

APPENDIX A

# Fareham Housing Regeneration Strategy 2021-2036

[This page has intentionally been left blank]

Draft

<b>Contents</b>	<b>Page</b>
1 Introduction	3
2 Regeneration Opportunities	4
3 Principle and Guiding Factors	5
4 Community Impact	8
5 Impact to Existing Occupants	8
6 Other Matters	9
7 Conclusion	10

### **Appendices – Site Specific Regeneration Opportunities**

Appendix A – Specific Project A (tbc 2021)

This document was adopted by the Council's Executive on the XXXX 2021.

Individual appendices relating to site specific redevelopment or regeneration opportunities will be approved individually (and dated accordingly) by the Council's Executive.

## 1. Introduction

- 1.1 Fareham Borough Council are the principle social housing provider in the borough; owning and managing approximately 2,400 homes. Approximately 65% of Council owned homes are over 45 years old. This can contribute to several challenges: -
- Remediating and addressing structural matters associated with the age of the properties and/or the original construction techniques
  - Layouts of properties failing to meet modern expectations and standards
  - Keeping fixtures and fittings to an acceptable standard
  - Ensuring homes are suitably energy efficient (having regard to the Council's 'Fareham Housing Greener Policy')
  - Funding any works required.
- 1.2 In addition to the age of the housing stock there are around 120 Council homes that were built using non-traditional construction methods. Some of these homes were classified as defective in the 1985 Housing Act due to the nature of the construction technique. Although they are safe to live in, many of the challenges identified above apply to these homes.
- 1.3 The Council intend to remain a key provider of affordable housing in the Borough by maintaining and improving existing Council homes. The Council also intend to continue to build more new affordable homes to help address the ongoing need.
- 1.4 In October 2019 the Council adopted a new Affordable Housing Strategy. 'Actions' within that strategy include the following: -
- We will identify and progress regeneration and redevelopment opportunities on existing Fareham Housing land as part of a Fareham Housing Regeneration Strategy
- (Extract of some Actions from the adopted Affordable Housing Strategy, 2019)
- 1.5 Decisions to redevelop/regenerate existing Council stock will be bespoke to the individual property or building(s). In many cases it will not be appropriate or feasible to consider redevelopment/regeneration; instead improvement works may be more appropriate as part of the Council's on-going planned maintenance programme. In some other cases demolition and redevelopment may be appropriate and feasible, particularly where it will allow a greater number of new affordable homes to be provided and replace poorer housing stock with modern, good quality, housing.

## 2. Regeneration Opportunities

- 2.1 There is a need for further affordable homes in the Borough and limited funding available to provide them. Land acquisition can present a significant cost as part of any new build scheme. Opportunities on existing Council land are therefore an appropriate and logical way to increase the number of affordable homes for those in need, whilst often providing an opportunity to replace poorer quality housing.
- 2.2 Any redevelopment of existing poorer quality Council housing will instead provide modern and improved homes. Newer homes are normally more comfortable and cost effective for residents (lower heating bills for example). They can also more easily include 'greener' measures, be adaptable for different accessibility needs, and they will often have lower maintenance and repair costs for the Council over the medium/long term.
- 2.3 Regeneration and redevelopment opportunities should therefore be considered where they have the potential to replace existing poorer quality housing stock and where they can also ideally increase the number and quality of affordable homes.
- 2.4 Site specific redevelopment/regeneration opportunities will be identified and an individual appendix (to sit alongside this strategy) will be produced for each. This will be on-going work over several years and not all projects are identified at this stage. All redevelopment/regeneration opportunities will be identified and selected based on the 'Principles and Guiding Factors for Redevelopment' identified in Section 3.

