

# **Report to the Council Housebuilding Cabinet Committee**



**Report reference:** CHB-016-2015/16      **Date of meeting:** 24 March 2016      **Epping Forest District Council**

**Portfolio:** Housing – Cllr David Stallan

**Subject:** Feasibility Reports – Council House-Building Programme

**Responsible Officer:** Paul Pledger, Asst. Director of Housing (Property)  
(01992 564248)

**Democratic Services Officer:** Jackie Leither (01992 564756)

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## **Recommendations:**

- (1) That the Cabinet Committee considers the viability of each of the 13 (Thirteen) individual feasibility studies taken from the Cabinet approved list of Primary Sites, or has since been agreed to be added to the list since, as listed below, for consideration for inclusion in a future phase of the Council House-building Programme:
  - a) Mallion Court, Waltham Abbey
  - b) Mason Way, Waltham Abbey
  - c) Stonyshotts, Waltham Abbey
  - d) Gant Court, Waltham Abbey
  - e) Woppard Street, Waltham Abbey
  - f) Denny Avenue, Waltham Abbey
  - g) Beechfield Walk, Waltham Abbey (Option A)
  - h) Beechfield Walk, Waltham Abbey (Option B)
  - i) St Thomas's Court, Waltham Abbey
  - j) Pick Hill, Waltham Abbey
  - k) Bromfield Court, Waltham Abbey
  - l) Wrangley Court, Waltham Abbey
  - m) Shingle Court, Waltham Abbey
- (2) That, subject to Secretary of State consent, the former garage sites and any associated amenity land edged red on the site plans associated with each of the sites agreed as viable in recommendation 1 and identified for the development of Council House Building, be appropriated for planning purposes under provisions laid out in the Local Government Act 1972 and Town and Country Planning Act 1990 on the grounds that the land is no longer required for the purposes for which it is currently held in the Housing Revenue Account;
- (3) That the Housing Portfolio Holder be authorised to submit detailed planning applications for each of the sites in recommendation 1 agreed as viable;
- (4) That Phase 6 of the Council's house-building programme be made up of the sites included in recommendation 1 that are agreed as viable; and
- (5) That for any sites not considered viable for Council house-building, alternative uses be agreed based on the following options:
  - a. To sell the site for social housing to a Housing Association in return for a capital receipt to fund future Council house-building and to gain nomination rights for Council housing applicants;

- b. To sell the site for private development, either for residential or other use in return for a capital receipt to fund future Council house-building;
- c. To divide up the site and sell the land to local residents to extend their private gardens in return for a capital receipt to fund future Council house-building;
- d. To demolish the garages, re-surface and mark out the land and to leave the site as open car parking for local residents;
- e. To sell the site to a Town or Parish Council for their own purposes (eg. public amenity space) in return for a capital receipt to fund future Council house-building; or
- f. To continue to market and rent the garages to local residents

### **Executive Summary:**

Each of the 13 sites included with this report are presented as individual feasibility studies, which identify the number of units and the mix that achievable for each site, along with the total scheme cost and the subsidy required to deliver the affordable housing on each site. All sites agreed as viable will form Phase 6 of the Council's house-building programme.

### **Reasons for Proposed Decision:**

At its meeting in August 2014, the Cabinet Committee asked that each of the sites on the Primary List of approved sites be progressed to feasibility stage to create a bank of sites for future phases of the House-building Programme. The 13 sites included in this report are from the original list of 65 sites approved by the Cabinet in 2012, and will form Phase 6 of the Council house-building programme as defined by the Policy on the prioritisation of development sites by area.

### **Other Options for Action:**

1. Not to progress with any of the schemes presented in this report.
2. To develop the sites with a different number of homes, or with an alternative mix of property types or parking allocation.

### **Background**

1. At its meeting in July 2012 the Cabinet agreed a list of 65 primary sites for Council-house-building and also that the Council's Development Agent (once appointed) prepares feasibility studies on all of those sites.
2. Furthermore, at its meeting in April 2014, the Cabinet Committee agreed to accelerate the House-building Programme by increasing the number of homes per year from 20 to 30 over a 10-year programme as opposed to a 6-year programme that was previously the target. This has resulted in the need to bring forward the feasibility studies for each of the sites at the request of the Cabinet Committee.
3. Attached to this report are 13 individual feasibility studies in Waltham Abbey. Each feasibility study considers the number and mix of units capable of being delivered on each site. It also estimates the total scheme cost for each site along with an estimate of how much subsidy will be required. A summary table, bringing together all of the key information from the feasibility reports can be found at appendix 1.
4. For those sites that are, for whatever reason, not considered to be viable or unsuitable for redevelopment as part of the Council's House-building Programme, then the Cabinet Committee is to consider what future use should be investigated based on the following options:

