

CABINET - 14 JANUARY 2009

PRINCIPAL SCRUTINY COMMITTEE – 19 JANUARY 2009

DISPOSAL OF HOUSING REVENUE ACCOUNT (HRA) PROPERTY AND LAND:
LAND ADJACENT TO SIMONDS COURT AND HILLIER WAY, ABBOTTS BARTON,
WINCHESTER AND 11 HOE ROAD, BISHOPS WALTHAM

REPORT OF HEAD OF STRATEGIC HOUSING

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

This report seeks approval for the disposal of Council-owned land adjacent to Simonds Court and Hillier Way, Abbots Barton, Winchester, to a housing association. It is proposed that the site is used to provide 10 affordable housing units.

This report also seeks approval for the disposal of one Council-owned property, No. 11 Hoe Road, Bishops Waltham to a housing association. It is proposed that this dwelling is demolished along with No 12 Hoe Road (in private ownership) to allow for the construction of eight affordable housing units. The Council will have nomination rights to each of the new properties.

These are two separate affordable housing projects, that happen to involve the same Registered Social Landlord (Swaythling Housing Society, a subsidiary of Radian Group), but the projects are not linked in any way.

There is an exempt Appendix (Appendix 3) which considers the financial issues arising from the disposal of these sites.

RECOMMENDATIONS:

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

1. The disposal of land adjacent to Simonds Court, Abbots Barton, Winchester and No. 11 Hoe Road, Bishops Waltham to Radian Group (or a registered social landlord within that group) 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 on each site;
 - (d) nomination rights to each home being granted to the Council.
2. Approval be given for the removal of the restrictive covenants on 12 Hoe Road to enable development of the site for the purpose outlined in the report, subject to the imposition of new restrictive covenants that require the freeholder to only use the site for the purpose of providing affordable housing, as outlined in the report.
3. £36,000 (representing the capitalised value of the loss of rent of 11 Hoe Road) be transferred from funds derived from previous sales under the vacant properties programme held for the provision of affordable housing, and reinvested through the Housing Investment element of the Capital programme to fund improvements and enhancements to existing stock.
4. Delegated authority be granted to the Head of Strategic Housing, in consultation with the Portfolio Holder for Housing, to agree any minor amendments to each project that may be required to ensure their viability.

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REPORT OF HEAD OF STRATEGIC HOUSING

DETAIL:

- 1 Background: Land adjacent to Simonds Court, Abbots Barton, Winchester
 - 1.1 In June 2003 architects JTP published their design statement and feasibility study of Abbots Barton, which highlighted potential development opportunities on land owned by the Council that fell within the development limits as set out in the Local Plan. Most of the sites identified were council garage compounds, together with one area of open space. The site referred to in this report was not included in the study as it falls outside of the Local Plan development limits. However the JTP study highlighted all the development opportunities in Abbots Barton so the Head of Strategic Housing could select the most suitable for affordable housing.
 - 1.2 Many of the sites identified in the JTP study were unlikely to be feasible as they would involve removal of over-subscribed council garages, compounding parking problems in the area. The area of open space was designated in the Local Plan for amenity use. In 2004 following consultation with local Members, the site adjacent to Simonds Court and Hillier Way was chosen as the subject for a feasibility study to ascertain whether affordable housing development would be possible.
 - 1.3 The site itself may only be used for affordable housing development as an 'exception' scheme, in accordance with Policy H.6 of the Winchester District Local Plan. The site is a grassed area, devoid of mature trees, which is not designated as public open space.
 - 1.4 There are currently in excess of 700 households on the Council's Joint Housing Register who would require a 1 or 2 bedroom property in Abbots Barton.
2. Affordable Development Scheme
 - 2.1 Swaythling Housing Society, a subsidiary of Radian Group (which comprises a number of large registered social landlords) with their architects have been working (at their own risk) to design a scheme that meets the Council's and the Homes and Communities Agency's quality standards. The proposal as it stands is for the following mix of accommodation, all to be provided as social rented units, subject to grant funding being available:
 - 4 x 2 bed / 4 person houses
 - 2 x 2 bed / 4 person duplex apartments
 - 4 x 1 bed / 2 person apartments

This mix is subject to approval by the Local Planning Authority so it is feasible that a reduction in the number of units could be required to secure planning consent. One of the recommendations of this report is for delegated authority to be given to the Head of Strategic Housing (in consultation with the Portfolio holder for Housing) to agree any such changes to the scheme as may be required to ensure its viability. The Council will secure nomination rights to all the dwellings which will be built by a Registered Social Landlord.

