



Meeting	Cabinet Member for Housing & Asset Management Decision Day
Date and Time	Monday, 7th March, 2022 at 11.00 am.
Venue	Walton Suite, Winchester Guildhall

Note: *This decision day is being held in person at the location specified above. In line with relevant legislation and public health guidance the following arrangements apply. Members of the public should note that a live audio feed of the decision day will be available from the councils website (www.winchester.gov.uk) and the video recording will be publicly available on the council's YouTube channel shortly after the meeting.*

For members of the public and "visiting councillors" who are unable to utilise this facility a limited number of seats will be made available at the above named location however attendance must be notified to the council at least 3 working days before the decision day. Please note that priority will be given to those wishing to attend and address the decision day over those wishing to attend and observe.

AGENDA

PROCEDURAL ITEMS

- 1. Disclosure of Interests**
To receive any disclosure of interests from Members and Officers in matters to be discussed.
Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with legislation and the Council's Code of Conduct.

BUSINESS ITEMS

- 2. Public Participation**
– to note the names of members of the public wishing to speak on items for decision
Note: members of the public wishing to speak about a particular agenda item are required to register three working days in advance if they wish to speak at a Cabinet Member Decision Day.



Members of the public and visiting councillors may speak at decision days on a specific item due for decision, provided they have registered to speak three working days in advance. Please contact Democratic Services by **5pm on Tuesday, 1 March 2022** via democracy@winchester.gov.uk or (01962) 848 264 to register to speak and for further details.

3. Visiting Councillors Representation

To note any request from visiting councillors to make representations on an item for decision.

Note: Councillors wishing to speak about a particular agenda item are required to register three working days in advance if they wish to speak at a Cabinet Member Decision Day. Councillors will normally be invited by the Chairman to speak during the appropriate item (after the Cabinet Member's introduction (and any comments from the leading officer) and any public participation).

4. West of Waterlooville Major Development Area - Transfer of Land to Newlands Parish Council (DD40) (Pages 5 - 18)

5. Designated Protected Area Waiver (DD42) (Pages 19 - 24)

6. Disposal of Council dwelling at 16 Tower Street (DD37) (Pages 25 - 34)

**Lisa Kirkman
Strategic Director and Monitoring Officer**

All of the Council's publicly available agendas, reports and minutes are available to view and download from the Council's [Website](#) and are also open to inspection at the offices of the council. As part of our drive to minimise our use of paper we do not provide paper copies of the full agenda pack at meetings. We do however, provide a number of copies of the agenda front sheet at the meeting which contains the QR Code opposite. Scanning this code enables members of the public to easily access all of the meeting papers on their own electronic device. Please hold your device's camera or QR code App over the QR Code so that it's clearly visible within your screen and you will be redirected to the agenda pack.



25 February 2022

Agenda Contact: Claire Buchanan, Senior Democratic Services Officer
Tel: 01962 848 438 Email: cbuchanan@winchester.gov.uk

TERMS OF REFERENCE

Cabinet Member for Housing & Asset Management Decision Day – Included within the Council's Constitution (Part 3, Section 2)

Public Participation

Representations will be limited to a maximum of 3 minutes, subject to a maximum 15 minutes set aside for all questions and answers.·

To reserve your place to speak, you are asked to **register with Democratic Services three clear working days prior to the decision day** – please see public participation agenda item above for further details. People will be invited to speak in the order that they have registered, subject to the maximum time period allowed for speaking not being exceeded. Public Participation is at the Chairperson's discretion.

Filming and Broadcast Notification

This decision day will be recorded and broadcast live on the Council's website. The decision day may also be recorded and broadcast by the press and members of the public – please see the Access to Information Procedure Rules within the Council's Constitution for further information, which is available to view on the [Council's website](#).

Disabled Access

Disabled access is normally available, but please phone Democratic Services on 01962 848 264 or email democracy@winchester.gov.uk to ensure that the necessary arrangements are in place.

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DD40

DECISION TAKER: Councillor Kelsie Learney - Cabinet Member for Housing & Asset Management

REPORT TITLE: WEST OF WATERLOOVILLE MAJOR DEVELOPMENT AREA, TRANSFER OF LAND TO NEWLANDS PARISH COUNCIL

7 MARCH 2022

Contact Officer: Stuart Dunbar-Dempsey Tel No: 01962 848425 Email sdunbar-dempsey@winchester.gov.uk

WARD(S): DENMEAD

PURPOSE

To obtain approval for the transfer of 16 ha of open space at Wellington Park Waterlooville (see plan of open space at appendix 1) and the remainder of the maintenance sum, currently £1.4m, from Winchester City Council to Newlands Parish Council.

RECOMMENDATIONS:

1. That the council transfers 16 ha of open space at Wellington Park (shown on plan at appendix 1) to Newlands Parish Council.
2. That the council transfers the £1,396,459.04 open space maintenance sum to the parish council.
3. That the council delegates to Service Lead - Legal to action the above.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

- 1.1 Transferring this open space to the local parish council empowers and enables local people to have more of a say in how their local parks and open spaces are managed and maintained.

