

CABINET

13 November 2012

Title: Council Owned Infill Sites for Housing	
Report of the Cabinet Members for Regeneration and Housing	
Open Report	For Decision
Wards Affected: Abbey, Becontree, Eastbury, Eastbrook, Heath, Mayesbrook, Whalebone and Village	Key Decision: Yes
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Accountable Divisional Director: Jeremy Grint, Divisional Director Regeneration	
Accountable Director: Graham Farrant, Chief Executive	
Summary	
<p>At its meeting on 24 July 2012, Cabinet agreed a programme of Council house building to 2017 to be funded through a combination of £30 million from the Housing Revenue Account (HRA), as set out in the HRA Business Plan and Homes and Communities Affordable Housing Programme 2011/15 funding (minute 31 refers). The same report noted that an extended new build programme would be brought to Cabinet for approval and that this would predominantly focus on addressing localised issues and development opportunities that exist on a number of relatively small infill opportunity sites.</p> <p>Subsequently officers have conducted a review of all the Council's vacant or underused sites and identified 18 sites with the potential for a total of 76 family homes and 50 flats. The purpose of this report is to seek Member approval to bring these sites forward for housing within the next five years and to procure the necessary design, consultancy and related services and works to build these. The sites will be developed for Council housing. The most appropriate mix for each site in terms of unit size can only be confirmed once the feasibility work has been undertaken. It is suggested that a steering group chaired by the Cabinet Member for Housing and attended by the relevant ward Councillors is established to consider the emerging plans for these sites and to agree the most appropriate mix of housing for each site.</p> <p>The total cost of developing the infill sites is estimated to be £18.9m on the basis that each home would cost c£150,000 to deliver. In addition Members should also note that a separate report on 'potential eyesore sites' will be reported to a future Cabinet which will have additional financial implications for the HRA.</p> <p>Figure 1 gives details of the sites and Appendix 1 to this report provides a series of maps detailing the location of the sites.</p>	

Recommendation(s)

The Cabinet is asked to:

- (i) Approve the principle of bringing forward 18 underused infill sites for housing (Use Class C3);
- (ii) Cease letting garages on the infill sites detailed, on approval of this report;
- (iii) Delegate authority to the Chief Executive, in consultation with the Corporate Director of Housing and Environment, the Head of Legal and Democratic Services and the Cabinet Member for Housing, to agree terms and a detailed financial cost plan and procure the necessary design, consultancy and related services and works necessary to realise the developments in the manner proposed in this report and to award and enter into all necessary and appropriate contracts and documentation to realise each scheme;
- (iv) Delegate authority to the Corporate Director of Housing and Environment, in consultation with the Cabinet Member for Housing, to determine the prioritising of the 18 projects listed in the report, taking into account factors such as the outcome of public consultation, the likely delivery timescales and funding availability; and
- (v) To examine the possibility of bringing forward other HRA owned sites.

Reason(s)

Development of these sites will help to deliver the Council's Policy House objective of 'Better Home' by helping to achieve the following outcomes:

- A borough with more affordable housing for local residents, with a particular focus on family-sized houses.
- A borough with improved estates and homes that people choose to live in, whether owned by the Council, other social landlords, privately rented or owned.

It will therefore also help deliver outcomes under the 'Better Together' theme including:

- A borough in which people are proud and satisfied to live and work.

1. Introduction and Background

1.1 Officers have conducted a review of all the Council's vacant or underused sites and identified 18 sites with the potential for family housing. The purpose of this report is to seek Member approval to bring these sites forward for housing within the next five years and to procure the necessary design, consultancy and related services and works to build these. Figure 1 gives details of the sites and Appendix 1 to this report provides a series of maps detailing the location of the sites.

1.2 Barking and Dagenham has experienced rapid population growth, as evidenced in the publication of the initial release of the 2011 Census data earlier this year. This revealed a population growth of 22,000 from 2001 to 2011. It also showed that Barking and Dagenham has the highest proportion of pre-school aged children in the country. These circumstances put additional pressure on the borough's existing

housing stock. This is further evidenced in the Barking and Dagenham Housing Strategy 2012-2017 which identifies a rise in the number of households on the Council's Housing Needs Register (HNR) with the waiting list increasing from 2,157 in 2001 to over 12,000 in 2011. The Barking and Dagenham Housing Needs Survey (2011) identifies a clear need for new affordable housing with a priority for family-sized (3+bed) affordable housing. Objective 1 of the Housing Strategy 'Delivering social and economic regeneration through building high quality homes and thriving communities', highlights the provision of new social housing as a key Council priority. These findings are reflected in the Council's Statement of Priorities 2012-13 and one of its four themes 'Better Home'. The Council has established a clear set of objectives for the delivery of new housing.

