



REPORT OF:	Director of Neighbourhoods & Housing	
MEETING:	Neighbourhoods and Housing Scrutiny Board	
DATE :	6th September 2006	
SUBJECT :	Housing Based Regeneration in Beeston Hill and Holbeck	
Electoral Wards Affected :	Specific Implications For :	
Beeston & Holbeck	Women	<input type="checkbox"/>
City & Hunslet	Disabled People	<input type="checkbox"/>

1.0 Purpose of Report

- 1.1 The purpose is to set before Members of Scrutiny an introductory report that provides information to support consideration of the various issues listed in the Terms of Reference for this subject as agreed by Members at the July meeting of the Board.
- 1.2 Members are asked to note and discuss the contents of the report and to agree to the recommendations outlined at the end of this report.

2.0 Background to the Beeston Hill and Holbeck area

2.1 Corporate perspective

- 2.1.1 The regeneration of the South Leeds area generally and Beeston Hill and Holbeck in particular are high priorities and strategically important for the Council. One of the aims of the “Thriving Places” strategic theme of the current Vision for Leeds is to regenerate and restore confidence in every part of the city and there is specific mention of the Beeston Hill and Holbeck area within this.
- 2.1.2 Beeston Hill and Holbeck is referred to within the Council’s Corporate Plan under the theme of ensuring that all communities are thriving and harmonious places where people are happy to live. One of the actions for the Council is to develop areas of greatest need, including Beeston Hill and Holbeck, in order to narrow the gap between the most disadvantaged people and the rest of the city.
- 2.1.3 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 not only in terms of investment in buildings and the environment, but also other key service delivery issues.

2.1.4 In terms of the City's Unitary Development Plan there is specific listing of the importance of the regeneration of Beeston Hill and Holbeck. The delivery of this is therefore a citywide partnership priority as well as a Council one. A broad map of the area under consideration showing ward boundaries is attached at Appendix A.

2.2 Statistics and housing information

2.2.1 The census of 2001 reveals that at that time there were 16,313 residents living in 7,300 households with a slightly higher representation of children than older people compared to the city averages. Again at the time BME groups made up 22.3% of the total population. There were greater numbers of single person households and lone parents than the City average and significantly fewer people with access to a car (almost two thirds of the population of the area). The housing profile section of the census reveals well-known issues – a preponderance of terraced housing; significantly lower than the City average owner occupation levels and higher private and social rented sectors; nearly 40% of the households had no central heating compared with a 20% City average. A copy of the full list of census data is detailed at Appendix B.

2.2.2 From the census and other data and indicators used, Beeston Hill and Holbeck emerged as an extremely deprived area according to the Government's Index of Deprivation released in 2004. Of the eleven Super Output Areas (neighbourhoods with around 1,500 people in each one) that cover Beeston Hill and Holbeck, seven of these are in the worst 3% nationally, including the worst neighbourhood in Leeds under these indicators, and a further three are in the worst 10%. Seven separate themes are listed under the Index of Deprivation and of these one in particular related to housing gives a stark picture of the severity of the issues. The "Living Environment" theme is based on indicators of social and private housing in poor condition and houses without central heating as well as figures for air quality and road accidents. On this theme the area has 3 of its Super Output Areas in the worst 15 out of over 32,500 areas nationally.

2.2.3 Other housing specific information is available for the Beeston Hill and Holbeck area utilising a variety of housing market research studies and information. The picture that emerged from the market analysis undertaken up to 2003 was of a housing market in Beeston Hill and Holbeck that was part of a wider 'at risk' regional market south of Leeds (CURS 2002) – an area described in that study as 'the largest area of housing risk in the region'. The Beeston Hill case study (Cole, 2000, on behalf of Sheffield Hallam University) identified the decline of the local housing market. The reasons for this appeared to be as much about social issues, rather than simply related to the quality of the accommodation, but the impact was cross tenure. The only active housing market appeared at one point to be sales to private landlords at rock bottom prices with houses exchanging hands at auction for just a few thousand pounds. However, there was a core of long standing residents, some committed to the area, and consistent demand from the Pakistani and Bangladeshi communities, particularly for larger terraced housing in Beeston Hill. There was also escalating turnover in some of the social and privately rented stock and a disproportionate number of supported tenancies. There was a sense of people being trapped or forced to live here, rather than choosing to move to or stay in the area, and a concern that should the market improve there would be a significant exodus of those who had through negative equity been unable to sell due to declining property values. To a degree this has occurred,

with the private rented sector in Beeston Hill increasing from 24% to 42% in the last six years.