### 3. Principle and Guiding Factors for Redevelopment

3.1 Sites for regeneration and/or redevelopment should be identified based on a balance between several factors: -

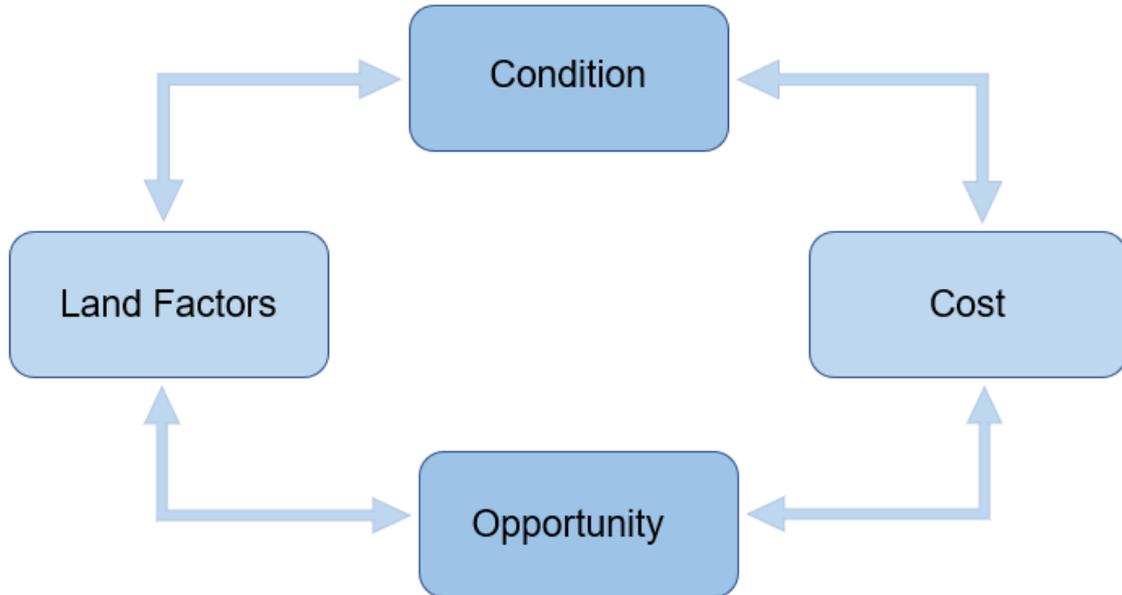


Figure 1

3.2 These guiding factors, and why they are important, are explained in more detail below.

#### **Condition**

	Factor	Why is it important?
Condition	What is the condition of the existing property structurally, and fixtures and fittings?	If the property requires significant works then this will need to be considered alongside the potential opportunities for redevelopment that the site could offer (i.e. land factors). If structural repairs were made, and refurbishment undertaken, then will this then provide quality and sustainable homes for the future, considering the cost involved?
	Can the property be easily adapted to a more modern standard (e.g. disabled accessibility, layouts improved, avoiding bedsits etc.)?	Some properties could be refurbished, have some structural repairs and modifications, but still be unable to provide homes that meet modern expectations. For instance, narrow corridors and poor layout can sometimes be difficult to adapt/correct.

Table 1

## Land Factors

	Factor	Why is it important?
Land Factors	Does the Council own adjacent land that could offer a larger redevelopment opportunity and provide a net increase in affordable homes?	If there is an opportunity for more new affordable homes to be provided, then this would be positive. It is also likely to make the project more feasible in a financial sense.
	Are there many leaseholders/other landowners? (land assembly)	If there are a significant number of leaseholders then the likely cost and disruption of acquiring these homes may render the site undeliverable in a financial sense, or increase the risk associated with the potential need of Compulsory Purchase Orders to secure the land or buildings required.
	If concerning garage courts/parking areas, are many garages privately owned? (land assembly)	If there are a significant number of privately-owned garages (or other land types), then the cost and practicalities of acquiring all parcels of land may increase the risks and costs associated with delivering a redevelopment project.

Table 2

## Opportunity

	Factor	Why is it important?
Opportunity	Is the redevelopment opportunity in a high affordable need area?	Matching new affordable housing provision to the need (i.e. right homes in the right places) is an important consideration. Higher need areas for affordable housing will be a priority for redevelopment/regeneration schemes.
	Is there an opportunity to provide a net increase in new homes and to what extent (either increasing building height and/or incorporating neighbouring Council owned land)?	Any opportunities should ideally contribute to a net increase in affordable homes. A larger quantity of homes will improve the financial feasibility of redevelopment, provide more affordable homes for those in need, and provide opportunities to cross subsidise the cost through mixed tenures.
	Is there an existing stigma or anti-social issues with the existing property/area?	If there were known significant anti-social issues and/or negative stigma associated with a property/building this can often be linked with the original design or condition of the homes. A new and refreshed development can set a new tone for how the development is used by tenants and perceived by others.
	Are there any constraints or other conditions that may hinder the redevelopment potential?	Separate to land constraints there may be other planning constraints to consider such as protected trees, impact to neighbouring homes etc. This will need to be considered when identifying and understanding opportunities.

Table 3

**Cost**

	Factor	Why is it important?
Cost	What are the approximate costs to remedy the property/building? Would this then provide quality housing stock and reduce/prevent the need for further significant expenditure in the medium/long term?	If the costs to remedy or repair existing issues with a property are extensive then this will need to be considered alongside any potential benefits a redevelopment may offer. Redevelopment may be more favourable on balance.
	Can the site be delivered in a financial sense? This should take account of all likely project costs.	All Council redevelopment projects would normally be expected to have an acceptable Net Present Value. This effectively means the redevelopment/regeneration project should not have a detrimental cost/impact to the Council's Housing Revenue Account. The Council's Finance Team will be involved in any potential redevelopment project.