2. Proposal and Issues

- 2.1 The 18 infill sites, set out in Figure 1 below, have not been allocated for housing in the Council's adopted Local Development Framework (LDF). Neither do any of these sites have any special designation; none of these sites are protected open space or sites of importance for nature conservation for example. Therefore bringing these sites forward for housing would not conflict with the Borough's planning policies or environmental objectives.
- 2.2 In addition to the sites proposed in this report, it should be noted that another report will be brought to Cabinet in December 2012 setting out a number of privately owned sites which the Council could purchase with potential to deliver new homes for affordable rent. When considering the financial implications of funding the infill sites, the potential for delivering new housing on these additional 'potential eyesore sites' should also be considered as part of the overall strategy.
- 2.3 The eyesore sites are generally situated in prominent locations (along main roads, near to retail parades) as well as in comparatively more deprived communities. Therefore, the wider physical and socio-economic regeneration benefits of bringing these sites forward for redevelopment must also be considered.

Figure 1: Vacant or underused infill sites identified for residential development

Garage Sites					
Map Ref	Site Name	Ward	Existing use	Area / Hectares	Potential Number of new dwellings
1	Bevan Avenue	Eastbury	Garage site.	0.10	3 houses
2	Wheatley Mansion	Eastbury	Garage site.	0.03	2 houses
3	Keir Hardie Way	Eastbury	Garage site.	0.19	3 houses
4	Porters Avenue / near Bromhall Road	Mayesbrook	Garage site with narrow access.	0.12	4 houses
5	Ilchester Road	Mayesbrook/ Becontree	Garage site, opposite Lillechurch Road.	0.17	6 houses
6	Ilchester Road	Mayesbrook/ Becontree	Garage site, opposite Ivinghoe Road.	0.15	6 houses

7	Corner of Oxlow Lane & Rainham Road North (Webbs Croft Rd)	Heath	Garage site Awkward shape and positioning of surrounding buildings limits capacity	0.14	3 houses.
8	Limbourne Avenue / Crow Lane	Whalebone	Garage and amenity site south of the railway line.	0.32	Up to 30 flats, dependent on site constraints
Car Park Sites					
9	Maxey Road	Heath	Car park site, awkward shape site.	0.11	2 houses
10	Salisbury Road	Village	Car park.	0.28	10 houses
11	Highland Avenue	Eastbrook	Car park / green site. Part of site needs to be kept open to provide access to existing houses.	0.14	3 houses
Green Sites with low amenity value and not protected in Local Development Framework					
12	Northern Relief Road, rear of Whiting Avenue	Abbey	Green site. Not all of the site is suitable for development due to the slope of the site.	0.65	20 flats
13	Margaret Bondfield Avenue	Eastbury	Green site used as amenity area.	0.18	6 terraced houses
14	Basedale Road	Mayesbrook	Green site. Corner plot, the southern portion of the site should not be developed due to the topography.	0.27	3 houses
15	Ilchester Road	Mayesbrook/Becontree	Green site. Opposite footpath to Markyate Road.	0.12	2 houses due to need to retain access
16	Humphries Close	Heath	Green site at the top of Weston Green.	0.13	3 houses
17	Stansgate	Heath	Large green	0.80	15 houses

	Road		site/garage site providing pedestrian access to Stour Road.		
18	Church Lane	Village	Green site.	0.16	5 houses

2.4 Should all of the 18 individual sites, be brought forward, based on the assumptions above, 76 family homes and 50 flats could be delivered across the 4.06 ha of land. Of the sites identified the current land use is broken down as follows:

- 8 garage sites. None of these sites were included in the report to Cabinet on 22 May 2012 for improving garage management and enhancing the parking facilities available to residents of and visitors to the Borough (minute 4 refers). Consultation with the Director of Housing and Environment has confirmed that the identified garage sites should be included
- 2 car park sites
- 7 green sites with low amenity value and not protected in the Local Development Framework
- 1 car park/unallocated green space site

2.5 Assumptions on the number of dwellings that can be accommodated on each site are set out in Figure 1. The suggested housing numbers have been made based on low-rise, two storey, family house (3+bed) units being brought forward on all but two of the sites. Site 11, due to its proximity to the Northern Relief Road and its topography would not be suitable for family housing. As such, a flatted development is considered to be more appropriate for this site. Flatted development is also proposed for Site 8 due to its setting, in particular its proximity to the railway line.

2.6 Infill development can meet the needs of both the environment and communities bringing new housing, jobs, and public revenues and addressing longstanding economic isolation. The Council's statement of priorities and our Joint draft Health and Wellbeing Strategy support this approach on a number of levels.

