

Committee(s): Environment, Enforcement and Housing Committee	Date: 7 March 2022
Subject: Strategic Housing Delivery Plan	Wards Affected: All
Report of: Ian Winslet, Strategic Director Housing and Regeneration	Public
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Summary

This report summarises progress since the last report to Committee on 13 December 2021 on the development of a pipeline of new affordable homes through the development and regeneration of various Housing Revenue Account (HRA) owned sites. As a reminder, this Strategic Housing Delivery Programme (SHDP) is made up of two distinct elements, 1) the regeneration of Brookfield Close and Courage Court, Hutton to develop 62 zero carbon homes and 2) the development of a range of smaller HRA sites to deliver a further 80 Zero Carbon homes on a further 8 council owned sites. All of these new homes will contribute to, and be managed within, the Council's HRA. In addition, this report also updates Members on progress with the conversion of 17, Crescent Road, Brentwood, into two new apartments and a newly emerging regeneration project at Harewood Road, Pilgrims Hatch, the 'Harewood Regeneration' and the completion of 3 new homes at Whittington Mews,

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...".

Recommendation(s)

Members are requested to:

R1. To note continuing progress in the delivery of new Council homes through the SHDP

Brookfield Close and Courage Court Regeneration Update

1. The decanting of the Council's tenants is continuing to progress. As of the date of this report 55% of all affected Council owned properties are vacant. It is anticipated that all tenants will have left the by end April 2022.

2. Negotiation with the 6 affected private owners is also continuing following formal offers of purchase being made in November last year and in line with the 'Regeneration Offer' approved by this committee. One sale is progressing with expected completion on 7th March, a further acquisition has also been agreed subject to contract and the remaining four are at various stages of negotiation. It remains possible that at least one property will require the Council to undertake a compulsory purchase (CPO) process. Given that the offers made are consistent with the RICS 'Red Book' valuation methodology plus a 7.5 -10% premium payment on top, CPO is unlikely to result in a significantly improved financial outcome for the owner(s) concerned. It is of course the owners' right and judgement to require the Council to go through such a process.
3. In anticipation of the site being 100% decanted, the Council's appointed technical advisors, Hamson Barron Smith (HBS) (part of the NPS Group) are developing a strategy for the procurement of the main contractor which, given the specialist zero carbon 'in use' nature of the specification will likely require some 'pre-qualification' to ensure delivery capability. HBS are developing their strategy with the Council's procurement and SHDP delivery teams. A future report to this committee will lay out that strategy with a timetable.

Small Sites Programme Update

4. Pellings LLP, the Council's technical advisor for the small sites programme have now submitted the first of 8 planning applications, a garage site at the rear of Willingale Close, Hutton. This was considered by the Planning Committee on 22nd February. An update on the outcome of that committee will be given at the meeting. Technical assessment will now continue, and procurement of a contractor planned. This is a vacant site, so aside from some garage tenancies being terminated, no residents will require to be decanted or property acquired. There is some legal work to complete where adjacent owners have opened up access to the site. A further two sites are expected to be submitted for planning in May 2022. Ward Councillors have been updated on progress.

17 Crescent Road Update

5. Contracts have now been signed with Colnesett Ltd, as approved at this committee in December 2021, and due to start on site this month. These two new homes are programmed to be handed over in July 2022. Ward Councillors have been kept updated on progress.

Harewood Regeneration

6. A new regeneration scheme is currently in early progress which will result in 30 of the Council's poorest quality and currently rented homes, mostly of a post-war 'pre-fabricated' construction with timber and felt roofs, being replaced with 40 new energy efficient homes using modern construction methods. All 30 affected homes are rented and therefore no 'buy-back' of homes will be required to facilitate the regeneration should it proceed.
7. In November 2021, ward Councillors were involved in a 'pre-design workshop' to understand their drivers for regeneration. This took place with the SHDP delivery team and NPS Group, technical advisors for the regeneration. Barton Wilmore have subsequently been engaged to undertake resident engagement activity which commenced week of 28th February 2022. Support officers from the Housing Team are also assigned to support this process. Once structured, plans for the regeneration will be brought to this committee for review. Ward Councillors have been kept updated on progress.

New homes at Barnston way, now Whittington Mews

8. 3 new homes have been completed at a former garage site at Barnston Way. In April 2019 a planning application for the demolition of existing garages (right) and construction of 3 new homes (below) with access to adjacent playing fields was submitted and granted approval by the Council's Planning Committee in June 2019.



9. Following the development of technical design, a competitive tender was undertaken, and the construction contract awarded to SEH French Limited. Whittington Mews consists of three townhouse style properties. Two of these are fully adaptable with ground floor level entry bathrooms. The internal specification is to a high standard with integrated storage and cycle provision and air source heat pumps. Each dwelling has onsite parking provision with electric vehicle charging and landscaping.



Development of Website information

10. A new selection of Council website pages will soon be available highlighting the programme and showing new homes in development. Each site, once through planning, will have a dedicated section indicating type and number of homes, timeline for delivery, tenure (either affordable rent or shared ownership) and a vignette of the scheme. These additional pages will 'go live' in the next few weeks.

Proposed acquisition of a single property at Four Oaks

- 11 Four Oaks has been previously identified to this committee as a future potential opportunity for new homes in the Council's small sites programme. No decision has yet been taken to formally proceed. Discussion is underway with a property owner at Four Oaks for the buy-back of a single home to aid any future development. This acquisition will be undertaken using the same methodology as at Brookfield Close and Courage Court using a formal RICS 'Red Book' valuation and the application of the 'Regeneration Offer' criteria as approved by this Committee in 2021. Capital for the acquisition has already been approved as part of the new homes HRA capital programme.

Consultation

- 12 Extensive resident consultation has taken place at Brookfield Close and Courage Court and this is continuing with Barton Wilmore being appointed to support engagement at the Harewood Regeneration site. Ward Councillors for each new housing scheme are updated as work progresses.

References to the Corporate Plan

13. 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

Name/Title: Phoebe Barnes Corporate Manager – Finance (Deputy S151)

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The Strategic Housing Delivery Plan is expected to spend £60million over 5-7 years. This is currently reflected in the HRA 30-year business plan. The 30-year Business plan is updated to reflect the timeline of development to help ensure the business plan remains relevant and affordable going forward.

The SHDP requires revenue and capital resources from the HRA to deliver this programme. The finance structuring on each scheme is dependent on whether Homes England Grant Funding is applicable, whether any Section 106 is available and if Retained Right to Buy Capital Receipts can be utilised. Any difference requires borrowing which incurs financing costs that are to be borne by the HRA.

To date the following costs have been incurred in delivering the SHDP

Site	Revenue	Capital	Total
Whittington Mews		1,314,492	1,314,492
Crescent Road		42,325	42,325
Brookfield/Courage Court		954,071	954,071
Willingale Close		10,291	10,291
Harewood Road	1,200		1,200
Other	97,743	215,438	313,181
Total	98,943	2,536,617	2,635,560

Any costs associated with the website update will be met from existing budgets and resources.

The proposed acquisition of Four Oaks would be a capital costs and can be met from the SHDP Capital budget that has been approved by Full Council as part of the Budget.

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Legal, procurement and other professional advice is sought by the Team as required to ensure that the SHDP is compliant with legislation and within the corporate governance structure within the Council.

Economic Implications

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The Strategic Housing Delivery Plan is in place to drive regeneration opportunities and deliver new homes, which can contribute to wider economic growth.

Background Papers

None