The Outside UK research for the West Yorkshire Housing Partnership identified Beeston Hill and Holbeck as one of the weakest markets in the sub region with a mismatch of supply and demand brought about mainly by a shortage of larger properties and a surplus of small type 1 and 2 back-to-backs that were becoming unattractive to all but private landlords. However, since around 2003, there has been uplift in property prices and evidence of strengthening demand for council and other housing in the area. There is some evidence though that prices of terraced properties have increased as much through speculative investment as general increased demand.

2.2.4 The NOMAD model 2002, 2004, 2005 and the South Area Profile for 2001/2 have been used to carry out a detailed neighbourhood assessment and reach conclusions as to the future housing market in the area. The benefits of regeneration activity are beginning to be felt with a corresponding upturn in local property prices. Comparing house prices in 1999 with those in September 2005, in Holbeck overall prices had increased at a significantly faster rate than for the City as a whole with prices increasing by 419% for the postcode sector covering the Runswicks, Rydals, Shaftons, Ingrams and Holbeck Moor from £24,200 to £101,300, partly due to the developing plans for the Holbeck Urban Village area, and by 312% from £23,500 to £73,500 in the postcode sector covering the Recreations, although again local evidence suggests that this may in part be due to speculative investment. In the northern end of Beeston Hill (Greenmounts, Fulhams etc) prices had increased from under £20,000 to £67,500 in September 2005. In the Garnets and West Hunslet prices had increased from £37,000 in 1999 to £88,000. The price of terraced housing averaged £65 – 70,000 and £75 – 85,000 for semi-detached homes.

Analysis of the NOMAD model and trend analysis shows market and social conditions to be still weak but recovering. In particular it shows demand strengthening and the number of empty homes declining. Turnover, however, partly due to the influence of the back-to-back housing and some of the multi-storey flats in the stock, is still much higher than average with plenty of repeat turnover.

- The % of Local Authority homes empty ranges from 1% to 2.9% compared to 4 - 5% last year.
- Turnover is running at up to 20% compared to up to 23% last year and up to 26% in 2001
- There are now 15 applicants for each vacancy in Holbeck compared to 6 last year; 16 in Beeston Hill compared to 12 last year; 28 in the Hunslet Hall area compared to 10 in 2001 and 15 last year; and 46 in West Hunslet compared to 22 in 2003 and 14 in 2001.
- Overall across all tenures 5% of properties are empty compared to around 10% last year and 15% in 1999.

It is this detailed analysis that underpins the conclusions reached regarding regeneration proposals for the area including that some multi-storey flats and back-to-backs are unsustainable and the current PFI bid to the Government has this at its core.

2.2.5 Despite the demand issues highlighted above, there is a projected overall growth in demand for Council Housing in this area of 7% (CURS 2002 and NOMAD data). The rising number of applicants per vacancy and the substantial reduction in the number of void properties has arisen from a combination of strengthening demand, partly from

new populations, reducing supply through sales and demolitions, and due to the clear investment from partners over the last few years in the area's regeneration. Turnover remains high but in conjunction with strengthening demand and reducing voids is less of a problem. Detailed analysis shows that turnover rates and low levels of voids in the Council stock that is proposed to be refurbished tend to be lower and that much of that stock is stable with longstanding tenants, with a small proportion becoming available which is then turning over quickly. The higher turnover and void rates tend to be concentrated in the miscellaneous terraced and back to back properties and some of the multi-storey flats, which are the subject of housing market renewal activity in the Holbeck area in particular and for which a case to clear and replace has been made in the PFI submission. Turnover in these properties has also tended to be repeat turnover – the churning that characterises areas with large stocks of back-to-back and flatted housing.

Across Leeds there has been a reduction in the stock of social rented housing resulting in higher demand as supply has become scarcer. There has also been evidence of an increase in demand from new populations (consisting of asylum seekers with leave to remain and migrant workers from the enlarged EU) and households unable to buy due to increasing property prices. The growth in demand, linked to the recent increases in the market value of privately owned accommodation in the area, combine to suggest that the properties that the Council and its partners propose to retain are sustainable in the long-term. Evidence of demand for homes for sale is provided by the increased property values and that the private sector, for the first time in a generation, is now actively pursuing developing sites, albeit on the fringes of the area, for residential purposes. However, this is still a relatively low priced area, where it is appropriate to ensure that a proportion of new homes for sale continue to be affordable or low cost.

