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Report of the Director of Neighbourhoods and Housing

Report to Executive Board

Date: 24th January 2007

Subject: Regeneration of Beeston Hill and Holbeck

Electoral wards affected:

Beeston and Holbeck
City and Hunslet

Specific Implications For:

Ethnic minorities

Women

Disabled people

Narrowing the Gap

Y

Eligible for call in

Yes

Not eligible for call in

(details contained in the report)

Executive Summary

In line with the objectives of the Vision for Leeds 2004-2020 and the Leeds Housing Strategy an allocation of £8 million Housing Market Renewal fund (HMRF) has been secured from the Regional Housing Board (RHB) to be spent during the financial years 2006/8. This funding is available for the purpose of tackling poor quality, pre 1919 housing stock in the priority regeneration areas of Beeston Hill and Holbeck.

A further £7.19m Single Regional Housing Pot (SRHP) has been allocated by the RHB to be spent during 2006/7 and an in principle allocation of £6.39m in 2007/8 to be spent in Beeston Hill and Holbeck, Harehills and Cross Green.

This report details proposals for two separate projects which will utilise part of the funding allocation from the RHB within the priority regeneration area of Beeston Hill and Holbeck.

1. The first section of this report entitled "**Regeneration of Holbeck, Phase 2**" outlines the options considered for an area encompassing 16 back to back properties (as shown at Appendix 1 and labelled 'Holbeck target area phase 2, addresses are listed at appendix 2) and details the results of an option appraisal. The report recommends the acquisition and demolition of these properties by utilizing £1.37m of SRHP fund over the financial years 2006/8 and seeks in principle approval to proceed with the acquisition of the properties within the target area by agreement with their owners. In the event that agreement cannot be reached with owners, authorisation will be requested from the Director of Neighbourhoods and Housing to make and promote any necessary Compulsory Purchase Orders. Executive Board at its meeting of 18 October 2006 approved a recommendation to utilise £2.95m HMR fund to commence

the acquisition of properties within the densely terraced housing area of Holbeck leading to the demolition of 53 properties. The proposals within this report will form phase 2 of this project.

2. The second section of this report, "**Beeston Group Repair Phase 3**", sets out proposals which will extend the life of approximately 50 properties in the Beeston area by 30 years by utilizing £1.8m of the RHB allocation over 2006/8. Executive board are requested to inject £2.003m into the capital programme and authorise scheme expenditure of £2.003m as outlined within this report.

In addition to the RHB funding, an Expression of Interest (EoI) proposal for Beeston Hill and Holbeck had been submitted relating to the DCLGs Housing PFI Fifth Bidding Round. The acceptance of this £90m scheme onto the PFI programme would have meant the availability of resources to achieve transformational change in the area through the development of an integrated regeneration strategy to which the proposals contained within this report would have contributed. However, information was received from DCLG on 21 December, 2006 advising that the scheme had not been accepted on the current programme but on the understanding that it would be the first reserve in the event of further PFI credits being made available. DCLG have stated that a new Expression of Interest will not be required and that they will enter into discussions with the Authority on ways forward.

Prior to DCLGs decision work had been identified as required for the preparation of an Outline Business Case for the proposal in the event that the scheme was accepted. In view of DCLGs commitment to consider this scheme as first reserve, this work will now progress.

1 Purpose Of This Report

A capital grant of over £15m has been allocated by the Regional Housing Board (RHB) for a long term housing market renewal programme to tackle poor quality, pre 1919 housing stock in the regeneration priority areas of the city. The purpose of this report is:

1. to consider the options for regeneration of the Holbeck area and to seek approval for the acquisition and clearance of 16 properties within Holbeck by utilising £1.37m of this funding during 2006/8.

And

2. to consider proposals for Beeston Group Repair phase 3 - an external enveloping scheme whose purpose is to extend the life of approximately 50 properties by 30 years. This scheme represents the third such phase of Group Repair work that has been carried out within the Beeston Hill Statutory Renewal Area: phase 1, in which 68 houses had full scheme works, was completed in April 2004: phase 2 is currently running, with 58 properties in the process of having full scheme works.

