

EPHING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Council Housebuilding Cabinet Committee **Date:** Tuesday, 23 June 2020

Place: Virtual Meeting on Zoom **Time:** 7.00 - 7.45 pm

Members Present: H Whitbread (Chairman), N Avey, N Bedford, A Patel and J Philip

Other Councillors: R Brookes, R Morgan, S Murray, C C Pond, J Share-Bernia, D Stocker and C Whitbread

Apologies: None

Officers Present: D Fenton (Service Manager (Housing Management & Home Ownership)), J Cosgrave (Interim Development Housing Manager), J Leither (Democratic Services Officer), S Mitchell (PR Website Editor) and G Woodhall (Democratic & Electoral Services Officer)

1. WEBCASTING INTRODUCTION

The Chairman reminded everyone present that the meeting would be broadcast live to the internet and that the Council had adopted a protocol for the webcasting of its meeting.

2. SUBSTITUTE MEMBERS

The Cabinet Committee noted there were no substitute members.

3. DECLARATIONS OF INTEREST

There were no declarations of interest pursuant to the Council's Code of Member Conduct.

4. MINUTES

Resolved:

That the minutes of the meeting held on 12 March 2020 be taken as read and signed by the Chairman.

Due to the current Covid-19 situation all minutes agreed at a virtual meeting will be signed by the Chairman at a later date.

5. PROGRESS REPORT - PHASES 2-4

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report to the Cabinet Committee, she advised that the report set out the progress that has been made across phases 2 to 4 of the Council Housebuilding programme that had either been completed, were on-site or were currently being procured.

Phase 2 – Burton Road, Loughton

Burton Road, Loughton consisted of 51 properties, 15 x 3 Bed Houses, 2 x 2 Bed Houses, 23 x 2 Bed Flats and 11 x 1 Bed Flats.

There was a delay in the handover of the remaining 6 properties which occurred on the 19 March 2020, this delay was due to a gas supply issue. There remained a 2.5% retention of £271,899.

Phase 3 – Queens Road, North Weald

Queens Road, North Weald consisted of 12 properties, 10 x 3 Bed Houses and 2 x 2 Bed Houses. The original start date was delayed due to the discovery of asbestos and a new road and sub-station works. This was currently forecast to be completed on the 30 September 2020 however, further delay was anticipated due to the Covid-19 restrictions upon the supply chain.

Phase 4.1

There were 14 units in phase 4.1 that had been tendered and were approved at the Council Housebuilding Cabinet Committee on 19 December 2019, contracts had been signed and the start on site dates were as below.

			Latest Anticipated Start on Site	Handover
Chequers Road (A), Loughton	HR 124	3 x units	29:06:20	29:06:21
Bushfields, Loughton	HR 122	2 x units	29:06:20	29:06:21
Chester Road, Loughton	HR 130	3 x units	03:08:20	29:06:21
Queensway, Ongar	HR 140	4 x units	07:09:20	29:06:21
Millfield, Ongar	HR 138	2 x units	07:09:20	29:06:21
Total		14 x units		

Contracts had been signed and the pre-design work had continued to be progressed within the Government Guidelines and restrictions, with the aim of minimising any delay to the commencement of works on site. A staggered start on site was to be made to assist with compliance with the new Covid-19 working arrangements, notwithstanding that it was currently anticipated that all handovers would occur by the end of June 2021.

Phase 4.2

There were 22 units that had been tendered and an update would be reported to the Council Housebuilding Cabinet Committee meeting on the 8 September 2020.

			Latest Anticipated Start on Site	Handover
Hornbeam Road (B), Buckhurst Hill	HR 136	3 x units	12.07:20	12.07:21

Hornbeam House , Buckhurst Hill	HR 137	2 x units	12.07:20	12.07:21
Bourne House , Buckhurst Hill	HR 135	2 x units	12.07:20	12.07:21
Etheridge Road , Debden	HR 127	3 x units	12.07:20	12.08:21
Denny Avenue , Waltham Abbey	HR 144	3 x units	12.07:20	12.08:21
Beechfield Walk , Waltham Abbey	HR 147	5 x units	12.07:20	12.08:21
Kirby Close , Loughton	HR 120	4 x units	12.07:20	12.08:21
Total		22 x units		

Subject to the acceptance by the Cabinet of this the latest anticipated Start on Site and Handover dates which are given above.