2.3 Historical perspective

2.3.1 The 1960s / 1970s to the end of the century witnessed a period of gradual decline for the communities of Beeston Hill and Holbeck for a number of reasons amongst which were:-

- Disconnection – the building of the M621 motorway through the heart of the community bisected the area as well as disconnecting it from the City centre.
- Decline of manufacturing industries – the failure of significant manufacturing operations in and around the area, particularly in Hunslet, led to the communities being host to significant levels of unemployment.
- Housing – the scale of terraced housing in the area was not totally addressed by the remodelling of the '60s and '70s.

By the 1990s it was becoming clear that significant investment in the area was needed to help stabilise the communities and start to bring them out of a spiral of decline that appeared to be increasing with mounting crime, environmental degradation, empty properties and lack of choice in terms of housing and facilities. After a failed City Challenge bid, the area was successful in a bid by the Leeds Initiative to the Government for funding through Round 4 of the Single Regeneration Budget (SRB) programme. A total of £7.4 million was made available to spend over a seven year programme between 1998 and 2005. The aim of the programme was to provide the local communities with improvements to the quality of their lives, create a positive change in the perception of the area and increase confidence. Full spend was achieved with 48 projects supported, the majority of them being revenue based as the programme only allowed 25% of the SRB funding to be used for capital schemes. It has been concluded that SRB4 had significant impact as a catalyst for focusing

attention on the area and, as well as supplying useful pump priming for regeneration activity, has helped to lever in significantly more resources that will have sustainable outcomes.

2.3.2 With regards to the initial information on which to base the housing and wider regeneration programmes for the area, there were a number of projects undertaken which provided data to aid decision making. By using SRB4 funding it was possible to undertake detailed surveys of parts of Beeston Hill. This part of the area was the main focus initially because of the extent of the issues related to the terraced and back-to-back housing and it was felt that this part of the wider area was most at risk. These included a socio-economic survey, a stock condition survey and an empty property survey. Each helped to inform regeneration projects and particularly the housing developments that have since progressed.

2.3.3 In 2000 Sheffield Hallam University carried out a socio-economic survey of Beeston Hill. The full report is available but Appendix C contains its concluding section. Its findings include that specifically in Beeston Hill:-

- The population was highly transient.
- 26% of the population were single person households.
- House prices were falling with high void rates with residents' perception that the area was in decline. 50% of residents were dissatisfied with the area.
- The tenure mix was approximately 28% public sector, 24% private rented sector and the remaining owner occupied.

Whilst a similar detailed survey has not been undertaken Beeston Hill would appear much improved though still relatively transient, partly because of the nature of the housing stock.

2.3.4 Marchaven Services Ltd. carried out in 2000 a stock condition survey (copies available) again just of Beeston Hill, which concluded that:

- 93% of the stock was built before 1919, with a high proportion being back to back properties.
- Thermal efficiency in the area was poor with a SAP rating average of 36 compared to a national average of 46.
- 72% were found to be unfit or unless major repair was undertaken in the next 5 years would become unfit for human habitation.

The stock had seen investment and the momentum for that investment was increasing but there was still a long way to go to achieve the transformational regeneration required within the area. Government data at the time for the built environment put areas within Beeston Hill and Holbeck as the 5th and 7th worst in the country.

2.3.5 Following the findings of the above surveys the Beeston Hill area was declared a Neighbourhood Renewal Area (NRA) under the Housing Act 1985. This provided the Authority with additional powers to aid regeneration. The area was declared as a statutory renewal area on November 2002 and this has a lifespan of 10 years.

2.3.6 As part of the current housing Round 5 PFI submission that covers a lot of the housing stock in the wider area, with the exception of most of the terraced housing in Beeston Hill, Leeds South Homes has undertaken an option appraisal of its stock. The outcome of this has resulted in part of the area being considered for environmental

improvements, along with selective demolition to complement possible investment sites, and the demolition of the five multi-storey properties boarding Holbeck Moor. To complement the PFI bid a socio-economic and stock condition survey of the older terraced housing area within Holbeck is to be undertaken, which will contribute to decisions on its regeneration.