2 FINANCIAL IMPLICATIONS

- 2.1 The 16 ha of open space at Wellington Park, Waterlooville was laid out by Taylor Wimpey in 2016 and transferred to the council in 2017, with a sum of £1.5m for its future maintenance, in accordance with a s106 agreement linked to the planning permission. In the intervening years, while the council has been maintaining and enhancing the site, the sum has been reduced and the fund now stands at £1,396,459.04. Transferring ownership of the open space to Newlands Parish Council will relieve the council of the financial responsibility of having to maintain the site in future, as the parish council will be making their own maintenance arrangements.

3 LEGAL AND PROCUREMENT IMPLICATIONS

If this transfer is authorised, as recommended, then legal ownership of the open spaces on the site will transfer from the council to Newlands Parish Council. The responsibility for maintaining these open spaces as publically accessible, open and unenclosed areas, in accordance with the s106 agreement, will run with the land and be transferred from the council to the parish council under an appropriate legal arrangement.

The transfer of land will involve additional officer time to draw up the necessary documentation to transfer the land and commuted sum to the parish from WCC.

4 CONSULTATION AND COMMUNICATION

- 4.1 The transfer of the open space to Newlands Parish Council is being undertaken in consultation with the parish council. The parish council has agreed to accept a transfer of the land and the accompanying £1.4m maintenance sum and recognises that this will provide it with an opportunity for more control over how the open spaces within its jurisdiction are managed.

5 ENVIRONMENTAL CONSIDERATIONS

- 5.1 If the open space is transferred to NPC then the local environment will benefit from a more empathetic & responsive approach to landscape maintenance.

6 EQUALITY IMPACT ASSESSEMENT

- 6.1 An Equality Impact Assessment can be found at Appendix 2. This found that the transfer of open space and £1.3m to Newlands parish Council will have no effect on communities or individuals on the basis of their race/gender/disability/sexual orientation/age or religion.

7 RISK MANAGEMENT

- 7.1 Not transferring the open space to the parish council would mean a loss of opportunity for local management.

Risk	Mitigation	Opportunities
Financial Exposure <i>WCC do not have sufficient funds to transfer</i>	Ensure funds are ring fenced	
Legal <i>Appropriate legal arrangements cannot be completed</i>	Ensure appropriate legal arrangements are agreed.	
Innovation N/A	N/A	N/A
Reputation <i>That Newlands Parish Council struggle to manage the site</i>	Natural Environment and Recreation Team will provide support at the outset to Newlands Parish Council to ensure they have all the necessary tools to undertake effective and efficient management of the site	
Achievement of outcome <i>That the transfer is undertaken successfully</i>	WCC will provide full support to ensure this is achieved	Parish Council has an opportunity to develop the open spaces as it wishes
Property N/A	N/A	N/A
Community Support <i>That the Parish Council do not have support of the community</i>	WCC to provide advice where necessary.	
Timescales <i>The transfer of land is</i>	WCC officers to ensure	

<i>prolonged</i>	the process is successful	
Project capacity <i>Additional WCC time required if transfer is prolonged</i>	WCC officer work programme to accommodate possible additional time	
Other N/A	N/A	N/A

8 OTHER KEY ISSUES

8.1 There are no other key issues.

9 SUPPORTING INFORMATION:

9.1 Planning permission for the Wellington Park site (ref: 05/00500/OUT) was accompanied by a s106 legal agreement which obliged the developer, Taylor Wimpey, to lay out and provide 16 ha of public open space and sustainable urban drainage features, as supporting infrastructure to the new major development area, and transfer it all to the council on completion. There was no other transfer option at the time. Newlands Parish Council had not yet been formed.

9.2 However, a transfer to the council was never seen as a sustainable long-term arrangement and it was anticipated that there would in due course be a new parish council for the development area which would use the opportunity for more local maintenance and control of the site's open space facilities, using the remainder of the commuted sum and the new parish precept. So, the recommended option being proposed is that the council should, without delay, transfer the open space at Wellington Park to the newly formed Newlands Parish Council. The parish council will be able to supplement the commuted sum for maintenance (£1.4m) with the parish precept.

10 OTHER OPTIONS CONSIDERED AND REJECTED

10.1 The alternative option is that the council does not transfer the land to the parish council and continues to maintain the public open space at Wellington Park, but this has been discounted for the reasons set out above.

10.2 Moreover, it is now being recommended by officers that the council should not become the default recipient or transferee of new residential on-site open spaces, where those open spaces could be more appropriately managed by a local parish council or a resident management company. A discussion paper on this topic and the recommended policy was considered by ELB in January 2021.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

N/A

Other Background Documents:-

None

APPENDICES:

Appendix 1- Scaled plan showing location and extent of the open space it is proposed to transfer from the council to Newlands Parish Council.

Appendix 2 Equality Impact Assessment.

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Appendix 1



KEY

- - - COUNCIL BOUNDARY
- HAVANT BOROUGH COUNCIL
- WINCHESTER CITY COUNCIL

WINCHESTER OPEN SPACE

AREA No.	AREA (sq.m.)
1	134,370
2	13,772
3	3,719
4	1,310
5	829
6	487
7	2,275
8	316
9	250
10	5
11	183
12	30
13	37
TOTAL	157,583

HAVANT OPEN SPACE

AREA No.	AREA (sq.m.)
14	1,688
15	544
16	786
17	2,456
18	1,706
19	377
20	237
21	180
22	15,011
23	63
24	145
25	97
TOTAL	23,290

NOTE: PARCELS 19, 24 AND 25 WILL BE MAINTAINED BY WINCHESTER CITY COUNCIL

- E 25-04-14 Parcel 25 added, note about maintenance added.
- D 04-03-13 Revised to accord with correct Council Boundary Line.
- C 22-11-12 Revised to show play area (17A) as separate area.
- B 18-10-12 Areas numbered and table added.
- A 05-10-12 Revised to accord with latest layout.