Phase 4.3

There were 21 units being progressed for tender and a further report updated report would come to 8 September 2020 meeting of the Council Housebuilding Cabinet Committee.

Pick Hill , Waltham Abbey	HR 145	2 x units
Pentlow Way , Buckhurst Hill	HR 139	7 x units
Bromefield Court , Waltham Abbey	HR 143	1 x units
Bromefield Court , Waltham Abbey	HR 147	1 x units
Stoneyshotts , Waltham Abbey	HR 148	1 x units
Woollard Street , Waltham Abbey	HR 149	8 x units
Wrangley Court , Waltham Abbey	HR 161	1 x units
Total		22 x units

These sites were anticipated to be issued for tender by the end of June 2020 with the aim of making a Start on Site in November 2020 and Handover by November 2021/March 2022.

Notwithstanding the current Government restrictions there had been good progress made in these difficult circumstances to continue to progress due diligence and work towards completing the design to minimise any further potential delays.

Phase 4.4

There were 27 units (including an additional 12 units) which were being technically progressed in anticipation of planning submission and tender.

Chequers Road (B) , Loughton	8 x units
Ladyfields ,	16 x units

Loughton	
Lower Alderton Hall Lane, Loughton	2 x units
Thatchers Close, Loughton	1 x units
Total	27 x units

The table above now reflected a potential increase in affordable units of 12 over what had previously been forecast and approved.

Phase 5

A detailed review was nearing conclusion to identify several potential sites which may be progressed for future development. This would involve engagement with Local Councillors to discuss and address local issues so that these development sites may progress.

Once these have progressed sufficiently and have been initially assessed, a Feasibility Report would be presented to Cabinet for consent to proceed and progress to the planning application and delivery stage.

The Rights of Way/Access issues stemming from the Appropriation process were being addressed in line with the phased programme. A policy is being developed to ensure a fair and consistent approach was being taken.

Councillor A Patel asked in there had been any increase in the cost of the construction and materials post covid-19.

John Cosgrave, Interim Housing Development Manager advised that the contractual position was that they could claim an extension of time but they could not claim any additional prelims. Presently there were no indications of any potential increase in costs associated with materials.

Councillor A Patel asked in terms of the 12 weeks lost due to the Covid-19 lockdown, if the Contractors were unable to complete on the May deadline, should we be negotiating with them now for a contract extension to take this period of time into account.

The Interim Housing Development Manager replied the delay over the last 12 weeks had partially been factored in. As this contract was a predominantly design and build contract there was an obligation on them to carry out certain design work, which fortunately coincided with the Covid-19 lockdown period.

There had been a delay identified in Phase 2, Queens Road where the contract had been due to finish in August 2020 but was now currently running 8 weeks late. The cost associated with that was not anticipated to be excessive, the main for the delay, which were cost related would be due to third party services which have not yet been quantified. These costs associated with the delay are not anticipated to be materially excessive as to what would be reasonable.

Councillor J Philip stated with regard to Phase 4.2 which was supposed to start on site in July this year, the planning permissions were agreed three or four years ago with a commencement start date within three years of approval. Therefore most of the planning permissions would now have expired, so how could a start on site in July be implemented if the planning permissions had expired, new planning

permissions would have to be sought, which would now be caught by the Special Area of Conservation (SAC).

The Interim Housing Development Manager advised that the planning consents were enacted within the time limit. The pre-commencement conditions, in terms of carrying out certain demolition works and contamination surveys, were commenced and signed off so the planning consents were enacted.

Councillor J Philip stated that normally a pre-commencement condition happened before you would commence on site, the commencement of the planning condition happens after you have removed the pre-commencement condition.

The Interim Housing Development Manager advised that the pre-commencement that related to the planning consents had been activated in time and therefore the planning consents had been maintained except for Thatchers Close and Lower Alderton Hall Drive.

Councillor N Bedford asked with regard to Phase 4.1, Queensway and Millfield, Ongar are they scheduled to start on the 7 September 2020 or will there be a delay with regard to the Covid-19 lockdown.

The Interim Housing Development Manager advised that there had been a recent meeting with the contractor and Queensway and Millfield were currently on track to start on the 7 September, the contractor will notify the Council as soon as possible to any anticipated delays.

Councillor N Bedford asked how much was the contingency allowance and should more funds be factored in. On previous sites it was found that when we have hit a contingency it wasn't budgeted correctly, there was an massive overspend on the sites due to asbestos which was found below the sites and these sites are exactly the same sort of garage sites.