2.4 Recent major developments and initiatives

2.4.1 The area's improvement over the last six years has been assisted by a number of decisions and activities that have complemented the SRB 4 Programme. This included the agreement to Beeston Hill and Holbeck being one of the Neighbourhood Renewal Areas for the City. Also a multi-agency Regeneration Partnership Board was established in late 2004 and this group has overseen the regeneration work across all areas and themes. The membership includes Councillors, residents and officers and reflects the emphasis on an integrated and comprehensive approach to regeneration in the area, linking housing, other physical, social, economic, environmental and cultural aspects. Its reporting channel is through the South Leeds District Partnership. Beneath the Board a project team of officers from Neighbourhoods and Housing, Development Department and re'new meet on a regular basis, chaired by the City's Chief Regeneration Officer, to develop strategic plans and ensure implementation of physical change proposals,. There is also a separate housing sub-group that brings together specifically housing providers in the area and this is chaired by a senior officer from re'new.

2.4.2 Between 2003 and 2004, with significant support from officers in Development Department, a draft Land Use Framework was developed and a major public consultation with residents took place to refine the work. (The full document and a summary is available). At its meeting in February 2005, the Council's Executive Board approved the Land Use Framework for the area as Supplementary Planning Guidance. Work is currently underway to develop four neighbourhood action plans to identify in more detail how the Land Use Framework will be brought to life and further consultation will start this autumn. This will advise all parties, including developers, of partners' and residents views on how each of the four neighbourhoods should develop over the next 10 -15 years, without being too prescriptive on detail.

2.4.3 As part of work linked to responses to the events of July 2005 an assessment of purely capital investment in Beeston Hill and Holbeck was made covering the period since the year 2000. The estimate is that around £85 million has come into the area from various sources and a summary, including housing investment figures, would be:-

New high and primary schools	£25m
Public sector housing investment	£20m
Swimming and diving centre	£16m
Two new health centres	£11.3m
Private sector housing projects	£4.2m
New road link	£4m
FE College	£2.2m
Other (including sports, community safety and environmental works)	£6.4m

- 2.4.5 At its meeting on April 19th this year Executive Board agreed In principle to some key sites in the area being included as part of a portfolio of opportunities within a Development Agreement as part of the Round 5 Housing PFI scheme. If the PFI bid is successful it will bring in nearly £90m of PFI credits to improve Council housing stock with a particular focus on the Holbeck area but with additional benefits for other Council owned stock.

3.0 Strategic direction past, present and future

- 3.1 The original strategy for housing in the area was originally geographically based on just Beeston Hill rather than the wider Beeston Hill and Holbeck area. Approved in October 2001 it is now in need of renewal, however it does give some of the context for why work started in Beeston Hill (as opposed to Holbeck) and where some of the projects referred to in section 4 originated.

- 3.2 The current Vision for the area - a vision for Beeston Hill and Holbeck to 2020 – was agreed by the Beeston Hill and Holbeck Regeneration Partnership Board in November 2005 and is:-

“To bring together physical regeneration ambitions, together with improving services and a vibrant local economy, to create an area that will be transformed physically, socially, economically and environmentally into a sustainable and viable community. It will offer a high quality environment in which to live, work, play and learn and have an important role in the regeneration of inner-city Leeds as a whole, modelling its achievements to the rest of the region and the country. Beeston Hill and Holbeck will meet people’s aspirations to live in improved homes and environments, to have safe and tolerant communities served by good schools, health and leisure facilities and to have the prospect of training and jobs for local people that offer a better quality of life”.

This Vision was endorsed by the Executive Board at its meeting on April 19th 2006. In essence it makes clear that to restore confidence fully in the area, key issues relating to poor housing, poor connectivity and a poor living environment will need to be addressed in conjunction with service improvements as part of an integrated long-term strategy.

- 3.3 The Beeston Hill and Holbeck Regeneration Partnership Board has approved a draft structure and objectives for the development of this long-term regeneration strategy for Beeston Hill and Holbeck, which together with the Land Use Framework, will act as a framework for action. This document will ultimately include the four neighbourhood action plans referred to at 2.4.2, and will play a key role in attracting additional private and public sector funding into the area. An initial draft strategy document was approved by the Beeston Hill and Holbeck Regeneration Partnership Board in November 2005.

