

<b>Committee(s):</b> Housing Committee	<b>Date:</b> 27 <sup>th</sup> February 2023
<b>Subject:</b> Harewood Regeneration	<b>Wards Affected:</b> Pilgrims Hatch
<b>Report of:</b> Julian Higson Interim Director of Housing	<b>Public</b>
<b>Report Author/s:</b> Name: Paulette McAllister, Programme Lead, Strategic Housing Delivery Programme	<b>For Decision</b>

### Summary

This report summarises progress since last reported to Committee on 12<sup>th</sup> December 2022 of the development of the new affordable homes at 'Harewood Regeneration' through the Housing Revenue Account (HRA) owned sites. As a reminder, this site is within the Strategic Housing Delivery Programme (SHDP) which is made up of two distinct elements, 1) the regeneration of Brookfield Close and Courage Court, Hutton to develop 62 zero carbon homes alongside the Harewood Regeneration Project consisting of around 40 new 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.

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. Approve the 'Landlord Offer' to residents affected by the Council's housing regeneration activity attached as Appendix A to this report.**

**R2. Approve the commencement of the decanting of residents at Harewood Regeneration under the terms specified in the 'Landlord Offer'.**

1. The 'Landlord Offer' was presented to this Committee in draft form at the last meeting and is applicable to residents affected by the Council's regeneration activity. The document lays out the formal offer to those residents and is attached to this report at Appendix A.
2. "Harewood Regeneration" was awarded Full Planning Permission by the Local Planning Authority on 20<sup>th</sup> December 2022; this scheme will result in 29 of the

Councils 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 and a community room. All affected homes are currently rented and therefore no 'buy-back' of homes will be required to facilitate the regeneration.

3. This scheme was developed through a process of Co-Design with the community through three stages of engagement; since Planning Permission was awarded, individual 121 engagement with those residents directly impacted upon (i.e., those subject to home loss and decant) has been carried out.
4. The Council has a duty to consult its tenants when considering redevelopment of its housing under Sec 105 of the Housing Act 1985 and more widely than its own tenants under the Equality Act 2010. A full 'pack' of information has been made available at the Council's offices for scrutiny by the public which contains all the information that was supplied either by post or electronically to residents last year prior to the planning application being submitted. The pack contains the 'Statement of Community Involvement' (SCI) for 'Harewood Regeneration' and lays out in a single comprehensive document the consultation aims, methodology, process, and outcomes. This document is attached to this report at Appendix B.
5. In anticipation of the application being approved and further to the comprehensive resident engagement with residents directly and indirectly affected, members views were invited at the last Housing Committee prior to this final 'offer' being recommended for decision by this Committee.
6. The 'Landlord Offer' (Appendix A) has been subject to legal oversight, advice obtained is set out as follows:

#### Home Loss Payments (Prescribed Amounts) (England) Regulations 2022

The Home Loss Payments (Prescribed Amounts) (England) Regulations 2022, which came into force on the 1st October 2022, outlines that for the purposes of section 30(1) of the Land Compensation Act 1973:

The prescribed minimum amount of home loss payment for tenants is £7,800

The current 'offer' suggests that tenants who have lived in homes for 12 months will receive £7800, which is in line with the statutory minimum as outlined by the above regulations.

Those who have not been living in the properties for 12 months may be given a discretionary payment, not exceeding the amount to which they would have been entitled to had they been living in the property for more than 12 months, under section 29(2) Land Compensation Act 1973.

It is noted in this section of the proposed 'offer' we will be offsetting any rent arrears from the Home Loss Payment. The case of Khan v Islington LBC (2000) 32 H.L.R 534 suggested that in the absence of any mention within the legislation prohibiting the offsetting of rent arrears, it would be reasonable to take into account rent arrears in deciding whether to use the right to set off, but the Council may only exercise this right to offset in circumstances where it would be just and fair to do so.

### Disturbance Payments

Section 38 of the Land Compensation Act 1973 sets out that this will amount to:

The reasonable expenses of the person entitled to the payment in removing from the land which he is displaced and if he was carrying on a trade or business on that land, the loss he will sustain by reason of the disturbance of that trade or business consequent upon his having to quit the land.

Case law has suggested that the meaning of reasonable expenses is that which relate strictly to the move as well as expenses incurred as a direct and natural consequence of the move. In particular the case of Nolan v Sheffield Metropolitan DC (1979) 38P.&C.R. 741 held that 'the disturbance payment under section 38 (1) (a) of the 1973 Act must cover, not only the immediate expenses of the physical transfer of furniture and fittings but also those reasonable expenses which could be shown to flow from, and be incurred as a natural and direct consequence of, the necessity to remove from the old house and set up in the new one, short normally of those expenses incurred in respect of structural alterations'

Please note, a disturbance payment can be disputed in the Upper Tribunal, but this will relate only to the amount of payment rather than entitlement of payment under section 38(4) Land Compensation Act 1973.

The legal advice received was in agreement that the figure of £2747 for this payment will be appropriate. Whilst unable to find any suggested figures within the legislation, having considered the Brentwood Borough Council offer (£2500) and the offer made which is a little under a 10% increase of this, it appears it will be in line with the current inflation rates and therefore no issue with this proposed figure is raised.

## References to the Corporate Plan

7. 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: Tim Willis**

**Corporate Director (Finance & Resources) and Section 151 Officer**

**Tel/Email: 01277 312500**

The Landlord Offer has a financial cost to the HRA. However, the cost of these offers can be capitalised as these costs are relevant in preparing the site in its existing condition for the new development. Each site appraisal will need to account for these costs in the total project cost per site.

The HRA Business Plan will continue to be remodelled to ensure the delivery of the program remains affordable to the HRA. Aspirations are to deliver the scheme by 2026, the business plan will aim to support this delivery. However, if the program becomes unaffordable to the HRA the delivery time frame may have to be extended to ensure the HRA remains a going concern and continues to deliver a program of building new housing within the borough.

**Name & Title: Claire Mayhew, Corporate Manager (Democratic Services) & Deputy Monitoring Officer**

**Tel & Email: 01277 312741/[claire.mayhew@brentwood.gov.uk](mailto:claire.mayhew@brentwood.gov.uk)**

The legal implications are set out within the report.

### Economic Implications

**Name/Title: Phil Drane, Corporate Director -Place**

**Tel/Email: 01277 312500 [philip.drane@brentwood.gov.uk](mailto:philip.drane@brentwood.gov.uk)**

The Strategic Housing Delivery Programme provides a range of economic benefits to local areas and the borough's economy, both in terms of short-term construction related benefits and longer-term revitalisation of sites. Delivering new homes of high quality and improving existing housing stock, underpins the programme. Housing delivery plays a vital role in the local economy.

## Background Papers

**Appendix A: Harewood “Landlord Offer”**

**Appendix B: Harewood Road Regeneration Landlord Offer Link**