



Development Strategy 2013-2019 (2014 update)

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1 Introduction

Epping Forest District Council currently own and manage around 6,500 homes within the District. Presently there are 5,700 applicants on the Council's Housing Register who wish to gain access to affordable homes within the District. The Council currently acts as enabler facilitating Registered Providers (RPs) operating within the District to develop new affordable housing to meet housing need.

In order to directly meet this housing need the Council has agreed to initiate a Council House Building Programme to develop new affordable rented homes. This will be achieved through the use of its own funding and land holdings.

The Council's Development Strategy sets out what the Council wishes to achieve from the House Building Programme, details an overall approach to achieve the aims of the programme and describes a coherent plan to implement these aims.

The House-Building Programme will be delivered by the Council in conjunction with East Thames Group who have been appointed to deliver Development Agency Services for the Council, including all development and project management services and the provision of all professional building services, including: architectural, employer's agency, quantity surveying, cost consulting, Construction Design Management, engineering and surveying, but excluding works construction.

This Development Strategy was updated in August 2014 and was re-approved by the Council's Cabinet in August 2014.

2. Purpose

Through the Council House Building Programme the Council will:-

Meet the Aims of the Corporate Plan

The Council's Corporate Plan 2011-2015 sets out the aims and priorities of the Council for the four-year period and addresses the challenges that the district faces. Its stated aim is "Making our district a great place to live, work, study and do business". The Council House Building Programme shall contribute greatly to this aim and supports the four central themes of that strategy namely safety, sustainability, health and aspiration.

By providing new high quality, sustainable homes in areas that are currently filled with underused garages the Council will meet the needs of the District's residents and revive neighbourhoods by providing an environment within which they can flourish.

Meet Housing Need

The Council House Building Programme will deliver new homes that go towards meeting the demand within the District for affordable rented homes. The demand is clearly identified in the Housing Strategy, and this Programme shall help to meet the Council's Housing Strategy 2009-2012 and its vision that "Epping Forest will be a district that has safe, decent and attractive housing that meets the needs of those who want to live in the District."

Build Sustainable, high quality homes and services

The Council House Building Programme will provide high quality and sustainable homes to meet the current and future housing need within the District.

The Council will control the type, tenure, and specification and quality of the new affordable housing provided by the programme.

The programme will expand the Council's stock holding, and the new homes will be owned, managed and maintained by the Council thereby increasing efficiencies within the Housing Directorate, the HRA Business Plan and the Council as a whole.

Create high quality environments and regenerate Communities

The new homes will predominantly be developed on Council-owned difficult to let and under utilised garage sites. These new homes will improve the existing environment, reduce anti-social behaviour and contribute toward the revitalisation of existing communities.

Develop and Maintain a Strong Council

By building new homes on its own land, rather than disposing of it to RP partners within the District at a discount, the Council will maintain control over its assets and the HRA will benefit financially from the generation of a long term income stream. Additionally, the Council will receive the Government's New Homes Bonus (with the "affordable housing premium"), and potentially attract capital grant receipts from the Homes and Communities Agency, whilst increasing efficiencies through improved economies of scale by growing stock in management.

Since the Council is able to utilise Public Works Loan Board (PWLB) loans at extremely preferential rates, compared to the private loans market, and can recover all the VAT paid on development fees, it is in an ideal position to deliver affordable housing within the District at a lower cost than its Preferred Housing Association Partners.

3. Context

Housing Revenue Account Reform

In 2012 the Government introduced legislation to abolish the Housing Revenue Account subsidy system and introduce self-financing for Council Housing.

The Government's policy objectives at that time were:-

- To increase local transparency and abolish the current opaque system under which there is little connection between the level of rent charged and the resources Councils have to spend locally;
- To give Councils financial autonomy and therefore more accountability for the provision of housing services;
- To end decades of complex central control and allow Council housing to be managed and financed locally; and

- To ensure Councils have the incentives to actively manage their housing stock on a Long term basis rather than simply react to an uncertain annual funding formula.