The overall Vision at 3.2 has been articulated through the use of the acronym “C.R.E.S.T.” which represents the broad physical, social and economic objectives that will need to be met if the area is to be comprehensively improved. CREST stands for:-

C = clean and safe (a place where the environment is cared for and crime and the fear of crime are under control and diminishing)

R = reconnected (a place that is reconnected in physical terms to other neighbourhoods and parts of the City but also where individuals are fully reconnected to the life

of the City)

E = enterprise (a place where commercial and non-profit making initiatives are supported both to emerge and consolidate their work)

S = services improving (a place that provides high quality public services, meeting the needs of residents and other stakeholders)

T = transformation (a place that offers new housing opportunities and high quality facilities)

- 3.4 The scale of intervention required to achieve this effective, long-lasting and sustainable change in Beeston Hill and Holbeck will require significant levels of new investment over a period of many years. Even if the PFI bid is successful this will only address **some** of the Council housing issues in **part** of the area – other references in this report give information on the level of funding required to tackle some of the private sector and other public sector housing issues, which in turn are dependent on other infrastructure and service improvements.

4.0 Investment in housing

As well as the routine investment by owners, housing providers and investors there has been considerable capital investment in housing regeneration projects. These schemes include:

4.1 Tempest Road facelift

The initial capital regeneration project undertaken in the area was the Beeston Hill Tempest Road facelift. It was decided to carry out improvements to this road as it is one of the major arterial routes through the area and as such was extremely visible. By undertaking the project it was hoped that it would act as a catalyst to regeneration and a statement of intent that partners were serious about long-term regeneration. Each property was offered new boundary walls, railings, front gardens/yards, new rainwater goods and repainting of the front elevation. Funding for the project was a combination of the Council's capital programme, SRB4 and the public sector meeting their costs. Each property was offered the works free of charge at an average cost of £4,500 per household. Out of the 216 properties on Tempest road all but 3 took part. The scheme was completed in 2004 at a cost of £1.1 million.

4.2 Group repair

There are 3 phases of group repair within Beeston Hill totalling £6.2 million. Group repair benefits properties through exterior enveloping works on a block by block basis to provide a 30 year life and is a suitable scheme for regenerating older houses as part of an overall strategy. This is occurring within the area boarded by Tempest Road, Dewsbury Road, Beeston Road and Cross Flatts Park. The research by Sheffield Hallam identified this part of the area as the most stable community who were most likely to remain living in Beeston Hill.

Group repair phase 1 commenced in April 2004 and covered a total of 69 properties of all tenures. The public sector cover their own costs and the private sector is offered a minimum grant of 75% of the costs of the works, increasing to 100% for owner occupiers who can demonstrate financial hardship following a test of resources. Phase 1 is currently in the process of being completed with the defect liability inspections and final accounts being resolved. The final cost of the scheme will be approximately £2.5 million. Currently on site is phase 2. This covers a further 56 properties at an estimated cost of £2 million. The scheme commenced in April 2006 and is due for completion in January 2007. Officers are currently developing phase 3. Properties are being identified and owners will be contacted to seek expressions of

interest with a view to their participation. It is proposed to start on site with phase 3 in early 2007. The budget for this phase is approximately £1.8 million with which we aim to improve around a further 50 properties.

To try to reduce the time taken for each scheme to progress to site a partnering type agreement has been agreed with one contractor. This allows future phases to progress without the need to tender on each occasion, considerably reducing the time taken to get work started on site. As the level of funding and schemes has increased not just in this area but in other priority areas it has now been deemed necessary to create a dedicated Group Repair team to deliver the increasing programme. This team is being recruited over the summer months and is expected to be in place by mid to late September 2006. The cost of this team is to be met from the fees payable from the programme.

4.3 **Obsolete housing**

As part of any area regeneration it is sometimes necessary to clear some properties to allow transformational change to occur. In 2002 a small number of vacant and derelict properties in Beeston Hill were cleared. This involved the clearance of 15 type 2 back to back properties, of which 9 were originally in local authority ownership.

