



## Report to Policy Committee

### Author/Lead Officer of Report:

Dermot Reader

Project Manager

Housing Growth Delivery Service, City Futures

**Email:** [dermot.reader@sheffield.gov.uk](mailto:dermot.reader@sheffield.gov.uk)

**Tel:** 0114 2052470

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

**Report to:** Finance Sub-Committee

**Date of Decision:** 4<sup>th</sup> January 2023

**Subject:** Appropriation of the former Knowle Hill Residential Care 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>EIA 260 – Homes for All Delivery Plan</i>		
<i>The decision to appropriate the site has no direct equality implications. An Equality Impact Assessment will be undertaken as part of the proposals to develop the site for new temporary accommodation.</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 direct climate implications. A full Climate Impact Assessment will be undertaken as part of proposals to develop the site for new temporary accommodation. 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 Knowle Hill Residential Care Home site (Streetfields, Halfway, Sheffield, S20 4TB) to be appropriated<sup>1</sup> for the purposes of Part II of the Housing Act 1985.

The former residential care home has been vacant since the service was relocated in 2017. The site and buildings are no longer required for this purpose and are now held for general purpose provision. The site has been identified as suitable for the delivery of new Temporary Accommodation as part of the Council's Stock Increase Programme (SIP).

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

### **Recommendations:**

#### **that the Strategy & Resources Policy Committee:**

1. Approve that the former Knowle Hill Residential Care Home site is appropriated for the purposes of Part II of the Housing Act 1985.

### **Background Papers:**

- **Appendix 1:**  
Site Red Line Boundary
- ***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>
- **'Our Sheffield' – Delivery Plan: 2022/23**  
<https://www.sheffield.gov.uk/your-city-council/corporate-delivery-plan>

---

<sup>1</sup> Formal responsibility for the asset or 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>Jessica Rick (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>Dermot Reader</i>	<b>Job Title:</b> <i>Project Manager Housing Growth Delivery Service City Futures</i>
	<b>Date:</b> <i>29<sup>th</sup> November 2022</i>	

## 1. PROPOSAL

### 1.1 Increased demand for Temporary Accommodation

- 1.1.1 The Council has a statutory duty to secure accommodation for unintentionally homeless households who fall into a 'priority need' category.
- 1.1.2 The Homelessness Reduction Act 2017 (HRA) has, since 3 April 2018, placed additional duties on authorities in England to:
- Work to prevent homelessness for all eligible applicants who are threatened with homelessness, i.e. likely to become homeless within 56 days.
  - Work to relieve homelessness for all eligible applicants who become homeless.
- 1.1.3 Demand for Temporary Accommodation (TA) has increased significantly since 2018. As of 30 June 2022, there were 260 households in Local Authority or Housing Association stock and 123 households in Bed and breakfast hotels<sup>2</sup>.
- 1.1.4 To meet this level of demand, the Council is having to use a number of general needs properties across the city. This has a direct impact on available move-on provision and choice-based lettings options for all customers on the housing register.
- 1.1.5 Additional capacity is provided using emergency hotel and Bed & Breakfast accommodation. The total cost of this provision in 2021-22 was £3.65m (before housing benefit and grant funding income)<sup>3</sup>.
- 1.1.6 The City-Wide Housing Service has identified the need for additional council owned and managed Temporary Accommodation to ensure they can meet customers' diverse needs and offer consistent, high quality, affordable services.
- 1.1.7 Appropriation of this site will enable delivery of 25 units of Temporary Accommodation including ancillary office space in a purpose-built facility.
- 1.1.8 The new TA units will contribute to the delivery of new homes as part of the council's Stock Increase Programme (SIP). As such, this project is included within agreed pipeline of SIP projects.