REV	DATE	DETAILS	BL

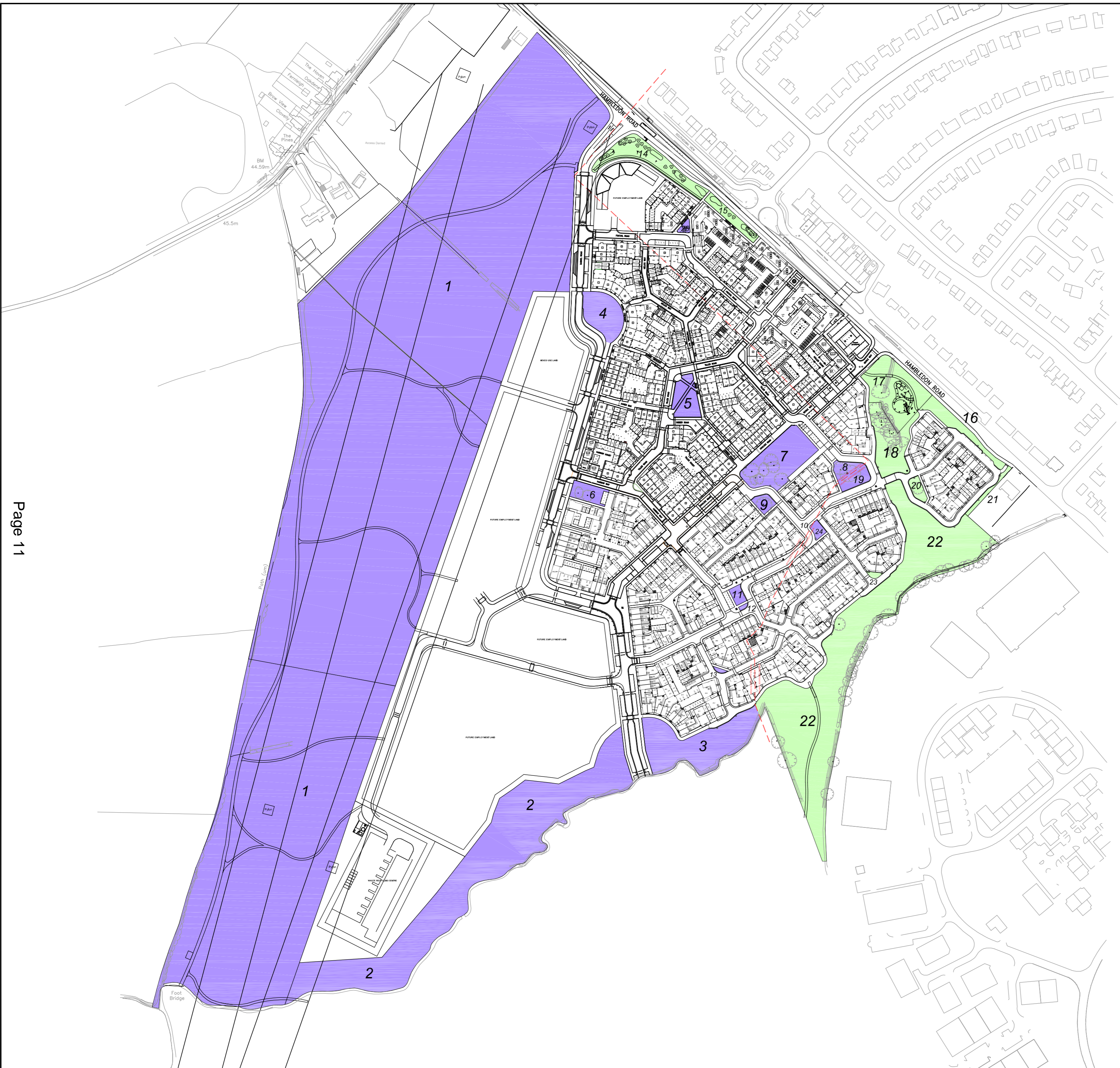
JOB **OLD PARK FARM, WATERLOOVILLE**

TITLE **OPEN SPACE AREAS**

SCALE	1:2500@A2	DRN	TJS	CHKD
		DATE	17-05-12	DATE

Taylor Wimpey Southern Counties
 Templars House, Lulworth Close
 Chandlers Ford, Hampshire
 Telephone 02380 255288
 Fax 02380 251344

DRG.No. 1S1194/OS Rev. E



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Winchester City Council

Equality Impact Assessment Template (EqIA)

Section 1 - Data Checklist

When undertaking an EqIA for your policy or project, it is important that you take into consideration everything which is associated with the policy or project that is being assessed.

The checklist below is to help you sense check your policy or project before you move to Section 2.

