



Leeds
CITY COUNCIL

Regeneration in Beeston Hill and Holbeck

Scrutiny Inquiry Report

Scrutiny Board (Neighbourhoods and Housing) –Regeneration in Beeston Hill and
Holbeck Final Inquiry Report - Published March 2007

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Introduction and Scope



Introduction

Scrutiny Board (Neighbourhoods and Housing) agreed to undertake an inquiry into the regeneration activities taking place in Beeston Hill and Holbeck. It was felt that whilst the regeneration of this area would clearly be taking place over a period of years, the PFI bid attached to this project was time constrained and would benefit from the open discussion provided by the Scrutiny inquiry. Members were pleased to have been able to have input into this at an early stage in the process. Given that such a regeneration project is a major long term approach, involving different phases and intending to influence long term trends, we accept that this report can only be an interim one. We hope that this project will continue to be on the future work programme of the relevant Board, particularly as there are financial developments yet to be finalised (either through PFI or alternative potential funds).



Scope

Whilst our initial interest was in the PFI process, we deliberately kept the scope of the inquiry broad to allow us to make comments on the strategic direction, past, present and future of the area as a whole, as well as looking at investment in housing and the impact Single Regeneration Budget money has had on the area. We also wished to discuss the partnership infrastructure and the role of the private sector.

Towards the end of the inquiry, it became apparent that the PFI bid was not initially successful and we acknowledge the disappointment shared by all those involved in the project. However, we were also heartened to hear that the Government considered the bid a high priority for any future round of bidding and that further developments on this may be reported in the Summer. One of our recommendations, however, errs on the side of caution and we recommend that contingency plans be discussed in terms of where alternative funding may be accessed should the PFI credits not materialise.

We acknowledge that regeneration is more than the built environment and that issues such as community safety and youth engagement are just as important. We have not intended to underplay these areas, however, projects such as Signpost, working with families involved in anti-social behaviour, have been thoroughly

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covered in a previous inquiry and we are discussing the Safer Leeds Prostitution Strategy separately. Clearly, all strands of the Council's activity impacts the area and the regeneration activities and we have had to restrict our discussions to the major themes of housing, jobs and skills and the PFI bid.

Our inquiry included a visit to the area which showed us the detail of what had developed to date and what was part of the future vision for the area. We were particularly struck by the importance of the housing stock, having seen an example of the outdated back to back terraced housing, which we felt did not provide adequate accommodation. In contrast, we were impressed by the visual impact of the group repair improvements, which was significant.

Our inquiry attempted to take into account a range of views from stakeholders, including the private rented sector. We are grateful for the time both officers and external witnesses gave to the inquiry.

This inquiry has been a 'health check' of our ability to inject resources in a focused way and to engage in renewal activities with partners in an area at risk of long term decline. Our overall conclusion at this stage of the project is that the regeneration of this area of Leeds demands our wholehearted support, particularly as we, as a Council, hold the narrowing the gap agenda as one of our highest priorities.

The regeneration of Beeston Hill and Holbeck must be key to realising this aim.



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The impact of housing

1. During our discussions and our visit to Beeston Hill and Holbeck, it has become apparent that the physical regeneration of the area depends largely on the quality and type of accommodation provided there. We understand that traditionally there has been a transient element to the population, catered for by private rented accommodation. Whilst we are not suggesting that this in itself is detrimental to an area, we believe that there is a distinct advantage for a community to have a large proportion of permanent residents who have a stake in the area's success. We believe the encouraging of good quality, but affordable, accommodation, meeting the needs of local people across all tenures is key to supporting a thriving community. We noted that a wider range of housing types need to be constructed in the area.
2. We learned that the private rented sector plays an important role in this area due to low income levels or benefit dependency precluding wider home ownership, and the near-absence of very small flats for purchase. Even the recently-proposed chance to acquire equity stakes for as little as 10% of a property's value would cause little notice here. Evidence from the housing sector in Leeds and elsewhere indicates that the government's refusal to control

rents, and its restrictions on housing benefits, have exacerbated difficulties for tenants with lower incomes seen since the introduction of shorthold tenancies in 1988. A growing proportion of local residents have no security of tenure, and face severe limitations on the quality of their accommodation if they lose employment and become dependant on housing benefit. Unemployment in both Beeston and Holbeck and City and Hunslet wards is increasing