SECTION 1: REGENERATION OF HOLBECK, PHASE 2

1 Background Information

- 1.1 The regeneration of Beeston Hill and Holbeck, and the South Leeds area generally are high priorities and strategically important for the Council. Beeston Hill and Holbeck experiences some of the most severe levels of deprivation in the country. According to the Government's Index of Deprivation released in 2004, of the 11 Super Output Areas/neighbourhoods that cover Beeston Hill and Holbeck, seven of these are in the worst 3% of Wards nationally, and a further three are in the worst 10%.
- 1.2 Beeston Hill and Holbeck are identified as target areas for large scale improvement within the Vision for Leeds 2004-10, the Corporate Plan 2005-8 and the Leeds Regeneration Plan 2005-2008.
- 1.3 The Leeds Regeneration Plan 2005-2008 has an overall aim to narrow the gap between the most disadvantaged people and communities and the rest of the City. The Plan recognises that there are opportunities and challenges in Beeston Hill and Holbeck and in South Leeds generally to regenerate these areas, not only in terms of investment in buildings and the environment, but also other key service delivery issues.
- 1.4 In terms of the Unitary Development Plan, there is specific listing of the importance of Beeston Hill and Holbeck, and at its meeting in February 2005, Executive Board approved a Land Use Framework for the area as Supplementary Planning Guidance. The multi-agency Beeston Hill and Holbeck Partnership Regeneration Board, which was established in 2004, wishes to use the Land Use Framework as a platform for developing a public-private sector partnership that will deliver a range of outcomes to address the serious deprivation issues in this part of the city.
- 1.5 An Expression of Interest (EoI) proposal for Beeston Hill and Holbeck which had been submitted relating to the DCLGs Housing PFI Fifth Bidding Round was recently rejected although will be considered as first reserve scheme in the case of further PFI credits being made available. The scheme if accepted onto the programme would clearly have a major impact on the area and act as a catalyst for further investment, there are, however, a number of issues that would not have been addressed using Housing PFI credits including the acquisition and improvement/clearance of privately owned 'back-to-back' properties.
- 1.6 The area of terraced housing in Holbeck forms a crucial part of the overall objective to achieve transformational change in the area through the development of an integrated regeneration strategy. Subject to consultation, the Expression of Interest proposal was based on a working assumption that 126 Council owned 'Type 2' back-to-back terraced properties would be cleared in phases over a 10 year period with the use of PFI credits. Although these properties are clustered together, they are interspersed with approximately 146 privately owned properties that in many cases will need to be acquired to form a comprehensive and cohesive scheme.
- 1.7 Regardless of the decision on the PFI Expression of Interest there is an urgent need to progress this scheme as part of the first steps towards a broader regeneration strategy for Beeston Hill and Holbeck.
- 1.8 The site of the Holbeck Towers had been identified within the PFI Expression of Interest as a site with short term development potential which is strategically important to the regeneration of the whole area. LSh have, subject to further consultation with existing tenants, agreed in principle that the area remains a priority

and the preferred option is the clearance of the Holbeck Towers regardless of the approval of the PFI scheme. Acquisition and clearance of the properties which are the subject of this report would provide an opportunity to enhance the frontage which overlooks Holbeck Moor and potentially increase the impact and site value for redevelopment of the Holbeck Towers site.

2 Main Issues.

- 2.1 The area which is the subject of this report comprises of 14 brick terraced back to back houses, 1 hot food takeaway premises with living accommodation above and 1 office premises. It is proposed that the properties, as identified in Appendix 2, are acquired and demolished to produce a cleared site.
- 2.2 The cleared site provides an opportunity to create a more attractive frontage to Holbeck Moor and consolidates phase 1 of work currently ongoing in Holbeck to acquire 33 privately owned properties and demolish 53 properties of mixed tenure/ownership.
- 2.3 Of the 12 properties in private ownership within the proposed phase 2 only 1 is owner occupied. The high proportion of private landlords within this target area suggests that the relatively low property prices are attracting investors who are able to see the potential return from private lettings. A concentration of privately rented property can often lead to an over representation of vulnerable, mobile and anti-social residents.
- 2.4 The Vision for Leeds 2004 to 2020 identified 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 by:
 - Reducing the amount of housing that is unpopular or unfit
 - Providing housing that is more suitably matched to needs and choice
 - Improving the image of all types of rented accommodation
 - Making it easier to move between different types of rented housing and promoting renting as an alternative to buying.