Source: Implementing self-financing for council housing, DCLG, 1 February 2011

The Council built its last home in June 1985 and these reforms will provide the Council with a means of delivering new affordable housing within the District and to enable it to build more new affordable homes each year than it currently sells under the Right to Buy.

The Council has agreed that the House Building Programme will be self-funded, without any financial support from the General Fund and financed from the following sources:-

- Capital receipts from additional Right to Buy sales as a result of the Government's decision to increase discounts for tenants purchasing their property under the Right to Buy;
- S106 Agreement contributions from developers in lieu of on-site affordable housing provision;
- Funding from the Homes and Communities Agency (HCA) (where possible);
- Borrowing (if necessary);
- Housing Revenue Account (HRA) surpluses (generated through additional financial capacity provided through loans from the PWLB);
- Any other external sources of funding that may be identified or secured from time to time; and/or
- Cross-subsidy from the sale of other development sites within the House Building Programme on the open market (if necessary).

Using its own assets to meet housing need

The Council has identified a portfolio of garage sites that are designated as 'Difficult to Let'. The Council's research estimates that around 65 of these sites may have development potential. A further 5 non-garage sites have been identified as also having development potential. The Council has agreed that, where developable and viable, these sites will be developed by the Council through the Council House Building Programme to provide new affordable homes.

4. What Will We Deliver?

Quantum of New Homes

The Council's initial review of the sites to be used in the House Building Programme estimates that a maximum of ca.230 new homes could be developed thereon.

Based upon this review the Council originally set a target of delivering 20 new homes each year over the next 6 years or 120 in total.

However, in April 2014 the Cabinet Committee agreed to accelerate the Housebuilding Programme. The Council's HRA Business Planning Consultant produced a report on this issue, together with advice on the maximum amount for which HCA funding should be sought, in order to ensure that all 1-4-1 Receipts from

Right to Buy sales are spent within the required 3 years of receipt and none are passed on to the Government, with interest.

Based on the information within CIH Consultancy's report, the headline changes to the phases are as follows;

- **Phase 1** – Remains the same comprising 23 homes (all of which now have planning permission)
- **Phase 2** – Increasing the number of homes from the currently-planned 20 homes to either 56 homes, based on the optional proposals put forward by the Project Team
- **Phases 3-6** – Increasing the number of homes from the currently-planned 20 homes per year to 30 homes per year
- **Phase 7-10** – Extending the Programme by a further 4 years, from the 6 years currently planned, with 30 additional new homes provided each year.

Further details on the acceleration programme are set out in later in the strategy

Affordable Rents

The homes delivered shall be for affordable rent to meet the housing need within the District.

The affordable rents to be charged are set out in the Council's Affordable Rent Policy, adopted by the Council's Housebuilding Cabinet Committee in July 2013, and will be a percentage of the market rent for that property type in the area.

The rent charged shall be the lower of:-

- 80% of market rents for the location; or
- The Local Housing Allowance (LHA) within the Broad Rental Market Area (BRMA) for the type of property; or
- An affordability cap of £180 per week.

The Council has decided to adopt an affordability cap which recognises the Government's Universal Credit regime and the associated Benefits Cap. Under the Benefit Cap, the total amount of benefit for which a family in England & Wales shall be eligible is £500 per week, with single people eligible to a maximum of £350 per week.

Therefore, with mind to the affordability of the homes and the sustainability of residents' tenancies, the Council has used the Homes and Community Agency (HCA) guidance that weekly housing costs should not exceed 45% of net income.

The application of the Council's Affordable Rents Policy will result in a maximum weekly affordable rent of £180 per week (this being 36% of the £500 per week Benefit Cap under Universal Credit).

All Affordable Rents charged by the Council will be gross and inclusive of service charges.