3. The evidence we received suggested that the back to back terraced properties were an issue and that research and action planning on dealing with this type of inadequate accommodation is being applied city wide by the Department in association with re'new. We noted that some back to back terraced housing has been demolished and we learned that other streets had been identified for acquisition and demolition. One of these sites is in the process of being redeveloped to provide 7 new family homes – a project being led by Unity Housing Association. We initially expressed concerns regarding the cost of this project and studied in detail the breakdown of the £1.8m price tag. We understand that the increase in the cost of acquiring properties is an issue, though it does seem to us that the gain of 7 new homes is at a high cost. If that level of cost is found from later experience to be an

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average or minimum cost of replacing what are, frankly, slums, expectations of the entire regeneration initiative in this area will of necessity have to be scaled down.

4. We have recognised that as property has gained in value generally, the opportunity to buy blocks of housing for development purposes is reduced.
5. Whilst discussing the built environment, we have also seen first hand the visual impact of the Shaftesbury House which will, as long as it remains empty and unused, be an eyesore to the local population. We are aware that contracts have been signed for private development along the lines of an innovative environmentally friendly project of 172 units.

Recommendation 1:
Shaftesbury House be used as a flagship for promoting the regeneration of the area.

6. We noted the impact that the group repair scheme has had on individual streets. We believe this kind of scheme, whilst being part of a wider strategy, provides an immediate 'lift' to a street and gives encouragement to residents, at least in the short term, that the area is being regenerated. During our discussions we were aware of the value of the 'quick wins' to maintain confidence in the regeneration

scheme and its momentum. We do urge the department to recognise, however, that those residents due to be included in group repair projects at a much later date, may become disillusioned if visible progress is not made. We suggest that communication is the key to maintaining interest and commitment to the regeneration of the area. We believe that residents recognise the restrictions in budget and the need to be methodical in programming improvement works, however, those with the longest wait before being included should be kept up to date with progress around the area.

Recommendation 2:
That clear and regular communication is offered to residents currently not included in regeneration projects in order to keep them informed of progress and the likely timescale of future schemes and that the strategy for achieving this is reported back to the Board.

7. We noted the improvements planned by Leeds South Homes to their stock, however, we recognise that some of the decency works were dependent on the success of the PFI bid. We await the outcome of discussions around contingency planning now that it is known the PFI bid has not been initially successful.

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8. We were pleased to note that complementary work has also been undertaken by Leeds Federated Housing Association, though it is disappointing that the Housing Corporation will no longer be funding whole house improvements.
9. We were particularly grateful for the opportunity to talk to a private landlord with a number of properties in the area. A number of issues were raised during this discussion, including the need to challenge landlords who do not keep properties properly maintained and the need to deal quickly with empty properties which contribute to a deteriorating environment, although we received figures that showed a significant improvement in bringing empty properties back into use. We understand a valuable forum has been established under the Beeston Hill Landlords Accreditation Scheme, aimed at partnership working and enforcement activity against poor landlords. It was noted that many landlords (particularly with the rising number of private landlords in the area) remain outside the scheme. Whilst the Council has introduced a licensing process for landlords of houses of multiple occupation, there has been the suggestion that in Beeston Hill and Holbeck, selective licensing be extended to all private landlords. We believe that there is a difficult balance to be struck here. On the one hand, we appreciate the need

to be able to have an impact on the quality of private rented accommodation and the enforcement against poor landlords. However, over regulation may stifle the private sector, particularly as many landlords own only one or two houses as a personal investment. We are pleased that there is good communication with landlords currently within the accreditation scheme and we recommend that recruitment activity is a priority to encourage all private landlords to join as partners. We would welcome further discussion about the extension of licensing conditions to all private landlords, but we would particularly wish to see evidence that this would be an advantage to the area.