The vision of the Leeds Housing Partnership as detailed in The Leeds Housing Strategy 2002/3 – 2006/7 is

“To create and maintain decent homes in decent neighbourhoods”

The relevant core aims of the Leeds Housing Strategy are to

- Provide and maintain decent housing
- To support the creation and maintenance of decent neighbourhoods
- To sustain healthy, accessible housing markets

These reflect the

- national policy priorities of quality, choice and social inclusion
- Regional and sub regional priorities of providing housing and services to meet needs, demands and economic requirements
- Local priorities of closing the gap

The proposals contained within this report consider how best to address these aims with the resources available. The option appraisal has considered 3 options for the area with reference to their ability to meet the defined objectives:

- Option A: Do minimum to meet legal conformity
- Option B: Group Repair and internal remodeling
- Option C: Acquisition and redevelopment of the site.

2.5 **Option A: Do minimum to meet legal conformity**

Generally in terms of the older housing stock, the Leeds South Homes (LSH) business plan does not support major refurbishment. Whilst LSH will maintain and repair stock, they are unlikely to undertake any significant improvement where investment in housing stock is considered to be uneconomical. The estimated cost of bringing the 2 properties owned by LCC up to the Governments Decent Homes Standard is estimated at £6,650. Turnover in the area is increasing in momentum and while properties are lettable, tenancies are not sustainable in the long term. Generally speaking new tenants tend to be those applicants who have no other option but to accept a property in this area and who aspire to leave as soon as possible. Investment in these properties would therefore, prove financially unviable and their sustainability questionable.

Despite the uncertainty surrounding the sustainability of investment in this area LSH have a legal obligation to ensure that all the housing stock that they managed meets the Governments Decent Homes Standard by 2010.

LSH have calculated that they will need to spend £6,650 by 2010 to bring the 2 council properties in the target area up to the Decent Homes Standard. However, this standard does not address the issue of poor design, layout, the lack of gardens/private space and poor built environment. Refurbishment of LSH properties alone would provide only a piecemeal solution. It would also mean that an opportunity to contribute to the regeneration of the wider Holbeck area is missed.

Evidence suggests, therefore, that the expenditure required to comply with the above **minimum** standard would

- **not** address all of the issues identified by residents as unsatisfactory
- **not** prove to be cost effective
- **not** prove to be sustainable
- **not** enable the levels of change required to regenerate the area to be achieved

2.6 **Option B: Group repair and internal modeling.**

Enveloping works to the exterior of the properties would create a visually superior and uniform street scene. This, coupled with major remodeling of the properties may create through terraces with better layout and room sizes which would meet (potentially exceed) the Decent Homes Standard. Consultant Architects (West & Machell) working in the Harehills area of Leeds have estimated that the remodeling of two back to backs to form 1 family house would costs £65,000 per conversion in construction costs alone. The cost of remodelling all 16 properties in the target area, including acquisition and conversion costs, is estimated at £2.27m(see Appendix 4).

Even if ultimately these properties were sold on the open market for an optimistic £100,000 each this could potentially result in a **net loss** to the Council of

approximately £1.4m It is also doubtful whether **long term** demand exists even after conversion. Whilst this option may address some of the issues with poor conditions and potentially the lack of gardens as raised by some residents (see Appendix 3); it cannot address issues of poor housing mix, over density or poor environment and amenity. It is highly questionable whether such extensive works and expenditure would be cost effective, justifiable, or sustainable when compared with other options.

In view of the high costs involved, the fact that limited funding is currently available from RHB, and that regeneration priorities in other areas of the city require funding this option has been ruled out as a viable option on the grounds of affordability.

