Southend-on-Sea Borough Council

Report of Deputy Chief Executive & Executive Director Growth & Housing

То

Cabinet On

15th September 2020

Report prepared by: Glyn Halksworth – Director of Housing Development

HRA Land Review Phase 4 (Lundy Close) Update

Policy and Resources Scrutiny Committee Cabinet Member: Councillor Ian Gilbert Part 1 (Public Agenda Item)

1. Purpose of Report

1.1 To update members on the progress of the HRA Land Review Phase (Lundy Close) and to agree the next steps for this development.

2. Recommendations

- 2.1 To note progress undertaken to date on HRA Land Review Phase 4 as set out in sections 3.3-3.6 of this report.
- 2.2 To note the Options Appraisal which considers the next steps for the development of the scheme and agree the most appropriate for the option to proceed (Preferred Option 3) as set out in 3.6 of this report. Depending on the option chosen, there will be a reduction in the amount of Council houses developed and thus a reduction in the associated capital budget for the project.

3. Background

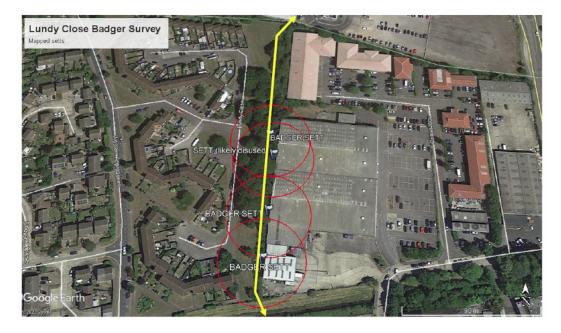
- 3.1 Cabinet on 17th January 2019 considered and agreed the recommendations of a report titled *Future Phases of Affordable Housing Development Programme Update* which outlined Phases 3 and 4 of the HRA Land Review project. This detailed Phase 3 in Shoeburyness ward and Phase 4 in St Laurence ward.
- 3.2 Phase 4 of the HRA Land Review project consists of 3 sites within Lundy Close with one large site to the North East of the estate (AB on the map below), another to the South East (DE on the map), and one smaller site in the centre (C on the map). The large middle section to the East (between the North & South sites) is not included within the development area. The sites are shown on the plan overleaf:

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- 3.3 The scheme has been progressing in terms of procurement and feasibility with the site investigation, ecological and topography surveys having been undertaken.
- 3.4 The most recent ecology work has determined there are active badger setts on and within close proximity to site DE (the south site). The exclusion zones marked on the survey indicated that the badger setts would need to be closed in order to develop this site. A license is required to carry out a badger sett closure, which is a process carried out separately to the planning application. Additionally, a green corridor needs to be maintained throughout the eastern boundary of Lundy Close, this slightly reduces the area available for development.



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3.5 Following the results of the surveys undertaken, a further architectural feasibility has been completed which is detailed below and shows the revised housing numbers potentially achieved.

Site	Details
Site AB (North)	The site has potential for up to 12 x flats. The drawings indicate a reasonable number for the site taking into account likely planning concerns is 9 units.
Site C (Middle)	This site has potential for between 1 or 2 x 2 bedroom bungalows.
Site DE (South)	This site has potential for up to 4 x 2/3 bedroom houses.
Overall	The revised potential for phase 4 based on the drawings above indicates there is a maximum potential for 18 units of affordable housing.

Options Appraisal

3.6 An Options Appraisal has been completed informed by the updated architectural feasibility and taking in to account the outcomes of the resident consultation. The preferred option proposed to progress with the scheme is Option 3 – Develop the North Site (AB) only.

Option	Unit Numbers	Pros	Cons
Option 1 – Develop all sites	18 units	 This option maximises the amount of council housing developed. 	 Risk regarding securing license to close badger setts Increased costs re ecology works, this may include constructing an artificial badger set in the vicinity Additional costs on Southern site relating to flood zone & utilities diversion
Option 2 – Develop North Site (AB) and Middle (C) only.	10-14 units	 Avoid additional cost re badger sett closures Badger license will likely not be required to develop 	 Proposed unit numbers will be notably reduced. Likely between 10-14 units. The middle site has been highlighted by residents as being utilised as amenity

		 these two sites. Avoid additional costs associated with Southern site (re flood zone, utilities & badgers) 	space.
Option 3 – Develop North site (AB) only	9-12 units	Badger license will likely not be required to develop this site.	 Proposed unit numbers will be notably reduced. Likely between 9-12 units.
Preferred Option		 Avoid additional costs associated with Southern site (re flood zone, utilities & badgers) 	