A further paper was presented to cabinet, which capped the weekly affordable rent at £180 per week for 2014/15 and is reviewed annually by the cabinet committee.

Quality

The Council has a significant role to play in improving its existing housing stock, regenerating neighbourhoods and providing high quality new homes that meet the needs of local households on low to modest incomes. Through the House Building Programme the Council will work to provide well designed and cost effective new homes to meet these aims.

The Council places a great emphasis on providing homes that will last, be cost effective and be valued by residents. As a design direction, the Council has adopted the *East Thames Design Guide*, the *East Thames Employer's Requirements* and the *Essex Housing Design Guide* for the design and construction its new homes. The Council will work with East Thames to ensure that, for each site, the design complements and enhances the local neighbourhood in which the homes are built.

The Council will build a range of typologies, both houses and apartments that are appropriate to the individual development sites, with a particular focus on creating sustainable family housing where appropriate.

Through carefully considered design and liaison with local communities, the Council will develop schemes of a range of sizes that address local needs.

The Council places an emphasis on the sustainability of its homes, environmental performance and economy of use. Therefore every new home delivered through the Council House Building Programme will meet at least Level 3 of the Code for Sustainable Homes.

Each new scheme will go through a design critique process that will enable Council staff, residents and other stakeholders to have meaningful input into design evolution.

This co-ordinated approach to developing and designing schemes will ensure that all relevant Council departments are involved in ensuring successful design, handover, completion and management.

The Council will work with the Development Agent to provide a comprehensive brief for each project.

Technical Specification

The Council recognises that the design of the places, spaces and homes built, along with the quality of their construction, are critical for resident satisfaction.

The Council will use East Thames' existing comprehensive performance specification, known as "The East Thames Employer's Requirements" to ensure that all the new homes delivered by this Programme are robust, energy efficient and cost effective to residents and the Council.

Key Performance Indicators

The Council will measure the success of the House Building Programme through the evaluation of key performance indicators relating to the delivery of schemes, cost and sustainability of the schemes. These can be found at Appendix A.

These will be monitored monthly by the Council's officers and East Thames and reported to each meeting of the Council House Building Cabinet Committee.

5. How Will We Deliver?

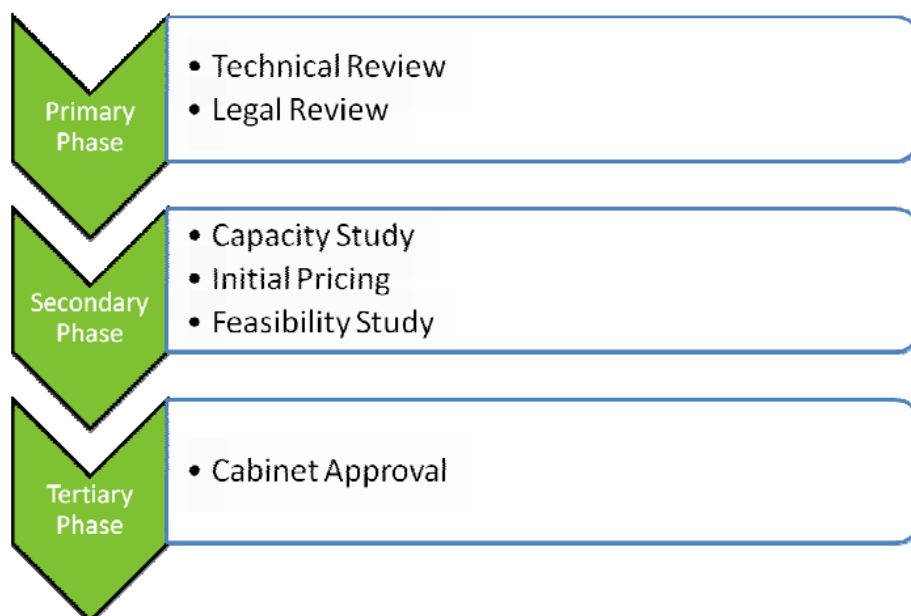
Review of sites

It is proposed that, in order to achieve the best value for the Council, sites will be packaged up, preferably using geographical selection. This will achieve economies of scale for contractors, making them more attractive for contractors and more viable for the Council.