2.2 The four houses have been designed to the Lifetime Homes standard to ensure they can be easily adapted for people with a disability in the future. Furthermore the scheme has been designed to a very high specification as it is the intention for this scheme to achieve the Building for Life Gold Award. The RSL has completed initial assessments, which indicated the scheme is on target to meet the criteria required to achieve this award.

2.3 Subject to continuing discussions with Development Control Officers a planning application is due for submission in January 2008. It is anticipated that should consent be granted, the development will commence in March / April 2009.

3.0 Consultation

3.1 Local Members and TACT have been briefed on this proposal.

3.2 Members of the public will be able to make written representation to the Council, as part of the planning process.

3.3 Local residents have been consulted at two public exhibitions, one for the sheltered scheme residents and one for the general public. This took place in September 2008 and those attending were encouraged to make written comments about the proposal. Of the 250 households invited to the events and from the 70 who attended, the Council received 19 comments, with 11 being outright objections on a wide range of grounds. The two main issues of concern related to increased traffic volumes and impact on parking, but other concerns were raised which included; design; loss of view; loss of open space; overdevelopment; noise nuisance from new occupiers; loss of trees; proximity to sheltered scheme; and loss of light.

3.4 Advertisements have been placed in the local press in December to advise that the Council is considering disposing of this site, which the Council is obliged to do under Section 123 of the Local Government Act 1972. No responses have been received during the period specified in the notice, and therefore, following the completion of this consultation process, the disposal can now take place.

4.0 Background: 11 Hoe Road, Bishops Waltham

4.1 In May 2007, the Council was approached by developers, Mapledean Developments Ltd, with a proposition to assemble a development site using the properties 11 and 12 Hoe Road, Bishops Waltham.

4.2 No 11 Hoe Road is in Council ownership and is occupied by a secure tenant. It is a 3 bedroom semi-detached house with a large garden. The adjacent property, No 12 Hoe Road, is in private ownership and Mapledean have agreed terms to purchase this property from the occupier. The Council-owned property and land form approximately 40% of the development site with No 12 Hoe Road forming the remainder.

- 4.3 Since May 2007 the Strategic Housing Division have been liaising closely with Mapledean, Swaythling Housing Society and Development Control Officers to complete a viability study of the site, design a scheme which would be acceptable in planning terms and agree funding arrangements for the development. Terms have been agreed with Swaythling and with Mapledean, and a planning application was submitted on 5 December 2008. Under these arrangements, Swaythling would acquire 11 Hoe Road from the Council and 12 from Mapledean, and Mapledean would then construct the new units on Swaythling's behalf.
- 4.4 Staff from the Strategic Housing Division have discussed the proposal with the secure tenant at No 11 Hoe Road, who will need to be rehoused to allow this development opportunity to be progressed. Details of these discussions are included in the Exempt Appendix.
- 4.5 There are currently 275 eligible households on the Council's Joint Housing Register who would require a 2, 3 or 4 bedroom property in Bishops Waltham.
- 5.0 Affordable Development Scheme
- 5.1 Mapledean has been working at risk with their architects to design a scheme that meets the Council's and the Homes and Communities Agency's quality standards. The proposal as it stands is for the following mix of accommodation, all to be provided as social rented units, subject to grant funding being available:
- 1 x 2 bed / 3 person ground floor flat
 - 1 x 2 bed / 4 person first floor flat
 - 1 x 2 bed / 4 person house
 - 4x 3 bed / 5 person houses
 - 1 x 4 bed / 7 person house
- 5.2 This mix is subject to approval by the Local Planning Authority, so it is feasible a reduction in the number of units or change in unit type could be required to secure planning consent. One of the recommendations of this report is for delegated authority to be given to the Head of Strategic Housing (in consultation with the Portfolio holder for Housing) to agree any such changes to the scheme as may be required to ensure its viability. The Council will secure nomination rights to all the dwellings which will be transferred to Swaythling.
- 5.3 Mapledean has designed the majority of the units to the Lifetime Homes standard to ensure they can be easily adapted for people with a disability in the future. The Strategic Housing Division is currently investigating the suitability of one or more of these units to meet the specialised housing needs of households with disabilities in Bishops Waltham.
- 5.4 It is anticipated that should consent be granted, Mapledean will be able to commence development in March / April 2009.
- 6.0 Consultation
- 6.1 Local Members, Bishops Waltham Parish Council, local residents and TACT have been briefed on the proposal.

