



SHEFFIELD CITY COUNCIL Cabinet

Report of: Executive Director (Place)

Date: 12 December 2012

Subject: Wybourn Site Disposals (Cricket Inn 1B & 1C)

Author of Report: Tamsin Auckland

Summary:

This report seeks authority to dispose of two cleared sites at Wybourn, known as Cricket Inn 1B and 1C, to Great Places Housing Group (GPHG) for the development of housing for affordable rent. This follows the decision of Cabinet on 01 August 2012 to dispose of the first Cricket Inn development site, known as 1A, to GPHG for the same purpose.

Reasons for Recommendations:

Disposal of these sites would allow for residential development consistent with the Council approved Masterplan for Wybourn, Arbourthorne and Manor Park.

The development of approximately 70 new homes for affordable rent would help meet the identified shortfall in affordable housing in the city.

The provision of a mix of housing types, including bungalows, would provide greater housing choice, especially for local older people who may wish to move to more suitable accommodation, thus freeing up much needed family housing.

The development of the sites by GPHG, the local landlord of choice, would ensure that local people and stakeholders were properly consulted and that their needs and aspirations were at the forefront of the planning and development process.

Recommendations:

- R1 The Cabinet decision of 1 August 2012 about the disposal of the site then identified at Appendix A and now described as Cricket Inn Site 1A be rescinded.
- R2 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1A be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R3 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1B be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R4 Subject to planning permission and funding for the development being secured the site now shown at Appendix A as Site 1C be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R5 The Director of Property & Facilities Management in consultation with the Director of Housing, Enterprise and Regeneration be authorised to agree terms for the disposal of the sites for the purposes set out in this report and to instruct the Director of Legal Services to complete the transfer on the terms agreed.
- R6 The proposed nomination arrangements set out at Section 6 of this report be agreed.

Background Papers: None

Category of Report: OPEN

Statutory and Council Policy Checklist

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|---|
| Financial Implications |
| YES Cleared by: Paul Schofield |
| Legal Implications |
| YES Cleared by: Andrea Simpson |
| Equality of Opportunity Implications |
| NO |
| Tackling Health Inequalities Implications |
| NO |
| Human rights Implications |
| NO |
| Environmental and Sustainability implications |
| YES |
| Economic impact |
| NO |
| Community safety implications |
| NO |
| Human resources implications |
| NO |
| Property implications |
| YES |
| Area(s) affected |
| East Community Assembly |
| Relevant Cabinet Portfolio Leader |
| Cllr Harry Harpham |
| Relevant Scrutiny Committee if decision called in |
| Safer and Stronger Communities |
| Is the item a matter which is reserved for approval by the City Council? |
| NO |
| Press release |
| NO |

WYBOURN SITE DISPOSALS (CRICKET INN 1B & 1C)

1.0 SUMMARY

- 1.1 This report seeks authority to dispose of two cleared sites at Wybourn, known as Cricket Inn 1B and 1C, to Great Places Housing Group (GPHG) for the development of housing for affordable rent. This follows the decision of Cabinet on 01 August 2012 to dispose of the first Cricket Inn development site, known as 1A, to GPHG for the same purpose.
- 1.2 Sites 1B and 1C could accommodate approximately 70 homes: a mixture of family housing and bungalows. In order to facilitate the delivery of this affordable housing, the sites would need to be transferred to GPHG at nil consideration.
- 1.3 A further report will be presented to Cabinet in due course detailing proposals for new housing on the remainder of the Cricket Inn development site, known as Cricket Inn 2, plus an additional cleared site on Maltravers Way. The Cricket Inn development sites are shown on the plan at Appendix A.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 In terms of Standing Up For Sheffield the Corporate Plan 2011-14, this disposal would help achieve the outcome of a Great Place to Live, by creating desirable, affordable housing and promoting a thriving neighbourhood.
- 2.2 The vision of successful neighbourhoods involves a variety and choice of housing types and tenures. The current Housing Market Assessment identifies an annual shortfall of 729 affordable homes per year in the city. The development of up to 70 affordable homes on sites 1B and 1C would go towards meeting this need.
- 2.3 The disposal of this site for new housing would allow the delivery of one of the strategic interventions identified in the Wybourn, Arbourthorne & Manor Park (WAMP) Masterplan, benefitting both existing and new residents.
- 2.4 The local economy would benefit from the construction of new homes. The Council will hold discussions with GPHG with the aim of maximising the use of local labour and other suppliers.

