

THE EXECUTIVE

27 JANUARY 2004

REPORT OF THE DIRECTOR OF HOUSING & HEALTH

LAND DISPOSAL SITES: REVISED HOUSING DEVELOPMENT SCHEMES	FOR DECISION	
<p><i>This report deals with major new housing developments on Council land disposal sites</i></p> <p><u>Summary</u></p> <p>This report gives the background to the proposed development of the former allotment sites at Blackborne Road, Digby Gardens, Hedgemans Road and Reede Road. The report sets out the revised balance of the mix of property tenure types and the reason for the changes. It then goes on to propose the acceptance of the housing developments on the new basis working in partnership with the Registered Social Landlords (RSLs) specified. Consultation with local residents and Ward Members has been a particular feature of these schemes and the report refers to the next stage of this process.</p> <p><u>Recommendations</u></p> <p>That the Executive agree to proceed with the disposal and development of Blackborne Road, Digby Gardens, Hedgemans Road and Reede Road sites on the basis of the housing mix schemes shown in para. 3.3 with the RSLs, Metropolitan Housing Trust and Stort Valley (set out in 2)</p> <p><u>Reasons</u></p> <p>The revised tenure mixes for the housing developments deliver the Council's objectives in terms of capital receipts and a range of new homes to help meet local housing needs and aspirations.</p>		
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1. Background

- 1.1 The Executive agreed to the disposal of the disused former allotment sites at Blackborne Road, Digby Gardens, Hedgemans Road, and Reede Road on 26 November 2002. This was to achieve a capital receipt to support the Council's capital programme and to create high quality new homes to meet local housing needs and aspirations. Following this decision ongoing involvement of local residents and Ward Members has been maintained on the formulation of the quantity of new homes to be built as well as other planning and design aspects of the schemes.

- 1.2 From the outset it was planned that the affordable homes would be financed by Local Authority Social Housing Grant (LASHG), which meant that all nominations would be retained by the Council. Whilst it was known that ODPM intended to terminate LASHG all indications were that this would be effective from April 2004. However, an announcement was made at the end of February 2003 that this funding mechanism would end at the end of March 2003. The implication was that any homes subsidised by Housing Corporation grant will be subject to sharing of nominations with other London Boroughs in the sub region.
- 1.3 The sites were successfully marketed and developers were selected. Outline planning consent had been obtained for the schemes – detailed planning applications have now been submitted for Reede and Blackborne and the other 2 will have been made by the date of this meeting.

2. RSL development partners

- 2.1 From the Council's panel of RSL partners, Stort Valley Housing Association were selected to work on the development of affordable homes for Blackborne and Digby. Reede and Hedgemans have been allocated to Metropolitan Housing Trust. The RSLs have been attending the local residents' and Member meetings and have established good relationships, which augur well for the future beyond the construction phase of these projects.

3. Revised housing development proposals

- 3.1 A meeting was held with the potential developers and RSLs together with Cllr B. Osborn and Council officers to seek ways to make adjustments to the schemes to deliver the aims set out in the Borough's Housing Strategy.
- No reductions to the anticipated capital receipts (£16 million)
 - No changes to the density of developments
 - No sharing of nominations for the social rented homes
 - The schemes deliver large family size houses to help meet local housing needs.
- 3.2 The RSLs in negotiation with officers have come forward with fresh proposals for tenure mixes. The essence of this is that the proportions of homes for outright market price sale and shared ownership / keyworker have increased and the social rented element has consequently reduced. The rented homes are now being cross subsidised by homes for sale – this means that there is no need for Housing Corporation grant for the rented homes, therefore, nominations are not shared. The RSLs have made bids to the Housing Corporation under the Approved Development Programme for the shared ownership and keyworker homes.

3.3. The revised housing schemes are shown in the table below:-

	Market price sale homes no.	Rented homes no.	Shared ownership / keyworker homes no.
Blackborne Road	46	11 (4 x 3 bed + 7 x 5 bed houses)	25 (1 + 2 bed flats – keyworkers)
Digby Gardens (all bungalows targeted for older and / or disabled people)	10	14 (6 x 1 bed, 6 x 2 bed and 2 x 3 bed)	13 (10 x 1 bed and 3 x 2 bed) - not keyworker
Hedgemans Road	83	17 (15 x 4 bed + 2 x 2 bed houses)	22 (18 x 2 bed + 4 x 1 bed flats)
Reede Road	177	24 (18 x 4 bed + 6 x 2 bed houses)	54 (property size mix to be determined)

3.4 Proposals were put for discussion to an informal meeting of Members on 9 December, which was attended by the Leader, lead Member for Housing, Health and Social Care and the Members in whose wards the schemes are sited. Since then some adjustments have been made to the tenure balance for Reede Road, which has resulted in an additional 18 homes, all of which to be specifically marketed for keyworkers and less rented 2 bed flats and a further 13 fewer houses for sale.

3.5 The objectives and conditions set out in paras. 3.1 and 3.2 have not been compromised in the revised proposals. These are also consistent with:

- Housing Strategy action plan
- Regeneration Best Value improvement plan
- Current Unitary Development Plan

4. Future consultation

4.1 The local focus groups will continue to meet to consider the details of the schemes.

Background papers used in the preparation of this report:

- Executive report 26 November 2002
- Members' briefing note for meeting of 9 December 2003