



Report of: DIRECTOR OF NEIGHBOURHOODS AND HOUSING

Report to: EXECUTIVE BOARD

Date: 15th November 2006

Subject: HOUSING (MARKET) RENEWAL INVESTMENT PROGRAMME

Electoral Wards Affected:

Gipton and Harehills

Beeston Hill and Holbeck

Burmantofts and Richmond Hill

Specific Implications For:

Equality and Diversity

N

Community Cohesion

N

Narrowing the Gap

Y

Eligible for Call In

Yes

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

- Just under £25.5m has been secured from the Regional Housing Board by the City Council on behalf of the Leeds Housing Partnership to spend over the next 18 months on a programme which consists of a number of housing related schemes, which will contribute to the delivery of the major area based regeneration initiatives in East and South East Leeds (EASEL) and Beeston Hill and Holbeck.
- It is important that the Leeds Housing Partnership and in particular the Council develops a good track record for the implementation of well thought out schemes which are delivered on time and within budget since this will help strengthen its reputation and also its position when making further bids in the future.
- To ensure the above is achieved and that the money that has been allocated to the Council is spent judiciously and expeditiously certain changes to current council approval processes are advocated and a robust monitoring and review system needs to be put in place.

1.0 PURPOSE OF THE REPORT

1.1 This report sets out what funding has been recently secured by Leeds City Council and its partners from the Single Regional Housing Pot (SRHP) and Housing Market Renewal (HMR) Investment Fund to enable issues of low demand and poor quality housing in a number of inner city neighbourhoods to be addressed. The report describes what conditions are attached to these two funding streams, how the

- 1.2 money has been allocated to individual projects that comprise the overall programme, and what needs to be done to ensure that the projects are delivered to the programme.
- 1.3 Also the report explains the strategic approach to the development of new bids in the future so that in effect a rolling programme within the key target areas is created which will improve the efficiency and effectiveness of delivery.

2.0 BACKGROUND INFORMATION

- 2.0 Leeds City Council and its partners (i.e. the Leeds Housing Partnership) have secured a total of £25.462m for Leeds to be spent over the next two financial years (i.e. by 31st March 2008) on specifically approved projects. This total comprises of £17.355m from the Single Regional Housing Pot and £8.107m from the HMR Investment Programme. To promote effective delivery, the HMR allocation to the council allows for overprogramming of schemes. The cash backed value of the allocation is £7.05m and actual spend on this programme will be managed within the cash backed value.
- 2.1 Of the £17.355m from SRHP, £10.964m is required to be spent by 31st March 2007. The remaining £6.39m of SRHP is allocated for 2007/08. This amount needs to be spent by 31st March 2008.
- 2.2 Regarding the HMR this is allocated over two financial years and therefore the funding needs to be spent by 31st March 2008.
- 2.3 The SRHP allocation for 2005/06 was provided as borrowing and therefore it has been allowed to be carried over to 2006/07, whereas the SRHP allocation for 2006/07 and 2007/08 is grant and therefore requires to be spent within the financial year that it is allocated. Similarly the HMR allocation (which is spread over two years) is grant.

3.0 HOUSING (MARKET) RENEWAL INVESTMENT PROGRAMME

- 3.0 The Vision for Leeds 2004 -2020 identifies as one of its aims the intention to “Regenerate and restore confidence in every part of the city” and to “Make sure that local neighbourhoods provide choice in the types and costs of housing available so that people do not have to move out of an area to meet their housing needs and choices.
- 3.1 Specific objectives of the Housing (Market) Renewal Investment Programme are:
- To tackle poor quality, pre-1919 housing stock in the priority regeneration areas of Beeston Hill and Holbeck, Harehills and Cross Green through a phased programme which involves a mixture of acquisition, demolition and clearance and/or group repair schemes..
 - To contribute to the delivery of the major area based regeneration initiatives in East and South East Leeds (Harehills and Cross Green) and also in Beeston Hill and Holbeck particularly through facilitating the redevelopment of cleared sites for new affordable housing and associated environmental improvements in these areas.

One factor to be considered in terms of future development of cleared sites within Cross Green and Harehills is the option of these sites being developed through the

EASEL joint venture. For the foreseeable future the priority will be to develop schemes within the three target areas as part of a rolling programme set within a strategic context