The 65 garage sites potentially available for development will undergo a systematic review and assessment process during the first two years of the Council House Building Programme. This will determine their suitability and viability for development.

The assessment of these sites will be monitored and reported monthly to the Council by the Development Agent in the form of a pipeline report (format attached at Appendix B).

Review of Sites



Primary Phase

Technical review

This will highlight issues that will impact upon or even prevent the development of the site such as planning considerations, rights of way, rights of light, flood risks, servicing etc. Any issues highlighted will inform the design direction, technical specification and cost assumptions used to appraise the viability of the site.

Legal review

This involves investigating the legal title. Once again this will highlight any issues which could prevent or affect the development of the site such as easements, rights of way etc. These will inform the financial appraisal and the physical development proposals.

Secondary Phase

Capacity Study

If, after identifying any physical, legal or technical constraints to development, the sites are considered viable an architectural feasibility study will be conducted to determine the development capacity of the site.

Initial Pricing

The architectural proposals produced will be reviewed, along with the technical information, and priced by the project team and a quantity surveyor.

Financial Appraisal

A financial appraisal will be conducted on each site to determine whether the development is viable against the parameters set within the Council's Economic Assumptions Framework. If the scheme is considered viable (either on a stand alone basis or as part of a wider package of sites) it shall be taken to the Council House Building Cabinet Committee as part of a package of viable sites for approval to proceed. The Council's Economic Assumptions Framework is set out in Appendix C

Any site not considered viable for development as affordable housing shall be assessed by the Council, with the assistance of the Development Agent, for either other development potential or any other alternative use and the outcome of the assessment will be reported to the Council's Cabinet.

HCA Grant Funding

Following the launch of its 2015-18 Affordable Homes Programme Bid Prospectus by the Homes and Communities Agency (HCA), the Council House-building Cabinet Committee agreed in April 2014 that East Thames submit a bid on behalf of the Council for a total of £500,000 to subsidise the development costs of 40 new affordable homes, making up Phase 2 of the Council House-building Programme. In July 2014, it was announced that this bid was successful, subject to the Council being able to achieve Investment Partner Status with the HCA and the Council being able to deliver the new affordable homes within the timescale of the Bid Programme 2015-18.

The bid was amended slightly during negotiations which mainly centred on removal of all three bed houses. This was because the rent on these properties was set at 65% of market rent rather than 80%. As these properties were entered as zero grant properties this did not have an effect on the actual grant allocation received from the HCA.

The bid that has been accepted by the HCA and the following funding will be made available is set out below.

Scheme	Units	grant per unit
Harveyfields	9	£0
Roundhills (site 7)	6	£0
Red Cross	2	£0
Burton Rd	40	£12,500

The final requirement for this grant to be processed is for EFDC to become a partner of the HCA. This is a formal process that includes the HCA checking the accounts of the partner organisation and carrying out other due diligence. This process will be due to be completed by March 2015. East Thames will lead on gaining partnership status on behalf of EFDC as part of their role as Development Agents.

The grant funding for these schemes will be provided 50% at start on site and 50% on practical completion and schemes must practically complete before April 2018.

Tertiary Phase

Cabinet Committee Approval

The Cabinet Committee will be presented with a comprehensive report detailing the scheme details including:-

- The design proposals (the number and nature of units to be developed);
- A scheme budget estimate;
- A procurement plan;
- A financial appraisal of the site;
- A project time table;
- A project risk assessment; and
- A recommendation on how to proceed.

Once a project or package has been approved by the Cabinet Committee the projects shall be progressed to RIBA Stage D by the Development Agent and submitted for planning approval.

