

COUNCIL HOUSE BUILDING PROGRAMME PROCESS DOCUMENT

REGENERATION TEAM

FEBRUARY 2024

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1. Introduction

Harlow Council is embarking upon the delivery of a significantly increased programme of council house building. The document details the overarching process on how the Council House Building Programme (CHBP) will be delivered, and key stakeholder decisions will be made alongside the Cabinet Report that was adopted at Harlow Council’s Cabinet Meeting on 24 March 2022. The preparation of this document has been led by the Regeneration Team working in partnership with colleagues and stakeholders within Finance, Housing, Non-Housing Assets, Planning and Legal to ensure a shared commitment to the process that has been set out herein. This update in February 2024, provides refinement to the process through experience gained in delivery of the CHBP since the original process document was adopted by Cabinet.

2. Governance

In line with the MSP approach to programme management, all schemes directly delivered through the Council House Building Programme will sit within a coherent governance structure with the Senior Responsible Officer sitting within the Programme Board to allow for efficient communication and effective decision making. The SRO will provide Programme reporting to the HDC Senior Management Board on a quarterly basis and by exception.

The SRO will also consult with the Portfolio Holder for Regeneration to provide approval to schemes to progress through design processes and submission for Cabinet approval.

The Assistant Director for Regeneration will sit within both the Programme Board and will Chair the Delivery Board. This will allow for effective project management and programme control.

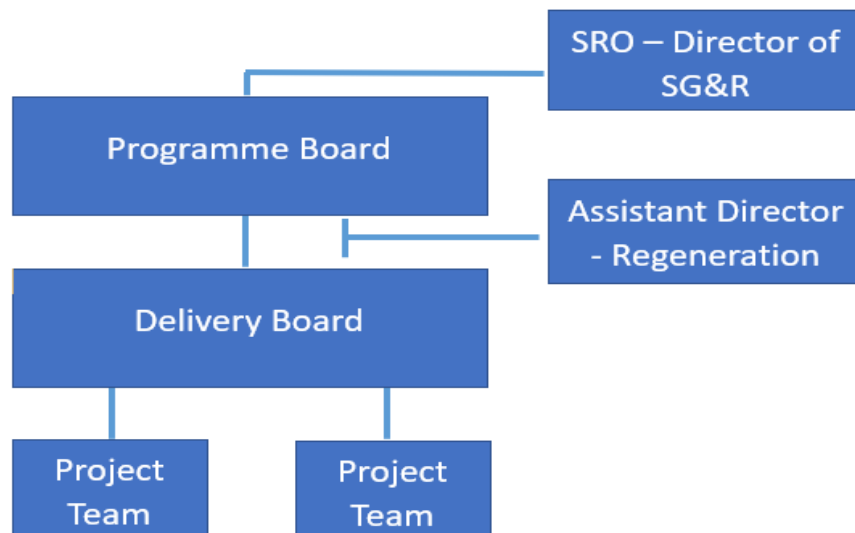


Fig. 1 – Council House Building Programme Governance Structure

Terms of Reference for both the Programme Board and the Delivery board have been developed and are detailed in Appendix 1.

2.1 Programme Board:

The Programme Board will be the key strategic decision-making body for the overarching programme. The board will meet on a six weekly basis and will be chaired by the Director for Strategic Growth and Regeneration. The Programme Board will bring together the key stakeholders from Regeneration, Planning, Housing & Property and Finance to ensure consideration is given to these operation and strategic areas and decisions are reflective of that input.

The Programme Board will utilise delegated authority to facilitate timely decisions for all matters reported by exception and provide direction for acquisition of land/buildings as well as approving schemes to be put forward to Cabinet for Members to consult on and approve.

Programme Board meetings will be fully minuted to meet audit requirements and to record key actions and decisions.

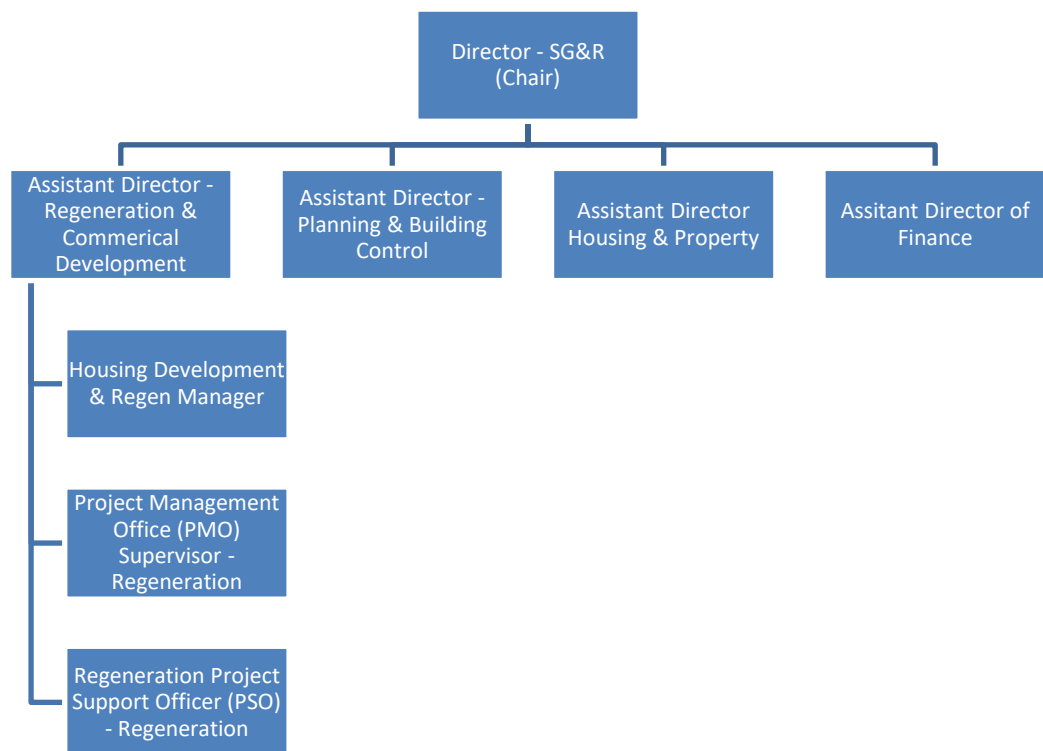


Fig. 2 - Membership of Programme Board

2.2 Delivery Board

The Delivery Board will be the key stakeholder and operational steering group for the schemes within the programme. The board will review the individual scheme proposals in detail and seek agreement on design, materials and products, unit typology & tenure, financial approach & viability, ongoing stewardship matters, procurement & delivery planning.