The Interim Housing Development Manager advised in terms of contingency I am aware that on previous phases there had been a considerable cost increase experience, due to a number of different factors, a great deal of those issues had been mitigated by the process adopted on Phase 4. In terms of forecasting for contingency we have identified that circa 10% of the construction cost was adequate.

Councillor Patel highlighted a paragraph in the report on agenda page 15:

“Also of note in response to the Councils Climate Emergency pledge on 19 September 2019, “to do everything within the Councils power to make Epping Forest District Council area carbon neutral by 2030” we are currently carrying out a review of the construction proposals with the aim of moving closer to achieving a ‘Passivehaus’ standard by incorporating the ‘Passivehaus’ principals within the massing and fabric design which will go a great way towards achieving the Councils stated aim.”

Councillor Patel stated that he welcomed that paragraph and that as a Committee, supported that move forward.

The Chairman, Councillor H Whitbread advised that the Burton Road development was a very eco-friendly development with smart readers and solar panels and that would help the Council along the way to the net zero target.

Councillor Morgan asked if there was an update to the garages at the Colvers in Matching Green as in the past there had been talk of the site becoming demolished and houses built on it.

The Interim Housing Development Manager advised that the application was refused at committee and due to the Council reorganisation, the garage uses are currently being assessed under the new structuring plan as different people are now responsible for dealing with the functions of managing the garages.

Councillor C C Pond advised that now the Burton Road site was completed he had a number of representations from people who have moved into the Burton Road development asking about parking. Although tenants were told at the beginning that there was none or very limited parking they have requested, through Councillor Avey's team, that season tickets be made available in the Burton Road car park, which is opposite the development, where the residents say that it is very seldom under any stress. Therefore could the Chairman and Councillor Avey meet to see if any scheme could be devised to allow those people to acquire season tickets in the Burton Road car park while there is still capacity in them.

The Service Manager, Housing Management and Home Ownership advised that Torrington Drive, which runs behind Burton Road had some designated parking and the Housing team are looking to see if any of that space could be utilised by the residents in Burton Road. She advised that she would report back the findings at the next meeting.

The Chairman thanked Officers for their continued work on the Burton Road development and advised that at the beginning of the Covid-19 lockdown the opening of Burton Road development was due to go ahead but this had to be cancelled, which was very disappointing. She advised that before the lockdown she did get to visit the site with the local MP who was very impressed with the buildings and hopefully this can be marked when the social distancing has been lifted.

Decision:

- (1) That the contents of the Progress Report on Phases 2 to 4 of the Council House Building Programme be noted and presented to Cabinet in line with the Terms of Reference of the Council Housebuilding Cabinet Committee.

Reasons for the Decision:

Set out in its Terms of Reference, the Council Housebuilding Cabinet Committee is to monitor and report to the Council on an annual basis on progress and expenditure concerning the Council House Building Programme. This report sets out the progress made over the last 12 months.

Other Options Considered and Rejected

This report is on the progress made over the last 12 months and is for noting purposes only. There are no other options for action.

6. ACCEPTANCE OF TENDERS - COUNCIL HOUSEBUILDING PROGRAMME

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report to the Cabinet Committee, she advised that the Council's Procurement Rules required a Cabinet decision when awarding contracts in excess of £1m. However, the Cabinet had delegated authority to the Council Housebuilding

Cabinet Committee to agree all tenders associated with the Council's house-building programme as set out in its Terms of Reference. Authorisation to enter into a Build Contract was required to enable a start on site to be made and for these properties to be delivered.

Therefore the decision to award contract 1 to Indecon Building Limited to undertake the construction of 7 properties, for a sum of £2,160.15 together with the proposed construction of 52 weeks and to award contract 2 to Indecon Building Limited to undertake the construction of 11 properties, for a sum of £4,234,504 together with the proposed construction of 52 weeks be agreed by the Cabinet Committee.

Councillor J Philip asked why had the Council only gone out to tender to two companies.

John Cosgrave, Interim Housing Development Manager stated that four companies were on the framework agreement and they were approached to tender for these contracts but two declined to tender.

Councillor J Philip asked how the assumption of 52 weeks to complete the development arrived at.

John Cosgrave replied that was more than a reasonable assumption of time to complete these developments.