2.7 **Option C. Acquisition, Clearance and redevelopment of the site for housing**

- 2.7.1 The properties which are the subject of the proposals contained within this report are type 2 back to back terraced properties (i.e open directly onto the street without any private external space)
- 2.7.2 Acquisition of the 12 privately owned properties within the target area and clearance of all 16 properties would form the next phase of the longer term strategy to commence transformational change of the area and provide a catalyst to the regeneration of the wider area.
- 2.7.3 A formal Option Appraisal in accordance with the corporate procedure has been carried out to assess Options A and C (option B having been ruled out on grounds of affordability). Both financial and non financial aspects of Options A and C have been considered.

A discounted cash flow exercise has been carried out for options A and C and the net present values are as follows

Option	Description	NPV £000
A	Do minimum to meet legal conformity	17
C	Acquisition and redevelopment of the site for housing	1283

This exercise and the table above illustrate the cost of each option over the next 25 years at today's value. Although the financial element of the option appraisal would suggest that Option A is preferable the pursuance of the stated objectives of this project are critical to the achievement of the strategic aims of the Vision for Leeds and the Leeds Housing Strategy.

- 2.7.4 Option C (Acquisition, clearance and redevelopment) scores highly against each objective as outlined in paragraph 3.3. Clearance and redevelopment facilitates, as one option, the potential to create high quality housing, which is of a type and size matched to the needs and choices of residents, in an attractive environment which would as a consequence contribute to the improved image and regeneration of the area and community. Option A (Do minimum to meet legal conformity), is able only

to meet some of the objectives to a limited extent and potentially for a limited timescale. Other objectives, i.e. matching housing to needs and choice and tackling poor environmental quality, are not met at all by Option A. This is due to the fact that the governments Decent Homes Standard is a minimum standard which focuses on fitness, disrepair and the provision of modern facilities within the dwelling. It does not consider the external environment or the internal layout, size or number of rooms.

- 2.7.5 Whilst the financial analysis in isolation would seem to support option A the assessment of non financial factors must be given careful consideration also. The contribution of Option C to key strategic objectives outweighs the differential in financial terms in this instance. Option C is, therefore, the one recommended to Executive Board.

3. Implications For Council Policy And Governance

- 3.1 The Leeds Housing Strategy has identified the regeneration and renewal of areas with frail housing market conditions, 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 proposal forms part of a housing market renewal component of the comprehensive regeneration programme for Holbeck.

If the acquisition of privately owned properties is approved valuations will be carried out on each individual property by a chartered surveyor to determine its current market value.

The public interest in maintaining the exemption in relation to appendices 1,2 and 4 attached to this report outweighs the public interest in disclosing the information by reason of the fact that:-

a)Appendix 1 and 2 - The success of the scheme could potentially be prejudiced by speculative investors acquiring properties in advance of the Councils action.

b)Appendix 4 - The costs attributed to the purchase of private properties are purely estimates at this stage and their disclosure could prejudice the councils ability to reach an agreement on the purchase price with owners.

Copies of the exempt appendices 1,2 and 4 will circulated to members of the Executive Board once members of the public have been excluded and will be collected in at the conclusion of the meeting.

3.2 Consultation

- 3.2.1 During December 2006 attempts were made by Council officers to contact and visit **all residents** whose homes are directly affected by the proposals. These visits established that of the 16 properties in the target area 3 are currently unoccupied. Of the remaining 13 face to face interviews were carried out with 8 householders.

- 3.2.2 Attempts were also made to make contact with the private landlords in the area, of which there are 8. 6 private landlords have responded, 4 of them are not in favour of demolition and 2 "do not know".

- 3.2.3 Details of the results of the questionnaires are set out in Appendix 3.

In summary, 7 out of 8 residents who responded were in favour of demolition. The other respondent states that they “do not know”. 6 of the 8 respondents state that they are thinking of moving away from the area (5 of these within the next year)

3.2.4 Following the conclusion of the residents’ survey local ward members were briefed on the results and gave their full support to the proposals for acquisition and demolition contained within option C of this report.