As part of a Housing Corporation bid via Leeds Federated and Unity Housing Associations, on behalf of the Regeneration Partnership Board, two areas of obsolete housing were identified as requiring acquisition and demolition. These were Hird Street and the area known as the Beverleys. Unfortunately only the Hird Street scheme was successful in obtaining finance initially. Hird Street was chosen due to the high level of vacant derelict and vandalised properties within the street and also because of its location close to a relatively new Unity Housing Association development to the south and the renovated properties of Hillside Buildings to the north. Unity H.A. has led on the project and has via negotiation purchased all except one property. This outstanding property is now subject to compulsory purchase action. It is proposed to demolish the site and build 7 new family homes. The project should be completed by 2008 at a cost of £1.8 million.

The Beverleys area was identified for clearance via data from early surveys. It was identified as being the most unsustainable community and having some of the poorest stock. Following a long deliberation period by the Housing Corporation the initial bid was unsuccessful. However, via other funding streams a budget of £8 million has now been obtained to acquire 97 private properties. The remaining public sector properties are to be included at a cost to those organisations. The process of acquiring properties commenced in November 2005 and it is hoped to have a cleared site by April 2008. Currently 17 have been or are in the process of being purchased and a further 29 are in negotiations to be acquired. Future use of the site is for residential use and has been incorporated as part of the PFI bid.

As part of the PFI bid the terraced area known as the Recreations within Holbeck is being appraised for its potential for acquisition and demolition. This area was determined as part of the PFI consultations and work on the bid. The appraisal focuses on a group of back to back properties as phase 1 of a longer term strategy. If acquisition and demolition is found to be the preferred option approval will be sought for the acquisition of 32 and demolition of 53 properties at a cost of £2.8 million, to complement the proposed PFI scheme. Funding for this has recently been confirmed by the West Yorkshire Housing Partnership.

To deliver the programme of acquiring properties via negotiation a Low Demand Housing Team was created to deliver this activity across the City, including Beeston Hill and Holbeck. Its function is to deliver the individual programmes such as the Beverleys and Holbeck via undertaking initial option appraisals and, dependent on their outcome, to negotiate the purchase of properties with the owners. The team consists of a team leader with 3 project officers but the resources of the team are being examined to ensure the delivery of an increasing capital programme not just in this area but city wide.

4.4 Social rented sector Investment

As well as contributing its share of the costs to the above schemes where necessary, the public sector has contributed capital investment into the regeneration of the area. Leeds South Homes is investing in their stock to achieve decency. By March 2008 all their stock in the non PFI part of the area is hoped to be up to decency. This will be a total investment of around £2.5 million. Decency works have been programmed to be undertaken within the PFI area between 2008/10. The level of works within the area will be dependent on a successful outcome of the PFI bid.

Leeds Federated Housing Association (LFHA) has, as part of their investment in the area, been successful in bids to the Housing Corporation for whole house improvements. They have undertaken these works to complement the group repair schemes detailed above. The programme consisted of 91 full house refurbishments at a cost of £4.7 million up to 2006. Unfortunately the Housing Corporation will no longer fund this type of renovation from their allocation. LFHA are therefore looking at alternative ways of funding their property improvements in the area.

In addition the area will benefit, if final approvals are obtained, from investment through the development of three new units to be built as part of the Round 3 Independent Living PFI scheme which is being led by the Social Services Department. Also investment of £250,000

has been used for a mainly commercial enveloping scheme which has benefited potential above-shop accommodation on Beeston Hill.

4.5 Private sector investment

As well as the continual improvements to individual properties by owners there have been signs of increased confidence in the area from the private developer market. Recently the Royal Flush development at the junction of Dewsbury Road and Admiral Street has been completed at an estimated cost of £4 million. Shaftesbury House, a large former hostel on Beeston Road, has recently been given planning consent for conversion to 172 live/work units. If the sale is completed the development will be one of the greenest and most sustainable developments in the City utilising renewable energy sources. The private rented sector has also shown more willingness to invest. Accredited landlords have been actively purchasing long term empty voids and returning them to occupation. Others have also invested significant amounts in improving their property.

To complement the declaration of the Statutory NRA in Beeston Hill referred to at 2.3.5 the Beeston Hill Private Rented Sector project was launched in January 2002. This project was initially jointly funded by the Neighbourhood Renewal Fund (NRF) and SRB4. At the end of SRB4 the project has continued with a combination of LCC revenue and NRF. The project was developed in conjunction with the private rented sector with the aim of working with the good but targeting the poor landlords. The strategy adopted involved the creation of the Beeston Hill Landlords Accreditation

Scheme, a landlords' forum aimed at partnership working and an enforcement regime that targeted poor landlords. Initially 10% of the private rented stock was covered by the accreditation scheme. However due to the significant increase in the sector in Beeston Hill the effect of the scheme has been reduced. As part of the development of the project selective licensing, as defined by Part 3 of the Housing Act 2004, is currently being considered for the area. This will mean that all private sector properties will need a licence to operate within Beeston Hill and Holbeck should such a scheme be approved by the Secretary of State. At present, only certain types of Houses in Multiple Occupation are required to operate under licence.

