

Committee(s): Environment, Enforcement and Housing	Date: 13 October 2020
Subject: Strategic Housing Delivery Plan	Wards Affected: Hutton Central
Report of: Tracey Lilley, Director, Housing & Enforcement	Public/Exempt Appendix
Report Author/s: Name: Ian Winslet, Strategic Housing Consultant Telephone: 0777 0384141 E-mail: iwinslet@arkconsultancy.co.uk	For Decision

Summary

One of the Council's Key Objectives 2020-21 is to "Establish a clear and deliverable Strategic Housing Development Plan". In response to that objective, this report summarises the progress, since commencement in July 2020, of the development of a pipeline of new Council owned homes through the regeneration of various Housing Revenue Account (HRA) owned sites. This 'Strategic Housing Delivery Plan' (SHDP) currently has two key features. Firstly, the regeneration of a number of existing homes and garages at Brookfield Close, Hutton, which subject to resident consultation and planning could result in 61 new zero carbon homes and, secondly, the redevelopment of a number of other smaller sites within the Council's ownership to deliver a further 100 to 150 new Council homes.

The Council's Corporate Strategy 'Brentwood 2025' commits to Introducing "innovative Carbon reduction and absorption schemes", "identify opportunities for low emission and green developments" and using 'brownfield sites efficiently, such as council owned garage sites, to provide affordable homes...'. The Government has also set legally binding targets under the *Climate Change Act 2008* to reach 'net zero' carbon emissions by 2050. Meeting this target will require a range of actions across sectors of the UK economy that are responsible for emissions. The opportunities laid out in this report contribute significantly to the Council's Strategy as well as the national agenda.

Recommendation(s)

Members are asked to:

- R1. Authorise the Director, Housing and Enforcement in consultation with the Chair of Housing and Director of Corporate Resources to submit a full and detailed application for planning permission for the regeneration of Brookfield Close, subject to the preparation of a Statement of Community Involvement.**
- R2. Note proposed engagement with Homes England on the Council's programme for new affordable homes and authorise the Director, Housing and Enforcement in consultation with the Chair of Housing and Director of Corporate Resources to prepare and submit a bid for AHP funding to support a viable programme of new Council homes.**

Introduction and Background

The Strategic Housing Delivery Plan (SHDP)

1. In July 2020, ARK Consultancy was appointed by the Council to support its ambitions for a programme of new homes. Paulette McAllister has been appointed to the lead the programme supported by the Director, Housing and Enforcement, Ian Winslet from ARK and colleagues within the wider housing function. The Chief Operating Officer is the lead executive for the programme and project sponsor.
2. Since July a number of preparatory activities have been undertaken to inject pace into the programme. These include;
 - Consultation through presentation and discussion with the Leader, Chair of Housing, ward Councillors for Brookfield Close and the Council's Senior Leadership Team. (A summary presentation will be delivered at this meeting to inform the Committee of the principles and direction of the programme).
 - A review of the HRA Business Plan, its current assumptions and capacity to deliver a sustainable programme of new homes. The outcomes of this and a second more detailed phase of financial assessment work will be reported as part of the 2021/2022 budget cycle.
 - The appointment of Norse Group as design partner and planning consultant for Brookfield Close and separately Barton Wilmore who will undertake detailed resident consultation on emerging plans. The latter will also develop a bespoke Statement of Community Involvement to compliment any future planning submission.
 - The assessment through individual site visit during September of the capacity and new homes deliverability on 19 individual sites within Council ownership.

Issue, Options and Analysis of Options

SHDP - Brookfield Close Regeneration

3. At its meeting on 25th June 2019, this Committee delegated authority to the Housing Services Manager in consultation with the Chair and/or Vice Chair of Environment, Enforcement and Housing Committee to submit outline planning permission for the partial redevelopment of Brookfield Close, Hutton. Since that time, a detailed scheme has been developed and delegated authority is now being sought to submit a full and detailed planning application subject to a programme of resident and stakeholder consultation and a final viability assessment. The expectation is that this application will be submitted in December 2020.
4. The 'red lined' area of Brookfield Close under consideration for improvement and regeneration, incorporates 47 existing homes of which 13 sheltered bedsits are derelict and boarded, 44 garages of varying usage, and a community office which is also boarded and out of use. The scheme being considered in this report will deliver approximately 61 new Net Carbon Zero homes.

