the Option to the LA <i>Present</i>	1. Decontamination Costs	Estimated cost of decontamination. Included for option 1, as it is part of the option	Estimated cost of decontamination. Included for option 2, as it is part of the option	Estimated cost of decontamination. Not included for option 3, as this cost is borne by the developer	Estimated cost of decontamination. Not included for option 4, as the option is 'do nothing'
	2. Infrastructure Costs	Cost of infrastructure for new site.	Cost of upgrading existing infrastructure at	No cost for new infrastructure investment, as	Option 4 is no work, so there is no investment

¹⁴ A rise in uplift of land value is from £0.00, with the assumption that the land is currently unsaleable due to contamination at former Dale Farm site

¹⁵ For this option it is assumed that the council will be unable to recover any council tax from the site, because residents will be moved, and given the difficulty of securing payments from the community, that no money will be raised on the new site.

¹⁶ It is assumed that this revenue is lost, however the authority continues to meet the needs of some legacy residents of Oak Lane Caravan Park

Value Costs		Assumed that a large scale relocation of the site will remove one primary school from local population, at a cost of £6,410,000.00 to the authority	Oak Lane Caravan Park. Water infrastructure + sewage infrastructure + road access upgrade + electricity upgrade + 10 additional pitches to address overcrowding (£800,000.00 + £700,000.00 + £601,400.00 + £1,200,000.00 + £1,420,000.00)	this is not covered by the public sector, but the developer Placing this investment cost at £0.00	cost
	3. Relocation Costs (temporary & permanent)	Cost of relocating travellers from the site (50 new pitches + Oak Lane compulsory purchase + new site compulsory purchase) £7,100,000.00 + £2,000,000.00 + £94,500.00	Cost of temporarily relocating Oak Lane Caravan Park residents from the site during decontamination and new pitches to address overcrowding at the site (Estimated at six month (183 days) relocation or 300 residents to a local hotel, at 200 rooms x nightly rate of £109) + (10 x £142,000) (£3,989,400.00 + £1,420,000.00)	No relocation costs as assumed displaced residents will re-enter settled community, and be rehoused with existing social housing stock	Option 4 requires no relocation costs, as this option includes no investment
	4. Other Costs	No other forecast costs	No other forecast costs	Cost to Basildon council of reviewing the planning application, which is the only apparent incurred cost of this development Assumed planning application cost of £150,000, based on fee only covering 40% of work, the cost is: (150,000 x (60/40))	No other forecast costs
	5. Total One-Off Cost	The cost of intervention for this option: (Decontamination costs + Infrastructure Costs + Relocation Costs + Other Costs) (£12,000,000 + £6,410,000.00 + £9,194,500.00 + £0.00)	The cost of intervention for this option: (Decontamination costs + Infrastructure Costs + Relocation Costs + Other Costs) (£12,000,000 + £3,301,400.00 + £5,409,400.00 + £0.00)	The cost of intervention for this option: (Decontamination costs + Infrastructure Costs + Relocation Costs + Other Costs) (£0.00 + £0.00 + £0.00 + £225,000.00)	The cost of intervention for this option: (Decontamination costs + Infrastructure Costs + Relocation Costs + Other Costs) (£0.00 + £0.00 + £0.00 + £0.00)
D. Total Cost / Benefit	1. Total Unadjusted Cost to the Taxpayer (ten year)	Total one-off cost + Estimated Unadjusted 10 year additional cost of Oak Lane Caravan Park to LA - Extra-ordinary savings - One-off income (£27,594,500.00 + £23,221,313.64 - £0.00 - £70,000)	Total one-off cost + Estimated Unadjusted 10 year additional cost of Oak Lane Caravan Park to LA - Extra-ordinary savings - One-off income (£20,710,800.00 + £23,221,313.64 - £0.00 - £14,000)	Total one-off cost + Estimated Unadjusted 10 year additional cost of Oak Lane Caravan Park to LA - Extra-ordinary savings - One-off income (£225,000.00 + £4,264,980.87 - £8,110,000.00 - £8,394,567.00)	Total one-off cost + Estimated Unadjusted 10 year additional cost of Oak Lane Caravan Park to LA - Extra-ordinary savings - One-off income (£0.00 + £26,238,049.80 + £0.00 + £0.00)
	2. Adjusted Cost to the Taxpayer (ten year)	Option A Total Unadjusted Cost - Option D Total Unadjusted Cost (£50,745,813.64 - £26,238,049.80)	Option B Total Unadjusted Cost - Option D Total Unadjusted Cost (£43,560,588.64 - £26,238,049.80)	Option C Total Unadjusted Cost - Option D Total Unadjusted Cost (-£10,259,057.53 - £26,238,049.80)	Option D Total Unadjusted Cost - Option D Total Unadjusted Cost (£26,238,049.80 - £26,238,049.80)