		Yes/No	Please provide details
1	Have there been any complaints data related to the policy or project you are looking to implement?	No	
2	Have all officers who will be responsible for implementing the policy or project been consulted, and given the opportunity to raise concerns about the way the policy or function has or will be implemented?	Yes	
3	Have previous consultations highlighted any concerns about the policy or project from an equality impact perspective?	No	
4	Do you have any concerns regarding the implementation of this policy or project? <i>(i.e. Have you completed a self-assessment and action plan for the implementation of your policy or project?)</i>	No	
5	Does any accessible data regarding the area which your work will address identify any areas of concern or potential problems which may impact	No	

Appendix 2

		Yes/No	Please provide details
	on your policy or project?		
6	Do you have any past experience delivering similar policies or projects which may inform the implementation of your scheme from an equality impact point of view?	Yes	
7	Are there any other issues that you think will be relevant?	No	

Section 2 - Your EqIA form

Directorate: Built Environment	Your Service Area: Economy and Community	Team: Natural Environment and Recreation	Officer responsible for this assessment: Stuart Dunbar- Dempsey	Date of assessment: 4.2.22
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	Question	Please provide details
1	What is the name of the policy or project that is being assessed?	Transfer of 16ha of public open space to Newlands Parish Council.
2	Is this a new or existing policy?	New.
3	Briefly describe the aim and purpose of this work.	Transfer of 16ha of public open space to Newlands Parish Council.
4	What are the associated objectives of this work?	To transfer of 16ha of public open space to Newlands Parish Council promptly.
5	Who is intended to benefit from this work and in what way?	Local people having more say in their local open spaces.
6	What are the outcomes sought from this work?	Local people having more say in their local open spaces.
7	What factors/forces could contribute or detract from the outcomes?	None
8	Who are the key individuals and organisations responsible for the implementation of this work?	WCC and Newlands Parish Council
9	Who implements the policy or project and who or what is responsible for it?	WCC Service Lead Legal and Natural Environment & Recreation Team (NERT)

		Please select your answer in bold . Please provide detail here.		
10a	Could the policy or project have the potential to affect individuals or communities on the basis of race differently in	Y	N	

	a negative way?			
10b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of race in any way		
11a	Could the policy or project have the potential to affect individuals or communities on the basis of sex differently in a negative way?	Y	N	
11b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of sex in any way		
12a	<p>Could the policy or project have the potential to affect individuals or communities on the basis of disability differently in a negative way?</p> <p><i>you may wish to consider:</i></p> <ul style="list-style-type: none"> • <i>Physical access</i> • <i>Format of information</i> • <i>Time of interview or consultation event</i> • <i>Personal assistance</i> • <i>Interpreter</i> • <i>Induction loop system</i> • <i>Independent living equipment</i> • <i>Content of interview)</i> 	Y	N	
12b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of disability in any way		
13a	Could the policy or project have the potential to affect individuals or communities on the basis of sexual orientation differently in a negative way?	Y	N	
13b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of sexual orientation in any way		
14a	Could the policy or project have the potential to affect individuals on the basis of age differently in a negative way?	Y	N	

14b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of age in any way		
15a	Could the policy or project have the potential to affect individuals or communities on the basis of religious belief differently in a negative way?	Y	N	
15b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of religion in any way		
16a	Could this policy or project have the potential to affect individuals on the basis of gender reassignment differently in a negative way?	Y	N	
16b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of gender in any way		
17a	Could this policy or project have the potential to affect individuals on the basis of marriage and civil partnership differently in a negative way?	Y	N	
17b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of marriage and civil partnership in any way		
18a	Could this policy or project have the potential to affect individuals on the basis of pregnancy and maternity differently in a negative way?	Y	N	
18b	What existing evidence (either presumed or otherwise) do you have for this?	The assessment does not differentiate on the basis of pregnancy and maternity in any way		
19	Could any negative impacts that you identified in questions 10a to 15b create the potential for the policy to discriminate against certain groups on the basis of protected characteristics?	Y	N	No negative impacts identified
20	Can this negative impact be justified on the grounds of promoting equality of opportunity for certain groups on the basis of protected characteristics? Please provide your answer opposite against the relevant protected characteristic.	Y	N	Race:
				Sex:
				Disability:
				Sexual orientation:
				Age:

Appendix 2

				Gender reassignment:
				Pregnancy and maternity:
				Marriage and civil partnership:
				Religious belief:
21	How will you mitigate any potential discrimination that may be brought about by your policy or project that you have identified above?	No potential discriminations identified		
22	Do any negative impacts that you have identified above impact on your service plan?	Y	N	

Signed by completing officer	<i>Stuart Dunbar-Dempsey</i>
Signed by Service Lead or Corporate Head of Service	

DD42

DECISION TAKER: Cabinet Member for Housing and Asset Management

REPORT TITLE: DESIGNATED PROTECTED AREA WAIVER

7 MARCH 2022

Contact Officer: Nigel Baldwin Tel No: 01962 848 273 Email
nbaldwin@winchester.gov.uk

WARD(S): WHITELEY AND SHEDFIELD

PURPOSE

To consider the lifting of the Designated Protected Area status in respect of the affordable shared ownership homes which are being delivered across the North Whiteley Major Development site

RECOMMENDATIONS:

1. Authorise the Service Lead, New Homes Delivery to submit an application to Homes England to lift the Designated Protected Area Status in respect of the North Whiteley development site

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

- 1.1 The report contributes to delivering on providing `Homes for All` a priority in the Council Plan 2020-2025.
- 1.2 It also contributes to delivering energy efficient, affordable, modern homes where residents can Live Well avoiding the stresses of unaffordable costs related to their housing.