---

<sup>2</sup> [DLUHC - Statutory homelessness: Detailed local authority-level tables April-June 2022](#)

<sup>3</sup> [DLUHC - Local authority revenue expenditure and financing England: 2021 to 2022](#)

## **1.2 The Knowle Hill Site**

- 1.2.1 The former Knowle Hill Residential Care Home site is a 0.35 hectare site situated off Streetfields, Halfway, Sheffield, S20 4TB (see Appendix 1). The site is located within the Mosborough Ward.
- 1.2.2 The site is owned by Sheffield City Council and was originally within the People Portfolio. The site was leased to Sheffcare when the related Council services were also transferred to it. It has been vacant since the service was relocated in 2017, with vacant property management provided by Property Services. Sheffcare surrendered the lease back to the Council on 20<sup>th</sup> February 2020 and as a result the property now sits in the Council's general purpose estate portfolio.
- 1.2.4 An initial feasibility study confirmed the site is suitable for the delivery of new temporary accommodation as part of the Council's Stock Increase Programme. This proposal has been discussed with the local Ward Members and the local Member of Parliament (MP), and has broad approval, subject to appropriate site security and management arrangements.
- 1.2.5 The feasibility study recommends demolition of the existing building as it is not suitable for refurbishment. Since becoming vacant, the building has become a focus for vandalism and anti-social behaviour in the local area resulting in further deterioration.
- 1.2.6 Annual vacant property management costs include £10k council tax, £10k security, and standing utility charges, with site security arrangements under constant review.

## **1.3 Proposal to appropriate the Site for Housing Purposes**

- 1.3.1 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.
- 1.3.2 Following appropriation of the site, and subject to separate Capital and Committee approvals, disconnection of utilities and demolition of the existing building will take place to ensure the whole site is clear and safe.
- 1.3.3 This will enable ground investigation and 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 (due to existing structures). This will provide greater cost certainty when tendering for the main construction contract.
- 1.3.4 The delivery of new TA accommodation is identified within the Stock Increase Programme as a priority project. As the scheme includes accommodation and office space, the overall cost per unit is higher than other housing projects, but there are additional savings to the council resulting from the reduced need for expensive emergency Bed & Breakfast accommodation.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

### **2.1 'Our Sheffield' – Delivery Plan: 2022/23**

2.1.1 The specific proposals set out in this report contribute towards the delivery of the following priorities for the city:

- 'Strong and connected neighbourhoods which people are happy to call home'
  - *The vacant building has become a focus for anti-social behaviour in the local neighbourhood. The appropriation will enable demolition and clearance of the site which will improve the current situation for those residents directly impacted.*

2.1.2 The subsequent development of temporary accommodation on this site will contribute towards the delivery of the following priorities and ambitions for the city:

- 'Tackling inequalities and supporting people through the cost-of-living crisis'
  - *Support people with routes out of homelessness and rough sleeping with emergency and temporary accommodation in Sheffield.*
- 'Healthy lives and wellbeing for all'
  - *New Temporary Accommodation will enable more effective provision of intensive housing management support to prevent homelessness.*

## **3. HAS THERE BEEN ANY CONSULTATION?**

3.1 The specific proposals in this report do not require the Council to undertake any consultation. However, as previously set out, the proposal has been discussed with the local Ward Members and the local Member of Parliament (MP).

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

3.3 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, established Community Groups, and other identified local stakeholders, as well as with the wider public through the formal planning process. Appropriate consultation will continue to be undertaken as this project develops.

## 4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

### 4.1 Equality Implications

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

4.1.2 In line with the agreed standards for new Council homes in Sheffield – new housing 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 and energy efficiency – addressing fuel poverty and supporting better health outcomes.

### 4.2 Financial and Commercial Implications

4.2.1 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.

4.2.2 There are currently no other readily available sources of Council investment available to fund the demolition required on the Knowe Hill site.

4.2.3 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 4.3.

4.2.4 The site has been valued by a RICS Registered Valuer (a Council Officer working in Property Services). As of November 2022, the site is valued (‘market value’) at £370,000. This assumes a demolition cost of £200,000 based on initial estimates. The market value will be adjusted once a tendered cost for the demolition has been agreed. The adjustment to the accounts will reflect this market value.