6.2.1 Benefit Cost Ratio Analysis of Options A-D - Appraisal Summary Table

This summary appraisal table compares the benefit cost ratio of each option, as per MHCLG and HMT guidance.

	Option 1.A <i>Return the Land to Open Green Belt (additional pitches)</i>	Option 1.B <i>Return the Land to Open Green Belt (additional social housing)</i>	Option 2 <i>Maintain the Site</i>	Option 3 <i>Redevelop Oak Lane Caravan Park</i>	Option 4 (Status Quo) <i>Do Nothing</i>
A. Present Value Benefits <i>(based on Green Book principles)</i>	£291,375.00	£291,375.00	£291,375.00	£98,464,412.00	£0.00¹⁷
B. Present Value Costs	£27,594,500.00	£48,400,000.00	£20,710,800.00	£225,000.00 ¹⁸	£0.00
C. Present Value of other quantified impacts (ten year)	£2,729,211.16	£2,834,211.16	£3,030,736.16	£38,477,635.93	£0.00
D. Net Present Public Value	-£24,573,913.84	-£45,274,413.84	-£17,388,688.84	£136,717,047.93	£0.00
E. Initial Benefit Cost Ratio	0.01	0.006	0.01	437.62¹⁹	1.00 ²⁰
F. Adjusted Benefit Cost Ratio	0.11	0.06	0.16	607.63	Less than 1.00
G. Significant Non-Monetised Impacts	1. Decontamination of former Dale Farm site; 2. Return of land to open green belt, resulting in an improvement to local amenity; 3. Projected improvement to the quality of life, and life expectancy of Oak Lane Caravan Park residents; 4. Improvement to indices of deprivation; 5. Conclusion to action at former Dale Farm site; 6. Unforeseen challenges and costs to establish a new site for Oak Lane Caravan Park community, with cost of local opposition to a new site.	1. Decontamination of former Dale Farm site; 2. Return of land to open green belt, resulting in an improvement to local amenity; 3. Projected improvement to the quality of life, and life expectancy of Oak Lane Caravan Park residents; 4. Improvement to indices of deprivation; 5. Conclusion to action at former Dale Farm site.	1. Decontamination of former Dale Farm site; 1. Improvement to the amenity of the Oak Lane Caravan Park and Crays Hill settled community thanks to decontamination of site; 2. Projected improvement to the quality of life, and life expectancy Oak Lane Caravan Park residents.	1. Decontamination of former Dale Farm site; 2. Change of land classification from Plotlands in the Green Belt to residential.	1. Indefinite continuation of council expenditure on challenges associated with the former Dale Farm site; 2. Indirect removal of land from the green belt for an alternative development at the expense of local amenity in an alternative borough parish; 3. Escalation of health costs due to Oak Lane Caravan Park resident's continued exposure to the contaminated site; 4. Continued suppression of house prices in Crays Hill area; 5. Low environmental amenity for Crays Hill surrounding community, and continued lack of access to an open Green Belt site; 6. Continued ineffective action on fly-tipping, due to failure to address systematic regions of local abuse; 7. Failure to address indices of deprivation challenges in Ramsden Crays.
H. Value for Money (VfM) Category	Poor	Poor	Poor	Very High	Poor
I. Switching Values & rationale for VfM Category	The adjusted BCR reflects projected savings to the taxpayer over a 10 year period. It is not projected that money could be recouped over this period.	The adjusted BCR reflects projected savings to the taxpayer over a 10 year period. It is not projected that money could be recouped over this period.	Uplift in land value, while an outcome of this option, is not the objective. Instead it is the social impact of addressing contamination and continued slum dwelling at the site. The change in BCR reflects monetised efficiencies delivered to the	The adjusted BCR includes the projected cost saving of the development. This does not change the VfM category. All BCRs of 4 or more are considered very high. The benefits offered to the taxpayer are considered very efficient.	This BCR does not change because there is no difference to the 'do nothing' option.