The board will be chaired by the Assistant Director for Regeneration and be comprised of representatives of pertinent teams within the Council (Regeneration, Housing, Finance, Non-Housing Assets, Legal, GIS etc.). The board will meet every four weeks.

The Delivery Board will report to the Programme Board via the Chair and Housing Development & Regeneration Manager.

The Delivery Board will replace the Housing Scheme Review Meetings, which were held on a monthly basis.

Meeting action points and decisions will be noted and circulated for audit purposes.

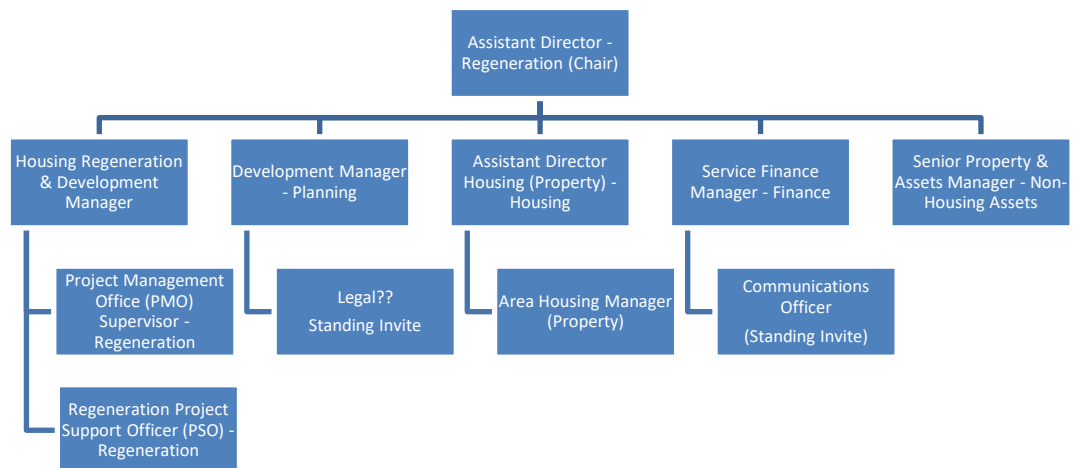


Fig. 3 - Membership of Delivery Board

2.3 Project Teams

Individual and grouping of schemes will also have project teams for delivery purposes and will be chaired by the Housing Regeneration and Development Manager. The membership of these teams will include architectural, M&E, Structural & Civil Engineering and landscaping design services, Employers Agent, Clerk of Works, Construction partner and other related services as dictated by the scheme/s and will vary upon point of scheme progress.

2.4 Team Responsibilities

Regeneration:

The Regeneration Team will lead on the day-to-day development of Council house building, using the currently identified programme (Phase 1) as the basis of sites to be developed and review additional sites for inclusion. The Regeneration Team will validate the sites, from identification, through to site practical completion and handover.

Housing:

Housing will provide feedback on design, material and product selection, housing need, site availability, maintenance liability and cyclical testing and inspection requirements and issues connected with the wider estates e.g. disused garages, parking etc. Furthermore, Housing will be involved with the early stages of handover, visiting site to take photographs to enable the properties to be advertised for letting at the point of schemes completing and being handed over.

Finance:

The Finance Team will attend the board to offer advice and expertise on issues of funding and budgetary management for the overall programme as well as on an individual scheme basis. The Regeneration Team and Finance Team will work closely, ensuring that the monthly budget monitoring returns are completed, to provide a realistic forecast of expected outturn of a project along with monthly/quarterly forecasts. The Finance Team will provide capital finance and HRA funding guidance together with being updated as to any Homes England grant funding received. The Finance Team provide a Right to Buy (RTB) statement which is circulated with the report packs for both Programme and Delivery Board, setting out the current position in relation to the Council's retained receipts, which a total of 40% can be used to fund a scheme.

Planning:

Planning Services will provide overall comment and direction at feasibility stage as well as through the formal application process advising on policy context and process assurance as well as providing advice on positive scheme design. Planning colleagues will offer guidance as to planning policy and timescales for applications to be determined at the Council's Development Management Committee (DMC).

Landscapes/Biodiversity:

The Landscapes and Biodiversity Team will provide feedback on existing and proposed landscape design, to ensure that the most suitable plants and trees are planted as part of the developments. Furthermore, Landscapes will provide the link at handover from the contractor and Regeneration Team to HTS (Property & Environment) Ltd for ongoing routine maintenance.

Legal:

The Legal Team will receive a standing invitation to attend the Project Delivery Board meetings and will be consulted as and when it is necessary for them to attend to discuss any site legal/boundary/rights of way/covenants/appropriation etc. issues relating to schemes being put forward for proposal.

Insurance & Risk:

The Insurance and Risk Team will receive a standing invitation to attend the Project Delivery Board meetings and will ensure dialogue with the Council’s Copywriters to ensure adequate cover before, during and following construction. It is important that early engagement is made with the Insurance and Risk Team to enable understanding of the programme of works and what level of insurance is required. The Insurance and Risk Team will, along with the Programme and Delivery Boards, receive regular programme milestone updates to keep them apprised of the key dates during delivery.

2.5 Reporting

Reports will be prepared ahead of both the Programme and Delivery Board meetings and circulated a minimum of three working days prior to the meeting. The Housing Regeneration & Development Manager will prepare the report with input from the Regeneration Project Support Officer and Project Management Office (PMO) Supervisor, in line with the reporting cycles for the board meetings and will be issued along with any other relevant documents for review/discussion. The PMO Supervisor will oversee coordination of agenda and report packs, Minutes and action tracker for audit purposes.