Appraisal Methodology

The Council will use a loan repayment methodology to determine viability.

The repayment methodology assesses whether the net revenue generated by the project is capable of repaying the capital loan required to develop the project as well as the accrued interest.

The Council will use a set of economic assumptions in the appraisal of each scheme. These assumptions have been derived from various sources, including the Council's HRA Business Plan and the actual cost of maintaining and managing its existing stock. These assumptions are referred to as the 'Economic Assumptions Framework' and are at Appendix C.

The Council will consider a scheme viable when the following parameters, set within the Economic Assumptions Framework, are met:-

- The scheme can repay its loan within 30 years; and
- The scheme produces a positive Net Present Value (NPV) over 30 years.

The Council will also consider the viability of schemes within a package i.e. if an individual scheme within a package does not meet the financial parameters, but when it is included within a package of sites and the overall package meets those parameters, the Council will consider the package to be viable.

Community Liaison

As part of the development appraisal process, the Ward Member(s) for the areas in which developments are proposed will be invited to the meeting of the Cabinet Committee at which the development and financial appraisals will be considered and decisions made about whether or not development of the site should be pursued. This will give an opportunity for Ward Members, as the Council's representatives of the local residents, to give their views on the proposals and to raise any concerns.

For those developments that are pursued, during the preparation of planning applications, the Development Agent, on behalf of the Council, will inform local residents and Ward Members of the forthcoming planning application, providing access to view plans on-line. Residents' Associations will also be consulted where one exists.

During the preparation and construction of each project, the Development Agent and contractor will identify and provide a dedicated point of contact for residents to answer queries, attend any meetings and provide any requested information.

Delivery

Post-Cabinet Committee approval the Development Agent will progress the schemes through the planning process and to handover.

Planning

Upon Cabinet Committee approval the scheme will be progressed to RIBA Stage D by the Development Agent and submitted to the Council's Planning Directorate for approval.

On site

Upon planning approval, packages of sites will be tendered to procure a Design and Build Contractor to develop the detailed design (RIBA Stages E onward) and build out the scheme to completion.

Procurement

The Development Agent will ensure that all procurement is in line with the Council's Contract Standing Orders. The Council's Development Agent, East Thames Group, has procured an EU-compliant Contractors Framework consisting of 12 contractors.

Any council in the South East of England may utilise this Framework, and the Council's Cabinet Committee has agreed that East Thames' Framework should be used for the House Building Programme, and that the Development Agent can call-off contractors from the Framework, and tender each package to every member of the Framework to ensure value for money is achieved.

On site

The scheme will be managed on site by the Development Agent.

Throughout the construction process the Council's Development Agent will administer the build contract on behalf of the Council, ensuring that the Programme is delivered on time and on budget and to the quality and technical standards specified in the contract.

The Development Agent and the Council will liaise throughout the process to ensure that the scheme is handed over for occupation as programmed and residents can occupy the new homes immediately.

The Development Agent will procure for the Council a detailed core file providing all necessary technical and legal information on the development, a Health and Safety File and Operation and Maintenance Manual.

The Development Agent will prepare a Resident Handbook for each new property describing how their new home works and who to contact if a problem arises.

Post Completion and Defect Monitoring

Post-completion of the new homes the Development Agent will administer any defects that are identified or reported to the Council during the 12 month defects liability period.

They will ensure that the build contractor deals with all defects according to the requirements of the build contract and ensure that the Final Account is agreed.

After the new homes have been occupied for at least 6 months, the Development Agent will visit residents to find out more about their experiences of living in their new homes – what they like about the design of their home, what could be better and the things they don't like. This feedback will be used to improve future homes in the Council House Building Programme.

Once the Final Account has been agreed the Development Agent will produce a scheme review. This shall incorporate:-

- Resident feedback on the new homes;
- The scheme KPIs;
- The financial performance of the scheme against original approval; and
- The scheme programme against approval.

