REPORT TO: CABINET

DATE: 29 JANUARY 2015

TITLE: DISPOSAL OF 1-21 WISSANTS FOR AFFORDABLE HOUSING

PORTFOLIO HOLDERS: COUNCILLOR ROD TRUAN COUNCILLOR TONY DURCAN

LEAD OFFICER: GRAEME BLOOMER, HEAD OF REGENERATION (01279) 446270

CONTRIBUTING OFFICERS: JANE GREER, REGENERATION & DEVELOPMENT MANAGER (01279) 446406 ANDREW ALLOCCA, REGENERATION PROJECT DELIVERY MANAGER (01279) 446389 WENDY MAKEPEACE, AREA HOUSING MANAGER (01279) 446342

This is a Key Decision
This is on the Forward Plan as Decision No. I003398
Call-in Procedures may apply
This decision will affect Sumners and Kingsmoor Ward.

RECOMMENDED that Cabinet:

A Approves the freehold disposal of 1-21 Wissants and adjacent land as set out in the attached red line plan at Appendix 1 to Circle Housing Group under the terms of the Stansted Area Housing Partnership (SAHP) agreement to enable the provision of seven affordable houses to rent.

B Delegates authority to the Head of Regeneration, in consultation with the Portfolio Holder for Housing, to negotiate and agree the final terms and details of the disposal and thereafter complete the freehold transfer.

REASON FOR DECISION

A The disposal of this site is necessary to enable the regeneration of the area. Flats 1-21 Wissants are currently derelict and attracting anti-social behaviour and vandalism.

B The resulting redevelopment of this site will help in the regeneration of the
The town’s neighbourhoods and will provide additional affordable housing for rent and assist the Council achieve its top corporate priorities.

**C** The additional land is required to enable provision of improved parking for the whole of Wissants as required by the planning permission.

**D** The transfer will be at a value of £1 to enable provision of 100% affordable housing with full nominations rights to the Council in perpetuity and provision of improved car parking for the benefit of current Wissants residents.

**BACKGROUND**

1. The disposal of 1 to 21 Wissants for the provision of affordable housing has previously been approved by the Portfolio Holder for Housing. The report and decision notice are attached at appendices 2 and 3.

2. The block of 21 bed-sit properties was subject to a long term lease with the National Association for the Care and Resettlement of Offenders (NACRO) which came to an end in 2011. NACRO has informed the Council it does not wish to renew the lease.

3. The properties were identified for disposal in 2011 as part of the Housing Revenue Account (HRA) Business Planning process with Cabinet approving the disposal of a number of empty properties, including 1-21 Wissants. Cabinet agreed that they could be excluded from the final HRA debt settlement.

4. The original design of this block sets it apart from neighbouring blocks and its immediate neighbourhood and local environment and it is now regarded as an eyesore by local residents.

**ISSUES/PROPOSALS**

5. The Council approached both Moat and Circle housing associations under the terms of the Stansted Area Housing Partnership. The Partnership agreed to take the project forward with Circle with agreement by Moat.

6. Under the terms of the Partnership the Council can attract a grant of £65,000 of funding for the scheme. This funding will enable a scheme containing a high level of affordable housing for people on the Harlow Council housing needs register via direct nominations to Circle Housing. Nominations for these properties will be available to the Council in perpetuity.

7. Planning permission for the scheme was granted in August 2014.
parking requirements necessary to comply with the planning permission, additional land is required. It is proposed that the entire land shown within the red line plan at Appendix 1 is transferred to Circle Housing Group to enable the development to proceed.

8. The proposal has been valued by the Council’s appointed valuer at £150,000 (one hundred and fifty thousand pounds) as per Appendix 4. However, it is considered that the benefit to the community that is provided through the provision of the new homes and the regeneration of the area compensates for the under-value to the Council. Without the under-value the scheme is unviable and will not proceed as the costs of developing the site and its constraints would be prohibitive. The site currently has a block of bedsits that require demolition, mains drainage and gas mains that impede the design parameters. In addition, the development is required, via its planning permission, to provide new parking for existing tenants and leaseholders of the remaining three blocks of flats at Wissants.

IMPLICATIONS

Regeneration (includes Sustainability)
Included within the report.
Author: Graeme Bloomer, Head of Regeneration

Finance (Includes ICT)
The disposal has been assumed as part of the 30 year HRA Business Plan approved by Cabinet in January 2012 and subsequently refreshed in January 2013 and January 2014 as part of the annual budget process. The disposal is in keeping with the Council’s Constitution, relevant legislation and has been agreed through a Portfolio Holder decision dated 14 November 2012.
Author: Simon Freeman, Head of Finance

Housing
The proposed development would support the need for new affordable housing to address the acute housing need in Harlow.
Author: Andrew Murray, Head of Housing

Community Wellbeing (includes Equalities and Social Inclusion)
The proposal will reduce the risk of blight and antisocial behaviour and increase the supply of affordable housing, contributing to improved social inclusion and social cohesion.
Author: Michael Pitt, Environment and Licensing Manager for Graham Branchett Chief Operating Officer
Governance (includes HR)
The Council is permitted to make the disposal to Circle Housing Group on the proposed terms by virtue of a general consent issued by the Secretary of State under section 25 of the Local Government Act 1988.
Author: Mark Alexander on behalf of Brian Keane, Interim Head of Governance

Background Papers
NB: These are papers referred to in the preparation of the report that are not attached as appendices but that are available for public or Councillor study.

None.

Appendix 1: Red Line Plan of Transfer Land
Appendix 2: Portfolio Holder Decision Notice dated 14 November 2012
Appendix 3: Portfolio Holder report dated 26 September 2012
Appendix 4: Letter of Valuation dated 18 November 2014, provided by Peter Yates, MRICS, RICS Registered Valuer with Withers Thomas