

FAREHAM

BOROUGH COUNCIL

Report to the Executive Member for Housing for Decision

Portfolio:	Housing
Subject:	Fareham Housing Disposals and Re-developments at 28 Queens Road and 15 & 17 Crossfell Walk
Report of:	The Deputy Chief Executive Officer
Corporate Priorities:	Providing Housing Choices

Purpose:

To obtain approval from the Executive for the disposal of 117 Gosport Road and 8 Addison Road.

To seek approval for the funding arrangements to deliver 2No. 3 bed Affordable Rent homes at Queens Road and to demolish 2No. fly-over design flats at 15 and 17 Crossfell Walk and replace with 1No. 3 or 4-bed home.

To also seek approval of the process toward the appointment of contractors for the schemes.

Executive Summary:

This report asks the Executive to approve the disposal of 117 Gosport Road and 8 Addison Road through the open market and to use the Capital Receipts to fund delivery of affordable housing in the borough.

This report also seeks approval for the funding arrangements to deliver affordable housing at Queens Road and 15 & 17 Crossfell Walk.

Recommendation:

It is recommended that the Executive Member:

- (a) approves the disposal of 117 Gosport Road and 8 Addison Road through sale on the open market;
- (b) delegates authority to the Deputy Chief Executive Officer, following consultation with the Executive Member for Policy and Resources, to accept the best offer for each house;
- (c) approves the use of the Capital Receipt to improve existing, or fund further delivery of, affordable housing in the borough;
- (d) approves the funding mechanisms, as outlined in the confidential Appendix A attached to this report, for the delivery of the Crossfell Walk and Queens Road schemes; and
- (e) agrees that the award of contract and the appointment of building contractor(s) for the Crossfell Walk and Queens Road sites be delegated to the Deputy Chief Executive Officer, following consultation with the Executive Member for Housing.

Reason:

To ensure the disposal of 8 Addison Road and 117 Gosport Road, and the funding arrangements to deliver Crossfell Walk and Queens Road schemes, are acceptable. This will enable a time efficient process to deliver the schemes when a formal planning consent is available on the site.

Cost of Proposals:

The sale will secure a Capital Receipt for the Council. Initial marketing costs may be required when the properties are placed on the open market.

The total estimated costs to deliver the Crossfell Walk and Queens Road schemes are outlined in the accompanying Confidential Appendix. Sufficient funds are available from the sources outlined to meet these costs.

Risk Assessment:

Any economic implications in the wake of the Covid-19 pandemic could affect the sale of the properties. In this event a sensible decision will be made in partnership with the Finance Business Partner and the Property Team.

Appendices: **A:** Funding arrangements (confidential)

Background papers: None.

Reference papers: Affordable Housing Strategy (2019)

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	11 June 2020
Subject:	Fareham Housing Disposals and Re-developments at 28 Queens Road and 15 & 17 Crossfell Walk
Briefing by:	Deputy Chief Executive Officer
Portfolio:	Housing

INTRODUCTION

1. The adopted Affordable Housing Strategy recognises the ongoing affordable housing need in the Borough. As part of a rolling programme of new affordable housing, the opportunity has arisen to develop two sites in high need areas – Queens Road and Crossfell Walk.
2. In order to facilitate the build at Crossfell Walk, approval for the disposal of two properties is requested. The condition of 8 Addison Road and 117 Gosport Road is such that the benefits of renovation are overshadowed by the fact they are of lower demand.

DISPOSAL OF 8 ADDISON ROAD, PARK GATE AND 117 GOSPORT ROAD, STUBBINGTON

3. 117 Gosport Road is a two-bedroom, semi-detached house built just after the Second World War. The property is of a non-traditional pre-cast reinforced concrete build (known as PRC) which requires specialist knowledge to repair. The property also requires a number of other works to bring it up to a modern standard.
4. 8 Addison Road is a three-bedroom terraced property constructed circa 1921. When the tenancy ended the property was left in a considerable state of disrepair. Some initial work was undertaken to remove any immediate hazards, however the subsequent inspection of the property showed that a complete renovation is required.
5. It is proposed that both 8 Addison Road and 117 Gosport Road are disposed of on the open market. Rather than incur high costs to repair these properties, the Capital Receipts could be used to deliver affordable housing in areas of higher need.
6. When disposing of property, the Council must ensure it follows the procedures set out in its Disposal Strategy and its Financial Regulations. In accordance with these documents, confirmation that these disposals align with the overall Property Strategy has been given by the Director of Planning and Regeneration.