The outcome of these reviews will be reported to the Council House Building Cabinet Committee at the appropriate time after completion of each phase.

Governance

The Council has established its Council Housebuilding Cabinet Committee, comprising members of its full Cabinet, to oversee the delivery of the Housebuilding Programme. Its Terms of Reference are provided at Appendix D.

The Council House Building Programme will have the following governance structure to ensure accountability, quality control and transparency.

Governance



Risk Management and Risk Register

As part of the governance approach, and a requirement of the Development Agent's appointment, the Development Agent will record and maintain risk registers for both the Housebuilding Programme as a whole for each individual development. These will identify the key risks, the likelihood and impact of them arising and ways for them to be mitigated. East Thames has subcontracted responsibility for preparing and maintaining all the risk registers to its building consultants, Pellings.

The risk registers will periodically be reviewed by the Cabinet Committee.

Programme Monitoring

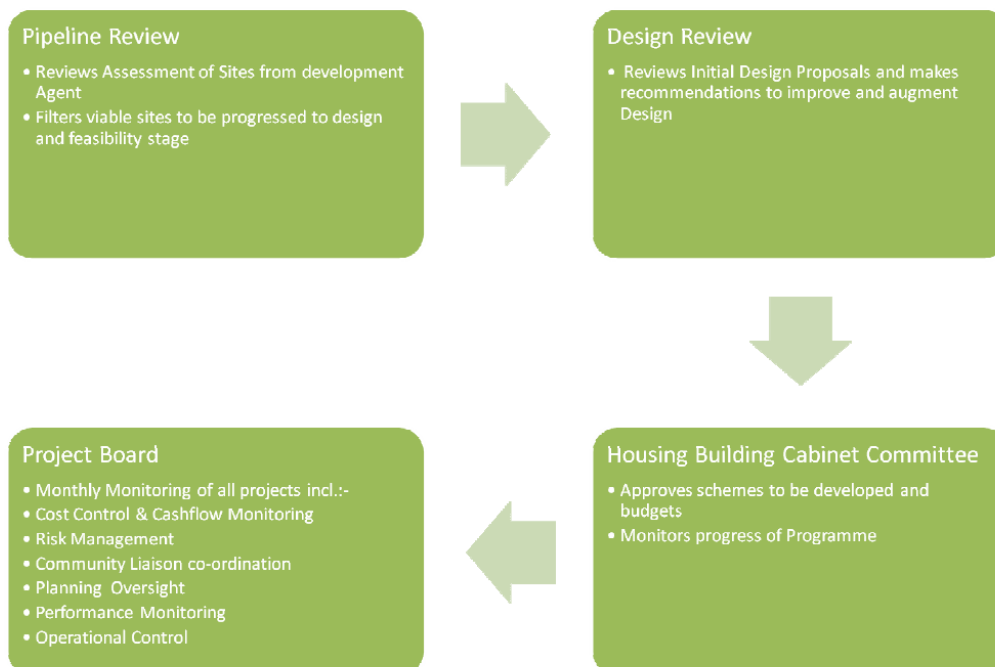
Once scheme approval is granted, monthly meetings will be held where the Development Agent reports to the Council upon progress of the packages and the Development Programme generally.

A Programme & Performance Report will be produced detailing:-

- Development Programme cashflow;
- Contract KPIs;
- Performance against Programme;
- Build Contractor KPIs;
- Key risks;
- Scheme Reviews;
- Any programme variances (cash or time); and
- Performance against HCA targets (should partner status be achieved).

Once each scheme is on site, all data relating to the units in development will be recorded using the Development Agent's project management system and reports will be provided to the Council at the monthly progress meeting.

Programme Control Panels



Naming Developments

There is a legal requirement that all streets are named and properties numbered for postal and other purposes, which will be the case for some new Council developments. Where new properties would not simply take the name of the street or estate on which they are located and numbered accordingly, the Cabinet Committee receives a report, early in the construction period, either recommending a name or proposing a list of names for consideration – together with their rationale.