3.2.5 If approval is secured to acquire and demolish these properties a number of methods will be utilised by Council officers in order to ensure that residents and stakeholders have the opportunity to be involved and informed:-

- Existing arrangements already in place to consult with and involve local residents will be utilised wherever possible. I.e. Area Forums and local community action groups.
- Regular liaison between project officers and the officers of LSH and other RSLs will ensure that rehousing of residents is co-ordinated effectively.
- Regular written updates for, residents and property owners in the form of a newsletter and briefing notes for Ward members, MP for Leeds Central, ALMO officers and Housing Associations.
- A suite of information leaflets is available to advise residents of the procedure and the assistance, including compensation, which is available to them.
- If required local surgeries will be held in the area to ensure that project officers are easily accessible to residents and stakeholders. In addition this will encourage the development of trust resulting from personal contact.

4 Legal And Resource Implications

4.1 The estimated scheme costs of £1.37m are detailed at Appendix 4. This estimate includes acquisition of the 12 privately owned properties; compensation and disturbance payments for owners and private tenants, and site clearance including temporary work to secure the site.

4.2 The preference is to acquire properties by agreement with the property owners. A compensation package equivalent to that which would be available in the event of a Compulsory Purchase Order being made will be offered to residents and owners. Details of the compensation payments available to which owners and tenants may be entitled are outlined at Appendix 5.

4.3 Negotiations to acquire the privately owned properties will be undertaken by Council officers. The aim will be to conclude acquisition of all properties and rehousing of all residents prior to commencement of site clearance for the sake of financial prudence. However, management of the partially vacated site will be carefully monitored to ensure that safety and security is maintained for the remaining residents. A provisional timescale has been devised with the aim of acquiring and securing vacant possession of all properties by early in 2008, with demolition taking place March/April 2008.

4.4 Although the preference is to acquire properties by agreement with owners, ultimately, if agreement cannot be reached, authorisation will be sought from the Director of Neighbourhoods and Housing to make any necessary Compulsory Purchase Orders. Should Compulsory Purchase action become necessary, in this instance, Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended by Section 99 of the Planning and Compulsory Purchase Act 2004) is the most appropriate legislation in the circumstances. These powers are intended to help authorities to assemble land where this is necessary to implement the proposals in their Community Strategies and where the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion of the economic, social and environmental well-being of an area. This report seeks authorisation from Executive Board to make and promote any necessary compulsory purchase order required as a last resort in the event that voluntary agreement cannot be reached with owners to sell.

4.4.1 Regard must be had to the Human Rights Act 1998 including Article 8 (respect for private family life and home). The recommendation to authorise officers to make and promote any necessary CPOs strikes a clear balance between the public interference with private rights, which will arise if a CPO is pursued. Compensation would be payable to the person affected, and the provision of the Acts in paragraph 5.4 above are considered to be compatible with the Human Rights Act.

4.5 **Risks**

4.5.1 A contingency fund of £59,800 is available to cover potential overspend on this project; if this is not required it may be made available to future phases in the longer term strategy for the regeneration of Beeston Hill and Holbeck.

4.5.2 While the intention is to acquire the 12 privately owned properties in this area with the agreement of owners there is always the possibility that Compulsory Purchase action may be required in the event of an inability to reach agreement. 4 of the 6 owners who responded to the questionnaire were not in favour of demolition. If Compulsory Purchase action is required this will inevitably have implications for the timescale of the project. Compulsory Purchase action would also involve additional costs i.e. publicity costs, officer time including legal fees, and the costs incurred surrounding the staging an Inquiry if objections are made.

4.5.3 If this project is delayed due to a requirement for CPO or due to any other issue, there is the risk that funding could be lost. In addition the success of the Leeds Housing Partnership to secure further funding from the RHB may be jeopardised by failure to deliver on current projects. However, in order to ensure that these risks are minimized a compensation package equivalent to that which would be payable if a Compulsory Purchase Order was in place is offered to owners. Valuations are carried out by independent chartered surveyors in an attempt to demonstrate the Councils fairness and impartiality and thus gain the trust of owners.

