

CABINET (HOUSING DELIVERY) COMMITTEE**22 May 2013****Minute Extract****126. UPDATED COUNCIL HOUSE NEW BUILD PROGRAMME**
(Report CAB2486(HD) refers)

The Head of New Homes Delivery introduced the Report and drew Members' attention to the main changes to the programme. He clarified that the New Queens Head and Somers Close schemes, listed in Appendix 1 under 2014/15, were linked and any progress would be subject to ongoing discussions with the local community and work on the Stanmore Planning Framework.

The Chairman announced that the Milland Road scheme would be deleted from the Programme (scheduled for 2013/14) as there was an issue with one of the new tenants being unaware of the Council's proposals and it was therefore considered inappropriate to proceed at the current time. A further Report would be submitted to a future Committee examining the various issues that could arise when the Council sought to demolish existing Council housing stock.

During the public participation period, Mr A Rickman (a Council tenant) raised a number of concerns in relation to the proposals regarding sale of smaller plots, as summarised below:

- Would the plots be suitable for building purposes?
- Due to the plots size, would the homes built be able to be affordable?
- Would the land be sold below market value in order to make any new homes viable?
- How many plots were being considered?

The Chairman thanked Mr Rickman for his comments and requested that these be addressed in a further Report to a future Committee meeting. This was agreed. As an initial response, the Head of New Homes Delivery advised that one option would be to sell a plot (at under-value) to a person currently on the waiting list for housing in order for them to self-commission a new home. Alternatively, a plot could be sold at auction to the highest bidder which would create the most capital receipt to fund the existing programme. As an initial estimate, there were thought to be between 10 and 15 potential plots. He explained that it was considered to be less viable for the Council itself to build new homes on small plots because it would require the same amount of officer time and preparations as for a larger plot. The Head of New Homes Delivery noted the request for more information on which prospective tenants on the housing waiting list would also be interested in undertaking a self-commission of a property.

In response to questions, the Head of New Homes Delivery advised that the New Queens Head in Stanmore had been purchased by the Council who had employed a security firm to maintain the site's security, with the aim of preventing anti-social behaviour. He clarified that planning permission would be required to demolish the existing building on the site, although this was a possibility that might be investigated further in due course.

In response to questions, the Chairman stated that Registered Providers were still able to approach the Council if they were interested in providing affordable housing on any site. Some Members expressed concern that Recommendation 1 of the Report implied that all future receipts would only be used to fund new builds undertaken by the Council itself. The Housing Project Accountant explained that if a Registered Provider wanted to progress a scheme, then this would still be possible, but would require Member approval.

A number of Members requested that the final recommendation regarding small plots should be amended to reflect the discussions held above and the request for a further Report on the issues raised. However, following discussion where the Head of New Homes Delivery assured Members that there were no immediate plans to sell any plots, the Committee did not consider any amendment was required.

Mrs Steventon Baker (TACT) requested that TACT comments be included in future Reports. She also welcomed the decision to not progress the Milland Road scheme at the current time and stated that the general position of TACT was to encourage the Council to supply Council homes to tenants on a secured tenancy.

One Member commented that one year after the proposals for building new Council homes had been agreed, he expected there to be a rapid acceleration in delivery. However, with the Milland Road scheme no longer to be progressed, there was some concern about how the delivery would be achieved in 2014/15 in practice.

At the invitation of the Chairman, Councillor Pines queried whether the Chairman would undertake a review of progress. The Chairman highlighted that the target set was very challenging and he would be discussing this further with the Leader and would talk to Councillor Pines regarding his suggestions outside of the meeting.

The Committee agreed to the following for the reasons set out above and outlined in the Report.

RECOMMENDED (TO CABINET AND COUNCIL):

1. THAT THE REVISED HOUSING REVENUE ACCOUNT (HRA) NEW HOUSEBUILDING CAPITAL PROGRAMME BE APPROVED, AS SET OUT IN APPENDIX 1 OF REPORT CAB2486(HD), SUBJECT TO THE DELETION OF THE BUDGET PROVISION FOR MILLAND ROAD.

2. THAT THE USE OF ALL CURRENT AND FUTURE AFFORDABLE HOUSING DEVELOPER CONTRIBUTIONS AND CAPITAL RECEIPTS TO FUND THE HRA NEW HOUSEBUILDING CAPITAL PROGRAMME BE APPROVED.

3. THAT THE FOLLOWING BUDGETS IN THE 2013/14 GENERAL FUND CAPITAL PROGRAMME BE DELETED:

(i) AFFORDABLE HOUSING / REGENERATION - £148,000;

(ii) AFFORDABLE HOUSING FUNDED BY DEVELOPER CONTRIBUTIONS £1,441,000.

RESOLVED:

1. That the Head of New Homes Delivery be authorised to proceed with commissioning the relevant professional assessments required to progress to a full planning application for the sites in the development programme subject to the requirements of the Council's Contracts and Financial Procedure Rules.

2. That the Head of New Homes Delivery, in consultation with the Portfolio Holder for Housing and New Homes, be authorised to substitute schemes on the development programme with alternative schemes and report back to Cabinet (Housing) Committee at the earliest opportunity where this has occurred.

3. That, subject to the approval of the revised HRA New Housebuilding Programme by Council, the following capital spending on initial fees in 2013/14 be approved in accordance with Finance Procedure Rule 6.4:

(i) Westman Road - £80,000

(ii) Victoria House - £314,000

(iii) Charles Close - £160,000

(iv) Hillier Way - £90,000

(v) Dyson Drive - £80,000

(vi) Somers Close / New Queens Head - £170,000

and that it be noted that further reports will be submitted to the Committee for approval of the remaining budget provisions when tenders have been received for each scheme.

4. That the Head of Estates be authorised to sell surplus small plots of land held within the Housing Revenue Account, to be identified by the Head of New Homes Delivery in consultation with the Portfolio Holder for Housing and New Homes, to generate capital receipts to fund the Council House New Build Programme.