As part of this process, local councils and ward members are consulted on suggested names to be put forward to the Cabinet Committee for consideration, along with the names proposed by the Project Team and any others.

6.0 Sites unsuitable for development

There will be occasions when a site is considered unsuitable for development as council housing. This could be for a number of reasons;

- 1) unable to gain planning permission
- 2) site is financially unviable
- 3) Cabinet committee considers the site, for whatever reason, unsuitable for development.

In these cases Officers are to be authorised to consider the following options and will submit a separate report to the Cabinet Committee to determine the future use of these sites:

- 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 (e.g. 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;

Prioritisation of Sites

On the 4th of February 2014 the Council Housebuilding Cabinet set out the matrix for the prioritisation of sites for redevelopment.

The summary of the paper is as follows;

The Cabinet has previously agreed a list of potential development sites for which the Council's Development Agent would be asked to undertake detailed development and financial appraisals. Now that the Development Agent is starting to undertake development appraisals for each site, there is a need to agree a strategic approach to the prioritisation of potential sites for development.

A general strategic approach for the prioritisation of potential sites is proposed for adoption, which suggests that locations within the District be grouped together into two Groups, having regard to the Primary List of Sites previously agreed by the Cabinet and whether the locations have capacity to deliver more or less than 10 new homes, and that development packages/phases be formulated each year, on a rotational basis in an agreed Priority Order, based on the number of applicants living within each location.

Since there are various ways in which the number of potential sites within a location could increase and, as the Development Programme progresses, the number of new homes that could be provided at locations within the groups is likely to reduce - which could have an effect on the Priority Orders within both groups – it is proposed that a review of the priority orders within the two groups be undertaken in three years' time, having regard to the same proposed strategic approach. The groups are set out below:

Group A (Locations with sites that could potentially deliver 10 or more homes):

Priority Location

- | | |
|---|----------------|
| 1 | Loughton |
| 2 | Waltham Abbey |
| 3 | Epping |
| 4 | Buckhurst Hill |
| 5 | Ongar |
| 6 | North Weald |

Group B (Locations with sites that could potentially deliver less than 10 homes):

Priority Location

1 Theydon Bois
2 Nazeing
3 Roydon
4 Coppersale
5 High Ongar
6 Matching Green/Tye

When Will We Deliver?

The Council wish to deliver a minimum of 300 new homes over 10 years. A list of the potential sites for the Council House Building Programme is contained at Appendix E. The Council aim to start building the first new homes in 2014/15 financial year and deliver the first handovers within 12 months of commencing the programme.

The Council will review all of the sites on the list within the first two years of the programme for suitability and viability.

Once assessed the sites are presented to the Cabinet Committee for approval. A delivery programme will be composed, which will involve concurrent packages of sites, to ensure that the 300 home delivery target is achieved.

Any new sites identified will be approved by the Cabinet Committee before being added to the pipeline.

Acceleration of the Development Programme

Since the original publication of the development strategy a decision was taken by Cabinet to accelerate the development programme. The main recommendations / Decisions accepted were as follows:

- (1) That Phase 2 of the Council housebuilding programme consist of 56 homes at Burton Road, Loughton (subject to planning permission)
- (2) That the Council seeks to increase the number of affordable homes developed in Phases 3-6 from 20 to 30 per year;
- (3) That HCA funding is sought, initially, for Phase 2 of the House-building Programme at Burton Road, Loughton for 40 homes - based on a 56-home development;

With the remaining homes in Phase 2 being funded from 1-4-1 Receipts and the other resources made available within the HRA as a result of the other recommendations within this report;

- (4) That further bids for HCA funding be made in future years for future phases of the House-building Programme, should the amount of 1-4-1 Receipts be less than forecast within the CIH Consultancy report, provided that the receipt of such HCA funding would not result in any 1-4-1 Receipts having to be passed to the Government;