Reporting Schedule

Board Name	Meeting Schedule	Additional Activities	Reporting Schedule
Programme Board	<ul style="list-style-type: none"> • Every 8 weeks • Additional meetings by exception 	<ul style="list-style-type: none"> • Programme Risk Review for approved schemes - Quarterly • Additional activities by exception 	<ul style="list-style-type: none"> • Programme Highlight & Progress report – every 8 weeks to include: <ul style="list-style-type: none"> • Scheme Progress Update for all schemes – milestone updates • Site options update • Finance Review • Change/Issues • Decision requests
Delivery Board	<ul style="list-style-type: none"> • Every 4 weeks • Additional meetings by exception 	<ul style="list-style-type: none"> • Individual Scheme Risk Review – Every 4 weeks • Additional activities by exception • Programme Risk Review - Quarterly 	<ul style="list-style-type: none"> • Delivery Highlight reports every 4 weeks to include: <ul style="list-style-type: none"> • Scheme Progress Update for all schemes – milestone updates • Site options update • Finance Review • Resource allocation • Change/Issues • Decision/Direction requests • Scheme Risk Review • Programme Progress Review – every 8 weeks (Review)

The Regeneration Team have prepared standing agendas and reporting templates for both the Programme and Delivery Boards. The PMO Supervisor will confirm with the Chair of the relevant Programme and Delivery Boards whether any specific items are required for each meeting. Once agenda’s have been issued, other items will need to be raised under Any Other Business for the meeting.

3. Process

Step by step of scheme completion from validation to handover with short definition of each

3.1 Identify site

Regeneration officers will visit the site and undertake a validation visit, to determine whether the site is viable for development. This decision will be made via a validation checklist (included in Appendix), site photographs and officer's initial observations. The site validation checklist will include a box for a site to be referred to the Programme Board for discussion and will be signed off by the officer and the Assistant Director of Regeneration.

3.1.1 OFFICERS VISITING A SITE TO COMPLETE THE SITE VALIDATION CHECKLIST AND TAKE PHOTOGRAPHS OF THE SITE. VALIDATION CHECKLIST AND PHOTOGRAPHS TO BE SAVED ON FILE.

3.1.2 SITE VALIDATION CHECKLIST TO BE SIGNED OFF BY OFFICER AND ASSISTANT DIRECTOR OF REGENERATION & COMMERCIAL DEVELOPMENT.

3.2 Due Diligence & Risk Appraisal (land ownership / Title Report / Utility & Asset Search)

A site plan is prepared by the Regeneration Team, using the Council Geographic Information System (GIS). The plan will be issued to Legal Services with request for a full report on the title to be undertaken and provided. Legal Services will identify any potential issues or restrictive covenants that may apply to a site. Similarly, Property & Facilities officers will be copied, with request for a full utility/asset search of the site to be undertaken. Property & Facilities will provide information on National Grid, Thames Water, Affinity Water, Virgin Media and Cadent. Due diligence searches will also be undertaken to determine whether the land is Housing Revenue Account (HRA), or General Fund (GF) owned land.

3.2.1 ACTIVITY – DECISION TO BE MADE BY THE DELIVERY BOARD AS TO WHETHER THE SCHEME SHOULD PROCEED TO FEASIBILITY OR REPORTED AS UNVIABLE TO PROGRAMME BOARD

3.3 Feasibility

Architects will prepare initial site layout and block plan options to determine typologies and number of housing units that can be delivered on the site, considering housing need in the site locality. At this point a financial viability appraisal will be undertaken to establish potential scheme costs and funding route.

3.4.1 ACTIVITY – DECISION TO BE MADE BY THE DELIVERY BOARD RE: PREFERRED DESIGN OPTIONS

3.4 Site Clearance, surveys & ground investigations

Where necessary site clearance will be undertaken, which will be followed by specialist surveys, which include ground investigations, topographical, arboriculture, ecology, acoustic etc.

3.4.1 ACTIVITY – DECISION REQUIRED BY PROGRAMME BOARD RE: SITE SURVEYS

If site surveys show prohibitive results, then the Programme Board will make decision whether to proceed or to bank the site for future use or consider alternative immediate use.

3.5 Initial consultation with public/stakeholders

Where required, the Regeneration Team will lead initial public/stakeholder consultation on proposed plans for the identified site. From January 2024, the Council House Building Programme (CHBP) plans have been on display in the Discover Harlow Hub in the Harvey Centre. The Regeneration Team are based in the Discover Harlow Hub weekly on Thursdays between 10:00am and 2:00pm for a period of c. six months, to enable discussions with members of the public on the CHBP.

3.5.1 ACTIVITY – REGENERATION TEAM TO DISCUSS SCHEME PROPOSALS WITH PORTFOLIO HOLDER FOR REGENERATION AND WARD COUNCILLORS.

3.6 Approval by Programme Board

The Programme Board will be presented with the site validation information and photographs and feasibility designs. This information will be supplemented by public/stakeholder consultation responses where appropriate. The Board will review and approve/reject the site. If the site is approved, the project will move to detailed design.

3.6.1 STAGE 1 APPROVAL CHECKLIST TO BE SIGNED OFF BY DIRECTOR OF STRATEGIC GROWTH & REGENERATION AND PORTFOLIO HOLDER¹.

3.7 Detailed Design

Formal design up to Stage 2 will be carried out by an architect with designs fed back to the Delivery Board for approval/ comment.

3.7.1 ACTIVITY – DESIGNS WILL BE REVIEWED BY THE DELIVERY BOARD. COMMENTS AND AMMENDMENTS WILL BE FED BACK TO THE ARCHITECT.

3.7.2 ACTIVITY – DISCUSSION TO BE HELD WITH PLANNING AND HOUSING COLLEAGUES RE: PARKING PRESSURES ON SPECIFIC SCHEME AND WITHIN THE WIDER AREA. DOES THIS AFFECT VIABILITY OF THE SCHEME?

A Pre-App meeting with the Planning team will be undertaken for formal feedback on the designs. Any feedback will be reviewed, and designs amended accordingly prior to a full planning application being submitted.

Design team to provide indicative delivery programme and QS summary of the scheme.

3.7.3 ACTIVITY – DECISION TO BE MADE BY THE PROGRAMME BOARD ON SUBMISSION OF FORMAL PLANNING APPLICATION & SUBSEQUENT PROCUREMENT.

¹ In the absence of a Director of Strategic Growth & Regeneration, the sign off has been undertaken by the Chief Executive.