Table 4

- 3.3 Redevelopment decisions and opportunities will not be a 'one size fits all' approach and opportunities will have to be considered on a case by case basis. It is possible that two blocks of flats of the same original design may not suit the same approach. For instance, one might have fewer leaseholders and more surrounding developable land than the other, making it more appropriate for redevelopment.
- 3.4 Specific opportunities will be identified considering the above guiding factors.
- 3.5 Once a redevelopment/regeneration opportunity is assessed as offering potential then a project (site specific) appendix to this strategy will be produced. Each appendix will provide details about the site, the type of redevelopment, why it has been identified and potential timeframes for the project. Once agreed by the Council's Executive the appendix will then formally become part of the overall Regeneration Strategy and further work relating to the project will commence.

## 4. Community Impact

- 4.1 Redevelopment and regeneration schemes can inevitably and regrettably cause distress for occupants whose homes may or will be affected. It can also impact the wider community. For this reason, an outline of the measures and approach that will be taken in relation to community impact and involvement will be provided for each site-specific proposal.
- 4.2 In all redevelopment and regeneration opportunities it will need to be acknowledged that short term disruption and change will be necessary. Ultimately projects would have been identified in the interest of securing better affordable homes for the future, and to address more of the affordable housing need in the Borough.

## 5. Impact to Existing Occupants

- 5.1 Any displacement of Council tenants as a result of a regeneration or redevelopment project will be carefully managed. This would include a 'Decant Policy' for the regeneration or redevelopment scheme. The relevant Decant Policy would consider the needs of the tenants, an overview of the rehousing arrangements, and an outline of the financial offsetting provided to tenants such as removal costs being met and, depending on tenancy type, a Home Loss Payment.

### *Leaseholders*

- 5.2 Leaseholders relevant to this strategy are those that typically reside in home that was historically a Council owned flat. If the property were required as part of land assembly then negotiations to purchase the property would be made in the first instance. If an acceptable position could not be reached between the parties, then the Council may have to consider seeking a Compulsory Purchase Order for the property.

### *Freeholders*

- 5.3 Freeholders are the owners of a home and its grounds. This will typically be houses that were historically a Council home. This may be where Right to Buy has previously been exercised on the property. If the property were required as part of land assembly then negotiations to purchase the property would be made in the first instance. If an acceptable position could not be reached between the parties, then the Council may have to consider seeking a Compulsory Purchase Order for the property.
- 5.4 As identified in Table 2, the Council are less likely to pursue a regeneration or redevelopment opportunity should it affect multiple leaseholders or freeholders. This would likely present an unacceptable land assembly challenge, associated cost and risk.

## 6. Other Matters

### *Suspension of Right to Buy*

- 6.1 Right to buy typically applies to most Council tenants. It allows them to purchase their Council home at a reduced rate (subject to various criteria).
- 6.2 There are some (limited) exception to the Right to Buy scheme. At the point at which the Council's Executive approve the principle of a site specific redevelopment or regeneration opportunity, which engages one of these limited exceptions, then the Council's Legal team will be involved in utilising powers to cease/prevent those properties within the redevelopment area from being purchased via the right to buy. These Statutory Exemption powers, for example, when it is necessary to issue Initial Demolition Notices or protect homes for occupation by certain elderly or disabled residents etc, will be used as appropriate in order to ensure additional barriers or costs are not placed upon the intended projects. Without this it may be possible that a tenant then pursues their Right to Buy (acquiring the home at a reduced rate) with the intention to prevent or delay the intended redevelopment, or with the intention to maximise the property's value through a market value sale back to the Council.

### *Improving and Maintaining Existing Stock*

- 6.3 Where regeneration and redevelopment are not considered appropriate or feasible those properties will continue to feature as part of the Council's planned maintenance programme. Planned maintenance can include various matters from kitchen replacement to major structural repairs.

### *A greener approach*

- 6.4 The Fareham Housing Greener Policy (2019) identifies that the Council will continue to look at ways to lower the CO2 emissions from its housing stock. This will make a positive contribution towards mitigating the effects of climate change and potentially reduce energy costs for Council tenants. Where possible/appropriate this will apply to new build projects (including regeneration schemes) and existing Council homes.
- 6.5 Work around a greener approach will be on-going as part of the Council's carbon reduction objectives; the Council will investigate the most appropriate greener measures for existing Council homes and new build projects. As part of this the Council will maximise and actively explore grant funding opportunities and try to direct this to the homes that would benefit most from improvements.

## 7. Conclusion

- 7.1 This strategy recognises that the redevelopment and regeneration of some Council housing stock may be necessary and appropriate over the next 15 years or more. It provides a framework to guide those decisions, whilst recognising there is no 'one size fits all' approach.
- 7.2 The long-term intention to provide good quality affordable Council homes remains at the core, whilst also sensitively recognising the needs of tenants and other residents who may be affected.

Draft