



## Report to Policy Committee

**Author/Lead Officer of Report:**

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**Report of:** *Executive Director: Operational Services (Ajman Ali)*

**Report to:** *Finance Sub-Committee*

**Date of Decision:** *6<sup>th</sup> September 2022*

**Subject:** *Appropriation of the former Bole Hill View Older Persons' Residential Home site for housing purposes.*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given?		
<i>'Principles for Increasing the Council's Stock Increase Programme' – 260 (2019)</i> <i>'Bole Hill View Project Equality Impact Assessment'- 974 (2021)</i>		
Has appropriate consultation taken place?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<i>The decision to appropriate the site has no climate implications.</i> <i>A Climate Impact Assessment will be undertaken as part of proposals to develop the site for new housing. The project will also be subject to a Carbon Assessment.</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:		

**Purpose of Report:**

This report seeks approval for the former Bole Hill View Older Persons' Residential Home site (Eastfield Road, Crookes, Sheffield, S10 1QL) to be appropriated<sup>1</sup> for the purposes of Part II of the Housing Act 1985.

The vacant former Older Persons' Residential Home, which has been disused for several years, currently occupies part of the site. The site and building have been declared surplus to requirements in terms of their original/ previous use. The site has been identified as suitable for the delivery of new affordable homes as part of the Council's Stock Increase Programme.

The site needs to be formally appropriated for 'housing purposes' to enable work to progress (e.g. disconnection of utilities, demolition of existing structures, completion of ground investigation surveys) on the delivery of new affordable Council homes.

**Recommendations:****That the Finance Sub Committee:**

1. Approve that the former Bole Hill View Older Persons' Residential Home site is appropriated for the purposes of Part II of the Housing Act 1985

**Background Papers:**

- **Appendix 1:**  
Site Location and Plan
- ***Principles for Increasing the Council's Stock Increase Programme***  
*Report to Cabinet Member for Neighbourhoods and Community Safety*  
*14<sup>th</sup> October 2019*  
<http://democracy.sheffield.gov.uk/ieDecisionDetails.aspx?ID=2392>

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<sup>1</sup> Formal responsibility for the asset/ site transferred from one Council Service ('legal function of the Authority') to another, and set apart for a particular use or purpose (in this case housing)

<b>Lead Officer to complete:-</b>		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	<b>Finance:</b> <i>Helen Damon (Finance Business Partner)</i>
		<b>Legal:</b> <i>Stephen Tonge (Corporate Governance Lawyer)</i>
		<b>Equalities &amp; Consultation:</b> <i>Louise Nunn (Equalities and Involvement Officer)</i>
		<b>Climate:</b> <i>Laura Chippendale (Sustainability Programme Officer)</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>SLB member who approved submission:</b>	<i>Executive Director: Operational Services (Ajman Ali)</i>
3	<b>Committee Chair consulted:</b>	<i>Cllr Terry Fox (Chair – Strategy and Resources Committee)</i>  <i>Cllr Douglas Johnson (Chair – Housing Policy Committee)</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Michael Hellewell</i>	<b>Job Title:</b> <i>Service Manager: Housing Growth City Futures</i>
<b>Date:</b> <i>28<sup>th</sup> July 2022</i>		

## 1. Affordable Housing Need in Sheffield and the Council's Stock Increase Programme

- 1.1 According to the Sheffield and Rotherham Strategic Housing Market Assessment<sup>2</sup>, Sheffield has an overall shortfall of affordable homes of c902 per annum.
- 1.2 As part of the response to this, the Council has committed to the delivery of an ambitious Stock Increase Programme (SIP). This will see the delivery of 3,100 Council homes by 2028/29, though a mixed programme of new build and acquisition activity<sup>3</sup>.
- 1.3 This is the largest investment in new Council homes in a generation, with delivery increasing as the programme gains momentum towards its peak in 2025/26.
- 1.4 Whilst increasing the number of affordable homes is important, of equal importance is the type (e.g. general needs, supported and specialist housing), tenure (e.g. social rent, affordable rent, shared ownership) and location of new affordable homes.