2 FINANCIAL IMPLICATIONS

- 2.1 There are no direct financial consequences for Winchester City Council for applying to Homes England for the Designated Protected Area status to be lifted.
- 2.2 If Homes England agree to the lifting of the Designated Protected Area status then the shared ownership affordable homes will be more affordable and more accessible to those households in housing need, as described below. Although there are lenders that households could go to for a mortgage there are a lot fewer than if the Designated Protected Area is lifted and lenders will often not provide a large number of mortgages on the same site.
- 2.3 Given the time scale for the development and based upon the negotiations that occurred before 2018 when the legal agreement was signed then a further 43 shared ownership properties will be delivered giving purchasers the opportunity to buy a shared ownership home and meaning that Winchester City Council will not have to expend funds in order ensure that shared ownership homes remain on the site

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 In Designated Protected Areas, providers of shared ownership homes must either restrict staircasing of shared ownership homes, which means residents can only purchase up to 80% of their home, or the Registered Provider (RP) must agree to buy back the property.
- 3.2 The Housing (Right to Enfranchise) (Designated Protected Areas) (England) Order 2009 Regulations is in place to ensure that rural affordable housing – specifically grant-funded shared ownership properties - remains in the ownership of local people. Where that is the case, providers are required to offer grant-funded shared ownership properties with a lease that contains restricted provisions.
- 3.3 Homes England has recognised that the Designated Protected Area provision potentially creates problems and established a wavier process whereby by a Local Authority submit a request to waive the Designated Protection Area conditions of grant relating to designated protected areas where the policy aim of the retention of affordable housing stock is not an issue.

4 CONSULTATION AND COMMUNICATION

4.1 Consultation occurred with Whiteley and Shedfield district councillors on 25.1.22.

5 The consultation took the form of a briefing note sent to councillors and the response from Councillor Bentote was that a waiver should be applied for.

6 ENVIRONMENTAL CONSIDERATIONS

6.1 There are no Environmental considerations

7 EQUALITY IMPACT ASSESSEMENT

7.1 There is no impact on those with a protected characteristic, although removing the DPA makes the shared ownership homes available to a wider group of people, particularly those with little savings for a deposit.

8 RISK MANAGEMENT

8.1 The principle risk is to the Council's reputation if the Shared Ownership Homes either cannot be easily sold or they are not affordable for people registered on the Help to Buy Register.

Risk	Mitigation	Opportunities
Financial Exposure	The Local Authority will not be financially exposed. If the DPA is waived, there will still be the opportunity to purchase a shared ownership home at this site, with households being able to easily obtain a mortgage and for more households in housing need to be assisted as the properties will be more affordable.	n/a
Exposure to challenge	n/a	
Innovation	n/a	n/a
Reputation	If the Affordable Housing cannot be delivered this would reflect poorly on Winchester City Council.	Improved marketability would avoid reputational risk
Achievement of outcome	Adoption of process to achieve lifting of DPA	

	status	
Property cannot be sold	Lifting of Designated Protected Area status allows for improved marketability	
Community Support	See consultation section	
Timescales		
Project capacity		
Other		

9 OTHER KEY ISSUES

9.1 None

10 SUPPORTING INFORMATION:

10.1 The site at Whiteley, has outline planning permission for 3500 properties, with 15% and a financial contribution being for affordable housing. Of this 15%, 25% are designated as being for shared ownership or 111.25 properties.

10.2 The proportion of affordable homes that is required at this site is quite low, but since the planning stage many of the Open Market homes have been purchased by affordable housing providers and converted to Shared Ownership homes and the developers have altered many of the Discount Market Sale affordable homes to Shared Ownership properties. These processes have meant that an additional 285 shared ownership homes will come forward as at 17.1.22 with the site scheduled to deliver new homes over several more years.

10.3 The most recent Designated Protected Areas (DPA) Homes and Community Agency policy guidance from 2016 explains that DPAs were introduced in September 2009 to protect shared ownership homes being lost to the open market where they would be difficult to replace. The designated areas were aligned with those exempt from the Right to Acquire, based on maps dated 1991. If any homes were lost to the open market (though very few occupiers actually purchase the whole property), planned development elsewhere in the parish means that shared ownership accommodation would still be available in this location.

10.4 There are a very limited number of lenders for mortgages where households can only purchase a proportion of the property due to the DPA status (based upon recent experience on another site within the Winchester District, there were 2 as opposed to over 20 according to information supplied to the Council's Home Ownership Officer by an independent financial advisor) and they required a higher deposit to reduce their perceived risk (15% of the share that is purchased rather than between 5 and 10%). Also lenders will not want to provide a large number of mortgages on the same site. All of these issues

mean that it is extremely difficult to obtain a shared ownership mortgage where there is a limit to the proportion of the property that can be purchased.

