

Report to the Council Housebuilding Cabinet Committee



**Epping Forest
District Council**

Report reference: CHB-005-2015/16

Date of meeting: 4 June 2015

Portfolio: Housing

Subject: Sites making up Phases 4 and 5

**Responsible Officer: Paul Pledger, Assistant Director (Housing Property
& Development) (01992 564248)**

Democratic Services Officer: Jackie Leither (01992 564756)

Recommendations/Decisions Required:

(1) That subject to the Cabinet approving the feasibility studies elsewhere on the agenda at St. Peters Avenue and Queensway, Ongar and Millfield, High Ongar, taking account of the priority order agreed by the Cabinet Committee in March 2015, Phase 4 be made up of 31 new homes on the following 9 sites in Buckhurst Hill and Ongar agreed as viable by the Cabinet Committee, based on a total scheme cost of £5,836,520, with a subsidy requirement of £2,053,000:

- a) St. Peters Avenue, Ongar**
- b) Queensway, Ongar**
- c) Millfield, High Ongar**
- d) Bourne House, Buckhurst Hill**
- e) Hornbeam Close (Site A), Buckhurst Hill**
- f) Hornbeam Close (Site B), Buckhurst Hill**
- g) Hornbeam House, Buckhurst Hill**
- h) Loughton Way, Buckhurst Hill**
- i) Pentlow Way, Buckhurst Hill**

(2) That, Phase 5 be made up of 49 new homes on the following 15 sites in Loughton already agreed as viable by the Cabinet Committee, based on a total scheme cost of £8,335,700, with a subsidy requirement of £2,444,000:

- a) Bushfields, Loughton**
- b) Chester Road, Loughton**
- c) Chequers Road (Site A), Loughton**
- d) Chequers Road (site B), Loughton**
- e) Etheridge Road, Loughton**
- f) Hillyfields, Loughton**
- g) Kirby Close, Loughton**
- h) Ladyfields, Loughton**
- i) Langley Meadow, Loughton**
- j) Lower Alderton Hall Lane, Loughton**
- k) Pyrles Lane (Site A), Loughton**
- l) Pyrles Lane (Site B), Loughton**
- m) Thatchers Close, Loughton**
- n) Vere Road, Loughton**
- o) Whitehills Road, Loughton**

- (3) That, the former garage sites and associated amenity land listed above as making up Phases 4 and 5, together with all sites previously considered and agreed to form Phase 3 by the Cabinet Committee at its meeting in March 2015 as viable 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; and
- (4) That, subject to the sites and phasing listed in recommendations (1) and (2) above being agreed, each site be progressed to detailed design stage, with planning applications being submitted and, subject to planning approval, tenders to be sought in accordance with the Procurement Strategy for House-building.

Executive Summary:

The Cabinet has previously agreed a number of feasibility studies from the list of potential development sites for Council House-building, and the Cabinet Committee has also agreed at its meeting in March 2015 a strategic approach to the prioritisation of those sites by area taking account of demand from those applicants registered on the Council's housing waiting list. This report seeks to batch those sites that have been agreed as viable into future phases, and to progress those sites through the planning and tender stages.

Reasons for Proposed Decision:

There is a need to agree the sites that are to go forward for future phases of the Council House-building Programme.

Other Options for Action:

The only alternative option would be to alter the list of sites proposed for phases 4 and 5.

