

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 01 March 2021

Portfolio:	Housing
Subject:	Fareham Housing Regeneration Strategy and Menin House
Report of:	The Deputy Chief Executive Officer
Corporate Priorities:	Providing Housing Choices

Purpose:

To seek approval to adopt the Fareham Housing Regeneration Strategy which provides improved transparency and information on how redevelopment and regeneration opportunities of Council housing stock will be identified and progressed.

To also agree the principle to seek a redevelopment of Menin House in North West Fareham, as detailed in Appendix B to this report.

Executive summary:

The draft strategy details the factors that will be considered when identifying and progressing housing regeneration opportunities. Individual site-specific appendices will be produced for consideration by the Executive over time, the first of which (Menin House) is included in Appendix B to this report.

The draft strategy is clear that there is no 'one size fits all' approach when it comes to identifying a project. The factors that will typically be considered are detailed in the draft strategy; this provides a framework and improved transparency on how regeneration and redevelopment sites will be identified and selected.

The adoption of a Fareham Housing Regeneration Strategy will be an important step toward the replacement of some of the Council's poorer quality housing stock.

Recommendation/Recommended Option:

It is recommended that the Executive agrees:

- (a) to adopt the Fareham Housing Regeneration Strategy as provided in Appendix A;
- (b) the principle of seeking a redevelopment of Menin House (to include adjacent garages/land) to provide new and improved affordable housing; and

(c) to include the site specific Menin House appendix (Appendix B to this report) with the Fareham Housing Regeneration Strategy.

Reason:

To ensure the content of the Fareham Housing Regeneration Strategy is acceptable and that the principle to seek a redevelopment of Menin House is appropriate.

Cost of proposals:

There are no direct costs associated with the content of the Fareham Housing Regeneration Strategy.

Estimated project costs for the redevelopment of Menin House are provided in the accompanying confidential Appendix C. Initial costs will be incurred for architecture services and any necessary technical reports. A further report will be provided to the Executive when a developed design for the redevelopment has been produced and more accurate overall project costs are understood.

- Appendices:**
- A:** Draft Fareham Housing Regeneration Strategy
 - B:** Appendix A to the Fareham Housing Regeneration Strategy (Menin House redevelopment)
 - C:** Menin House – Estimated costs of redevelopment project (Confidential)

Background papers: None

Reference papers: Corporate Strategy 2017-2023
Affordable Housing Strategy 2019

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Executive Briefing Paper

Date:	01 March 2021
Subject:	Fareham Housing Regeneration Strategy and Menin House
Briefing by:	The Deputy Chief Executive Officer
Portfolio:	Housing

INTRODUCTION

1. The need for a Fareham Housing Regeneration Strategy was identified in the adopted Affordable Housing Strategy (2019). The 2019 overarching strategy included an action to 'identify and progress regeneration and redevelopment opportunities on existing Fareham Housing land'.
2. The majority of Council housing stock is over 45 years old and in some instances the costs and benefits from remedying structural issues and updating the property (or properties) is such that redevelopment may be a more appropriate and worthwhile consideration. This is particularly relevant where redevelopment can increase the number and quality of affordable homes in an area of high affordable housing need.
3. The draft Regeneration Strategy is not site specific. The intention is that individual site-specific appendices to the strategy will be produced over time and the first of these, for Menin House, is included with this report. The approval of the Executive is sought for the principle to redevelop of Menin House.
4. 'Condition', 'Cost', 'Land Factors' and 'Opportunity' are the key guiding factors that will be considered when identifying specific regeneration or redevelopment opportunities. Every potential site/property will have subtle differences in how these factors apply, as a result a 'one-size fits all' approach is not appropriate.
5. Menin House in North West Fareham presents some significant challenges in relation to the current structural condition of the building. At the same time there is available land adjacent to the flats that would make a slightly larger redevelopment possible. A redevelopment of Menin House will secure a greater number of modern affordable homes in a high need area for affordable housing.

PRINCIPLE AND GUIDING FACTORS FOR REDEVLEOPMENT

6. The draft Fareham Housing Regeneration Strategy identifies the four key factors that will be used to identify regeneration or redevelopment opportunities: -

- Condition
- Land Factors
- Opportunity
- Cost

7. A detailed overview of these four guiding factors and why they are important is provided in the draft strategy (Tables 1-4 of Appendix A). Each potential regeneration or redevelopment opportunity would be considered against these factors. Should it be deemed an appropriate and achievable opportunity then Officers will seek approval to a site-specific appendix to the Regeneration Strategy. After the Council's Executive has agreed the principle of any site-specific regeneration/redevelopment projects, further detailed work will progress and over time appropriate tenant and community consultation will take place. All matters will then be progressed aimed at ultimately seeking the delivery of the project.