3.7.4 ACTIVITY – REGENERATION TEAM TO DISCUSS DETAILED PLANS WITH PORTFOLIO HOLDER FOR REGENERATION, WARD COUNCILLORS AND MEMBERS TO SUPPORT AHEAD OF PLANNING APPLICATION.

3.7.5 RISK REGISTER TO BE REVIEWED AND UPDATED AT PROGRAMME AND DELIVERY BOARD (STANDING AGENDA ITEM)

3.8 Planning Application

The Architect / Employer's Agent (EA) will submit a planning application. Once validated case officer, consultation will take up to eight weeks for minor applications and up to 13 weeks for major applications. The planning officer will prepare their report and recommendations for Development Management Committee (DMC).

3.8.1 ACTIVITY – AGENT/ARCHITECT/DESIGN TEAM SUBMITTING THE PLANNING APPLICATION TO COMPLETE THE HGGT SUSTAINABILITY AS PART OF THE SUBMISSION.

3.9 Development Management Committee

The Development Management Committee will be presented with the report from the Planning Officer and consider recommendations. The applicant may be asked to provide some further information or answer any questions that members of the committee may have. The Committee will also listen to any objections to the application, before voting to approve or reject the application.

3.9.1 ACTIVITY: REPORT TO PROGRAMME BOARD RE: PLANNING DECISION.

If planning is denied, the Delivery Board will consider site amendments and other factors from the Programme Board. If the planning decision is positive, the Regeneration Team will proceed to Procurement. Prior to the tender package being uploaded to the portal a Stage 2 Approval Form will need to be completed, with sign off by the Assistant Director of Housing, confirming the inclusion of the Housing Operations Specification, Director of Strategic Growth & Regeneration and Portfolio Holder.

3.9.2 ACTIVITY – PROGRAMME BOARD TO REVIEW TENDER PACK/SPECIFICATION AND SIGN OFF ALONG WITH HOUSING SIGN OFF OF SPECIFICATION.

3.10 Appropriation

Where land to be developed for social housing is held within the General Fund (GF) it must be appropriated into the Housing Revenue Account (HRA) prior to development commencing. The Regeneration Team will arrange for a valuation of the land to identify its 'certified market value' which the Council's Finance Team interpret this to mean that the appropriate value should reflect the intended use of the transferred asset in its 'destination' fund, therefore transfers into the HRA should be added at a value reflecting its future use as social housing. The appropriation decision process will need to be followed in accordance with the Council's

Constitution and with relevant account and audit regulations. A report will be prepared to Members.

3.11 Discharge of Planning Conditions

Once planning permission has been granted, the Architect will coordinate the construction stage drawings from all consultants (Structural & Civil Engineer, M&E Engineers etc.). A Planning Conditions Discharge Tracker will be set up on the project file and an application submitted to the planning department for discharge of the planning conditions. The tracker will be updated to reflect conditions that are submitted for discharge, have been discharged etc. with a RAG status included.

3.12 Building Regulations Application

Building Regulations, under the *Building Act 1984* set the standards for the design and construction of building to ensure that new buildings, conversions, renovations and extensions (domestic or commercial) are going to be safe, healthy and high-performing².

The Architect will coordinate the consultants (Structural & Civil Engineer(s), M&E Engineers etc.) to prepare and submit a Building Regulations Application. This may be through the Council's internal Building Control department (outsourced to Hertfordshire Building Control Ltd) or through an Approved Inspector. Determination period is dependent upon the type of building control application submitted.

- **Full Plans** – this is the most thorough option. A decision is usually made within five weeks, or two months with your consent. A completion certificate will be issued within eight weeks of completion of the building works as long as it is compliant.
- **Building Notice** - This type of application is only for smaller projects. You can start work 2 days after your notice has been submitted to your BCB. You do not get formal approval like you do with full plans³.

3.13 Procurement

The Regeneration Team will liaise with the Procurement Team and the lead architect to establish a framework route for Procurement. Once a route has been established, the procurement process would proceed to establish those contractors wishing to tender. Procurement tenders should be returned within 6-8 weeks. Tender returns are validated, and analysis process carried out by Procurement, Delivery Team and Architect, which can take up to four weeks. A tender evaluation report will be prepared usually by the EA/Contract Administrator for the scheme, with cost and quality evaluations carried out separately. A copy of the tender evaluation report will be saved on the project file to comply with audit requirements.

If the tender returns are within the approved budget, the Regeneration Team will consult with the Director of Strategic Growth and the Portfolio Holder to advise on the contractor

² 'What are the Building Regulations', LABC, URL: labc.co.uk/about-labc/what-are-building-regulations. Accessed 22 February 2024

³ Building Regulations Approval, GOV.UK, URL: <https://www.gov.uk/building-regulations-approval/how-to-apply>. Accessed 22 February 2024

recommending to appoint whereby a Stage 3 Approval Form will be completed and forwarded to Procurement along with a completed Bid Acceptance Form (available on Kaonet). This will then allow Procurement to award the contract under delegated authority. If the tender return is not within the delegated approval limit, a report will need to be prepared and submitted to Cabinet for consideration/approval.

3.10.2 ACTIVITY – DELEGATED AUTHORITY VIA STAGE 3 APPROVAL FORM OR CABINET DECISION TO APPROVE & APPOINT CONTRACTOR.

3.14 Contract Award and Pre-Commencement Meeting with Contractor

Meet with successful contractor to discuss lead in times, site specific issues, resident newsletters, site hoarding, contact directory, site parking, reporting format. Also discuss discharge of pre-commencement planning conditions. JCT (with amendments) or other contract executed.

3.15 Start on Site

Initial site meeting. All relevant external parties to be present along with Regeneration and Housing Officers. These meetings are to be held on a regular monthly basis or as needed. Minutes to taken by Employer's Agent (EA) and circulated to all meeting parties. These minutes will then be communicated internally to the Delivery Board. Team to start to prepare Asset Document and update throughout the build period as information becomes available from the contractor and EA.