- 6.2 Members of the public will be able to make written representation to the Council, as part of the planning process.
- 6.3 Local residents in the immediate vicinity of the site were invited to an exhibition in the village hall on 25 November 2008 to view the proposals and pass comment. Issues raised from this event concerned amenity space, drainage and public highway and access considerations. These issues have been considered and addressed where necessary in the planning application.
- 7.0 TACT comments on both projects
- 7.1 TACT have views regarding these projects, but until we know the findings of the Government regarding the Housing Revenue Account Review, and if the Council will receive funding for building affordable council homes again, then making any comments regarding Housing Associations is a bit like banging our heads against the wall. However we would like to record the fact that we are challenging the Government, regarding all such examples as this, and reluctantly go along with them. Until such times as the Government see sense and allows council homes to be funded and built.

OTHER CONSIDERATIONS:

8.0 CORPORATE STRATEGY (RELEVANCE TO):

- 8.1 Safe and Strong Communities (Inclusive Society): To enable and improve access to affordable housing.

9.0 RESOURCE IMPLICATIONS:

- 9.1 Cabinet has previously agreed (CAB1336 refers) to a disposal programme of up to ten vacant council dwellings per year, the receipts from which would be reinvested in the Housing Investment Programme element of the Council's Capital Programme, with 50% of all such receipts being used to fund new build programmes and 50% being used to fund improvements and enhancements to existing stock.
- 9.2 As set out in CAB1336, under the Capital Finance Regulations 2003, the Council is able retain 100% of receipts if it disposes of vacant dwellings provided the resource is re-invested in affordable housing. The regulations define affordable housing as "the provision of dwellings to meet the housing needs, as identified by the local authority, of persons on low incomes, whether provided by the authority or a social landlord registered under section 1 of the Housing Act 1996". In both the Housing Revenue Account Business Plan and Housing Strategy, the refurbishment of existing stock is clearly included within the definition of the "provision of affordable housing".
- 9.3 The decision to split receipts from these sales equally between new build programmes and improvements to existing stock is a local one. It would be possible for the Council to have decided to invest all receipts in improvements to existing stock, or conversely to spend these receipts purely on new build. Both approaches would be lawful, as they are considered to fall within the statutory requirements for such receipts to be used for the "provision of affordable housing".

- 9.4 11 Hoe Road is outside the vacant properties sales programme approved by Cabinet in January 2007, as it is currently tenanted. Selling 11 Hoe Road would result in a loss of rental income (in the same way as selling vacant dwellings under the programme referred to above). As detailed in the Exempt Appendix, it is recommended that a sum of £36,000 (equivalent to the capitalised figure for the loss of rent) be transferred from funds (derived from previous sales under the vacant properties programme) which are held for the provision of affordable housing, and use this sum to fund improvements and enhancements to existing stock.
- 9.5 The 8 dwellings proposed on the Hoe Road site would not come forward under usual s106 planning obligations, as the development falls below the threshold where affordable housing is required. All the units are proposed to be for social rent. It is suggested that if a mix of tenure is required to better address the needs of the community or for any other reasonable purpose, then this should come under the category of minor amendments which the Head of Strategic Housing (in consultation with the Portfolio Holder) may agree.
- 9.6 Further details are set out in the Exempt Appendix 3.