4.5.4 In addition delay could also be caused by the incapacity of the ALMO or RSL to rehouse displaced residents. Displaced residents who apply for tenancies through the Leeds Homes register are awarded 'Priority Extra' in recognition of their additional housing need caused by the action of the Council. Council officers will liaise regularly with officers of the ALMOs and RSLs to progress rehousing requests as efficiently as possible in an attempt to minimize this risk.

6 **Conclusions**

An allocation of over £15 million has been secured from the Regional Housing Board for the purpose of tackling poor quality, pre 1919 housing stock in the priority regeneration areas of the city. It was agreed at the Executive Board meeting of 18 October 2006 that £2.95m of this funding be used to tackle poor quality, obsolete housing in Holbeck as phase 1 of a long term strategy. This report considers a potential phase 2, an area of a further 16 properties in an area contiguous with phase 1. Three options have been considered for the phase 2 target area encompassing 16 back to back properties. The option appraisal has identified Option C - acquisition, clearance and ultimately redevelopment of the site as the preferred option. This option is considered to be the most effective as it will complement and add value to phase 1 as well as other regeneration initiatives ongoing in the area. Of the three options acquisition, demolition and redevelopment will make the most effective contribution to local and regional strategic aims. Consultation with local stakeholders has identified a majority view which is not opposed to acquisition and demolition.

It is envisaged that the proposals within this report will form the second of a number of phases focused on the area outlined on the plan at Appendix 1 of this report which will contribute to the regeneration of Holbeck. This of course is subject to further consultation, the allocation of further funding and approvals. The menu of interventions proposed as part of this strategy will include not only acquisition and clearance but also enveloping schemes to improve the external fabric of properties and remodeling to improve the internal layout but yet retain the character of the area and provide diversity of property types and tenures.

SECTION 2: BEESTON GROUP REPAIR - PHASE 3

1.0 Background Information

- 1.1 The Beeston Hill Renewal Area was declared by Leeds City Council on 25th November 2002. The Renewal area comprises in total some 2,800 through terrace and back to back houses. A Neighbourhood Renewal Assessment carried out prior to the renewal area declaration identified 81% of properties as unfit or potentially unfit for human habitation. The area is of mixed tenure, with approximately one third being owner occupied, one third being privately rented and one third being owned by Social Landlords, the majority of these belonging to Leeds Federated Housing Association.
- 1.2 As part of the regeneration of the area a rolling programme of Group Repair Schemes have taken place since 2004. To date approximately 120 properties of all tenures have been improved under such schemes.

2. Main Issues

- 2.1 The next stage of Group Repair is proposed to include approximately a further sixty properties, the majority of these properties being substantial 4 bedroom properties. The Construction work on the scheme is to be carried out by Frank Haslam Milan, under the provisions of contract number 503968/3454 under which they were appointed to carry out Group Repair work in Burley Lodge and Beeston.
- 2.2 The Group Repair work will be similar to that done on previous phases and will include:

The re-roofing of the main roof and bay roofs to the front façade (including provision of thermal insulation). Re-roofing the rear “extension” and/or additional roofs where required. Renewal of chimney pots as required. Gas safety checks on gas fires. Brick leaning to the front facades and redecoration. Repairs/reinforcement to brickwork as necessary. Replacement of windows to suit the style of the premises. Replacement of dormers and /or roof windows as required. New high security doors to the front and rear entrances as required. New rainwater goods and soil/vent pipes as required. New gates and railings are to be provided to rear boundaries, including new rear gates as required .

- 2.3 Individual properties have been surveyed and cost sheets have been drawn up. The overall cost of the scheme has been estimated at £1,749,355.57 giving an average works cost per property of just under 30 £k. Fees set at 14.5% have to be added to this giving a total cost for fees of £253,656.56. These fees are to be apportioned between Property Services (10.2%) and Environmental Health Services (4.3%).

3.0 Consultations

Consultations have taken place with Ward Members, Tenants, Owner Occupiers, and the Acting Chief Officer of Leeds South Homes and there is broad support for the scheme.