Background

1. Over the last 18-months, the Cabinet Committee has considered a number of detailed feasibility studies for individual sites from across the district. Many of these sites have already been included in early phases of the house-building programme, which are at different stages in the process that will ultimately lead to the completion of new affordable Council housing. However, it is still necessary to batch sites to make up phases 4 and 5.
2. At its meeting in March 2015, the Cabinet Committee agreed an updated Policy on the future prioritisation of development sites based on rotating the developments around the towns/villages where sites are located, so that all areas have the benefit of affordable housing being provided in their area, with priority given to areas in which the highest number of housing applicants live.
3. Based on that Policy, it is recommended that subject to the Cabinet approving the feasibility studies elsewhere on the agenda at St. Peters Avenue and Queensway, Ongar and Millfield, High Ongar, based on the consolidated financial viability assessment at appendix 2, Phase 4 of the House-building Programme be made up of 31 new homes on the following 9 sites in Buckhurst Hill and Ongar agreed individually as viable by the Cabinet Committee, based on a total scheme cost of £5,836,520, with a subsidy requirement of £2,053,000:
 - a) St. Peters Avenue, Ongar
 - b) Queensway, Ongar
 - c) Millfield, High Ongar

- d) Bourne House, Buckhurst Hill
- e) Hornbeam Close (Site A), Buckhurst Hill
- f) Hornbeam Close (Site B), Buckhurst Hill
- g) Hornbeam House, Buckhurst Hill
- h) Loughton Way, Buckhurst Hill
- i) Pentlow Way, Buckhurst Hill

4. Furthermore, based on the consolidated financial viability assessment at appendix 2, it is recommended that Phase 5 be made up of 49 new homes on the following 15 sites in Loughton already agreed individually as viable by the Cabinet Committee, based on a total scheme cost of £8,335,700, with a subsidy requirement of £2,444,000:

- a) Bushfields, Loughton
- b) Chester Road, Loughton
- c) Chequers Road (Site A), Loughton
- d) Chequers Road (site B), Loughton
- e) Etheridge Road, Loughton
- f) Hillyfields, Loughton
- g) Kirby Close, Loughton
- h) Ladyfields, Loughton
- i) Langley Meadow, Loughton
- j) Lower Alderton Hall Lane, Loughton
- k) Pyrles Lane (Site A), Loughton
- l) Pyrles Lane (Site B), Loughton
- m) Thatchers Close, Loughton
- n) Vere Road, Loughton
- o) Whitehills Road, Loughton

Appropriation of the Sites

5. The Cabinet Committee have been delegated authority to appropriate land for planning purposes as set out in its Terms of Reference. However, as a reminder, 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.
6. 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.
7. The Council wishes to see each of the development sites redeveloped for the specific purpose of residential accommodation on a land which previously was used for garages and / or 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 its redevelopment and future use by relying on the statutory provisions relating to the redevelopment and disposal of the land held for planning purposes.
8. 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 sites. 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.
9. It is therefore recommended that the former garage sites and associated amenity land listed above as making up Phases 4 and 5, together with all sites previously considered and agreed to form Phase 3 by the Cabinet Committee at its meeting in March 2015 as

viable 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;

Resource Implications:

A capital expenditure for Phase 4 of £5,836,520, with a subsidy requirement of £2,053,000 to achieve a 30-year pay-back; A capital expenditure for Phase 5 of £8,335,700, with a subsidy requirement of £2,444,000 also to achieve a 30-year pay-back. The Cabinet has already agreed the required resources to deliver the Programme for the foreseeable future within the Housing Capital Programme, based on the Council's HRA Financial Plan.

Legal and Governance Implications:

Having adopted a strategic approach, agreed in an open and transparent way, to the prioritisation of sites, it is considered good governance to follow that strategic approach.

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

Ward Councillors have been consulted on the individual feasibility studies.

Background Papers:

- Existing Policy on the Prioritisation of Sites agreed by the Cabinet Committee in February 2014, updated in March 2015.
- Feasibility studies considered and agreed by the Cabinet Committee at various meetings over the past 18-months for each of the sites making up Phases 4 and 5, as set out in the recommendations.

Impact Assessments:

Risk Management

There are no material risks associated with the proposed approach. The key issue from a risk management point of view is to ensure that potential development sites have development and financial appraisals undertaken, and progressed to the planning stage, in timely and co-ordinated fashion, to ensure that the Programme is not disrupted.

There is a risk that the proposed re-development schemes 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.

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.

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.