## 2. The Bole Hill View Site

- 2.1 The former Bole Hill View Older Persons' Residential Home site, known as 'Bole Hill View', is a c0.35 hectare site situated off East Hill Road, Crookes, Sheffield, S10 1QL (**see Appendix 1**). The site is located within the Walkley Ward.
- 2.2 The site is owned and maintained by Sheffield City Council, within the People Portfolio. Disused for several years, part of the site is occupied by a former older persons' unit (building vacant and remains secure, but in a poor state of repair).
- 2.3 The site/ building was declared surplus to requirements (in terms of its original/ previous use) by the then "Communities" Portfolio<sup>4</sup> in 2013 with an expectation that the receipt generated by sale (or appropriation) be reinvested in new Council service provision. The site is currently 'held' within the 'Estates Committee'<sup>5</sup>.
- 2.4 The site has been identified as suitable for the delivery of new affordable Council homes as part of the Council's Stock Increase Programme.
- 2.5 The site is in the Urban West Housing Market Area. This is the area of the City with the largest shortfall of affordable homes – including demand for 1-bed apartments of the type proposed for this site.

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<sup>2</sup> <https://www.sheffield.gov.uk/home/housing/strategic-housing-market-assessment>

<sup>3</sup> <https://democracy.sheffield.gov.uk/ieDecisionDetails.aspx?ID=2392>

<sup>4</sup> This refers to a Portfolio (Council Service Area) that no longer exists. Services previously covered by the former 'Communities Portfolio' are now the responsibility of the 'People Portfolio'

<sup>5</sup> The 'Estates Committee' is a historical Committee/ designation that is no longer in place

- 2.6 The site is in an area with limited surplus Council-owned land suitable for housing development and where competition for and cost of sites on the open market is high.
- 2.7 This site represents an opportunity to deliver much needed new affordable Council homes. The site is currently estimated to have capacity for up to 36 one-bed apartments (subject to further detailed design work, the outcome of a Planning Application and Council approval via the Capital Approval process).

### **3. Proposal to Appropriate the Site for Housing Purposes**

- 3.1 It is proposed that the site be appropriated to housing purposes (Part II of the Housing Act 1985) and used for the provision of new Council homes as part of the Council's Stock Increase Programme.
- 3.2 Following appropriation of the site, and subject to a separate Committee/ Capital approval - disconnection of utilities and demolition of the existing building will take place to ensure the whole site is clear and safe.
- 3.3 This will enable ground investigation/ site surveys to be completed across the whole site, thereby managing some of the risks associated with clearing existing buildings and the currently unknown ground conditions under the part of the site where ground surveys have not been possible to date<sup>6</sup> (due to existing structures).
- 3.4 Current estimates suggest that the overall project is broadly viable/ affordable across the range of metrics used to assess Stock Increase Programme schemes.
- 3.5 Once the aforementioned works are complete, the estimated cost of delivering the apartment scheme will re-evaluated. Should the viability of the project change (e.g. due to the identification of poor ground conditions leading to further 'abnormal costs') then other options, including marketing the site for open market delivery, may need to be considered.

### **4. How does this decision contribute to the Council's ambitions for the City (as set out in 'Our Sheffield: One Year Plan for 2021/22<sup>7</sup>):**

- 4.1 The specific proposals set out in this report contribute towards the delivery of the following priorities/ ambitions for the City:
- 'Neighbourhoods that are clean, green, safe and thriving' (*Communities and Neighbourhoods Theme*)

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<sup>6</sup> Progressing with these 'enabling works' upfront means that prospective tenderers for the main housing construction contract won't need to price for unknown ground conditions.

<sup>7</sup> <https://democracy.sheffield.gov.uk/documents/s45712/Our%20Sheffield%20-%201%20year%20plan%20FINAL.pdf>

4.2 The subsequent development of affordable Council homes on this site will contribute towards the delivery of the following priorities/ ambitions for the City:

- 'High quality, safe homes for all our citizens' (*Communities and Neighbourhoods Theme*)
- 'Enabling adults to live the life that they want to live' (*Education, Health and Care Theme*)
- 'Deliver high quality, sustainable homes, working with the best developers' (*Climate change, economy and development*)

## **5. Has there been any consultation?**

5.1 The specific proposals in this report do not require the Council to undertake any consultation. However, the proposal to appropriate the site was publicly advertised (via an 'Open Space Notice') – further details are set out in **Section 6.3**.

5.2 Consultation and engagement with tenants and residents forms a key part of the annual review of the Housing Revenue Account Business Plan – this includes the Stock Increase Programme priorities.

5.3 The Council undertakes consultation on individual Stock Increase Programme projects at various stages throughout project development. This is done in partnership with Local Members, Tenants and Resident Associations and established Community Groups, as well as with the wider public through the formal planning process. Appropriate consultation will continue to be undertaken as this project develops.