Decision:

- (1) That, Indecon Building Limited be awarded the contract to undertake the construction of 7 properties, (contract 1) in the sum of £2,160,015 together with the proposed construction period of 52 weeks; and
- (2) That, Indecon Building Limited be awarded the contract to undertake the construction of 11 properties, (contract 2) in the sum of £4,234,504 together with the proposed construction period of 52 weeks.

Reasons for the Decision:

The Council's Procurement Rules requires a Cabinet decision when awarding contracts in excess of £1m. However, the Cabinet have delegated authority to the Council Housebuilding Cabinet Committee to agree all Tenders associated with the Council's house-building programme as set out in its Terms of Reference. Authorisation to enter into a Build Contract is required to enable a start on site to be made and for these properties to be delivered.

Other Options Considered and Rejected:

To award the contracts to any other contractor that has tendered for the works.

7. ADOPTING A 2-PART REGISTER FOR SELF-BUILD AND CUSTOM HOUSEBUILDING

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report to the Cabinet Committee, she advised that the report related to adopting a 2-part register for self-build and custom housebuilding.

Self-build and custom housebuilding could be one of two things:

- A serviced plot could be provided and the purchaser would build from the ground upwards; or
- The Council could provide six different types of houses on a plot without the interior fitted out and the purchaser could custom design those properties to suit their needs.

It was proposed that following the initial review at the Cabinet Committee, this report would be presented to the Cabinet in July, to recommend the adoption of both the 2-part register and the local connection and financial solvency tests.

The Council currently had a single Self-build and Custom Housebuilding Register which was not divided into 2 parts.

The registration process in its current form counts all entries in the register as demand for Self-build and Custom Housebuilding (SBCH) in the District. A 2-Part registration would be beneficial in terms of prioritising applicants with local connections to the area and establishing a more realistic assessment of local demand.

Access to Part 1 of the Register should be subject to a local connection test based on living or working in the District and a financial assessment of capability to purchase plots.

The Self-build and Custom Housebuilding register came into effect through the Self-build and Custom Housebuilding Act 2015 amended by the Housing and Planning Act 2016, to promote the Government's Right to Build Scheme supporting individuals and associations wishing to build their own homes.

The legislation created a duty on the relevant authorities, including District Councils, to keep a register; and have regard to the register when carrying out their planning, housing, land disposal and regeneration functions. Furthermore, a duty to grant planning permission for enough suitable serviced plots of land to meet the demand for Self-build and Custom Housebuilding in the area. This level of demand was established by reference to the number of entries added to an authority's register during each base period.

Councillor Patel expressed concern and asked for some clarification, in terms of the specification of the build, in the Council housebuilding programme that had been adopted, the Council were incorporating the lifestyle homes specification and the accessible disability specification, would this be incorporated as part of the specification when the register was opened.

The Service Manager, Housing Management and Home Ownership advised in terms of the serviced plots we would just supply a plot and would not have any input as to what was built there. However, whoever purchased the plot would need to go through planning.

In the terms of the custom build the actual shell would be built to the Council's specification and the purchaser would only design the interior.

Councillor Philip advised that custom and self-build still fall under the same planning regulations as non-custom and self-build that come under the Local Plan and therefore would have to comply with the planning regulations.

Decisions:

- (1) That the Cabinet Committee noted the recommendation to adopt a 2-part register; and
- (2) That the Cabinet Committee noted the recommendation to adopt and implement local connection and financial solvency tests.

Reasons for the Decision:

The Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) required the Council to keep a register of individuals and associations who were seeking to acquire serviced plots of land in the District for self-build and custom housebuilding.

With the housing pressure and limited capacity to meet all housing needs, it was essential that the Self-build and Custom Housebuilding Register was effective, by adopting the eligibility criteria noted above and implementing a 2-part register, it provided the necessary prioritisation to support local applicants and their housing need.

Other Options Considered and Rejected:

To continue to use a single register meant that the Council had a statutory requirement to provide permissioned serviced plots to all applicants on the register regardless of local connection. This option made it difficult to prioritise limited land supply and meet local need with multiple applications from applicants across various local authorities.

8. ANY OTHER BUSINESS

The Cabinet Committee noted that there was no other matters of urgent business for consideration.

9. EXCLUSION OF PUBLIC AND PRESS

The Cabinet Committee noted that there was no other urgent business for consideration.

CHAIRMAN