4.0 Community Safety

The proposals contained in the report have implications under Section 17 of the Crime and Disorder Act 1998. The properties receiving improvements will be made more secure, with an aim of reducing burglary within the area.

5.0 Programme

The programme of works will be carried out over the following period:

Start on Site	March 2007
Practical completion	December 2007

It is anticipated that further phases of Group Repair will then be done within the area subject to additional funding being made available

6.0 Scheme Costs

- 6.1 This report seeks approval to provide sufficient funds for improvements to 60 properties, at an average cost of approximately £30,000 works per property, totalling £1.75m. As well as the cost of works, fees will be charged pro rata to all parties involved. The majority of the properties are in private ownership and this report assumes that, on the basis of experience of Group Repair initiatives elsewhere in the city, that these private owners will pay between 10-20% towards the costs of improvements to their properties. The remaining 80-90% represents the cost to the Council.
- 6.2 As the mix of properties in each of the phases is subject to the occupiers agreement, there may be different numbers of Council or Privately owned properties included for improvements. Nevertheless, the cost to the Council will be maintained within budget by ensuring that if the price per property is higher than the £30k estimate, then proportionately less properties will be improved. Also, if the owner occupier

contributions are less than the 10-20% assumed, then again less properties will be improved. If savings are made either by a lower level of cost per property or a higher level of owner occupier contributions, there would be an opportunity for additional properties to be included. In the event that scheme costs allow for a significant change in the number of properties to be included in the scheme, a further report will be submitted to Executive Board for approval.

- 6.3 The total estimated cost of the works to the 60 properties is £1,749,355.57 construction works, and £253,656.56 fees, totalling £2,003,012.12
- 6.4 This will be funded as follows; £203,012.10 is estimated to be received in contributions from Owner Occupiers towards works and fees, and a £1,800,000 contribution from SHRP.
- 6.5 Each grant is subject to a condition which requires full repayment of the grant in the event of sale within a 5 year period, following completion of the works.

7.0 Capital Funding and Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2006 £000's	FORECAST				
			2006/07 £000's	2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2006 £000's	FORECAST				
			2006/07 £000's	2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	1749.4			1699.4	50.0		
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	253.7		25.0	228.7			
OTHER COSTS (7)	0.0						
TOTALS	2003.1	0.0	25.0	1928.1	50.0	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2006 £000's	FORECAST				
			2006/07 £000's	2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's
Private Sector	203.1			153.1	50.0		
Government Grant- SRHP/HMR	1800.0		25.0	1775.0			
Total Funding	2003.1	0.0	25.0	1928.1	50.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

8.0 REVENUE EFFECTS

As the work approved by this report is in respect of non-Council properties, there are no revenue effects to the Council.

9.0 RISK ASSESSMENTS

There are Health & Safety implications, but these will be dealt with under Health & Safety Plan. In addition all residents and stakeholders have been consulted prior to instigating The project and there is an existing network of communication and dialogue with residents and owners.

10 Recommendations

Executive Board is requested to note the contents of the report and:

1. Approve the injection into the Capital Programme of £1.37m of Regional Housing Board money (Acquisition and demolition – the Regeneration of Holbeck)
2. Authorise Scheme Expenditure to the amount of £1.37m (the Regeneration of Holbeck)
3. Authorise officers to commence acquisition of the properties 16 properties in Holbeck which are detailed at Appendix 2 by voluntary agreement with the owners. In the event that agreement cannot be reached with the owner of any property within the target area, the authority of the Director of Neighbourhoods and Housing will be sought to make and promote any necessary Compulsory Purchase Orders.
4. Approve the injection into the Capital Programme of £1.8m of Regional Housing Board money and £203k from owner occupiers (Beeston Group Repair, phase 3).
5. Authorise Scheme Expenditure to the amount of £2.003m (Beeston Group Repair, phase 3)

Appendices

1. Plan 1 target area (Exempt from Access to Information Procedure Rules 10.4(3))
2. Address list (Exempt from Access to Information Procedure Rules 10.4(3))
3. Summary of residents survey results
4. Costs associated with option B and C (Exempt from Access to Information Procedure Rules 10.4(3))
5. Compensation Payments