2.7 The design and layout of these sites will require careful consideration to ensure that the new homes fit into and enhance the character of the surrounding areas. In this regard it is not only the design of the homes which is important but also making sure the mix and size of homes is suitable for each location. The design ethos is key to improving health and wellbeing to deliver good quality homes that are both environmentally responsible and healthy places to live in. The homes should be designed and built so that minimum energy and water are used by the occupants of the buildings. This will dramatically reduce the running costs and carbon emissions of the homes, making them more affordable and environmentally sound. Equally by directing new housing, and people, to sites within existing settlements it can help provide the critical mass needed to either provide or enhance existing services, such as public transport, health care, and shops. This can aid the reduction in the need to travel by private car and prevent unchecked urban sprawl, which in turn can help aid the achievement of wider sustainability and place making goals. Should Members be minded to approve the principle of these sites for housing, Officers will

need to progress with the necessary feasibility, design and construction studies to confirm the sites are capable of delivering the number of homes envisaged.

- 2.8 These sites by their infill-nature are surrounded by existing residential properties and since they are not included in the Local Development Framework have not been subject to any consultation. As such, should Members decided to take forward these site for development it is important that effective public consultation takes place, allowing local people to help shape their surroundings.

3. Options Appraisal

- 3.1 Failure to approve the principle of these sites for housing development would mean that a potential 76 new family homes and 50 new flats would not be built. Not developing these sites would mean that the Council's land asset would be underutilised and not contribute to lessening the shortage of housing. As set out earlier in the report one of the key objectives of the Council's Housing Strategy is the provision of more affordable housing for local residents. Furthermore, a proportion of these sites are vacant garage sites which could be considered to detract from the visual amenity of the borough. Bringing these sites forward would not only provide much needed family housing but should, with careful design, improve the environment for the borough's residents. For these reasons, and the reasons set out in the report, Officers consider that doing nothing is not an option.

4. Consultation

- 4.1 No public consultation has been conducted to date on these sites. Should Members approve the principle of these sites as being suitable for housing it is imperative, given the proximity of these sites to existing homes, that the community is engaged from an early stage. It is suggested that a steering group chaired by the Lead Member for Housing and attended by the relevant ward Councillors is established to consider the emerging plans for these sites and to agree the most appropriate mix of housing for each.

5. Financial Implications

Implications completed by: Jahangir Mannan, Group Accountant

- 5.1 The financial implications cannot be fully assessed until a prioritised list of the sites to be constructed has been agreed and detailed designs for each development have been produced. The schemes will need to be prioritised based on the business case for each site. There are, however, a number of general financial implications which are detailed below.
- 5.2 The intention is for a programme of new Council homes construction to be funded from within the HRA, in which £126.9 million has been set aside for new Council house builds to 31 March 2022. This includes the application of grant secured from the Homes & Communities Agency's Affordable Housing Programme 2011/15 of £18.3 million. £96.9 million of the above budget has already been allocated to schemes detailed in the original report; the proposed £18.9 million will be funded from the balance remaining of the above budget.

- 5.3 The land on which it is proposed to develop the new homes is currently owned by the Council so there are no implications in respect of land acquisition costs. Section 106 and Community Infrastructure Levy (CIL) payments would not be forthcoming as the Council is proposing the house building schemes rather than an external developer. If there are any areas of land proposed for development in this report that are not owned by the HRA, and currently sit within the General Fund, these will need to be appropriated over to the HRA. Where this is the case, the HRA CFR will be adjusted by the relevant amount and, therefore, may reduce the HRA's borrowing headroom to fund the remaining Decent Homes Programmes.
- 5.4 There will be various revenue implications in terms of the direct services to these properties, such as refuse collection and street lighting; as well as impacts/demands on existing infrastructure such as schools. The construction of these new homes will, however, increase the Council Tax base and the additional revenue generated will contribute towards offsetting the revenue implications. There will also be additional revenue pressures created within Landlord Services to manage and maintain the proposed properties. Therefore, the rents and service charges will need to be set at an appropriate level to recover these costs.
- 5.5 The Council will be awarded a New Homes Bonus (NHB) for each net addition to the housing stock, equal to £7,500 per new home. There is also an additional £2,100 per gross new affordable home built, regardless of the number of demolitions. These sums are based on an average band D Council Tax rate over a six year period. As this proposal seeks to build new, affordable homes on currently vacant sites, the Council will receive the full £9,600 per new home and, on the assumption that approximately 100 homes will be built, the Council will receive a NHB in the order of £960,000.
- 5.6 These homes are to be funded from the Housing New Build Programme which has been factored into the HRA Business Plan presented to Cabinet in July 2012. If Members approve these proposed sites for development then the New Build Programme List will be revised accordingly.