Recommendation 3:
That the department report back to the Board outlining the benefits and risks of extending the licensing scheme to all private landlords.

10. We also discussed the importance of improving the shop fronts. There was a consensus that the area had improved in this regard. Anecdotally we heard that new businesses were being attracted to the area that had enlivened the shop scene. As part of a package of physical and visual regeneration activities we recommend that the local shop frontages, where this has not already been done, are targeted for improvements. We also suggest

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that this incorporates studies of traffic flows and parking provision to allow maximum footfall for local businesses.

**Recommendation 4:
That the Regeneration Board make shop fronts a priority (where this has not already been done) and that such schemes include wider factors such as traffic and environmental improvements**

11. In terms of dealing with the physical environment, we wish to stress the need to target unsightly areas. We have discussed the empty property strategy at length within the Board, both as part of this inquiry and as a separate item and we hope this strategy will continue to be rigorously applied in Beeston Hill and Holbeck. The undesirable effects of long term empty properties were emphasised in our discussion with a private landlord, who urged the Council to continue to be proactive in Beeston Hill and Holbeck to maximise the use of existing property and to minimise the presence of properties that seriously detract from the area.
12. We also wish to mention particular sites which seem to offer opportunity to the area. The Matthew Murray school site is of tremendous importance and we understand that this is now ready to be demolished in preparation for development. We would wish to

see, ideally, the site used for provision of a significant percentage of affordable housing (please refer to the Board's previous inquiry into Affordable Housing 2006). We acknowledge that there is a lengthy process ahead of the disposal and development of the site, but at this early stage we wish to emphasise the urgent need for affordable, good quality and appropriately sized accommodation.

**Recommendation 5:
That consideration is given to the appropriate development of the Matthew Murray school site. We recommend that the primary consideration should be the development of affordable housing.**

Skills and Training

13. Whilst undertaking this inquiry we have also had discussions regarding social enterprise and the Council's position in supporting such businesses. This has linked into our thoughts on supporting the economic and social renewal specifically in Beeston Hill and Holbeck. We have discussed the need to consider longer term advantages of encouraging local training and skills development. We were pleased to receive information on schemes such as the Job Shop, which brings information on jobs and training right into the heart of the area.

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14. Officers acknowledged that jobs and skills are crucial factors for regeneration and that support is sought from Construction Leeds, as city wide partnership, as well as local schools. Whilst we understand that a skills audit has taken place, we wish to suggest that a thorough approach is taken to maximising the opportunities for local businesses to take part in regeneration activity in the area.

15. We acknowledge that it is not always possible to employ local businesses and that for larger projects national or regional companies are more likely to have the wherewithal to provide the necessary labour and skills. However, we feel that wherever possible, local businesses should be benefiting from the regeneration money that is being introduced into the area. We feel that this could have a significant, if indirect, impact on opportunities for young people in terms of apprenticeships and other types of training. We have noted that the group repair procurement process does support the recruitment of local labour, however, this applies to the whole of Leeds and not to the specific area of Beeston Hill and Holbeck.

**Recommendation 6:
That wherever possible, local businesses within the regeneration area are employed to undertake regeneration activities.**

16. This concept also fits in with our discussions on Social Enterprise and the level of support given to businesses that work for the social good of a community. This has been an excellent discussion and we have already suggested to officers that the Council itself may have procurement opportunities for such businesses. We feel it is entirely appropriate to bring this thought process into this inquiry. Whilst we do not suggest that other areas of Leeds are neglected, we would like to strongly encourage a close look at small businesses, community projects and current voluntary activities within Beeston Hill and Holbeck to establish whether such businesses and groups would be eligible for Social Enterprise support. We feel that a proactive approach in this area would be entirely appropriate.

**Recommendation 7:
That the Regeneration Partnership Manager is proactive in promoting Social Enterprise support in Beeston Hill and Holbeck with the aim of increasing the number of social enterprise businesses being supported specifically in this area.**

Community consultation and participation

17. We are aware of the significant liaison taking place with the area's Residents Forums which are represented on the Partnership

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Board. We are also pleased to learn about the amount of contact that is being made with residents in other groups.