¹⁷ Land value set to zero because under this option the site remains inaccessible and unsalable

¹⁸ Planning application cost to the local authority (assuming 40% recouped from the developer). It is assumed that this is the only measurable cost to the LA, as the developer will pay for the cost of any improvement works, either directly, or indirectly

¹⁹ A BCR of more than 2 is considered good, above four is considered exceptionally good (very high)

²⁰ The BCR for the status quo is 1:1, because no money is spent. If no money is spent, there is no possible gain or loss in value.

			taxpayer through this option.		
J. Cost to LA	£27,594,500.00	£48,400,000.00 ²¹	£20,710,800.00	£225,000.00 ²²	£0.00
Risks	See 6.4	N/A - same as Option 1,A	See 6.4	See 6.4	See 6.4

²¹ Some of this may be recovered through certain social housing development financing models

²² This is an expected operational cost, i.e. this represents ‘business as usual’ and is an expected function of Basildon Borough Council. It is quantified to show the significant gain to the public sector of this proposed limited intervention

6.2.2 Benefit Cost Ratio Analysis of Options A-D - Appraisal Summary Table

Supporting explanation table showing how 6.2 was calculated, quoting the numbers involved.

	Option 1.A & B <i>Return the Land to Open Green Belt (additional pitches)</i>	Option 2 <i>Maintain the Site</i>	Option 3 <i>Redevelop Oak Lane Caravan Park</i>	Option 4 (Status Quo) <i>Do Nothing</i>
A. Present Value Benefits <i>(based on Green Book principles)</i>	Increase in land value after intervention Post-Intervention Land Value - Current Land Value £291,375.00 - £0.00	Increase in land value after intervention Post-Intervention Land Value - Current Land Value £291,375.00 - £0.00	Increase in land value after intervention Post-Intervention Land Value - Current Land Value £98,755,787.00 ²³ - £291,375.00 - £0.00	Increase in land value after intervention Post-Intervention Land Value - Current Land Value £0.00 - £0.00 <i>(no change)</i>
B. Present Value Costs	The total one-off cost of intervention C.5 in table 6.1 £27,594,500.00	The total one-off cost of intervention C.5 in table 6.1 £20,710,800.00	The total one-off cost of intervention C.5 in table 6.1 £225,000.00	The total one-off cost of intervention C.5 in table 6.1 £0.00
C. Present Value of other quantified impacts (ten year)	Adjusted Annual Cost / Savings to LA (ten year) + Extraordinary Savings Table 6.1 - (B.1.4 (ten year) + B.2.3) £2,659,211.16 + £70,000	Adjusted Annual Cost / Savings to LA (ten year) + Extraordinary Savings Table 6.1 - (B.1.4 (ten year) + B.2.3) £3,016,736.16 + £14,000	Adjusted Annual Cost / Savings to LA (ten year) + Extraordinary Savings Table 6.1 - (B.1.4 (ten year) + B.2.3) £21,973,068.93 + £16,504,567.00	There are no measured social efficiency savings, or extraordinary savings offered by this option. Table 6.1 - (B.1.4 (ten year) + B.2.3) £0.00 + £0.00
D. Net Present Public Value	Present Value Benefits - Present Value Costs + Present Value Other Quantified Impacts Table 6.2 (A - B + C) (£291,375.00 - £27,594,500.00 + £2,729,211.16) -£24,683,063.84	Present Value Benefits - Present Value Costs + Present Value Other Quantified Impacts Table 6.2 (A - B + C) (£291,375.00 - £27,594,500.00 + £2,729,211.16) -£13,452,438.84	Present Value Benefits - Present Value Costs + Present Value Other Quantified Impacts Table 6.2 (A - B + C) (£99,047,162.00 - £225,000.00 + £38,477,635.93) £137,299,797.93	Present Value Benefits - Present Value Costs + Present Value Other Quantified Impacts Table 6.2 (A - B + C) (£0.00 + £0.00 + £0.00) £0.00