- 3.7 It should be noted that Cabinet on 16th June considered a report on the Protection of Open Space in the borough. Following an assessment of the site, the Head of Parks and Open Spaces has confirmed that land associated with Phase 4 of the HRA Land Review is not an area of land maintained as a park or public green space and therefore falls outside of the report on open space
- 3.8 In terms of resident consultation, an initial consultation exercise was undertaken with local residents in January 2019 and a subsequent questionnaire was undertaken to better understand the views of local residents. A further consultation in the form of a Your Say Southend page will be set up in the coming weeks to provide residents with further information on the project and provide an opportunity for residents to comment on feasibility drawings of the Options Appraisal. Ward members have been kept fully apprised of the progress of the project, were in attendance at the initial consultation event and received the outcome of the resident. Moving forwards ward members and local residents will be fully engaged in the project.

4. Other Options

- 4.1 Alternative delivery methods to develop the sites such as working with Registered Providers were considered however this would not have resulted in the long-term benefit to the Council in the way of HRA property.
- 4.3 The Council does not need to pursue delivery of Council housing via the HRA Land Phases Review, however these approaches are considered important contributions to the aims of the *Housing, Homelessness and Rough Sleeping Strategy* and of the 2050 ambitions endorsed by the Council.

5. Reasons for Recommendations

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5.1 To update Cabinet on the progress of the HRA Land Review Phase 4 and to agree the agree the most appropriate option in order to the progress the scheme.

6. Corporate Implications

- 6.1 Contribution to the Southend 2050 Road Map
- 6.1.1 The development of Council housing contributes towards the Southend 2050 Safe and Well outcomes of "We are well on our way to ensuring that everyone has a home that meets their needs" and "We act as a green city with outstanding examples of energy efficient and carbon neutral buildings".
- 6.1.2 Southend's *Housing, Homelessness & Rough Sleeping Strategy* aims to provide 'decent high quality, affordable and secure homes for the people of Southend' and the development of Council housing contributes to this.

6.2 **Financial Implications**

6.2.1 Cabinet has previously agreed the capital budget of £6.187m for the HRA Land Review Phase 4 to be funded from the HRA Capital Reserves and the Council's 1-4-1 Right to Buy receipts. The Options Appraisal indicates a reduction in the number of properties that are feasible for the scheme and thus the new budget will be reduced accordingly.

6.3 Legal Implications

6.3.1 Consultation has been undertaken with the Council's Legal Team and considerations relating to individual sites will be dealt with through the usual due diligence process.

6.4 **People Implications**

6.4.1 No direct people implications have been identified at this stage however will be monitored throughout the progress of the project.

6.5 **Property Implications**

6.5.1 Phase 4 of the HRA Land Review will increase stock within the Council's housing stock and therefore consultation is ongoing with South Essex Homes in regards to ongoing management and maintenance of the properties.

6.6 **Consultation**

6.6.1 Consultation has taken place with internal colleagues regarding the potential changes to the scheme and additionally, there is ongoing consultation with affected residents in Lundy Close in order to garner their views on the proposed options put forward.

6.7 Equalities and Diversity Implications

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- 6.7.1 The relevant equality assessments will be undertaken as necessary on a project by project basis.
- 6.8 Risk Assessment
- 6.8.1 As per all Council housing development schemes, risk register and issue logs will be used as part of the project governance and will be updated as the scheme progresses.

6.9 Value for Money

6.9.1 All spend in relation to HRA Land Review Phase 4 is subject to the relevant procurement rules, in order to ensure full procurement compliance and value for money.

6.10 Community Safety Implications

6.10.1 Community Safety will be an important aspect of the project and will be monitored through consultation process through to the development The Council will look to meet Secured by Design standards where possible and practical.

6.11 Environmental Impact

6.11.1 Environmental and ecological studies have formed part of site feasibility work will form part of the final design of the schemes. Sustainability and energy efficiency will be integral to the construction process and measures will be included within the designs.

7. Background Papers

Cabinet Report. Future Phases of Affordable Housing Development Programme Update, 17th January 2019

8. Appendices

None