3.12.1 ACTIVITY – HIGHLIGHT REPORTING TO DELIVERY & PROGRAMME BOARD – DECISIONS BY EXCEPTION WHERE NECESSARY.

3.12.2 ACTIVITY – LIAISE WITH HOUSING OFFICERS & COMMS FOR REGULAR SITE VISITS & PROGRAMME UPDATE.

3.12.3 ACTIVITY – LIAISE WITH INSURANCE AND RISK TEAM TO ENSURE ADEQUATE INSURANCE COVER.

3.16 Pre-Completion

Snagging process to be completed with all items identified being rectified prior to final handover. The Regeneration Team will liaise with the Housing Operations Team regarding compliance matters and expectations for relevant MEP testing and inspection certification. Resident user handbook to be agreed and visits arranged for Empty Homes Team and Estates & Tenancy Management to photograph properties to advertise for rent. The Communications Team will be notified of handover dates for official press release and Portfolio Holder / Programme Board visit.

3.13.1 COMMUNICATIONS TEAM TO PREPARE PRESS RELEASE AND ARRANGE REGENERATION PORTFOLIO HOLDER SITE VISIT/HANDOVER VISIT.

3.17 Practical Completion & handover

The Regeneration Team and EA will meet on site to take handover of resident's handbooks, warranties and certificates, equipment manuals, keys, take and photograph meter readings for utilities, ensure that properties are secure and that any outstanding defects have been rectified. EA to issue the Practical Completion (PC) certificate to the contractor and Regeneration Team, highlighting any outstanding pieces of information or defects. The Regeneration Team will then handover all documentation and keys to Housing

representatives. The EA and QS to prepare final account, prior to 12-month defect period liability cost retention.

3.14.1 ACTIVITY – REGENERATION TEAM TO COMMISSION REINSTATEMENT COST ASSESSMENTS FOR NEW DEVELOPMENT AND PROVIDE REPORT TO INSURANCE & RISK TEAM.

3.14.2 ACTIVITY – INSURANCE & RISK TEAM TO LIAISE WITH COUNCIL’S BROKER TO ENSURE THAT NEW PROPERTIES/DEVELOPMENT IS INSURED AT THE POINT OF HANDOVER.

3.14.3 ACTIVITY – REGENERATION TEAM TO COMMISSION A VALUATION OF THE NEW PROPERTIES TO BE UNDERTAKEN. VALUATION REPORT TO BE PROVIDED TO HOUSING, INSURANCE & RISK TEAMS.

3.14.4 ACTIVITY – HEALTH & SAFETY FILE TO BE HANDED OVER TO HOUSING AND PROPERTY SERVICES.

3.18 Defects Period

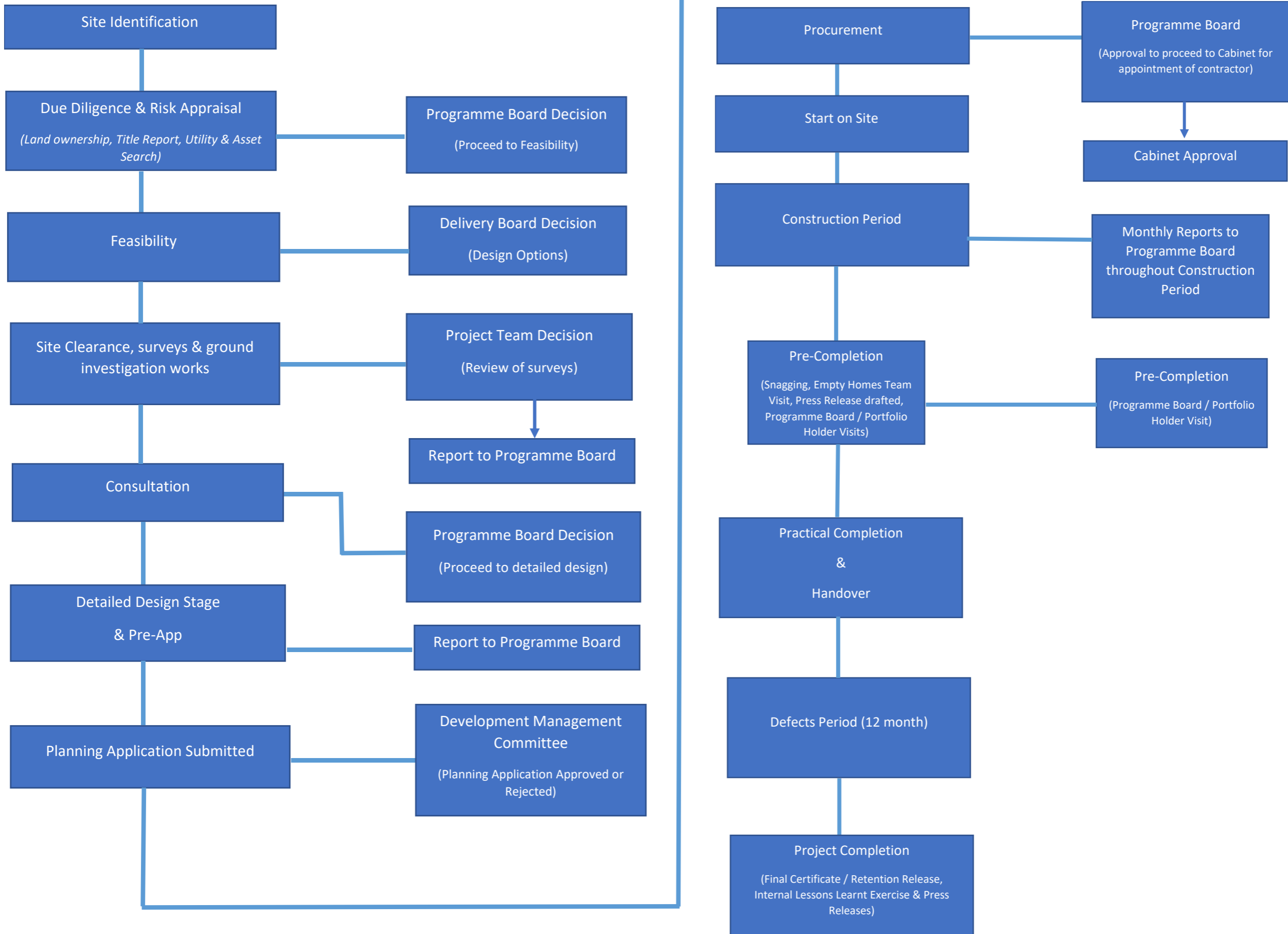
Within the 12-month defect period, the Regeneration Team will seek regular reports on responsive repairs and/or call-out requests from HTS (Property & Environment) Ltd and communicate these to the EA and contractor. The EA will coordinate regular return visits with the Regeneration Team and contractor to inspect any issues that have been raised and general condition of structure, fixtures and fittings relating to the final build. Any defects will be listed by the EA and the contractor will rectify within an agreed period. Approximately 11 months after completion and handover, the EA, Regeneration Officers and contractor will undertake a Defects Inspection of the properties. The Architect/EA will prepare a Defects Inspection List for each property which will be provided to the contractor, setting out the defect remedial works required. The contractor will arrange to return to undertake defect remedial works to properties within an agreed period of time.

