

<b>Committee:</b> Environment, Enforcement and Housing Committee	<b>Date:</b> 24 <sup>th</sup> September 2019
<b>Subject:</b> Housing Development Programme (HDP)	<b>Wards Affected:</b> All
<b>Report of:</b> Angela Abbott, Housing Services Manager	<b>Public</b>
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### Summary

Members previously agreed that Officers should identify the potential redevelopment of Housing Revenue Account (HRA) land (including under-used garage sites) that provide an immediate opportunity for new affordable housing. The Housing Development Programme ('HDP') is being created to forward the implementation of this task, both in the short and long-term.

The Strategic Housing Team have been considering various options to ensure the sustainable long-term delivery of affordable housing primarily the option of creating a Housing Company. Housing companies have a proven track record in assisting achieving its housing objectives.

The government exercises control or influence over rent policies in the Housing Revenue (HRA) whereas a company can have greater flexibility over rent levels. Potentially this could benefit the financial sustainability of the affordable housing portfolio allowing a solid business model to expand housing numbers.

There are a variety of alternative funding sources a Company can access that would be beneficial to ensuring sustainable delivery of Affordable Housing. The retained right to buy receipts can be utilised to aid the supply of affordable housing to the company.

A company could also be a vehicle to purchase high levels of affordable housing in a large development. This would finance a significant injection of affordable homes.

This report focusses on updating Committee in relation to principal workstreams within the Strategic Housing Development Programme (SHDP). The aims and objectives of which are to deliver wider neighbourhood renewal including Council built Affordable Housing, Public Realm, access and wayfinding improvements, safer sustainable movement, Landscape and urban ecology enhancements and rationalisation of car parking to include additional spaces.

The workstreams are being structured currently into a rolling programme and external partnerships are being developed and secured.

In terms of the SHDP live projects at present include Barnston Way and Brookfield Close developments, alongside parking capacity and pedestrian permeability improvements in Hutton (Whittington road area).

The report also provides an initial brief on the potential Coram Green area development (which would in future include further parking proposals and wider neighbourhood renewals).

### **Recommendations**

**Members are asked to:**

- R1. That the Committee formally notes progress in relation to the HDP, Barnston Way and Brookfield Close sites.**
- R2. That the Committee formally gives delegated authority to the Director of Enforcement and Housing in consultation with the Chair of Housing to explore options for a Housing Company and make recommendations to the next appropriate Policy, Resources & Economic Development Committee (PRED).**
- R3. That the feasibility report outcomes are reported to the next appropriate Environment, Enforcement & Housing Committee.**

### **Main Report**

#### **Introduction and Background**

##### **SHDP – Project Structure:**

1. In July 2019 the Council's Strategic Housing Team ('SHT') outlined a prospective brief to a Project Management consultancy to develop a proposed project structure for the SHDP.
2. The SHT will identify four Ward areas within the Borough and a minimum of 5 sites which will require a high-level analysis. Those sites effectively will 'infill' development and require specialist design, Placemaking and planning knowledge dovetailed with the boroughs housing need.
3. The consultancy will provide specialist technical knowledge and professional support to forward this programme, including providing a detailed project programme, high level feasibility studies for between 20-25 sites as directed and to establish key development principles.

4. Once the above has been completed pre-applications will be sought with the LPA, for later submission to Committee to allow for a stream-lined development process (as per the approved mechanism adopted by Committee on the 25<sup>th</sup> July 2019).
5. The above process is intended to create a rolling delivery programme in conjunction with our partners, consultant planners and consultant design agents. The outcomes will be development of an identified short and long-term delivery programme which will then be submitted for scrutiny by Committee.

**Barnston Way:**

6. The site was identified for three adapted family-sized homes and planning approval has now been obtained in full.
7. An independent Property and Quantity Surveying consultancy has been procured to undertake the required financial costings, to enable preparation for a full project tender process, this includes Project Management to turn key delivery.
8. Management of the tender process will be completed by a third-party consultancy, with appointment anticipated before the next Committee (December 2019).
9. Completion of the tender process will then enable development to be forwarded.