- 10.5 Homes England has agreed a waiver process such that if the Local Authority (LA) determines that the site does not require protecting, it can apply for a waiver from the HCA's successor body (Homes England).
- 10.6 There is great concern at the lack of affordability of the shared ownership homes at North Whiteley if the DPA remains in place with such a high deposit being required. There is concern that the high deposits will severely compromise the ability to sell the homes.
- 10.7 In order for housing needs to be met in this location it is requested that a waiver for the DPA is applied for.

11 OTHER OPTIONS CONSIDERED AND REJECTED

- 11.1 The other option that has been considered is to not apply for a waiver. This has been rejected because it may mean that the affordable homes are more expensive and so fewer households in housing need could be assisted. The main problem is caused by the level of the deposit that is required by lenders for potential applicants looking to purchase shared ownership new build properties with an 80% restriction.
- 11.2 These two lenders require a deposit of at least 15% of the value of the share of the property that is to be purchased on a Shared Ownership basis. Based upon the modelling that has been carried out using values derived from an affordable provider delivering shared ownership homes at North Whiteley, if a 40% share were to be purchased for a mid-terraced 2 bedroom house valued at £303,010 with no restriction, then a deposit of between £6,060 and £12,120 would usually be needed. Given the above information a lender would require a minimum deposit of £18,180.60 for a similar property with an 80% restriction due to the DPA status.
- 11.3 As at 17 January 2022, of the applicants to Help to Buy South, (the national government agency for Shared Ownership in this area and the register used to obtain households for shared ownership) wanting to live in the Curdridge and Whiteley area and wanting a 2 bedroom property, only 24 households have sufficient savings to meet the restricted staircasing deposit requirements.
- 11.4 In considering non-restricted shared ownership mortgages there are over 20 mortgage lenders, hence there are more lenders to choose from. At present, the deposit that these lenders require is between 5 and 10%.
- 11.5 As stated above the current Winchester City Council Local Plan allocates the North Whiteley site for development which will occur over a number of years. Therefore there will be shared ownership homes available for future

occupiers. There will therefore be an opportunity for those households taking up shared ownership homes to be assisted in this location.

- 11.6 It is considered that the removal of the DPA will assist in the delivery of these shared ownership homes and allow these homes to be afforded by applicants in housing need. The impact of removing the DPA for this site is negligible, given the number of units involved, and the planned new homes. Very few shared owners purchase 100% of their homes. Therefore if the DPA is removed, the loss of shared ownership homes to the open market is likely to be insignificant. To not seek a waiver of the Designated Protected Area status would possibly mean that shared ownership affordable housing could not be sold so that providers would be financially penalised or the homes would not be available to those with a housing need.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

There are no other committee reports relating to this DPA issue

Other Background Documents:-

None

APPENDICES:

None

DD37

DECISION TAKER: Cabinet Member for Housing and Asset Management–
Councillor Kelsie Learney

REPORT TITLE: DISPOSAL OF COUNCIL DWELLING AT 16 TOWER STREET

7 MARCH 2022

Contact Officer: Gillian Knight Tel No: 01962 848 577 Email
gknight@winchester.gvo.uk

WARD: ST BARTHOLOMEW

PURPOSE

To seek council approval to dispose of an empty HRA property in line with the disposal criteria as set out in the councils HRA Asset Management strategy approved at Cabinet in 8 December 2021.

Disposal of HRA assets is only considered in exceptional circumstances and should meet the criteria set out in the “Disposal Policy” approved as part of the Housing Revenue Account (HRA) Asset Management Strategy in December 2021.

The proposed property for disposal, 16 Tower Street is a 3 bedroomed house located in central Winchester and is the only council owed property in the street. The property is in a conservation area but is it not a listed building. The empty property is in need of significant works to bring it up to a decent standard to let. As a family home it has limited outside space with no green spaces for families to enjoy.

An Asset Management strategy options appraisal concluded that the best Value for Money option is to dispose of the property and use the funds gained to deliver additional units of new homes that are energy efficient.

RECOMMENDATIONS:

That the Cabinet Member for Housing and Asset Management:

1. Approves the disposal of 16, Tower Street, in line with the approved councils HRA Asset Management strategy disposal criteria to support and enable the delivery of additional new units of affordable housing.

2. Delegate authority to the Corporate Head of Asset Management to dispose of the HRA asset at 16 Tower Street.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

1.1 Tackling the Climate Emergency and Creating a Greener District

The formally declared climate emergency; set challenging targets of a carbon neutral Council by 2024 and carbon neutral District by 2030. The former will include a requirement for a carbon neutral housing stock. HRA Asset Management considerations can be divided into 2 clear areas

- Existing stock
- New build

Cabinet Report CAB3291 - Housing Development Strategy 2021 - 2030 sets out design expectations for future new build schemes.

Cabinet Report CAB3293 - Making homes carbon neutral sets out the approach for existing stock.

1.2 Vibrant Local Economy - Provision of good quality affordable housing helps the district retain a diverse workforce and contributes to the local economy.

1.3 Living Well: The provision of good quality housing is linked to and has a direct impact on wellbeing.

2 FINANCIAL IMPLICATIONS

2.1 The council currently owns a 3 bed property 16 Tower Street. The original proposal was to undertake conversion works to create 2 flats, a one bed and a two bed.