- 3.2 Proposals will be developed that demonstrate how best to meet the strategic aims and objectives outlined above with the resources available. Option appraisals will be carried out for particular pre-1919 housing areas with reference to their ability to meet the defined objectives.
- 3.3 Appendix 1 provides a summary of the projects where Executive Board and /or other approvals have been granted. The schemes are divided in to those which are being developed and implemented by Environmental Health Services (e.g. group repair) and those where the Regeneration Special Projects Team are taking the lead role (e.g. schemes involving the acquisition and demolition of obsolete properties. within a defined geographical area in order to provide cleared sites which are then available for development for suitable use(s) primarily new housing.
- 3.4 The programme is now being progressively rolled out on four fronts – Beverleys in Beeston, Cross Green, Florence Street area in Harehills and the Recreations in Holbeck
- 3.5 Funding of approximately a further £1.8m of the 2006/08 RHB allocation currently remains uncommitted. Two potential future schemes have been identified (one in Cross Green – “Phase 3” and the other in Holbeck – Recreations – “Phase 2”) for which a notional allocation of SRHP funding has been made in 2007/08. Any proposals for Cross Green will be required to fit within the comprehensive regeneration strategy which is to be prepared for the Cross Green area (referred to in the report – “Regeneration of Cross Green –Phase 2” considered and approved by Executive Board on 20th September). The strategy will seek to tackle issues of environmental quality, access to transport, traffic conditions, community safety poor housing conditions and mix, lack of facilities and general health and well being). Similarly, proposals for Holbeck will be required to fit within the comprehensive regeneration strategy for Beeston Hill and Holbeck and address similar issues to those in Cross Green. Of vital importance in any process leading up to producing a strategy is the involvement of local people from the outset. The intention would be to use and build upon existing consultation networks and arrangements in each area to establish the exact nature and extent of the next priority schemes.
- 3.6 As and when detailed proposals are developed these will need to be subject to extensive consultation and approvals obtained from Executive Board. Although two potential schemes have been identified if necessary there is the flexibility and potential to concentrate the remaining uncommitted £1.8m on just one of these schemes. The target date for consideration of any further scheme(s) by Executive Board would be January 2007.

4.0 DELIVERY

- 4.1 The Programme is being delivered by a combination of staffing resources from within Neighbourhoods and Housing officers from Legal Services, Development and Corporate Services and also involves officers from partners who are part of the Leeds Housing Partnership.

5.0 GOVERNANCE INCLUDING APPROVALS

- 5.1 Now that the exact amount of funding to deliver the Housing (Market) Renewal Investment Programme in Leeds is known it is important that this money is spent

and the conditions for the particular funding streams are met. For this to happen a streamlining of the approvals process is required such that the delivery of the Programme is assured. The proposal is that amendments to existing projects which have been approved by Executive Board and form part of the Programme are delegated to the Director of Neighbourhoods and Housing. This will include ensuring schemes continue to meet the funding criteria; the objectives for the funding outlined in this report; any changes to approved schemes are to a suitable level of specification and cost certainty ; the allocation of relevant amount(s) of funding to each scheme; the management of the delivery of individual schemes and the programme as a whole, liaison with partners and consultation with the affected local communities and also other stakeholders including local members and when required. In addition it is proposed that in the event that agreement cannot be reached with the owner of any property within the target area (s) for Executive Board to delegate authority to the Director of Neighbourhoods and Housing and Director of Development to make and promote any necessary Compulsory Purchase Orders.

- 5.2 It is also important that there is a means of tracking the progress of the individual schemes as well as the Programme as a whole to make sure that the spend is monitored and any potential slippage is identified early and appropriate interventions are made at the right time so that delivery is not adversely affected..
- 5.3 To achieve the above it is proposed that a Programme Board is set up. This would include representation from Neighbourhoods and Housing, Development, Legal Services and Corporate Services and also the chair of the Leeds Housing Partnership. The board would be chaired by Neighbourhoods and Housing and would have a regular cycle of meetings.
- 5.4 Since a number of the schemes involve the acquisition and disposal of property by the Council it is important that Asset Management Group are informed and consulted as part of scheme development and any views and/or advice is taken in to account as part of the approval process for any individual schemes.

6.0 FUTURE BIDS

- 6.1 Any future bids will require to meet the RHB funding criteria and also the various aims and objectives set out in section 3 of this report.
- 6.2 The intention is to develop local comprehensive regeneration strategies for the targeted areas(i.e. Cross Green, Harehills and Beeston Hill and Holbeck) and for individual schemes to be developed to fit within and help deliver these strategies. Through this approach a rolling programme should start to emerge which will assist in making bids for funding from the Regional Housing Board/West Yorkshire Housing Partnership. It will also provide greater clarity and certainty as well as enabling more efficient and effective delivery to be achieved.

7.0 RECOMMENDATIONS

- 7.1 Members of the Executive Board are asked to:-
- a) delegate to the Director of Neighbourhoods and Housing authority to make changes to individual schemes that have been approved by Executive Board
 - b) delegate to the Director of Neighbourhoods and Housing and Director of Development authority to make and promote any necessary Compulsory Purchase

Orders that may be required in the event that agreement cannot be reached with any property owner within the target area(s) of any approved scheme.