## **6. Risk Analysis and Implications of the Decision**

### **6.1 Equality of Opportunity Implications**

6.1.1 There are no negative equality impacts arising from the proposals/ recommendations detailed in this report.

6.1.2 In line with the agreed standards for new Council homes in Sheffield - affordable homes delivered through the Stock Increase Programme will have the following features:

- Good space standards and physical accessibility with 'lifetime homes' features – ensuring homes are adaptable for 'lifetime use' at minimal cost and disruption
- High levels of thermal performance/ energy efficiency – addressing fuel poverty and supporting better health outcomes

## 6.2 Financial and Commercial Implications

- 6.2.1 From an accounting perspective, the Council is not able to spend Housing Revenue Account resources on assets (buildings and sites) that are outside of the Housing Revenue Account.
- 6.2.2 There are currently no other readily available sources of Council investment available to fund the demolition required on the Bole Hill View site.
- 6.2.3 Upon appropriation, there is a statutory requirement on the Council to “make such adjustment in its accounts as may be requisite in the circumstances pursuant to Section 24 of the Town and Country Planning Act 1959”. Further details are set out in **Section 6.3**.
- 6.2.4 The site has been valued by a RICS Registered Valuer (a Council Officer working in Property Services). As at March 2022 the site is valued (‘market value’) at £660,000. This accounts for the demolition of the existing building and the intention to deliver an apartment scheme. The adjustment to the accounts will reflect this market value.
- 6.2.5 Officers are pursuing opportunities to secure public sector investment (grant) to aid the viability of the overall project by funding some of the ‘abnormal costs’ (which includes demolition and associated activity).
- 6.2.6 At this stage, the overall viability/ affordability of the project is not confirmed (although estimates do suggest the project will be viable), and grant funding opportunities are not secured. Therefore, appropriation of the site now does not guarantee the delivery of this project.
- 6.2.7 However, given the demand for affordable housing in this area of the City, and the need to demolish the existing structure in order to de-risk the site and confirm it’s development potential, the appropriation of the site is the best course of action.
- 6.2.8 The agreed Officer sign-off and appropriate Committee/ Capital approval processes will be followed for all future stages of this project.

## 6.3 Legal Implications

- 6.3.1 Section 122 Local Government Act 1972 provides that the Council may appropriate land, which belongs to it and is no longer required for the purpose for which it is held immediately before the appropriation, for any purpose for which the Council is authorised by statute.
- 6.3.2 Therefore provided:
- a) The land already belongs to the Council (confirmed by Property Services)

- b) The land is no longer required for the purpose for which it is currently appropriated (see **Section 6.3.3**); and
- c) The purpose for which the Council is appropriating is authorised by statute (see **Section 6.3.4**)

The recommended decision is lawful, subject to following the Open Space procedure detailed below (see **Section 6.3.5 to 6.3.7**).

- 6.3.3 In December 2013, in an Executive Director report to the Council Asset Management Group, the then Executive Director of the Communities Portfolio declared Bole Hill View surplus to requirements. This enabled its disposal with the proceeds to be reinvested into the Council's approved Capital Investment Programme.
- 6.3.4 As a Local Housing Authority, the Council is authorised by statute to appropriate land for housing purposes pursuant to Section 19 of Part II of the Housing Act 1985. The property must then be accounted for within the Housing Revenue Account pursuant to Part VI of the Local Government and Housing Act 1989.
- 6.3.5 If the land is considered "open space" then before appropriating the land the Council should first publish an Open Space Notice pursuant to Section 122(2A) of the Local Government Act 1972, as follows:
  - advertise the intention to appropriate the land (as per the recommendation) for two consecutive weeks in a newspaper circulating in the local area; and
  - consider any objections to the proposed appropriation which may be made to them.
- 6.3.6 'Open space' is defined by s.336(1) Town and Country Planning Act 1990 (adopted by the LGA) as "any land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground" this impliedly includes de facto open space land not formally dedicated under the Open Spaces Act 1906.
- 6.3.7 Whilst the entirety of the site is not classified as open space, the intention to appropriate the full Bole Hill View site was publicly advertised in the Sheffield Telegraph on 3<sup>rd</sup> and 10<sup>th</sup> March 2022. A deadline of 31<sup>st</sup> March 2022 was advertised for objections to be raised with the Council's Property Services. No objections were recorded.

#### 6.4 Climate Implications

- 6.4.1 The decision to appropriate the site has no climate implications.
- 6.4.2 In terms of the future delivery of Council homes on this site:
  - The Council will set the performance specification for these homes



- This specification will detail requirements around thermal efficiency and environmental performance – including a fabric first approach, high levels of air tightness and the use of low energy heating systems
- The use of renewable energy technologies will also be considered

6.4.3 The wider project will be subject to a carbon assessment – including both embodied carbon and an ‘in use’/ lifetime carbon assessment.