BACKGROUND DOCUMENTS:

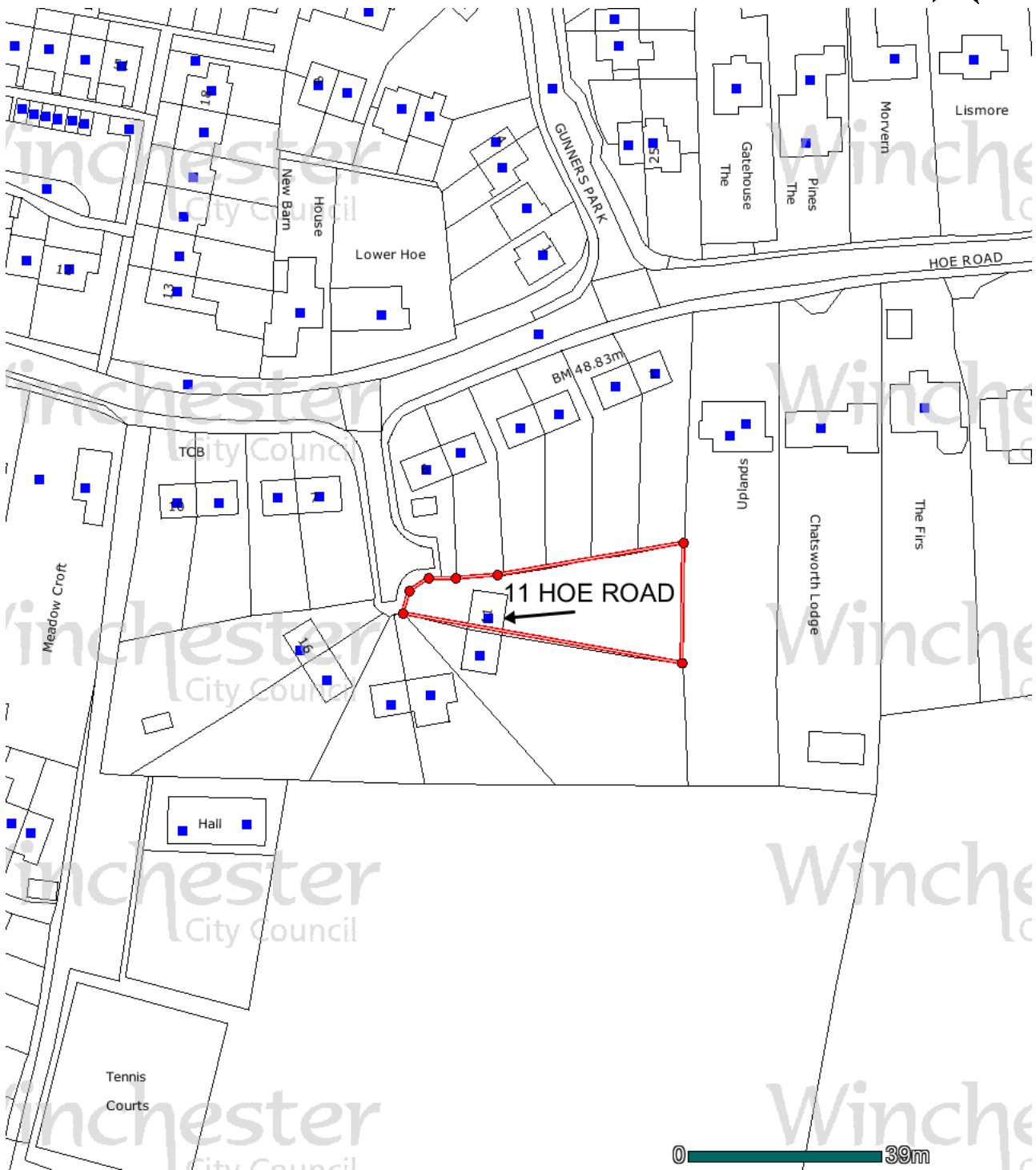
Scheme files (excluding exempt information relating to the financial or business affairs of the RSL and the secure tenant) held in the Policy Directorate

APPENDICES:

1. Plan of 11 Hoe Road, Bishops Waltham 1/1250 scale.
2. Plan of land adjacent to Simonds Court, Abbots Barton 1/1250 scale.
3. Financial Details (exempt).

11 HOE ROAD, BISHOPS WALTHAM

APPENDIX 1



LAND BETWEEN HILLIER WAY
AND SIMONDS COURT,
ABBOTTS BARTON

APPENDIX 2