5. Attached as Exempt Appendix A to this report is a draft layout plan which presents the option for the future regeneration of Brookfield Close and an analysis of new homes and mix that could be accommodated. This layout plan will form the basis of detailed consultation with residents and stakeholders that will take place during late October and November 2020.
6. Financial planning and testing are currently taking place to assess the impact of this and the wider programme of new homes on the HRA. This will be reported on in more detail at the 2020-2021 budget cycle.
7. Norse Group, whose parent is Norfolk County Council, has been appointed to undertake 3 stages of work on the Brookfield Close project. The appointment is in 3 stages and the Council has the option but no obligation to continue beyond the current live stage A.
 - A. Pre-Construction (to planning submission) undertaking design concepts, viability modelling and necessary validation requirements to culminate in a planning submission (incorporating RIBA Stage 0, 1, 2 and 3).
 - B. Pre-Construction (planning submission to contractor award) Concurrent to the planning determination process, undertaking the production of a robust and suitably detailed package of Employers Requirements, resulting in the procurement and recommendation of Contractor appointment (reflective of RIBA Stage 4).
 - C. Construction, Hand Over and In-Use. To provide retained, Client-side function with the provision of Employers Agent, Quantity Surveyor and design Technical Advisors specifying in Architecture, Landscaping, Structural and M&E, to project completion (RIBA Stage 5, 6 and 7).

Resident and Stakeholder Consultation and Implications

8. One of the Council's objectives within 'Brentwood 2025' is to "Improve communication with residents via all communication channels". Barton Wilmore, who are experienced in regeneration stakeholder engagement (including during COVID), have been appointed to support the engagement with residents on the proposed scheme. The consultation process will involve face to face discussions with groups and individuals as COVID allows but also includes telephone, email, and online 'webinar' and video link 'questions to the panel' type discussions together with newsletters and the traditional leaflets and flyers delivered to peoples' homes.
9. This resident consultation exercise will seek views, not only on the proposed plan, but also on the way in which the plans might best be delivered minimising impact on existing residents. So, for example, how many moves can people expect if required, rent levels of new homes and timing of any future programme. These details will form part of a future 'Landlord Offer' or the Council's list of agreed commitments for those living within the red line boundary and affected by the proposals.

10. In order facilitate any future regeneration, notices will be served under the Housing Act 1985 as amended by the Housing Act 2004 (pursuant to schedule 5A) advising affected tenants of the Council’s intentions and suspending their Right to Buy.

100% Zero Carbon Homes

11. The Council’s Corporate Strategy ‘Brentwood 2025’ commits to Introducing “innovative Carbon reduction and absorption schemes”. The Government has also set legally binding targets under the *Climate Change Act 2008* to reach ‘net zero’ carbon emissions by 2050. Meeting this target will require a range of actions across sectors of the UK economy that are responsible for emissions. Housing is one such area as it currently responsible for around 14% of UK emissions.
12. The major Government policy in this area is currently the development of the Future Homes Standard. The energy efficiency of new homes is controlled through building regulations, and a consultation on this part (part L) of the building regulations closed on 7 February 2020. It proposed a two-stage approach, with measures to achieve either a 20% or 31% reduction in carbon dioxide emissions in 2020 regulations and a 75-80% reduction in 2025. A response to the consultation, and next steps, is expected in Autumn 2020.

SHDP - Delivery of new Council homes on smaller brownfield sites

13. During early September, nineteen further sites, many of which a currently occupied by garages and held within HRA ownership were visited and assessed for new homes capacity. Lawyers were engaged to supply a high-level report on title to assess any restrictions to redevelopment at an early stage. These sites were then assessed through a dedicated deliverability toolkit and scored according to the following criteria;

<p>Site Ownership</p> <ul style="list-style-type: none"> • Is site ownership clear? • Are “red line” boundaries / boundaries on title plan clear? • Do the physical boundaries on site appear to match those on the title?
<p>Physical</p> <ul style="list-style-type: none"> • Is there unrestricted access (for both residents and potential construction traffic)? • Is the topography clear of elements which would inhibit development – e.g. very steep, streams, springs etc? • Are there existing buildings on site requiring demolition? • Are locations/relative positions of adjacent buildings such that there are no development issues – e.g. overlooking, rights of light etc? • Are services available adjacent to the site?
<p>Legal</p> <ul style="list-style-type: none"> • Do searches show the site is free from Restrictions? • Is the site free from potential prescribed rights e.g. gates on boundary, obvious footpaths?
<p>Planning</p> <ul style="list-style-type: none"> • Is the site zoned as residential in the Local Plan? • Is there a history of planning failure? • Is there a listed building on site? • Is the site consecrated ground? • Extent of site covered by trees with TPOs?
<p>Environmental</p>

<ul style="list-style-type: none"> • Is there obvious contamination or poor ground condition? • Known environmental issues e.g. flooding, noise pollution? • Adjacent buildings use inappropriate?
<p>Neighbourhood</p> <ul style="list-style-type: none"> • Neighbourhood issues suitable for purpose (e.g. Transport, shops, employment issues etc) • Market potential (sales and open market rent)?