2.2 However, the anticipated cost of the conversion has increased significantly during the tendering process from an estimated £225,000 to £357,000 (based on the lowest tender of £295,540). This is largely as a result of the current impact of uncertainty and supply issues affecting the marketplace for small building work, but also connected to the cost of delivering the Association for Environment Conscious Building (AECB) standard energy efficient units.

2.3 The increased tender prices and the current value of the property estimated at £410,000 does not significantly enhance the initial New Homes proposed conversion as the value of the completed new properties would only be £525,000. In addition, continuing the proposed development would require additional management resources and focus that could be better deployed to greater effect elsewhere.

2.4 It is therefore considered that the best Value for Money option in the current circumstances is to dispose of the asset and utilise the proceeds to help

support the delivery of new energy efficient and fit for purpose housing units elsewhere.

- 2.5 The council has also spent some £40,000 on feasibility work and this will be written off to revenue. The property has been empty for 3 years with a rental income loss to date of £19,594.64. The reasons for this are set out in section 10 of the report.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 S123(1) of the Local Government Act 1972, provides the Council with the power to dispose of land and property, provided such disposal is made for the best consideration reasonably obtainable. This is in addition to its powers under the general power of competence provided for in Section 1 of the Localism Act 2011, as well as its powers to dispose of land under Section 123 of the Local Government Act 1972 and Section 233 of the Town and Country Planning Act 1990.

- 3.2 In pursuing the proposed process the Council will observe its statutory duties, including in regard to the duty to obtain best consideration on the disposal of land, and duties to consult. It should be noted that by carrying out a CAB3268 competitive process the Council will be in a stronger position to demonstrate compliance with the duty to obtain best consideration. In the event that best consideration is not obtained then additional legal criteria are relevant, such as state aid and best value duty, and further legal advice is recommended.

- 3.3 It is understood that the proposed disposal is in accordance with the council's HRA Asset Management Strategy which sets out the focus of long term investment plans and key principles for managing housing assets. It seeks to ensure that the council makes best use of its stock to meet current and future housing need.

4 CONSULTATION AND COMMUNICATION

- 4.1 A presentation of the headline elements of the HRA Asset Management strategy which formalised the disposal criteria for HRA assets was given to Tenants and Council Together (TACT) on 22 July 2021. A copy of the presentation was also sent to the Chairs of the Housing Management and Repairs and Maintenance Service Delivery Tenant Groups.
- 4.2 The recommendations of CAB report - were presented to tenants at the September TACT Meeting. As part of the presentation tenants were presented with a scenario to debate the formalised disposal criteria.
- 4.3 CAB Report (CAB3264 - HRA Asset Management Strategy - 8.12.21) was presented and considered at Business and Housing Policy Committee on 30 November 2021 with TACT present and asked to comment at the meeting.

5 ENVIRONMENTAL CONSIDERATIONS

- 5.1 A key element of the HRA Asset Management Strategy is working towards achieving the council's carbon neutral targets both through the New Homes Delivery programme and by environmental improvements to its existing housing stock.
- 5.2 The HRA Asset Management strategy, along with the Housing Development Strategy, considers and sets out how the council makes best use of its new and existing assets to ensure council homes are energy efficient including the reduction and mitigation of nitrates.

6 PUBLIC SECTOR EQUILITY DUTY

- 6.1 An Equality Impact Assessment was carried out in 2020/21 as part of the implementation of the HRA Asset Management strategy..
- 6.2 Individual asset options appraisals to acquire or dispose of properties include an assessment of the benefits and disadvantages on different groups as part of that process. This proposed disposal meets the aims of the strategy and it is considered that no adverse effect on the councils public sector equality duty.

7 RISK MANAGEMENT

.Risk	Mitigation	Opportunities
Finance Best Value not achieved for redevelopment or disposal of assets.	Options appraisal process addresses this. Viability tests in place for redevelopment and disposals always at market value..	
Exposure to challenge An empty council home that is no longer fit for purpose.	To dispose of the property and use the funds gained to deliver modern and energy efficient additional units of affordable social housing to rent through the New Home delivery programme.	Meeting local housing need for smaller dwellings to let.
Innovation Missed opportunity to test impact of Passivehaus	Selecting other more appropriate properties for	Already in place with current Bramdean retrofit

retrofit	this purpose (Swedish timber home in Bramdean/Cheriton) and future voids	scheme
Reputation Loss of social housing to meet housing need	Capital receipt to support future new build schemes Specific property would be difficult to let as a 3 bed with no outdoor space	Positive opportunity to meet housing need demand for smaller properties to let. Meeting housing need demand for smaller properties to let.
Property Dwellings not being effectively utilised. Decent homes standards not maintained.	Keystone property asset management reports are run regularly to inform works programme. Monitoring by the HRA Asset Management Group.	

7.1 OTHER KEY ISSUES

7.2 None

8 SUPPORTING INFORMATION:

8.1 The HRA Asset Management Strategy is a key document that supports the management of property assets held by the HRA. The strategy takes count of existing demand for housing and seeks to ensure the council's existing stock makes a positive contribution to addressing housing need.

8.2 An officer Asset Management Group delivers the strategy focussing on key work streams to ensure that the council is making best use of its housing stock. This includes reaching decisions in respect of the Acquisitions and Disposal criteria with Member approval.

9 Disposals and Acquisitions

9.1 As part of the HRA Asset Management Strategy, consideration is given to the future need to acquire assets, such as land or housing, and if existing assets

are no longer fit for purpose, to consider a range of options that could include realising value through disposal.