- a. To sell the site for social housing to a Housing Association in return for a capital receipt to fund future Council house-building and to gain nomination rights for Council housing applicants;
  - b. To sell the site for private development, either for residential or other use in return for a capital receipt to fund future Council house-building;
  - c. To divide up the site and sell the land to local residents to extend their private gardens in return for a capital receipt to fund future Council house-building;
  - d. To demolish the garages, re-surface and mark out the land and to leave the site as open car parking for local residents;
  - e. To sell the site to a Town or Parish Council for their own purposes (eg. public amenity space) in return for a capital receipt to fund future Council house-building; or
  - f. To continue to market and rent the garages to local residents
5. If the sites are considered viable, then it is recommended that these sites form Phase 6 of the Council's house-building programme and that the Housing Portfolio Holder also be authorised to submit planning applications for each site that is agreed as viable.

#### Appropriation of the Site

- 6. The Council holds property for various statutory purposes in order to provide its various functions. Such land is used only for the purpose of the function for which it was originally acquired, until such time as the land is disposed of or "appropriated" for another use.
- 7. Appropriation is the procedure under the Local Government Act 1972 and Town and Country Planning Act 1990 to change the purpose for which the land is held for one statutory purpose to another, provided that the land is no longer required for the purpose for which it was held immediately before the appropriation. The consent of the Secretary of State is required to appropriate the land.
- 8. The Council wishes to see the sites edged red on the plans agreed as viable in recommendation 1 redeveloped for the specific purpose of residential accommodation on sites which previously were used for garages and or grassed amenity land, which in the current usage the former are not fit for that purpose. By appropriating the sites for planning purposes, the Council will be able to secure their redevelopment and future use by relying on the statutory provisions relating to the redevelopment and disposal of the land held for planning purposes.
- 9. There is a risk that the proposed re-development scheme may be frustrated by third party rights, which would in turn frustrate the Council's regeneration objectives for the site. By appropriating land, once planning permission is obtained, the rights of affected third parties can be overridden to the extent that they become an entitlement to compensation rather than a right to obtain an injunction to prevent the scheme.

#### **Resource Implications:**

The sum of the works costs and fees will be made available at the meeting. However, the actual costs and the year in which it will be expended will be determined at a future date.

#### **Legal and Governance Implications:**

Within its Terms of Reference, the House-Building Cabinet Committee is expected to consider each site and package of works and either approve it to progress to detailed planning stage or agree an alternative use.

#### **Safer, Cleaner and Greener Implications:**

The sites being considered are currently used as garage blocks, rented to garage tenants. A large proportion of the garages are either vacant or (78%) not used to park vehicles (Source:

ECC Parking Standards) Redeveloping these garages and/or amenity land will add value to and enhance the local environment and streetscape.

**Consultation Undertaken:**

None

**Background Papers:**

Development Strategy, along with the following Policies:

- Affordable Rents Policy;
- Funding the House-building Programme;
- Accelerating the House-building Programme;
- Future use of garage sites unsuitable for redevelopment; and
- Prioritisation of sites

**Impact Assessments:**

Risk Management

Within the financial viability assessment, the greatest risks are that the assumptions prove to be incorrect resulting in each site being un-viable.

These risks are mitigated by the Council being able to either add more subsidies or not to progress the works beyond the planning stage.

In addition, a site specific risk register has been compiled and included within the individual feasibility reports.

Each of the feasibility studies are also subject to further legal checks to identify and tackle issues such as rights of way, licencing, closing access points and land-grabbing.

# Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

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Within the Housing Service Strategy, it has been identified that the target groups that are affected by the Council's house building programme are people in need of:

- Affordable Housing,
- Homelessness assistance,
- Supported housing for special needs groups,
- Owners and occupiers of poor condition housing
- Council and housing association tenants.

From that, it was identified that generally, there is an under provision of suitable accommodation for nearly all target groups. This has been reaffirmed in the most recent Strategic Housing Market Assessment.

Decision making is affected by funding and other factors, such as the availability of building land suitable for particular groups e.g. the elderly or young families.

There is no evidence of unlawful discrimination in relation to the provision of affordable housing.