3.19 Final Account

Once defect remedial works have been completed and signed off, the contractor will submit their final account and invoice for draw down of their retention costs. Harlow Council will process the invoice to release retention payment within the terms of the contract or the Council’s standard payment terms.

3.20 End of Project

The EA will issue the final certificate and release retention to the contractor. An internal ‘Lessons Learnt’ exercise will be held by the project team to evaluate the experience and any revisions to this process document that may be required. The Communications Team will issue a final press release at the end of the project.



4. Programme Risk Management Approach

Risk management will be conducted at both a programme and project level following the analysis and management approach.



A Strategic Risk Register has been developed and is shown in Appendix 4.

A further delivery risk register will be produced for the projects and will be compiled, reviewed and strengthened in partnership with appointed contractors to ensure comprehensive identification and mitigation.

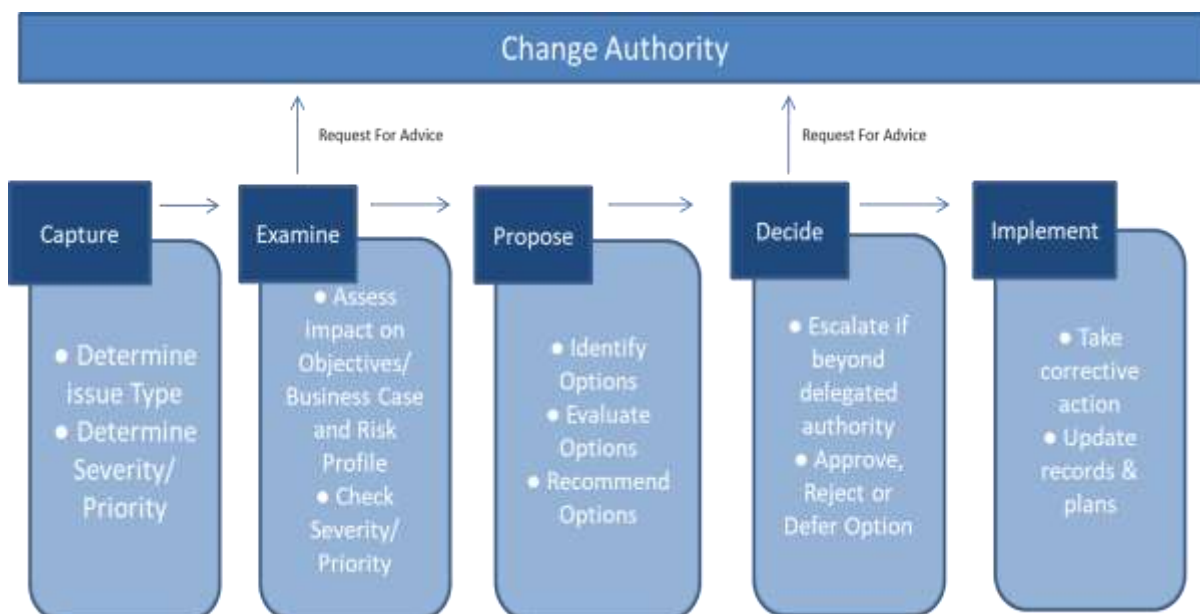
The main risk management roles and responsibilities are:

- SRO – has overall responsibility for putting in place an effective risk management policy and process
- Programme Board – has oversight responsibility for risk management processes
- Assistant Director Regeneration – responsible for implementing risk management policy
- Risk owner – the person best placed to direct or take mitigating action against individual risks dependent on programme and/or project

These roles will be supported by members of the Programme Board and/or Project Boards as defined within the risk registers.

Both the Strategic Risk Register and the individual project Risk Registers will be actively reviewed on a quarterly and monthly basis respectively to monitor unrealised risk and to react to issues as and when they occur.

All emerging change approval and escalation management required will be controlled at a Programme and Project level with the flow process below. Change authority will sit with the Programme Board and Project Boards dependent on the level of request.



The key barriers and areas of risk to delivery are as follows:

- Governance
- Finance
- Procurement
- Delivery

5. Finance

The Programme Board will grant approval to a scheme, allowing the Delivery Board to commence the housebuilding process as set out in section 3 of this document. Once approval has been given, the Regeneration and Finance Teams will meet to discuss the best funding mechanism to deliver the scheme. There are several funding mechanisms that can be used to fund a scheme which will need to be assessed. The key funding mechanisms are set out below.

5.1 Feasibility Costs

From October 2023, following discussions between the Regeneration and Finance Teams, it has been agreed that the initial feasibility costs for stage 1-3 will be funded from revenue via the Regeneration Reserve. This replaces the previous funding mechanism via the Programme of Development (POD) funding which has now expired.

At a scheme inception, the Regeneration Team will email Finance to request a new revenue cost centre to be opened to capture pre-construction costs from the outset. If at financial year end, the scheme has not yet achieved planning permission, the costs will be funded from the Regeneration Reserve. Once the scheme has received planning permission, a new capital code will be created, and any pre-construction works will be posted to the code and a retrospective credit will be applied back to the Regeneration Reserve. Any schemes that are subsequently aborted will be funded from the Regeneration Reserve.

5.2 Housing Revenue Account (HRA)

Developments will be funded from the Housing Revenue Account (HRA). The HRA will be the primary funding mechanism for all new housebuilding projects.

5.3 Right To Buy (RTB) Retained Receipts

The Council can use a maximum of 40% of retained Right to Buy (RTB) receipts against the construction cost of a development. Where RTB receipts are used, the remaining 60% of costs will be met from the HRA.