7. Being individual domestic properties, the process for the sale of 8 Addison Road and 117 Gosport Road will be similar to that of a private vendor. Therefore, these assets will be placed on the open market through an estate agent.
8. The properties will need to be valued and quotes for managing the sales obtained from estate agents. It has been recognised that there may be economic implications in the wake of the Covid-19 pandemic. A sensible decision around the sale of these properties will be made in partnership with the Finance Business Partner and the Property Team.

REDEVELOPMENT OF 15 AND 17 CROSSFELL WALK, FAREHAM

9. 15 & 17 Crossfell Walk are both 2-bedroom flats built in the late 1960s. Both properties are currently empty with several issues surrounding their design and condition. The properties are suspended over the pathway which has resulted in anti-social behaviour with some concerns raised over the front doors coming straight from the undercroft. Other ongoing maintenance concerns surround the flat roof and the sewage pipe.
10. These flats are also in an area with a high need for larger accommodation. Being two-bedroom flats, without gardens, they are of low need for Fareham South. By redeveloping this site much sought after family accommodation can be provided.
11. This site will be subject to feasibility around existing ground services and this will be investigated further. There is a possibility that the location of underground services will not make it feasible to proceed with the project

REDEVELOPMENT OF QUEENS ROAD, FAREHAM

12. The St John's Ambulance site at Queens Road was vacated in 2013 and has remained empty since. The redevelopment of this site would seek to deliver 2 No. 3 bed Affordable Rent homes. These will be designed to reflect the character of the area, with accessibility such as wheelchair use, accounted for. The design is also expected to allow the property to be altered to a 4-bedroom home, should it be required. These features will allow for greater flexibility and provide homes for households that typically have a longer wait time.
13. It is also proposed that this site incorporates green solutions beyond Building Control standard. A feasibility study will be undertaken to explore the greener possibilities at this site, for example solar panels, Passiv-style insulation, etc. It is intended that these homes will become flagship properties to inform greener solutions for further affordable housing developments in the borough.
14. Further information relating to the funding of this development is provided in the Confidential Appendix attached to this report but the development at Queens Road is expected to be funded by Section 106 monies held for the purposes of affordable housing delivery.

FUNDING AND CONTRACTOR APPOINTMENT

15. To ensure that the schemes are delivered efficiently it is important that progress can quickly be made toward construction. Executive approval is sought for the Deputy Chief Executive Officer to have delegated authority to appoint contractors for the site, at a level not in excess of that outlined in the Confidential Appendix attached to this report, following consultation with the Executive Member for Housing.
16. The tender process to appoint a contractor will be undertaken in accordance with the Council's Procurement and Contract Procedure Rules (October 2018). It is likely that a closed tender approach will be used, by inviting a minimum of three appropriate contractors to tender. Contractors will be subject to pre-qualification questions to ascertain they are eligible to tender, and the list of selected contractors to quote will be informed by the market knowledge, understanding and experience of Officers in the Council's Property team.
17. The main consideration in the appointment will be value for money but it will not be the sole consideration. It will also be important that a good working relationship with the Council is maintained and a quality build is achieved in a timely manner. This will all be managed appropriately through the tender process.

TIMINGS OF DELIVERY

18. The timings of the delivery remain approximate and dependant on several factors. The sites will be progressed in the short term with the planning application for Queens Road expected to be submitted before winter 2020. If planning consent is achieved, detailed technical designs will be produced by the Architect, an Employers Agent will be appointed, pre-qualification procurement requirements undertaken, detailed requirements for the build identified and, when appropriate, the full contractor tender process undertaken.

Enquiries:

For further information on this report please contact Fleur Allaway (Ext 4304)