E. Initial Benefit Cost Ratio	Present Value Benefits / Present Value Costs Table 6.2 - (A / B) (£291,375.00 / £27,594,500.00) 0.01	Present Value Benefits / Present Value Costs Table 6.2 - (A / B) (£291,375.00 / £20,710,800.00) 0.01	Present Value Benefits / Present Value Costs Table 6.2 - (A / B) (£99,047,162.00 / £225,000.00) 440.21	Present Value Benefits / Present Value Costs Table 6.2 - (A / B) (1 / 1) ²⁴ 1.00
F. Adjusted Benefit Cost Ratio	(Present Value of Other Quantified Impacts + Present Value Benefits / Present Value Costs) Table 6.2 - (C + A / B) (£2,729,211.16 + £291,375.00) / £27,594,500.00 0.11	(Present Value of Other Quantified Impacts + Present Value Benefits / Present Value Costs) Table 6.2 - (C + A / B) (£3,030,736.16 + £291,375.00) / £20,710,800.00 0.16	(Present Value of Other Quantified Impacts + Present Value Benefits / Present Value Costs) Table 6.2 - (C + A / B) (£38,477,635.93 + £99,047,162.00) / £225,000.00 601.12	(Present Value of Other Quantified Impacts + Present Value Benefits / Present Value Costs) Table 6.2 - (C + A / B) (0 + 1 / 1) 1.00 ²⁵
G. Significant Non-Monetised Impacts	Explanation not required	Explanation not required	Explanation not required	Explanation not required
H. Value for Money (VfM) Category	BCR less than or equal to 1 = Poor	BCR less than or equal to 1 = Poor	BCR greater than or equal to 4 = Very High	BCR less than or equal to 1 = Poor
I. Switching Values & rationale for VfM Category	The adjusted BCR reflects projected savings to the taxpayer over 10 year period. It is not projected that money could be recouped over this period.	Uplift in land value, while the outcome of this option, is not the objective. Instead it is the social impact of addressing contamination and continued slum dwelling at the site. The change in BCR reflects monetised efficiencies delivered to the taxpayer through this option.	The adjusted BCR includes the projected cost saving of the development. This does not change the VfM category. All BCRs of 4 or more are considered very high. The benefits offered to the taxpayer are considered very efficient.	This BCR does not change because there is no difference to the 'do nothing' option.
J. Cost to LA	£27,594,500.00	£20,710,800.00	£225,000.00 ²⁶	£0.00
K. Risks	See 6.4	See 6.4	See 6.4	See 6.4

²³ This is the land value established on the development, not total saleable value of the development

²⁴ This is not 0/0 because the assumption is that there are 1:1 benefits for unspent money. No money is spent, so the hypothetical expenditure retains its benefits

²⁵ The value again, remains as 1, as there is no extra monetised benefit to continuing with the status quo

²⁶ This is an expected operational cost, i.e. this represents 'business as usual' and is an expected function of Basildon Borough Council. It is quantified to show the significant gain to the public sector of this proposed limited intervention

6.3 Overview of Economic, Social & Environmental Outcomes for Each Option

The purpose of this table is to visualise the outcome of each option, against a broad set of objectives for the locality. They are not currently mapped to the local plan, but they could be. These benefits are not weighted, so the summary of objectives met below is reasonably arbitrary. However, it is a helpful visual tool to show the benefits / drawbacks of each scenario.