(5) That, as a policy, the minimum balance held in the HRA is reduced from £3 million to £2 million;

(6) That the Council's HRA Self-Financing Reserve be re-profiled, to release funds for the House-building Programme in earlier years of the HRA Business Plan by increasing contributions to the Reserve in later years (closer to the HRA's first PWLB loan maturing in 2021/22), whilst ensuring that sufficient resources have been accumulated within the Reserve to repay this first loan on maturity (subject to no further borrowing being undertaken to extend the House-building Programme, as referred to in Recommendation 8 below);

(7) That 30% of the Council's accruing HRA attributable debt balances be utilised to help fund the accelerated House-building Programme;

(8) That the HRA's contribution to the Housing Improvements and Service Enhancements Fund between 2019/20 – 2021/22 (Years 7-9) be reduced by a sufficient amount to enable Phases 2-6 of the Housebuilding Programme to be funded (currently estimated at a reduction of £1.79 million - £2.42 million per annum, from £3.87 million per annum to £1.45 million - £2.08 million per annum), which will be dependent on:

- (i) The number of homes pursued for development under Phase 2;
- (ii) The outcome of the HCA funding bid;
- (iii) The amount of 1-4-1 Receipts received in 2014/15;
- (iv) The receipt of any further financial contributions received as a result of Section 106 Agreements;
- (v) Any property or land sales for which the Cabinet agrees the resultant receipt can be utilised to fund the House-building Programme; and
- (vi) Any adjustments that have to be made to the amount allocated to the Fund in the intervening period, due to unforeseen and un-budgeted reasons affecting the HRA.

(9) That, in principle, the Council House-building Programme be extended by a further 4 years to 10 years, after the current Years 3-6, with an additional 30 new affordable homes provided each year;

(10) That no decisions be made now on the most appropriate way of funding an extended House-building Programme, but that consideration be given at an appropriate time in the future - and before any commitments are made or expenditure incurred; and

(11) That the purchase of properties from the open market and/or the provision of local authority grant(s) to one of the Council's Preferred Housing Association Partners to fund affordable housing schemes in need of grant, continue to be kept as a contingency plan, should the amount of 1-4-1 Receipts still be in excess of the maximum amount that can be spent on the House-building Programme, in order to avoid having to pass any 1-4-1 Receipts to the Government, with interest;

8.0 Review of the Development Strategy

Although the Development Strategy is intended to cover the whole period of the initial House Building Programme, it will be reviewed annually by the Cabinet Committee, which will recommend any changes to the Cabinet for adoption.

9.0 Site and phase updates

The table below sets out the progress to date since the inception of the EFDC development programme. 6 sites have received full planning permission for the creation of 35 new homes. A further 52 homes are planned for the Burton Road site which has attracted HCA grant funding to aid the delivery of this project, which is expected to submit for planning at the end of October 2014. As part of the acceleration of the programme, Phase 3 sites are in the feasibility stage to establish which sites will be brought forward next to continue the development of new affordable homes across the Epping Forest district.

	Description	1B F	1B H	2B F	2B H	3B H	Total	Stage	Contractor	Contract Value	SOS	PC	Contract Period (Weeks)
Phase 1													
Marden Close	Refurb	12					12	On Site	P A Finlay	£ 819,861	15-Sep-14	18-Sep-15	50
Harveyfields	New-build	3		6			9	On Site	Broadway	£3,245,144	27-Oct-14	13-Nov-15	55
Red Cross	New-build		2			4	6						
Roundhills (Site 4)	New-build					2	2						
Roundhills (Site 7)	New-build				6		6						
Phase 2													
Burton Road	New-build	13		22	2	15	52	Planning	TBC	TBC	TBC	TBC	TBC
TOTAL		28	2	28	8	21	87						

Phases 1 and 2 EFDC unit spread



8.0 Appendices

A. Key Performance Indicators

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