9.2 In terms of disposals, the abolition of the HRA debt cap means that the original reasons for developing a programme of asset disposals is no longer a factor, as maintenance and development programmes can be fully funded from prudential borrowing, effectively funded through future rental income. However, whilst any future disposals are likely to only be recommended in exceptional circumstances, some disposals may be required to ensure the council continues to make the most effective use of its housing assets.

9.3 Whilst disposal of assets is only likely to be considered in exceptional circumstances, some disposals will demonstrate best value for money and should be considered. In all circumstances, an options appraisal to consider alternative uses is completed. Should the appraisal outcome be a disposal recommended, it should comply with at least one of the following criteria:

- a) The asset has a negative NPV
- b) The asset is considered as unsuitable for social housing; doesn't fit the future needs of the organisation
- c) Carbon efficiency – The asset will not achieve EPC C rating or this can only be achieved with significant investment in retro fitting
- d) Land that is not required for social housing purposes and/or which makes little or no positive contribution to the neighbourhood

9.4 This paper sets out the background and rationale behind the proposed recommendation to disposal of a council housing asset in line within the Asset Management Strategy disposal criteria, in order to make the most effective use of the councils housing stock and to provide best value for money.

10 Proposal to Dispose of 16 Tower Street

10.1 The property, 16 Tower Street is a 3 bed roomed house located in central Winchester and is the only council owned property in the street. The property is in a conservation area but is not a listed building. As a family home to let it has limited outside space with no green spaces for families to enjoy. There is no on street parking and is a permit only parking area.

10.2 The property became void in November 2018, and underwent a void inspection in February 2019, and was found to be in poor condition. There was general property neglect having been mistreated and evidence of serious wet rot on the ground floor. At the time of the void inspection the cost to bring the property up to a habitable standard including full decorations was estimated at over £33,000. This did not allow for the cost of a replacement kitchen that had been mistreated and may not be salvageable.

- 10.3 The property had a SAP Band E energy performance rating and would require void fabric retrofit improvements to include internal wall insulation, floor insulation, and window replacement with secondary glazing. Replacement mechanical and electrical future renewable work would also be required to bring the property up to the required SAP Band C energy performance rating.
- 10.4 It was clear at the time of the void process that significant investment would be required to bring the property up to a decent void standard and to achieve an EPC Band C rating to be able to re-let the property. As the property met two elements of the asset management disposal criteria it triggered an options appraisal to consider alternative uses for the property. At the time the favoured proposal was to undertake conversion works through the New Homes Delivery programme to convert the property into two flats as close to Passivhaus standard as possible. It would be the first pilot retrofit scheme and when completed a good example of a council carbon neutrality retrofit project.
- 10.5 A planning application was submitted in July 2020, for the proposal to convert and refurbish the property in to two flats. However, the planning decision was delayed to seek a satisfactory resolution between Natural England and the council as the statutory planning authority with regard to agreement on the impact of nitrates on the development, in particular the methodology concerning occupancy rates for the calculation of nitrates. Planning permission was granted in May 2021 but further delays to the project were caused through the pandemic restrictions and reductions in New Homes staffing resources.
- 10.6 The unforeseen delays resulted in significant increased tender costs for the conversion project from the original cost of £225,000 in February 2021 to £357,000 as at January 2022. A valuation of Tower Street was revisited in January this year and is valued by Carter Jonas' at £410,000. Therefore, the current value estimate of Tower Street would not be significantly enhanced by the proposed conversion as the value of the completed properties would only be £525,000.
- 10.7 The increased tender costs triggered an Asset Management options appraisal on 11 February 2022, to consider and reassess the best value money option of the conversion project. The 3 tender prices submitted had significantly increased from the original submission (s from just under £300,000 to £404,000, the proposed conversion value of the two completed properties is confirmed at £525,000. The options appraisal concluded that the best Value for Money option is the proposal to dispose of 16 Tower Street at £410,000 and to use the funds gained to deliver additional units of new homes that are energy efficient.

11 OTHER OPTIONS CONSIDERED AND REJECTED

- 11.1 The option of progressing the redevelopment option at a cost which is outside of the usual viability tests has been considered. This would provide an opportunity to assess the impact of "Passivehaus retrofit". However, this has

been rejected as not the best “value for money” option and not making the best use of the councils housing stock. Consideration was also given to the potential of leasing the redeveloped property to the housing company proposed to be established later this year which would allow it to be let at a higher rent. However, this would still not have met the viability test in light of the cost of redevelopment.

- 11.2 Bringing the property back up to standard to let through the normal void process is rejected with a recent estimate of void costs at £40,000 and as the property had previously been hard to let. There is also the likelihood of further deterioration and associated costs as the property has been empty for 3 years.
- 11.3 To delay the disposal option and test the market again in 6 months to see if tender costs for the conversion reduce is rejected due to the financial and reputational risks attached of leaving a social housing property empty with no guarantee that tender costs will reduce.

11.4 BACKGROUND DOCUMENTS:

Previous Cabinet/Committee Reports or Cabinet Member Decisions:

CAB3264 - HRA Asset Management Strategy – 8 December 2021

Other Background Documents:

None

APPENDICES:

None

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