

Report to Stronger Place Select Committee

Date of meeting: 29 September 2020



Portfolio: Housing and Property Services (Cllr Holly Whitbread)

Subject: Council Housebuilding Progress Report and the future approach to site selection

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Recommendations/Decisions Required:

- (1) That the contents of this progress report on phases 3 and 4 and the approach to site selection of phase 5, of the Council Housebuilding Programme be noted for information purposes.**

Executive Summary:

The report sets out the progress that has been made across phases 3 and 4 of the Housebuilding programme that has either completed, are on-site and are currently being procured. Subject to the necessary planning consents the pipeline stands at 84 units up to the years 21/22.

In addition to the pipeline our retained consultant (Metaplan) is reviewing 2 additional sites, St Johns Baptist Church (9-10 residential units for key workers and a community building). Also, an opportunity to purchase some land at below market value in Waltham Abbey to provide up to 10 affordable units. These sites will be presented at the next Cabinet to recommend progressing to full planning and the allocation of capital funding.

Phase 5 has the potential to deliver approximately 160 properties, again subject to planning consents and the necessary consultation with members and residents.

Reasons for Proposed Decision:

This report sets out progress made and provides an overview of our future aspirations

Other Options for Action:

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

Report

Phase 3

Queens Road, North Weald:

10 x 3 Bed Houses & 2 x 2 Bed Houses

As at the last Valuation the contractor was granted an extension of time of 5 weeks due to utility delays which do not at yet attract an extra cost claim. However, they are also approximately a further 8 to 10 weeks behind due to Government Restrictions in place relating to Covid19 and the consequential effect on the supply chain. There are no cost claim details submitted at this time.

Phase 4

Phase 4.1 – Contracted.

Total **14 units**

The Programmed Start on Site activity has now occurred on Chequers Road (A) and Bushfields with the others to follow shortly. Pre-commencement variations (including the additional works to further address recent rear garden water logging issues on earlier phases) are in the process of being agreed and boundary treatments and drainage outfalls are being reviewed.

Phase 4.2 – Contracts due to be signed.

Total **22 units**

During a recent pre-commencement meeting the anticipated possession dates and initial start on site dates were presented subject to a further period of 2 – 3 weeks to allow for a staggered start on site.

The Tender Report for the 4.2 group of sites was submitted and approved at the previous Council Housebuilding Cabinet Committee (CHBCC) meeting and the tender price of £2,160,015 and £4,234,504 totalling £6,394,519 was accepted with completion some 52 weeks following the actual Start on Site.

It must be remembered that notwithstanding the current Government restrictions there has been good progress made in these difficult circumstances, we continue to progress due diligence and work towards completing the designs so to minimise any further potential delays.

Phase 4.3 – Tender opened W/C 14/9/20

Total **21 units**

These sites have been recently tendered and are now being analysed and will be reported upon in the form of a further Tender Report which will be presented at the next forthcoming CHBCC. Initial indications are that tender price is likely to be just below the Cost Consultants latest forecast.

Due to significant design changes which were necessary to Pentlow Way and Woollard Street these will be resubmitted for Planning consent.

Following the Self build policy being approved at the last Cabinet and some updates to Planning Conditions, it has been decided to package the single dwellings for the purpose of self build projects.

Phase 4.4 – Comprising: -

Total **27 units**

Due to significant design changes and scheme improvements reported previously Chequers Road (B) will be resubmitted for Planning Consent as will Ladyfields. These will both be designed to 'Passivehaus' standard ' Fabric First' and Ladyfields will be designed and build to the full 'Passivehaus' Standard incorporating 'Air Source Heat Pump and Heat Recovery System' as a positive response to Councils Climate Emergency and will enable fields tests and experience to be gained to better inform the Councils future decision making.

Lower Alderton Hall Drive and Thatchers Close

Both these sites are awaiting consent and have been delayed by the Local Plan and SAC issues which it is hoped will be resolved soon.

In summary to date, there are a total 84 properties for Phase 4 and therefore now reflects a potential increase in affordable units of 12 extra properties. (16.6%) over what has previously been forecasted and approved.

Phase 5 +

The Council House Building Programme (CHBP) has mostly been developed on former garage sites to date. A number of potential sites have been refused planning permission or been withdrawn, partly due to added limited neighbourhood improvements and adding, to some degree, to local existing parking stress problems.

A consultation and community planning process is proposed, to engage with local community representatives. The aim is to openly discuss where potential development opportunities may exist, and to better understand and potentially address local issues that may be required to possibly achieve positive support for further Council Housing development in an area.

Some CHBP developments provide more additional parking than is required and have been left unallocated to date. However, being mainly small enclosed developments, it is believed that they would be better managed through EFDC licences to local residents allowing improved security and improved community cohesion. This is proposed in a separate report and draft new policy – Allocation of Surplus Car Parking Spaces Delivered through CHBP. This was agreed at the recent CHBCC.

As a positive response to the Council's Climate Emergency resolution it is proposed to design all future developments adopting the 'Passivhaus' standard – 'Fabric First' as a minimum. This would further improve the thermal standard of the properties reducing the future heating requirements for residents. Given the external wall thickness significantly increases from 300mm to 500mm, this would establish the base approach and thereby simplify the design process, avoiding the need for redesign and potentially resubmitting for planning consent and assist the subsequent contractor to deliver the Design & Build contracts. This is anticipated to add 3-5% to the current specification build cost.

The adoption of a heat generation and recovery system i.e. an Air Source Heat Pump and Heat Recovery System (ASHP-HRS) would add a further 6-8% to the current specification build cost. The technology to achieve this is available but there are varying views of its reliability and ease of user operation.

It is therefore beneficial to design all future properties going forward to accommodate 'Passivhaus' standard – 'Fabric First' and to also plan within the design for future retrospective installation of an ASHP-HRS as and when a suitable system is identified.

In summary, a new process is proposed for selecting and developing sites for Council Housebuilding based on a collaborative approach involving EFDC colleagues, Essex County Council and community representatives. The purpose is to assess and develop the potential sites using an incremental approach to ensure successful planning applications, developments that improve local neighbourhoods and limiting resource input into sites which are not feasible or supportable for development.

Financial Reporting

Officers continue to work with colleagues in the Finance department to develop a more robust reporting system, particularly around cash flow.

Further to this, officers are in the process of purchasing ProVal which is a financial modelling tool. This will enable the team to produce desk top appraisals and produce reports which will highlight the financial viability of schemes.

Resource Implications:

There is currently a Housing Development Officer role vacant, and this position is currently being recruited to.

Legal and Governance Implications:

It should be noted that a potentially significant change in Planning view has been raised. As such, a number of single unit sites will need to be submitted for planning consent. The development team are in the process of actioning this.

Safer, Cleaner and Greener Implications:

The continued delivery of the CHBP will help address the antisocial behaviour issues associated with these garage sites and will reduce the opportunity for fly-tipping and thereby contribute to a Greener environment.

Consultation Undertaken:

Interdepartmental involvement has and will continue to be engaged.

Background Papers:

NA

Risk Management:

The Risks associated with the delivery of the current housing development programme is identified within the Executive Report attached.