18. We have already discussed the importance of maintaining clear communication with residents throughout the life of the regeneration project. We would like to underline this necessity by recommending that lessons are noted and learned from other consultation processes. The Neighbourhoods and Housing department has considerable experience of large scale consultation exercises, but we also wish to suggest that the smaller scale communication with individual groups of residents should not be underestimated, such as the work currently being done with residents' forums and we suggest that this continues to be developed. We believe that good quality, timely information and consultation is an integral part of the regeneration process and is an important factor in its success.

Recommendation 8:
That the department ensures that lessons from previous consultation exercises are applied to the ongoing communication and consultation within Beeston Hill and Holbeck.

PFI

19. We have closely followed the progress of the PFI bid and share the disappointment of the officers with the initial failure to secure significant funds for the regeneration project. However, we are heartened that this is not the end of the process and that the Beeston Hill and Holbeck bid remains a high contender for a future round. We were particularly interested to note that the Government has appointed a case officer to continue to support the bid. We are concerned that there is unlikely to be a 'plan B' to replace the significant boost hoped for from the PFI bid and we therefore lend our full support to the continued bid for future PFI credits, recognising the enormous potential the success of the bid represents.

Recommendation 9:
Having emphasised the continued importance of Government financial support, we also wish to urge the Regeneration Board to continue with those activities that are still viable and to begin to seek contingency arrangements should future PFI credits not be forthcoming.

Partnerships

20. We have discussed some elements of partnership working such as the private rented sector and Housing Associations. We are encouraged

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by the level of potential private investment such as with Shaftsbury House. We received information on other levels of partnership working, not least the Beeston Hill and Holbeck Regeneration Partnership, which forms the hub of regeneration activity.

21. We have also learned of the amount of liaison occurring between social landlords, and between service providers. We understand that this type of partnership working has brought improvements to the delivery of services and the co-ordination of resources. Re'new has been an organisation at the forefront of some of this activity and is clearly a significant partner.

22. The results of our discussions clearly show that Beeston Hill and Holbeck benefits from a wide range of activity in terms of networking and partnership working. Our only comment would be that residents should benefit directly from this, such as improved environmental services and good quality housing.

23. Our final comments are regarding funding in general. We have discussed PFI in more detail, but we do acknowledge that the picture is far more complex. Investment from the private housing sector continues and funding streams are possible from the Regional Housing Board and Yorkshire Forward for example. Officers were clear in explaining the reliance on external funding,

particularly for staff involved in the regeneration agenda. We feel it would be unfortunate, if not serious, if current staffing levels involved in this regeneration process are jeopardized through the interruption of external funding. Whilst we are reserved in making recommendations that add to the Council's own budget pressures, we feel that this issue is one which should be revisited by Scrutiny Board to ensure that Members are kept informed of the specific financial shifts that happen. We link this into the above discussion on the availability of PFI credits.

Recommendation 10:
That the appropriate Scrutiny Board receives six monthly updates on the status of the funding streams on which the current level of regeneration activity depends.



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Evidence



Monitoring arrangements

Reports and Publications Submitted

Report on Housing Based Regeneration in Beeston Hill and Holbeck

Summary of key research findings – Sheffield Hallam University

Report on Partnership Infrastructure and Finance Issues

Report on the role of the private sector and complementary service delivery and environmental factors

Evidence



Witnesses Heard

Neil Evans - Director of Neighbourhoods and Housing

John Bracewell – Area Regeneration Manager

Chris Kwasniewski – Project Manager

Mark Ireland - Environmental Health Service Manager

Steve Williamson – Chief Executive, re’new and Chair of the Narrowing the Gap Executive

Mr Frantzis - Private Landlord

Andy Beattie – Deputy Chief Environmental Health Officer

Evidence



Dates of Scrutiny

20th July 2006
6th September 2006
8th November 2006
10th January 2007