4.6 Non-housing initiatives and investment

As has been referred to elsewhere in this report, whilst the housing regeneration programme is a vital aspect of bringing about a better balanced housing market in the area, this will not in itself provide comprehensive regeneration. Complementary improvements and investment will need to be made in non-housing specific issues. Examples of some progress in these areas and work still to be maintained and improved are:-

Whilst a designated neighbourhood renewal area, particular attention was paid to trends in crime, education and employment, and reporting on the SRB4 programme also gave useful quantitative information. Total reported crime has reduced by around 30% over the last seven years and some crime categories have seen specific improvements such as burglary from dwellings which is now at around the City average. Further work in particular on anti-social behaviour and criminal damage is required. In terms of education standards at secondary school are improving, though lag behind the city average, but at Key Stage 2 on leaving primary school pupils are now achieving far higher results than they were five or six years ago.

The capital spend referred to at 2.4.3 not only improves the physical environment for services but also encourages residents and providers to make more use of them, so for example when the new Beeston Hill Health Centre is completed in 2007 there will be a significant new dentistry provision, which will benefit the health of local residents and improvements, for instance, to Cross Flatts Park has seen greater use of the park by all ages, making it feel safer.

Some specific projects have made an impact in the area, for example a new Job Shop which has brought training and jobs information to the heart of the Beeston Hill community; the development of a project called Signpost to work with children and young people involved in anti-social behaviour and their families; and, through the Intensive Neighbourhood Management Programme, new community caretaking teams and improved streetscene conditions.

4.7 Future Investment

Whilst significant investment has been made in the area and progress is being made, it is by no means enough to address the deep-rooted housing and other social and economic issues. For truly transformational housing regeneration to occur, significant levels of investment will continue to be required for at least the next 15 years and possibly longer. As an example, financial option modelling as part of the PFI bid has indicated that £60 million will be required to regenerate the older housing stock within Holbeck. This will involve selective demolition and rebuild and renovation of the remaining stock to transform the area and link to other transformational proposals for the Matthew Murray School site and the proposals for the tower blocks. Regeneration

of the area is a long term project that will need continual financial support and resources to make a difference to one of the poorest areas of the city.

The Housing PFI Round 5 submission seeking £90 million of credits to improve the council's housing stock is an important aspect of this, involving some improvements and remodelling, demolition and construction of new affordable housing. Should the bid be successful then it will complement the existing and proposed housing projects as part of the regeneration of the area.

There have been discussions with officers of the West Yorkshire Housing Partnership regarding future bids to support the ongoing regeneration of the area. Whilst there can never be guarantees made regarding future bids the indication is that these will be favourably viewed – provided delivery of existing commitments is achieved, which is a vital issue. The bidding process for 2008-10 will commence around summer 2007; thus a number of projects need to be worked up relatively soon.

Previously Housing Corporation finances had been available to carry out full house refurbishments. Unfortunately this activity will no longer be funded via this source. However, the Housing Corporation will consider funding for remodelling of stock, such as a demonstration project around the remodelling of back to backs. This option is currently being looked at for a potential bid in the next bidding round.

At present there is an in principle agreement to explore the possibility of a Public/Private Partnership to deliver long term improvements through use of Council owned land in which the Council would be a partner in a Joint Venture which would secure private investment and a share of any profit from a rise in land values.

The role of the private sector and its attitude to the area will also be crucial. If schemes like Shaftesbury House are successful it will give further confidence to investors and it is vital that major sites such as the former Matthew Murray School site are developed out positively. In addition benefits from the proximity of Holbeck Urban Village need to be considered and how practical benefits for both areas can be achieved.

The scale of the transformational regeneration required in the area is huge and will take significant investment over the next 15 or more years to achieve the necessary change.