There are regulations around use of RTB retained receipts, with the Council having a five-year rolling programme. Failure to use RTB retained receipts will result in the Council needing to repay the funds back to central government.

5.4 Homes England Affordable Homes Programme 2021-26 Grant Funding

The Affordable Homes Programme 2021-26 is a £11.5 billion funding pot which will award funding for social rent, supported housing and a renewed commitment to delivering homes using modern methods of construction (MMC)⁴. Harlow Council is a registered Investment Partner with Homes England, which allows the Council to submit bids for funding of new affordable homes. The Council has already successfully bid for funding from this scheme, being awarded a grant of £640,000 for the Bushey Croft Development, which delivered 16 new social rented properties, which completed in July 2022.

If the Council successfully bid for Homes England grant funding, other funding mechanisms such as use of RTB retained receipts are unable to be used as this would be classified as double subsidy.

5.5 Budget Ledgers

The Regeneration Team will keep budget/expenditure ledgers for all individual schemes as well as a programme level budget ledger. The budget ledgers will be updated regularly with expenditure exported from the Council's financial management database, Agresso⁵.

5.6 Budget Monitoring Reports

The Assistant Director of Regeneration will receive the monthly capital budget monitoring reports and review and provide any necessary updates. The Regeneration Team's Project Management Office (PMO) Supervisor will receive copies of the monthly capital budget monitoring reports to enable accurate updates of scheme and programme budget ledgers.

Regular contact between the Council's Finance Team and Regeneration Team will be essential to ensure accurate information and reporting against budgets.

⁴ Affordable Homes Programme 2021-26, National Housing Federation, URL: <https://www.housing.org.uk/our-work/building-new-homes/AHP-2021-26/>

⁵ Or other financial management database if Agresso should ever be replaced.

6. Appendices List:

Appendix 1

COUNCIL HOUSE BUILDING PROGRAMME

PROGRAMME BOARD TERMS OF REFERENCE

Membership

Director of Strategic Growth and Regeneration (Chair)

Assistant Director for Regeneration

Assistant Director for Planning & Building Control

Assistant Director for Finance

Assistant Director for Housing Operations (Property)

Purpose

- To have primary oversight of the delivery of the Council's housebuilding programme
- Provide strategic direction for the future development of the programme
- Provide provisional approval to all projects before they progress to planning application submissions, agreeing outline designs and budget allocations
- Receive and discuss progress reports on all projects in the programme
- Receive reports on potential site acquisitions and agree recommendations in relation to those
- Make recommendations to the Director of Strategic Growth & Regeneration and the Portfolio Holder for Regeneration for formal project approvals
- Approve progress reports to the Senior Management Board
- Ensure that the Programme delivers against the objectives as set out in the March 2022 Cabinet Report on Council Housebuilding

Appendix 2

HARLOW COUNCIL HOUSEBUILDING PROGRAMME

Site Validation Checklist

Name of Officer(s) Completing Checklist:	
Job Title:	
Date:	

Section 1 – Site Details

To be carried out on initial site visit.

Site Address:	
Description of Site:	
Is the site owned by HDC:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Current Use of the site:	Residential <input type="checkbox"/> Commercial <input type="checkbox"/> Garage Block <input type="checkbox"/> Vacant Land <input type="checkbox"/> Other <input type="checkbox"/>
If Other, give details:	

Photographs Taken:	Yes <input type="checkbox"/>
	No <input type="checkbox"/>

Section 2 – Due Diligence

To be carried out in the office following the site visit.

Is the site owned by HDC:	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
What is the allocated use in the Local Development Plan?	
Is the site Greenbelt / Green Wedge/Finger or Brownfield:	
Land Status:	HRA <input type="checkbox"/>
	General Fund <input type="checkbox"/>
Will the site have Members support for development?	Yes <input type="checkbox"/>
	No <input type="checkbox"/>

Section 3 – Due Diligence (Part 2)

Initial discussions on the site to be undertaken to inform decision to refer to Programme Board.

No. of units achievable (est)	
Has a discussion with Planning been held re: the principle of housing development on the site?	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
If yes, is there a parking issue in the wider area?	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
Will On-Street / Off-Street parking need to be re-provided within the development?	Yes <input type="checkbox"/>
	No <input type="checkbox"/>

Pamwin Appraisal outputs. Do they reach hurdle rates?	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
Funding Mechanism to be considered: (RTB or HE Grant)	HRA <input type="checkbox"/>
	RTB <input type="checkbox"/>
	HE Grant <input type="checkbox"/>
	Other <input type="checkbox"/>
If Other, give initial details:	

Section 4 – Other Issues & Opportunities

Other Issues with the site:	
Other potential opportunities for use of the site:	

Section 4 – Recommendation

Site recommended to be referred to the Programme Board for permission to progress to Feasibility Stage.	Yes <input type="checkbox"/>
	No <input type="checkbox"/>

Section 5 - Signature

	Name	Signature
Officer completing validation checklist		
Assistant Director of Regeneration		

Appendix 3

HARLOW COUNCIL HOUSEBUILDING PROGRAMME

APPROVAL CHECKLIST

Scheme Title:	
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Scheme Summary:	
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Stage 1 Validation

Technical feasibility completed	
Programme Board approval (date)	
Planning documentation completed	

Approvals

	Name	Signature
Director of Strategic Growth & Regeneration		
Portfolio Holder for Regeneration		

Stage 2 Approval

Planning consent obtained (date)	
Build specification and Housing inclusions confirmed	
Funding package confirmed (detail to be provided)	

Preferred contractor selected (detail)	
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Agreements

	Name	Signature
Assistant Director of Housing		

Approvals

	Name	Signature
Director of Strategic Growth & Regeneration		
Portfolio Holder for Regeneration		

Cabinet <i>(date & link to Cabinet Minutes)</i>	
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Stage 3 Delivery

	Start on site date	Completion date (expected)
Confirmation of start on site and expected completion (dates)		

Appendix 4

Strategic Risk Register

Theme: Council Housebuilding Programme

Strategic Aim: To establish strategic risk to programme delivery and inform project/tranche specific risk assessment/mitigation