IMPACT TO THE COMMUNITY & PROPERTY OCCUPANTS

8. The draft Regeneration Strategy recognises the community impact from regeneration/redevelopment, particularly for those occupants whose homes will be directly affected. The practical side of any displacement of existing occupants is acknowledged in the strategy, including different approaches depending on whether they are a Council tenant or a leaseholder/freeholder. In all cases it will be dealt with and managed as sensitively as possible.
9. Once a project is formally identified as an appendix to the Regeneration Strategy then nothing will immediately change at the affected properties or for their occupants. The subsequent steps will need to include architectural drawings, land assembly, community consultation and the planning process before there is likely to be any requirement for the properties to be vacated.
10. The draft Regeneration Strategy also includes information about the likely suspension of Right to Buy. This will be necessary to prevent any additional hurdles to redevelopment.

OTHER MATTERS

11. In most normal circumstances Council owned properties which do not warrant consideration for redevelopment/ regeneration (based on their assessment against the guiding factors in the strategy) will still be included in the ongoing planned maintenance programme for the Council's housing stock.
12. The draft strategy also recognises that redevelopment or regeneration can positively contribute toward the Fareham Housing Greener Policy. Newer homes tend to be far more energy efficient and can have greener measures incorporated within the design from the outset.

MENIN HOUSE

13. Appendix B to this report relates specifically to Menin House. It provides an overview of the building in relation to the four guiding factors contained in the draft Fareham Housing Regeneration Strategy; those being condition, land factors, opportunity, and cost.
14. The condition of the existing property is extremely poor. This is further reflected in it becoming increasingly hard to let Council flats in the block. There are issues with the

internal soil and vent pipes, the heating system is inefficient, and there are significant issues associated with the cement rainwater goods which have damaged the steel re-enforced bars that form part of the buildings structure. Although it presents no immediate danger it will cost in the region of £600,000 over the next 30 years to address the various problems and upgrade fixtures and fittings. The Council will then still be left with bedsit accommodation and flats that do not all meet modern standards and expectations on layout and size.

15. There is adjacent land to Menin House, including the underused garage/parking area to the west of the flats. This means there is an opportunity to provide a greater number of new affordable homes if the site were redeveloped.
16. In the region of 30-50 homes could be built to replace the existing 24 properties. The final amount would depend on the mix of houses and flats, and the final design approach.
17. Fareham north is also an area with a higher need for additional affordable homes. Redevelopment here will add to the 'right homes in the right places' approach contained in the adopted Affordable Housing Strategy.
18. Indicative costs and initial financially feasibility work (undertaken on a cautious approach) indicate that a redevelopment could be viably achieved at this site. Further information and detail on the costs considered are included in Confidential Appendix C to this report.
19. As explained in Appendix B the decision to seek a redevelopment of Menin House, and the costs associated with a redevelopment, cannot be considered in isolation. If the building were retained then (a) over a 30 year period significant money will need to be spent on the property; (b) we would still have less favourable bedsit accommodation; (c) there could still be increasing difficulties in letting the flats (and potential associated loss of rent); and (d) undertaking the appropriate remedial works to the building might still require the properties to be vacated during works. Points (a) and (d) would also have cost and disruption implications for leaseholders at the property.

RISKS

20. At this stage there are no direct risks identified. Further risks may need to be considered as any individual site project progresses.

CONCLUSION

21. The draft Fareham Housing Regeneration Strategy provides a positive step forward in how the Council will identify suitable projects. It provides increased transparency in the factors that will be considered when identifying projects and in time not only will this facilitate the replacement of some of the Council's poorer quality housing stock but also provide a greater number of affordable (and greener) homes in the right places, for those in need of affordable housing.
22. Menin House is an example of some of the Council's poorer condition housing stock. There would be substantial costs to retain the building. In comparison a redevelopment could provide a greater number of good quality, sustainable and greener affordable homes at the site. This would be to the benefit of more individuals/families in need of affordable homes in the Borough.

Enquiries:

For further information on this report please contact Robyn Lyons (Ext 4305)