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## Report of the Director of Environments and Neighbourhoods

### Report to Executive Board

Date: 11 September 2007

Subject: Update on regeneration of "The Beverleys" area of Beeston  
Scheme Number 1359 000 000

<b>Electoral Wards Affected:</b> City and Hunslet
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<b>Specific Implications For:</b>
Equality and Diversity <input type="checkbox"/>
Community Cohesion <input type="checkbox"/>
Narrowing the Gap <input checked="" type="checkbox"/>

Eligible for Call In

Not Eligible for Call In  
(Details contained in the report)

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## EXECUTIVE SUMMARY

The Beverleys regeneration scheme, involving the acquisition and demolition of 133 properties of mixed tenure, was approved by Executive Board on 19 January, 2005. The scheme was originally partially funded by Single Regional Housing Pot borrowing approval. The remainder of the scheme costs are to be met by Housing Market Renewal grant funding of £4m together with £1.96m of Single Regional Housing Pot grant. The scheme is progressing satisfactorily. Executive board are requested to authorise expenditure of £5.96m to facilitate the continuation of the scheme.

### 1.0 Purpose Of This Report

- To update Executive Board Members on progress on the Beverleys acquisition and demolition scheme.
- Request Executive Board to give authority to spend £5.96m government grant.

## **2.0 Background Information**

- 2.1 Executive Board at its meeting of 19 January, 2005 approved proposals for the acquisition and demolition of 133 properties of mixed tenure in the Beverleys area of Beeston.
- 2.2 Following approval of the scheme by Executive Board progress was delayed by the lack of complementary grant funding being made available by the Housing Corporation.
- 2.3 Since that time Housing Market Renewal Funding and additional Single Regional Housing Pot funding has been allocated for the continuation of the Beverleys project and has been injected into the capital programme.

## **3.0 The Business Case for Continuation of the Beverleys Scheme**

- 3.1 The Leeds Housing Strategy has identified the need to address poor quality or obsolete housing and issues with multiple deprivation as a key priority. This has also been identified as a key priority both in the Regional Housing Strategy and the West Yorkshire Housing Strategy. This project forms part of a housing market renewal component of the comprehensive regeneration programme for Beeston Hill and Holbeck.
- 3.2 As part of the Councils overall strategy for the area a Land Use Framework (LUF) was approved as Supplementary Planning Guidance in 2005 which recognises the need for the clearance of obsolete housing types in order to make the regeneration of the area sustainable.
- 3.3 Acquisitions of properties throughout the Beverleys target area are now underway. Of the 96 privately owned properties within the target area 58 have, to date, been acquired by the Council on behalf of the Leeds Housing Partnership. A further 13 owners have given a written acceptance of the Councils offer to purchase and these purchases are progressing through the legal conveyancing process.
- 3.4 Over the past 7 years over £100m worth of investment has been attracted to Beeston Hill in the form of a new Health Centre, Community Centre, the New Beverley Community School and Childrens Centre (which has recently been nominated for national regeneration awards) and other private developments including "The Greenhouse". Other recent successful housing focused regeneration projects in Beeston include a 'facelift' scheme on Tempest Road and ongoing phases of group repair in the area which have not only instigated considerable regeneration benefits but have levered in approximately £650,000 worth of investment to from the private sector and £350,000 of investment from Aire Valley Homes. It is recognised that an essential feature of the sustainability of this investment in the area will be the acquisition and clearance of residential premises which are deemed to be non decent and to utilise the land concerned to benefit the community. It is essential that this takes place in order to give private sector investors and developers the confidence to commit to the area over many years and introduce wider choices in housing.

- 3.5 The site is being considered as part of the overall developmental work for the preparation of the outline business case for the Holbeck and Beeston PFI , which if successful will attract £100m worth of investment to the area. The redevelopment of the site along with 3 other major sites proposed for new residential provision will create a catalyst for transformational change in the area and will be complemented by a programme of improvements to retained housing. The PFI team are working with planners to progress the design work which has already commenced on this site to a position where Outline Planning Approval may be sought early in 2008. The redevelopment of this site will form part of wider redevelopment plans for the area which include the redevelopment of The Plaza Club (adjacent) and potentially the neighbouring Sikh Temple. The coordinated redevelopment of these sites could lever in substantial private investment to the area and add value to the Beverleys site.
- 3.6 Alternatively another development route would be via a bid to the Housing Corporation's, National Affordable Housing Programme for 2008/11. The Housing Corporation has indicated that it will be looking for in year bids throughout the course of the programme life, this would allow the potential for a detailed scheme to be developed over the coming months. Work is already being undertaken by officers to review the need to create a strategic development approach to the sites within the clearance programme. Initial indications suggest that the cleared site could provide an opportunity for the construction of 85 dwellings of which a proportion would be affordable housing. It is anticipated that at current Housing Corporation grant rates this could attract approximately £3.4m public sector grant along with additional complementary private sector leverage of a further £6m.
- 3.7 Executive Board are requested to give authority to spend a further £5.96m RHB grant funding to ensure that spend on this project may continue and that the remaining properties may be acquired and the area cleared.

#### **4 Implications for Council Policy and Governance**

The continuation of this project is necessary to meet the objectives of the Vision for Leeds 2004-2020 and the Leeds Housing Strategy. The Leeds Housing Strategy has identified the need to address poor quality or obsolete housing and issues with multiple deprivation as a key priority.

#### **5 Legal And Resource Implications**

- 5.1 With HMR/SRHP funding available the anticipated requisite resources are now in place. There is always the risk that resistance of at least one owner could result in the requirement to pursue a Compulsory Purchase Order. If costs escalate, due to this or any other unforeseen circumstance, savings from other schemes will be utilised to supplement the budget if possible.

## 6 Capital Funding & Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2007 £000's	FORECAST			
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's
LAND (1)	2250.0	2250.0				
CONSTRUCTION (3)	0.0	0.0				
FURN & EQPT (5)	0.0	0.0				
DESIGN FEES (6)	0.0	0.0				
OTHER COSTS (7)	0.0	0.0				
<b>TOTALS</b>	<b>2250.0</b>	<b>2250.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2007 £000's	FORECAST			
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's
LAND (1)	5960.0	1646.0	4314.0			
CONSTRUCTION (3)	0.0					
FURN & EQPT (5)	0.0					
DESIGN FEES (6)	0.0					
OTHER COSTS (7)	0.0					
<b>TOTALS</b>	<b>5960.0</b>	<b>1646.0</b>	<b>4314.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2007 £000's	FORECAST			
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's
LCC Funding	250.0	12.8	237.2			
RHB Funding	7960.0	3883.2	4076.8			
<b>Total Funding</b>	<b>8210.0</b>	<b>3896.0</b>	<b>4314.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Revenue Effects

There are no revenue implications within this scheme.

## 7 Conclusions

Following approval from Executive Board in January 2005 further authority to spend is required to allow this project to progress to completion and thus create a development opportunity for the provision of quality housing to modern standards which will replace the obsolete housing currently on the site.

## 8 Recommendations

That Executive Board authorise the expenditure of £5.96m of Regional Housing Board grant funding in order to continue the regeneration of the Beverleys area as planned.