

Report of Head of Housing Partnerships

Report to Housing Advisory Board

Date: 2nd February 2016

Subject: Progress Update on the Council House Growth Programme

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The Council Housing Growth Programme seeks to maximise the amount of new housing delivered within the city and increase council house stock available for letting to council tenants on the Leeds Homes Register.
2. The council has an ambitious programme to deliver c1,000 new council homes through acquisitions, new build and purchasing long term empty homes.
3. Funding amounting to £99.37m has been allocated to deliver this programme along with £42m to fund the Little London Beeston Hill and Holbeck regeneration scheme.

Recommendations

4. The Housing Advisory Board is requested to note the progress to date on the council house growth programme.

1 Purpose of this report

1.1 The purpose of this report is to provide the Housing Advisory Board with an update on progress in respect of the council house growth programme. This includes:

- Acquisitions
- New Build
- Long term empty homes

2 Background information

2.1 The council has an ambitious programme to deliver in the region of 1,000 new council homes in Leeds. This is the largest programme of new build council housing since the early eighties.

2.2 The council house growth programme comprises of three main strands:

- Acquisitions – off the shelf acquisitions provide an opportunity to purchase properties, either built properties or purchasing from plan.
- New build – through this programme, the Council aims to build modern homes taking account of design quality, space standards, energy efficiency and modern technology.
- Long term empty homes – the council has set aside funding to purchase 100 long empty properties by March 2018 to be refurbished and let as council housing. To qualify as a long term empty home, the property has to have been empty for 6 months. Earlier this year, Capita were awarded the contract to carry out valuations and conveyancing on behalf of the council for this programme.

2.3 Resources totalling £102.46m have been set aside for the council house growth programme to deliver the acquisitions, new build and long term empty home programme. In addition to this, £42m to support the council housing new build within the Little London and Beeston Hill and Holbeck (LLBHH) regeneration area have been made available through the Housing Revenue Account. These will deliver a total programme of c1000 new council houses.

2.4 Overall spend on the Council House Growth programme at outturn in 2015/16 is £10.8m (£5.32m in previous years) actual of £16.1m for the programme to date.

3 Main issues

3.1 A progress update on each of the council house growth work streams is outlined below.

3.2 Acquisitions:

- 3.3 Off the shelf acquisitions are proving to be a quick and cost effective solution to deliver good quality new homes for rent.
- 3.4 In 2015 the council purchased 23 new homes from Bellway in the Gipton area. These have all been let to customers on the Leeds Homes Register.
- 3.5 The council has entered into a contract with RDF Construction to purchase 8 homes on the former Lord Cardigan Pub site in Bramley. Site hoardings have been erected, pre-commencement planning conditions are in the process of being discharged and construction will start in January / February 2016. The development is scheduled to complete in summer 2016.
- 3.6 New Build:
- 3.7 The table below provides a progress update on each of the council house new build sites:

Site	Ward	Units	Programme
LLBHH Regeneration	Beeston + Holbeck, City and Hunslet, Hyde Park and Woodhouse	388 new build units	<ul style="list-style-type: none"> - Contractor – sc4L comprising of Keepmoat - Mix of apartments and family housing - All 388 new build units to be completed and handed over to the council by the end of March 2017. - 278 units have been delivered to end of Dec 2015
East Park Road	Burmantofts and Richmond Hill	32no 1 + 2 bed apartments	<ul style="list-style-type: none"> - Contractor - Geo Houlton and Sons Ltd - General needs apartments - Scheduled to complete Q4 2015-16
Extra Care at Yeadon (former Haworth Court site)	Otley and Yeadon	45no 1 + 2 bed apartments	<ul style="list-style-type: none"> - Contractor - Henry Boot Construction - 45 extra care apartments with communal lounge, restaurant, multi-use room - 10 apartments to be marketed for shared ownership - Scheduled to complete Q3 2016-17
Swarcliffe Drive (former Squinting Cat Public House)	Crossgates and Whinmoor	18no 1 + 2 bed apartments	<ul style="list-style-type: none"> Contractor – Britcon - General needs apartments for older people (55+) - Scheduled to complete Q2 2016-17