**Brookfield Close:**

10. The site has now been fully 'decanted', meaning that the tenants living in affected properties have been re-homed in suitable permanent alternatives.
11. A pre-application has been submitted to the Planning department for an Outline application of up to 30 homes, parking and communal amenity.
12. The project costing exercise is anticipated to be completed by the consultants in Q4 19/20.
13. An update on progress will be made to the next Committee in relation to next steps.

**Parking in Hutton:**

14. Policy approval to develop parking areas within Whittington Road areas has previously been obtained, with briefing of a design agency having been

completed in August 2019, to assemble a planning application for three additional parking areas. The anticipated timeline for submission of the preapplication for full scheme development is October 2019.

15. An update on progress will be made to the next Committee in relation to next steps.

### **Coram Green Area Development:**

16. A project inception meeting will take place mid-September with the consultant to further consider parking (including visitor parking). In conjunction with this consideration of key development principles relating to neighbourhood renewal will be put forward, to include footpaths and Public Rights of Way. Future landscape enhancements, SUDS, lighting and signage will also be considered as to viability as part of the wider development.

### **Issue, Options and Analysis of Options**

17. The redevelopment proposals will contribute to the HDP which is intended to create a model for future affordable housing development within the borough.
18. By implementing this approach will allow for:
  - Transparency, particularly for residents
  - Tailored service provision
  - Economic focus
  - Audit compliance
  - Provisioning for a cohesive approach to garage site redevelopment
  - Development of an economically sound affordable housing strategy
  - Provision of affordable homes to those in housing need

### **Reasons for Recommendation**

19. The HDP seeks to work towards a strategic and concerted effort to forward maximisation of Housing assets, through providing much needed affordable housing within the Borough.
20. Option 1 is recommended as the most transparent option for the Council and supports the '*Getting our House in Order*' transformation programme for Housing Services. It works towards ensuring financial stability, revenue protection and housing development.

### **Consultation**

21. Consultation with 'Tenant Talkback' will be conducted once there are specific site-led proposals for consideration following review of the feasibility reports.

## References to Corporate Plan

22. The Council's Corporate Plan aims to:

- To deliver safe and comfortable homes which are efficient and sustainable.
- Manage our stock to recognise the limited resources available and supporting those in greatest need.
- Review the future delivery of housing services to provide the best outcomes for Brentwood residents.

## Implications

### Financial Implications

**Name/Title: Phoebe Barnes, Corporate Finance Manager**

**Tel/Email: 01277 312839/phoebe.barnes@brentwood.gov.uk**

23. The development of Barnston Way and Brookfield close will provide Affordable Housing in the borough. It is expected the cost of these developments will be funded from Retained right to buy receipts. The total cost of the projects will be funded 30% from retained capital receipts. The remaining 70% will be funded from revenue contribution or borrowing. These projects should aid in meeting the short-term deadlines for spending capital receipts which are detailed in the table below:

<b>Deadline Date</b>	<b>Minimum total spend required</b>
Sep-19	1,380,762.19
Dec-19	1,371,253.97
Mar-20	1,409,718.23
<b>Total 1920</b>	<b>4,161,734.39</b>
Jun-20	644,925.17
Sep-20	220,078.40
Dec-20	1,152,596.80
Mar-21	1,057,778.43
<b>Total 2021</b>	<b>3,075,378.80</b>
Jun-21	305,297.20
Sep-21	0.00
Dec-21	440,424.47
Mar-22	1,258,420.53

<b>Total 2122</b>	<b>2,004,142.20</b>
<b>Total</b>	<b>9,241,255.39</b>

24. There is a risk that if the minimum spend within the tables are not spent by the required timeframe, the Council has to repay the retained receipts back to central government with interest.

25. Costs associated with parking areas need to be met within the existing HRA capital budget and cannot be funded from the retained right to buy receipts.

### **Legal Implications**

**Name & Title: Paula Harvey, Interim Head of Legal Services & Monitoring Officer**

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26. The recommendation is lawful and within the Council's powers and duties. Any application for planning permission should comply with the Council's local plan.

27. Statutory consultation may need to be undertaken at different stages of the developments which must be conscientiously taken into account as part of any lawful decision-making process.

28. Any procurement exercises must be carried out in compliance with EU directives, UK procurement regulations and the Council's Constitution.

29. All agreements relating to the developments should be in a form approved by Legal Services.

### **Background Papers**

None

### **Appendices to this report**

None