Updated: December 2023

Risk Rating Severity Key:
 1 - 8 = Low
 9 - 15 = Medium
 16 - 20 = High



Ref.	Risk Category	Risk	Consequence	Current Risk Rating				Mitigation Controls	Mitigated Risk Rating				Responsible Officer(s)
				Likelihood	Impact	Severity			Likelihood	Impact	Severity		
1	Financial	Viability	Funding route is not available (e.g. HRA, RTB, Homes England or other grant funding)	2	5	10	Medium	Financial outcomes to be discussed and agreed by Programme and Delivery Boards to discuss reducing costs or unit numbers and alternative tenure options and most appropriate funding mechanism.	1	4	4	Low	Programme Board Delivery Board Programme Manager Quantity Surveyor
2	Financial	HE grant claim rejected or reduced or insufficient RTB funds for scheme to be delivered	Lack of funds to delivery scheme under the CHBP Programme	3	4	12	Medium	Ensure ongoing discussions with funding providers (e.g. Homes England) and Accountancy Team. Programme Board to review funding options for programme/schemes on a regular basis and approve funding route to be progressed	2	2	4	Low	Programme Board Delivery Board Programme Manager Quantity Surveyor

3	Financial	Schemes aborted due to viability	Abortive costs charged to reserves impacting on Council's overall finances	4	3	12	Medium	Due diligence and compliance with the process map as set out in the CHBP Process Document approved by Cabinet to ensure expenditure is kept to a minimum at feasibility stages	3	2	6	Low	Programme Board Delivery Board Programme Manager Quantity Surveyor
4	Financial	Inflation	Programme becomes unviable to deliver all schemes due to increased costs	4	4	16	High	Continual cost optimisation by project and design team to keep schemes within available budget	2	3	6	Low	Programme Board Delivery Board Programme Manager Design Team
5	Financial	Rising construction costs & costs of materials	Cost of materials impacts on construction cost to deliver schemes under the programme	3	3	9	Medium	Secure material orders early and work as closely to programme as possible to avoid delays and rising costs.	2	2	4	Low	Programme Board Delivery Board Programme Manager Design Team Contractor
6	Financial	Project exceeding budget	Main Contract sum may exceed the approved budget impacting on ability to deliver the scheme and requiring additional budget to be found	4	4	16	High	Regular monitoring of budgets throughout the tender / construction period. Value engineering of items as necessary that are not critical to delivery.	3	3	9	Medium	Programme Board Delivery Board Programme Manager Accountancy
7	Financial	Slippage / reduction in capital receipts actuals vs estimates	Realignment of the whole capital programme	3	3	9	Medium	Ensure project timetable is closely monitored	2	2	4	Low	Programme Board Delivery Board Programme Manager Accountancy
8	Financial	Poor capital scheme forecasting	Realignment of the capital programme and higher revenue impact	3	3	9	Medium	Regular monitoring of budgets	2	2	4	Low	Programme Board Delivery Board Programme Manager Accountancy Design Team Quantity Surveyor
9	Financial	Insufficient rent levels set for new builds	Impact on affordability of future years HRA	5	4	20	High	Ensure new builds rents are set at an appropriate level	3	3	9	Medium	Programme Board Delivery Board Programme Manager Accountancy

10	Financial	Failure to spend RTB retained receipts as forecasted	Requirement to return funds to government with interest resulting in funding shortages for Harlow Council's Housebuilding Programme	3	5	15	Medium	Ensure regular and effective budget monitoring is undertaken	2	2	4	Low	Programme Board Delivery Board Programme Manager Accountancy
11	Procurement	Lack of interest by contractors	Failure to award contract to build council houses compromising delivery of the housebuilding programme	3	4	12	Medium	Work with procurement and design team to run Expressions of Interest exercises to test the market. Listen to feedback from market testing and reassess scheme specification/requirements as necessary	2	3	6	Low	Programme Board Delivery Board Programme Manager Procurement Team Design Team
12	Procurement	Tender return costs above estimates	Scheme becomes unviable to deliver due to insufficient construction budget available	4	3	12	Medium	Continual cost optimisation throughout the design stages and regular market testing Redesign of the scheme potentially reducing deliverables (e.g. no. of units) and re-tender.	3	2	6	Low	Programme Board Delivery Board Programme Manager Procurement Team Design Team Quantity Surveyor
13	Governance	Planning Permission rejected	Scheme is unable to progress and will require redesign or potentially to be aborted impacting on delivery of homes under the CHBP	1	4	4	Low	Scheme designs regularly reviewed at Delivery Board to enable the Planning Officer to provide guidance. Pre-App advice sought during the design process.	1	2	2	Low	Delivery Board Programme Manager Design Team Planning Team
14	Resources	Staff leave the Council	Programme becomes under resourced impacting on ability to deliver the programme to agreed timescales	4	4	16	High	Ensure continued professional development/training to enhance knowledge and morale of staff. Ensure that information relating to schemes is saved on the filing system and that the PMO is aware of location of relevant documents to allow workload to be picked up and reallocated.	3	3	9	Medium	Programme Board Delivery Board Assistant Director of Regeneration Human Resources Programme Manager PMO

15	Resources	Because of project team member absence, scheduled activities are not completed on time, leading to missed deadlines.	Missed deadlines, delays to programme	4	3	12	Medium	Set clear expectations, connect at regular intervals, provide coaching. Evaluate team efficiency and consider hiring more staff.	3	2	6	Low	Programme Board Delivery Board Assistant Director of Regeneration & Commercial Development Human Resources Programme Manager PMO
16	Resources	Increased workload creates conflict with team goals	Missed deadlines, delays to programme	4	4	16	High	Regular Programme and Delivery Board meetings, to review workload and resource requirements. AD to raise resource concerns with Director/SMB as soon as possible to review programme and determine how best resources can be implemented to achieve timescales and actions.	3	2	6	Low	Programme Board Delivery Board Assistant Director of Regeneration & Commercial Development Human Resources Programme Manager PMO
17	External Factors	Lack & cost of land availability	Increase in numbers on the Housing Needs Register	4	4	16	High	Council to regularly review assets and ability to develop underutilised land e.g. garage blocks. Council continue to explore options to purchase land on the market, where feasible. Pursue delivery of sites identified in adopted Local Plan.	3	3	9	Medium	Cabinet Programme Board Delivery Board Regeneration Team