Broadleas	Bramley	24no 2 + 3 bed houses	<ul style="list-style-type: none"> - Appointed Kier as the Council's preferred partner. Kier to develop planning application drawings into construction plan to be approved by LCC prior to entering contract to build - Programmed for a March / April 2016 contract award - Scheduled to complete Q1 2017-18
Garnets	City and Hunslet	25no 2 + 3 bed houses	<ul style="list-style-type: none"> - Appointed Kier as the Council's preferred partner. Kier to develop planning application drawings into construction plan to be approved by LCC prior to entering contract to build - Programmed for a March / April 2016 contract award - Scheduled to complete Q1/2 2017-18
Whinmoor Public House,	Crossgates and Whinmoor	22no 2 bedroom houses	<ul style="list-style-type: none"> - Appointed Kier as the Council's preferred partner. Kier to develop designs in consultation with all stakeholders and once approved by LCC, a contract with Kier to build out the site will be signed Programmed for a 2016-17 contract award- Scheduled to complete Q3 2017/18
Beeches	Gipton and Harehills	27 units	<ul style="list-style-type: none"> - Programmed for a 2016-17 contract award - Scheduled to complete Q3/Q4 2017/18
Mistress Lane	Armley	TBC	<ul style="list-style-type: none"> - Site considered to be financially unviable. Further sites being considered.
Westerton Walk (West Ardsley Day Centre)	Ardsley and Robin Hood	45 units	<ul style="list-style-type: none"> - Result of funding bid under Care and Specialist Supported Housing Fund for 45 extra care apartments is still awaited - Demolition of West Ardsley Day Centre started January 2016 - Scheduled to complete Q4 2017/18

Barncroft	Killingbeck and Seacroft	Up to 16 units	- Site investigations and capacity study underway - Scheduled to complete before Q4 2017/18
Neville's	Temple Newsam	18-20 units	-Capacity study underway

3.9 Long term empty homes:

- 3.10 In April 2014 the Council was successful in securing almost £2m HCA (Homes and Communities Agency) grant supported by £7m HRA funding to purchase 100 long empty properties to be refurbished and let as council housing between 2015-18.
- 3.11 To date, 11 properties have been acquired and a further 13 are in the conveyancing process and are expected to be acquired before the end of January 2016. All will undergo works to meet the Council's lettable standard and will be let to applicants on the Leeds Homes Register.
- 3.12 The estimated average cost for the properties that have been acquired (including the refurbishment, valuation and legal costs) is £84,000 each which is well within budget.
- 3.13 Budget position:
- 3.14 Of the £102.46m resources to deliver the acquisitions, new build and long term empty homes programmes, £21m of Right to Buy receipts have been injected into the programme. £7m of these has been allocated to new build and a potential £8m allocated for grants to registered providers.
- 3.15 At outturn we currently have £22.9m of unallocated funding for schemes yet to be identified. Of this unallocated funding £6.3m of this is RTB receipts, £13.9m is approved borrowing and £2.7m is HCA grant swapped to utilise our own RTB 1-4-1 funding at 30% on each scheme.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Executive Members are briefed regularly on progress and via the Members Steering Group. Ward Members are briefed on schemes / acquisitions within their ward and are consulted and engaged at specific intervals on the development of proposals for new build sites. Public consultation events take place prior to submission of a planning application.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Equality and Diversity Impact screening has been undertaken for the Council House Growth Programme and has been determined that the proposals have a

positive impact in terms of Equality and Diversity and that a full assessment is not required.

4.3 Council policies and Best Council Plan

4.3.1 The development of new council housing will address priorities within the City Priority Plan to provide additional affordable housing and to support housing growth.

4.4 Resources and value for money

4.4.1 The programme and budget is managed through the Housing Growth Team in conjunction with Corporate Resources and Environment and Housing Finance Teams.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications resulting from this report.

4.6 Risk Management

4.6.1 There are no specific risks associated with this report.

4.6.2 A risk log for the programme is managed by the Council Housing Growth Programme Board and is presented to each programme board meeting.

5 Conclusions

5.1 The Council Housing Growth Programme seeks to maximise the amount of new housing delivered within the city and increase council house stock available for letting to applicants on the Leeds Homes Register. It aims to do this via the following routes:

- Acquisitions
- New Build
- Long term empty homes

6 Recommendations

6.1 The Housing Advisory Board is requested to note the progress to date on the council house growth programme.

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.