14. This scoring, capacity and viability exercise is still in progress and the anticipated outcome will enable officers to present a list of 9-10 sites ranked by new homes deliverability in due course. The ambition is that these sites could result in the development of between 100 and 150 new Council homes. Subject to further approval, these sites will form Phase 1 of the 'small sites programme' element of the SHDP. A further update on this programme will be presented to this committee in December.

Homes England Affordable Housing Programme (AHP) Funding 2021-2026

15. Announced on 8th September, under a new programme, £7.5bn in grant will be delivered outside London by Homes England to support the delivery of new affordable homes. This AHP is the main programme through which the government funds the delivery of sub-market housing. Homes England has released the prospectus for the new fund and officers, through this report, are seeking authority to bid for AHP grant to support the Council's new homes programme both at Brookfield where possible and the wider small sites programme Phase 1.
16. There are two routes to access funding:
- Scheme by scheme bidding through continuous market engagement (CME).
 - A multi-year Strategic Partnership to access grant for a longer-term development programme.
17. CME provides access to grant throughout the duration of the programme, while funding remains available. This route allows the Council to apply for funding for individual schemes. All schemes funded through CME must have started on site by 30 September 2025 and be completed by 31 March 2026. This is the route that the delivery team is looking to access.
18. Early engagement on the programme with Homes England is considered essential and will now be undertaken. The timetable for the funding round is as follows;
- Prospectus Launch – 10 September 2020
 - Stakeholder engagement – September to November 2020
 - CME applications invited – Anticipated before the end of 2020

Reasons for Recommendation

19. The recommendations not only bring forward the Council's Key Objective for the delivery of new Council homes but also the use of brownfield sites and reduction in carbon. The recommendations also support the viability of the schemes

proposed through interaction with Homes England and the seeking authority to bid for grant funding to support the programme.

Consultation

20. Consultation has taken place with the Leader of the Council, Chair of Housing and Councillor Kerslake as Brookfield Close ward member (Hutton Central) with consultation planned with Councillor Nolan as the other Hutton Central ward member prior to the meeting. Consultation with local residents will be a key feature of the next stages as outlined earlier in this report.

References to Corporate Plan

21. The Council's Corporate Strategy 'Brentwood 2025' commits to Introducing "innovative Carbon reduction and absorption schemes", "identify opportunities for low emission and green developments" and using 'brownfield sites efficiently, such as council owned garage sites, to provide affordable homes...". The SHDP and specific proposals in this report contribute to all of these strategic objectives.

Implications

Financial Implications

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The Housing Revenue Capital Programme currently includes a capital budget of £9.6m for the period to 2022/23 for an Affordable Housing Programme. The options considered in the Affordable Housing Delivery plan will be costed and included in the Council's Capital Strategy for 2021/22 to 2023/24, supporting the HRA's borrowing requirements for inclusion in the Council's Treasury Management Strategy for 2021/22 to 2023/24 and the HRA medium term business plan; which will be considered by Members as part of the Budget Strategy for 2021/22.

Legal Implications

Name & Title: Amanda Julian, Director of Law & Governance and Monitoring Officer

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The Council must follow its statutory duties when looking to develop areas including serving the statutory notices required under Schedule 5A of the Housing Act 1985 as inserted by clause 182 of the Housing Act 2004 and amended by the Housing and Regeneration Act 2008, when undertaking this type of development.

The Council by following the statutory processes the Council will mitigate its risk of challenge.

Economic Implications**Name/Title: Phil Drane, Director of Planning and Economy****Tel/Email: 01277 312610/philip.drane@brentwood.gov.uk**

Utilising the Council's assets to deliver new homes will make a positive contribution to the local economy, both in terms of short-term employment and supply-chain benefits to the construction industry, and longer-term benefits from the addition of more people/families to meet needs in local communities. These new homes will contribute to the borough's housing needs set out in the emerging Local Development Plan and the accompanying economic benefits from residential development.

Background Papers

None

Appendices to this report

Exempt Appendix A: Draft layout plan – Brookfield Close