5.0 Back to Back Housing

- 5.1 Leeds as a whole has a significant number of back to back properties. The Leeds House Condition Survey in 2001 identified a total in the region of 22,000 back to back properties within the City, some 7.3% of the housing stock. In national terms the scale of the legacy of back to back properties in Leeds is unique. Within the area of Beeston Hill and Holbeck there are significant concentrations of type 2 and type 3 back to back properties within the older housing stock. The Marchaven survey identified that within the older stock in Beeston Hill 65% of the properties were back to back with a similar percentage within Holbeck. This equates to approximately 3500 properties within the area.
- 5.2 The introduction of the Housing Health and Safety Rating System introduced by the Housing Act 2004 means that properties are now assessed differently and no longer can be classified as unfit for human habitation. The new rating system has introduced

new categories which due to the design of back to back's make them significantly more likely to have category 1 hazards and therefore require action to reduce the risks to the occupants. To achieve the decency standard any property must remove any category 1 hazard present. The design of back to backs means that they are likely to have category 1 hazards relating to cold, falls and fire safety and therefore require greater investment to meet decency. Both Leeds South Homes and LFHA have carried out financial appraisals on the long term viability of their back to back stock. They have determined that in certain cases investment to meet decency is not a financially viable option.

- 5.3 The legacy of back to back's within Leeds will need addressing at a strategic and local level. Within Beeston Hill and Holbeck there have been a number of options considered and modelled to determine what action may be possible. These include refurbishment, selective demolition and rebuild and a remodelling exercise to aid future thinking. The scale of the problem in the area is such that no single solution will resolve it. There will need to be a combination of all the above. A simple financial modelling of the options in Holbeck indicated that if a combination of demolition, new build and group repair was to occur in the older housing area of Holbeck then at net present value it would cost in the region of £60 million. This is just one part of the older housing stock so the scale of the issue will need to have a long term regeneration solution.
- 5.4 Remodelling of the back to back's has also been considered as an option. Studies to knock two into one have shown this to have a significant negative return. Other options have been to remodel similar to the upside down houses in Salford. This has involved working in partnership with a design company such as Urban Splash. Whilst these options may be useful as individual small scale or flagship projects the costs involved would make these unsuitable options as a large scale solution.

6.0 Conclusions

- 6.1 Beeston Hill and Holbeck is a corporate priority for the Council and a partnership priority for the City within the narrowing the gap agenda. Although the area has seen investment and progress over the last 5 years, this is not yet of the scale required to achieve the transformational change needed to address nationally significant levels of deprivation in the area. A long-term, integrated regeneration programme is being developed that will be capable of attracting the levels of public and private sector finance required to deliver it.
- 6.2 Successful delivery of the current substantial programme of work is essential if future funding is to be secured from such bodies as the Regional Housing Board and Housing Corporation and indeed the Council.
- 6.3 Realistically there will not be sufficient funds available from these sources to undertake the comprehensive regeneration envisaged, particularly in relation to major infrastructure issues, public realm, recreational facilities and environmental improvements. The involvement of the private sector is vital and the comprehensive approach being developed will support this. Work is being undertaken in preparation for a proposed Public Private Partnership mechanism, to complement the PFI and deliver a number of these wider benefits.

- 6.4 The future of some of the smaller back-to-backs in the area is under consideration, in the light of the 'decency' standard and the new Housing Health & Safety Rating Scheme, as well as assessments of popularity and demand.
- 6.5 Finally, it should be noted that one of the objectives of regeneration in the area is stabilisation of the local housing market, extended choice of house type and some re-balancing of tenure mix in favour of owner occupation/shared equity. This will take time and will be subject to wider market influences and pressures.
- 6.6 Members may wish to consider a number of issues in terms of any future meetings linked to this topic, for instance:-
- Delivery of existing workload and programmes
 - Back to backs and potential solutions
 - Strategic direction and partnership infrastructure and roles
 - The financing and potential commitments of relevant funding bodies
 - How complementary improvements to service and environmental factors to benefit housing regeneration can be achieved and maintained
 - The views and potential role of the private rented and private developer markets in the area

7.0 Recommendations

- 7.1 Members are asked to note this report
- 7.2 Members are asked to discuss any aspects contained within the report
- 7.3 Members are asked to agree any further specific issues in relation to the housing regeneration work in Beeston Hill and Holbeck that they would wish to see and whether there are any other officers, residents or private sector parties they would wish to meet as part of that scrutiny work.