4.2.5 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).

4.2.6 At this stage, the total scheme cost (demolition and new build) of the project has not been confirmed. However, current cost estimates are within the overall budget of £6.7m assigned to this project within the Stock Increase Programme. Alternative construction methods (e.g. Offsite construction) are being considered with further work required to establish the cost and timescale benefits.

4.2.7 Given the demand for temporary accommodation and the financial implications of continued use of emergency B&B accommodation, the appropriation and redevelopment of the site is considered the best course of action.

4.2.8 The agreed Officer sign-off and appropriate Capital and Committee approval processes will be followed for all future stages of this project.

#### 4.3 Legal Implications

4.3.1 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.

4.3.2 The Sheffcare Deed of Surrender of 20 February 2020 had the effect of vesting the site into the Councils general purpose estate portfolio pursuant to LGA 1972 s120. (Whilst there is no requirement for the Deed to be registered with the Land Registry to take effect, registration will be required to close the leasehold title and remove reference to the lease from the Council's freehold title).

4.3.3 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.

#### 4.4 Climate Implications

4.4.1 The decision to appropriate the site has no direct climate implications.

4.4.2 In terms of the future delivery of temporary accommodation on this site:

- The Council will set the performance specification for this accommodation which 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.

4.4.3 The wider project will be subject to a carbon assessment – including both embodied carbon and whole life carbon assessment.



## 5. ALTERNATIVE OPTIONS CONSIDERED

5.1 **Do nothing:** The site became vacant in 2017. The site remains a maintenance liability for the Council and is an underutilised brownfield site in Council ownership. As a result of further deterioration due to vandalism and ongoing anti-social behaviour, continuing to 'do nothing' is not considered a suitable long-term option.

### 5.2 **Site disposal:**

In November 2019, the People portfolio intended to declare the site as surplus and put it forward for disposal through Property Services. As part of this process, there was an opportunity to explore the site for alternative council uses. Following a review of surplus council assets, the site was selected for consideration to provide temporary accommodation.

### 5.3 **Building refurbishment:**


Initial feasibility work identified significant risks with the existing fabric of the building and reduced capacity for self-contained accommodation. It was therefore considered unviable for refurbishment, with recommendations for demolition and new build.

## 6. REASONS FOR RECOMMENDATIONS

- 6.1
- The site is designated Housing Area in the adopted Sheffield Local Plan and is considered a mix of greenfield and brownfield, with the buildings being previously developed and the 'garden' area being greenfield. Core Strategy policy CS24 allows for this, with part (b) stating that small greenfield sites within the existing urban area may be developed where it can be justified on sustainability grounds.
  - There is a clearly identified need for additional purpose-built temporary accommodation across the city to enable the Council to meet its statutory duties.
  - There is a significant cost to the Council in using expensive emergency Bed & Breakfast accommodation to meet the current shortfall in available temporary accommodation.
  - Provides an opportunity to regenerate a Council-owned brownfield site, thereby removing liabilities associated with a vacant building and disused site.

**Appendix 1: Site Red Line Boundary - Former Knowle Hill Residential Care Home, Streetfields, Halfway, Sheffield, S20 4TB**



Notes: AREA EDGED RED INCLUDES TITLES: SYK503, SYK382500. AREA EDGED RED APPROXIMATELY 0.3508 HECTARE (0.8668 ACRE)	Building	Drawing Title KNOWLE HILL SHEFFIELD S20 4TB	Scale 1:500	
	Location	Drawing No/File No	Date 15/11/2022	
	Project Ref.	Drawn AH	Rev. 23/11/2022	

Based upon the Ordnance Survey map data with the permission of the Controller of Her Majesty's Stationery Office (C) Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings. Sheffield City Council 19018819.2013