## 7. Alternative Options Considered

7.1 **‘Do nothing’:** The site was declared surplus in 2013. It has been disused for several years, with part of the site is occupied by a former older persons’ unit. The site remains a maintenance liability for the Council and is an underutilised brownfield site in Council ownership. ‘Do nothing’ is not considered a suitable long-term option.

7.2 **Disposal of the site and subsequent marketing for a commercial use:** Marketing the site for commercial use is also likely to generate a land receipt for the Council which could be re-invested in services. However, whilst other uses may be acceptable, in Planning terms, the preferred use for the site is C2 (residential institutions) and C3 (housing). Given the location of the site in an established residential area, with good access to public transport and local services – a residential use is preferred

7.3 **Disposal of the site and subsequent marketing for a residential use:** Marketing the site for residential use is also likely to generate a land receipt for the Council which could be re-invested in services. Given the need for affordable housing in this area of the City, coupled with limited surplus land in Council ownership suitable for housing development to meet this need, the preference is to secure the site for the delivery of affordable Council homes as part of the Stock Increase Programme.

Whilst market disposal of the site for residential use cannot be ruled out in its entirety (if a Council-led scheme is considered unviable) it is not the preferred option for this site.

## 8. Reason for Recommendation(s)

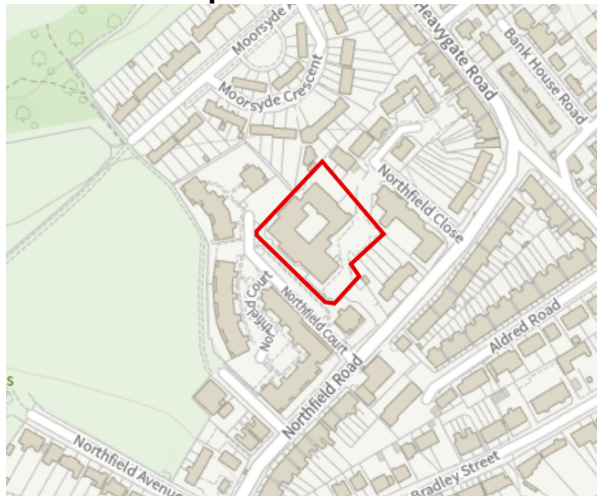
- 8.1
- In Planning terms, the preferred use for the site is C2 (residential institutions) and C3 (housing)
  - The site is in the Urban West Housing Market Area. This is the area of the City with the largest shortfall of affordable homes, which includes demand for 1-bed apartments which this project will ultimately deliver (subject to further detailed design work, the outcome of a Planning Application and Council approval via the Capital Approval process)
  - The site is in an area with limited surplus Council-owned land suitable for housing development and where competition for and cost of sites on the open market is high
  - Provides an opportunity to regenerate a Council-owned brownfield site (removing liabilities associated with a vacant building/ disused site)

**Appendix 1: Site Location and Plan**  
**Former Bole Hill View Older Persons Residential Home site**  
**Eastfield Road, Crookes, Sheffield, S10 1QL (indicative boundary)**

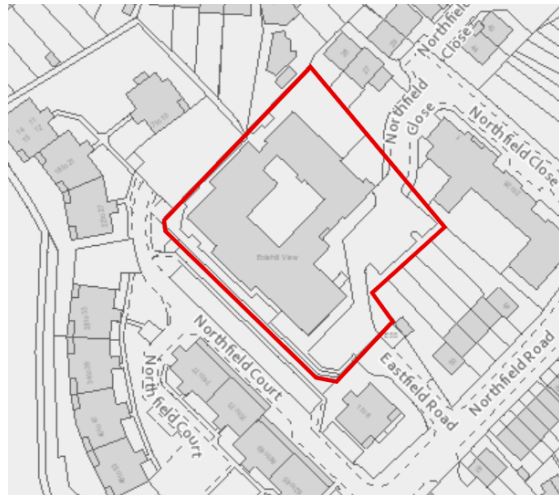
Total approximate area = 0.35Ha

- The site is situated off East Hill Road, Crookes, Sheffield, S10 1QL
- The site was previously used as an older persons' residential home which remains on site. The site was formally declared surplus to requirements by the then Communities Portfolio in 2013.
- The preferred planning use for the site is C2 (residential institutions) and C3 (housing), however other uses may be acceptable

**Location Map**



**Site Plan**



**Aerial Plan**

