CABINET – 17 SEPTEMBER 2008

DISPOSAL OF HOUSING REVENUE ACCOUNT (HRA) PROPERTIES: NO 2 AND NO 7 BATTERY HILL, BISHOPS WALTHAM

REPORT OF HEAD OF STRATEGIC HOUSING

Contact Officer: Mark Barnett/Brian Bottriell Tel No: 01962 848210 and 01962 848325

RECENT REFERENCES: None

EXECUTIVE SUMMARY:

This report seeks approval for the disposal of two Council owned properties, No. 2 and No. 7 Battery Hill, Bishops Waltham, Nr Southampton, to a housing association. It is proposed that the existing dwellings be remodelled to allow for the construction of two affordable houses on land adjacent to them. All four homes would be for social rent with the Council having nomination rights to each.

There is an exempt Appendix which considers the financial issues arising from the disposal.

RECOMMENDATIONS:

That, subject to the matter not being called in by the Principal Scrutiny Committee:

- 1. The disposal of No. 2 and No. 7 Battery Hill, Bishops Waltham to A2 Housing Group at below open market value on the basis set out in exempt Appendix 2 be approved, subject to:
 - (a) terms and conditions to be agreed by the Head of Estates

(b) taking account of the requirements of General Consent A (Disposal of Land to Registered Social Landlords) 2005 under Section 25 of the Local Government Act 1988

(c) a planning consent being granted for the erection of one no. 2 bedroom house adjoining No. 2 Battery Hill and one no. 2 bedroom house adjoining No. 7 Battery Hill.

(d) Nomination rights to each home being granted to the Council.

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DETAIL:

1 Background

- 1.1 In May 2007, No 2 Battery Hill, Bishops Waltham, which is a 2 bedroom end of terraced house with a large side garden, became void. Following an inspection of the property, it was estimated by the Voids Officer that works to return the dwelling to a habitable condition were likely to be circa £10,000.
- 1.2 Draft PHD100 proposed the disposal of the property on the open market, however, following consultation, the sale was not approved and it was decided the future of the dwelling would be subject to further review and discussions with the Council's social housing partners. Following discussions with the Portfolio Holder for Housing it was agreed that A2 Housing Group (one of the Council's preferred development partners) should conduct a feasibility study for the use of the garden to No. 2, for the purpose of providing additional affordable housing.
- 1.3 In March 2008, No. 7 Battery Hill, Bishops Waltham, which is also a 2 bedroom end of terraced house with a large side garden, became void. Following an inspection of the property, by the Voids Officer, it was determined that the property was in a good condition and would require only minimal works prior to re-letting.
- 1.4 Although in good condition the availability of No. 7 Battery Hill presented an opportunity to provide further affordable housing by using the large side garden to the property.
- 1.5 There are currently 126 eligible households on the Council's Joint Housing Register who would require a 2 bedroom house in Bishops Waltham.

2. Affordable Development Scheme

- 2.1 A2 Housing Group and their architects conducted a feasibility study which identified two possible options for the land adjacent to No 2, but only one option for the land adjacent to No. 7.
- 2.2 Option one, was to provide a block of two no. 2 bedroom flats, while option two was to provide one no. 2 bedroom house. The only option next to No 7 was to provide one no. 2 bedroom house. Following consultation with Development Control Officers, the option to provide 2 bedroom houses was chosen, as this would be more likely to receive Planning Officer support.

- 2.3 Both No 2 and No 7 Battery Hill require remodelling internally to move the main entrance from the side, to the front of each property, to allow for the new building. For this reason A2 Housing Group has offered to purchase No 2 and No 7 Battery Hill. These dwellings will remain as social rented units which the Council retains nomination rights to. Further details of the sale of these properties are contained within the exempt appendix. It is not possible to exclude the possibility of future tenants of the dwellings exercising their statutory right to acquire their home, but the sale to A2 would incorporate a mechanism whereby the proceeds of any such acquisition would be reinvested by A2 into the Winchester District.
- 2.4 The Council's title has been investigated, and there are no restrictions which would prevent the proposed development.
- 3.0 Consultation
- 3.1 Local Members, Bishops Waltham Parish Council, the TACT Chairman and residents of Battery Hill, Bishops Waltham have been briefed on the proposals. Further consultation was offered to the residents of No 4 and No 5 Battery Hill, but only No 4 took up this offer.
- 3.2 Members of the public will be able to make written representation to the Council, as part of the planning process.
- 3.3 To date, no objections about the principle of providing affordable housing in these locations has been received.
- 4.0 TACT comment
- 4.1 TACT realise work has to be done on the two properties involved, but the HRA should not be sold short Having received most of the information with regards to the proposed disposal of the HRA Land and council homes, both Alan Rickman and Beryl White (TACT Chairs), have major concerns. TACT will find it hard to support such measures in the future, whilst the Government is reviewing the HRA system. Along with seeking ways to ensure a level playing field for Housing Associations and Council Housing. TACT feel restraint on further such actions should be put in place till the outcome is known. Other Councils are slowing down selling council homes and land until the outcome is clear.

OTHER CONSIDERATIONS:

- 5 <u>CORPORATE STRATEGY (RELEVANCE TO)</u>:
- 5.1 Safe and Strong Communities (Inclusive Society): To enable and improve access to affordable housing.
- 6 <u>RESOURCE IMPLICATIONS</u>:
- 6.1 As set out in Exempt Appendix

BACKGROUND DOCUMENTS:

None

APPENDICES:

- 1. Plan of No. 2 and No 7. Battery Hill site 1/1250 scale.
- 2. Financial Details (exempt)