Type	Detail	Option 1 A & B <i>Return the Land to Open Green Belt</i>	Option 2 <i>Maintain the Site</i>	Option 3 <i>Redevelop Oak Lane Caravan Park</i>	Option 4 (Status Quo) <i>Do Nothing, Redevelop Other Green Belt</i>
Environmental	Minimising / Rectifying Impact on the open Green Belt	Unspoiled Open Green Belt developed instead of spoiled Green Belt, 12.95 hectares returned to open Green Belt	Unspoiled Open Green Belt developed instead of spoiled Green Belt; quarter of land returned to open Green Belt, however will remain inaccessible due to continued existence of the residential site at Oak Lane Caravan Park	Reduction in unspoiled Open Green Belt residentially developed, spoiled Green Belt developed instead, saving up to 7% of Green Belt land earmarked for development	Unspoiled Open Green Belt developed instead of spoiled Green Belt, with no change to spoiled Green Belt
	Improving Access to GB & Local Amenity	Local amenity in Crays Hill increased at expense of local amenity elsewhere in the borough, due to improved access to Open Green Belt	Crays Hill local amenity marginally improved by the clearance of the former Dale Farm site, at the detriment of local amenity at an alternative site	Improvement to local amenity and access, protecting existing Open Green Belt in other areas in Basildon	No change to amenity at Crays Hill, worsening of amenity at alternate sites
	Removal of contamination at former Dale Farm Site	Removal	Removal	Removal	No removal
	Reduction in fly-tipping	Removal of illegal dumping site, discouraging fly-tipping in the vicinity	Moderate change	Removal of illegal dumping site, occupation of previous dumping site, increase local presence creating deterrent to additional fly tipping	No change
Economic	Efficiency gain to taxpayer (benefits, health, et la)	Moderate	Moderate	Significant gain	No gain
	Infrastructure Improvements	No gain	Gain at non-VfM cost (non-recoverable / no obvious economic gain to the taxpayer)	Significant gain for Crays Hill community (transport, telecoms, education & health) at a saving to the LA	Loss of economies of scale to existing residents - detrimental investment at alternate site
	Indirect economic uplift	Residential house price increase to Crays Hill	No gain	Increase / realisation of market parity in Crays Hill due to removal of nationally recognised Gypsy / Traveller site	Continued suppression / devaluation of house prices around Crays Hill, and the devaluation of house prices at another development
	Uplift in land value (former Dale Farm)	Uplift in value and Investment barrier removed (contamination), but value of land remains limited because of development restrictions	Uplift in value of portion of site, no difference to land use or investment	Dramatic uplift in land value	No change
	Usage of Southend Arterial Road	Reduced usage (removal of illegal tipping site)	No change	Increase use for access	No change
Social	Improved access to primary education	Crays Hill residents will use Crays Hill Primary School again, but other residents near site of relocated Oak Lane Caravan Park residents may boycott the school there - suggesting any gains are zero-sum	No change	Crays Hill Primary School used by residents and new community increasing DfE grant	No change
	Improved access to Oak Lane	Significant change	No change	Significant change	No change / detrimental change as area becomes more ghettoised
Objectives Met: <i>strong negative -2, negative -1, no change 0, small positive 1, big positive 2 (unweighted)</i>		7 - Moderate Positive Outcome (0+0+2+1+0+0+1-1+2+1+1)	1 - No real change (-1-1+2+1+0+1+0-1+0+0+0)	14 - Strong Positive Outcome (2+1+2+2+2+2+1+2-2+1+1)	-16 - Negative Outcome Against Options Available (-2-2-2-2-2-1-2+0+0-1)

6.4 Risks

These are the risks associated with each option. While it is unconventional to display them as a table, it makes them easier to compare against various options.

	Option 1 A & B <i>Return the Land to Open Green Belt</i>	Option 2 <i>Maintain the Site</i>	Option 3 <i>Redevelop Oak Lane Caravan Park</i>	Option 4 (<i>Status Quo</i>) <i>Do Nothing, Redevelop Other Green Belt</i>
Legal action by residents of Oak Lane Caravan Park	High	Low	Low / Medium	High
Political Risk (Local concern over the agreed course of action)	High (due to cost)	High (due to cost)	Medium (residents support the outcome)	Moderate
Media Risk	High / Medium	High / Medium	Medium	Medium
National	High	High	Medium	High
Local	Medium	Medium	Medium	Low
Potential to increase the number of illegal encampments	High	Low	Low	High
Increase to LA Housing Requirements	Very high	Medium	Low	High
Premature Death of Oak Lane Caravan Park Residents	Low	Low	Low	High
Additional Borough Council and County Council time & expenditure devoted to the former Dale Farm site	Low-Medium	Medium	Low	High
Increases to expenditure of LA on welfare	Low	Low	Low	High