6. Legal Implications

Implications completed by: Alison Stuart, Principal Lawyer

- 6.1 By virtue of section 2, Local Government Act 2000, local authorities have the power to do anything which they consider is likely to achieve any one or more of the following objects:
- (a) the promotion or improvement of the economic well-being of their area,
 - (b) the promotion or improvement of the social well-being of their area, and
 - (c) the promotion or improvement of the environmental well-being of their area.
- (2) The power under subsection (1) may be exercised in relation to or for the benefit of—
- (a) the whole or any part of a local authority's area, or
 - (b) all or any persons resident or present in a local authority's area.

- 6.2 Section 32 of the Housing Act 1985 requires that, before housing land within the Housing Revenue Account can be transferred, the Secretary of State's consent must first be obtained.
- 6.3 S105 Housing Act 1985 provides that a landlord authority shall maintain such arrangements as it considers appropriate to enable those of its secure tenants who are likely to be substantially affected by a matter of housing management to which this section applies:
- (a) to be informed of the authority's proposals in respect of the matter, and
 - (b) to make their views known to the authority within a specified period; and the authority shall, before making any decision on the matter, consider any representations made to it in accordance with those arrangements.
- 6.4 It is envisaged that the contracts to be procured under this recommendation, would likely be of a high value, and that the requirements of the Public Contract Regulations 2006 would apply. The Council will need to ensure that the procurement processes, in relation to the contracts awarded, comply with this legislation and are conducted in a fair and transparent manner.
- 6.5 It is recommended Legal Services provide further comment once updates are brought to the delegated officer, being the Council's Corporate Finance Director or successor, outlining the further details of contracts to be procured, once the detailed financial cost plan is prepared

7. Other Implications

- 7.1 **Risk Management** - These proposed schemes will be subject to the Council's internal Capital Programme Management Office structure, this process requires all of the identified project risks to be identified and mitigated via an actively managed risk management plan before approval is given for the scheme to commence.
- 7.2 **Contractual Issues** - The proposal to deliver the proposed schemes will be through the use of the Council's existing Construction and Professional Services Frameworks to ensure compliance with both the Council's Contract Rules and the Public Contracts Regulations 2006 (as amended).
- 7.3 **Staffing Issues** - There are no staffing implications arising from this report, the Procurement of a suitably qualified design Team, the scheme development to planning application stage, the tender of a main contractor and the Project Management of the Construction period can be dealt with by officers from Regeneration, Development Management and Asset and Capital Delivery in the course of their normal duties.
- 7.4 **Customer Impact** - As outlined earlier in this report approval of the recommendations contained in this report contribute directly to the delivering the Council's Housing Strategy and one of the key principles of the Council is the provision of more affordable housing for local residents. In addition these homes will be built to Code for Sustainable Homes level 4 meaning that residents should have extremely low fuel bills.

- 7.5 **Safeguarding Children** - The development of these sites for family housing will improve conditions for those families in housing need who are housed in them.
- 7.6 **Health Issues** - The development of these sites will have a positive impact on residents by providing high quality residential accommodation. In particular, it would have a positive impact on ill health attributed to poor housing conditions and overcrowding due to a lack of housing in the Borough. General health and wellbeing will be improved as a result of improved visual appearance of the garage sites in particular, thereby increasing civic pride. Overall, bringing forward new homes would be expected to result in a benefit upon local wellbeing and an improvement of quality of life.
- 7.7 **Crime and Disorder Issues** - Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals.

Levels of crime and disorder will be taken into consideration at the Planning stage of any new development to address the design of the built environment to improve community safety. Levels of crime and disorder vary between the sites and will need to be taken into consideration. This can be addressed in the design of the built environment and a change in the fabric will be a catalyst to a better, more sustainable community.

- 7.8 **Property / Asset Issues** - The proposal to redevelop these sites will keep the sites within the Council's ownership.

Background Papers Used in the Preparation of the Report:

- Barking and Dagenham Strategic Housing Market Assessment and Housing Needs Survey (2011)
- National Planning Policy Framework, 2012
- Cabinet Report, 20 March 2012, Housing Strategy 2012 - 2017 and Council Housing Business Plan 2012/13, (Minute 120 – 20/03/12)
- Cabinet Report, 22 May 2012, Housing Garage Sites (Minute 4 – 22/05/12)
- Cabinet Report, 24 July 2012, Housing Capital Investment Programme 2012-2017 (Minute 31 – 24/07/12)

List of appendices:

- Appendix 1: Infill Site Maps