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 The new homes would raise the profile, desirability and sustainability of Wybourn as a place to live, adding to the choice of housing size, type and quality available in the area. In particular, the building of new bungalows would help sustain the Wybourn community, allowing older residents to move to more suitable accommodation within their existing neighbourhood.
- 3.2 GPHG are the local landlord of choice in Wybourn with a proven record of community engagement. Through managing the existing housing on the estate they are aware of the aspirations of the community and are working with them to deliver improvements to the area. The development of this site would allow them to further engage, involve and empower the community in improving Wybourn.
- 3.3 GPHG have developed a Consultation Blueprint that outlines their commitment to community involvement and a copy would be presented to the East Community Assembly prior to its implementation in relation to this project. The detailed scheme proposals for the sites would be subject to public consultation and GPHG would ensure that local residents, Members and other stakeholders would have the opportunity to be involved in and contribute towards developing the scheme.
- 3.4 GPHG would build the homes to meet the Homes and Communities Agency's Design and Quality Standards, ensuring that they would be well built, spacious and secure, with high standards of energy efficiency, lower running costs for residents and contributing to a lower carbon footprint for the City.
- 3.5 An increase in the number of properties at Wybourn would help support the local economy with the creation of greater demand for existing or additional local facilities, retail outlets and services.

4.0 BACKGROUND

- 4.1 This area was subject of extensive masterplanning, as part of Sheffield's Housing Market Renewal programme, resulting in the WAMP Masterplan. On 11 May 2005 Cabinet approved the Masterplan and resolved that it be approved as material consideration in the planning process and relevant proposals be incorporated in the Sheffield Development Framework (SDF). The Masterplan recommended the building of new housing on the Cricket Inn development site (shown at Appendix A).

- 4.2 The Cricket Inn site was declared surplus by Cabinet on 24 January 2007, and Cabinet resolved that the Director of Housing [now Director of Housing Enterprise and Regeneration], in consultation with the Head of Corporate Property [Director of Property & Facilities Management] and Assistant Chief Executive Legal and Governance [Director of Legal Services] be authorised to select the successful developer in line with the approved site disposal strategy subject to the approval of the development scheme and terms of the disposal in accordance with the Council's constitution.
- 4.3 On 01 August 2012 Cabinet approved the disposal of site identified as 1A at Appendix A to GPHG to build 25 affordable properties.

5.0 SCHEME PROPOSAL

- 5.1 GPHG proposal for Cricket Inn 1B & 1C is a mix of family housing and bungalows for affordable rent. The exact number of properties has not yet been determined but the first new homes should be available by 2014.
- 5.2 Funding has been secured from the Homes & Communities Agency (HCA) for the development of Cricket Inn 1B, which could accommodate approximately 30 properties.
- 5.3 Funding has not yet been secured for the development of Cricket Inn 1C, which could accommodate approximately 40 properties. However, GPHG expect to secure HCA funding in the near future and on that basis would submit a single planning application to include this site along with 1A and 1B.
- 5.4 It is proposed that the disposal of Cricket Inn 1C to GPHG should take place at the same time as the disposals of sites 1A & 1B subject to funding for the development being secured.
- 5.5 Since the decision of Cabinet on 01 August 2012, GPHA have revised their design for Site 1A so that the site can accommodate more than the 25 houses, apartments and bungalows originally envisaged. The latest estimate of the site's capacity is 29 homes although this may change during the planning process. The August disposal decision was specific to GPHG's original plans and so this report recommends that the decision be amended to allow for design and planning flexibility.

6.0 NOMINATION ARRANGEMENTS

- 6.1 The existing housing stock in Wybourn comprises two and three bedroomed family houses so there is a lack of suitable provision for older residents. Therefore, GPHG have proposed that 80% of the bungalows built on sites 1A, 1B and 1C should be let to existing tenants on Wybourn who need or wish to downsize.

- 6.2 GPHG have also proposed that any apartments developed across sites 1A, 1B and 1C should be reserved for existing GPHG tenants. This will assist in addressing the impact of the Welfare Reform Act 2012 whereby housing benefit claimants in social housing are penalised if they are deemed to be underoccupying a property.
- 6.3 These proposals would free up larger family accommodation, of which there is a shortage across the City. Those properties vacated by the GPHG tenants who have transferred would then be available to the Council for nomination through the Lettings Policy.
- 6.4 100% of the family houses built on sites 1A, 1B and 1C would be available to the Council for nomination through the Lettings Policy.

7.0 FINANCIAL IMPLICATIONS

- 7.1 During the formulation of the Local Investment Plan, the HCA made clear government's expectation that local authorities would maximise the use of their own resources to provide affordable housing (e.g. the provision of free land). The grant available to housing associations under the HCA's Affordable Homes Programme for 2011/15 is significantly less than for the previous period, and would not allow this scheme to be developed without the additional subsidy from the Council in the form of free land.
- 7.2 The disposal of Cricket Inn Site 1B to GPHG at nil consideration would constitute a Council contribution of £120,000 towards the provision of approximately 30 affordable homes, based on the current valuation of the site.
- 7.3 The disposal of Cricket Inn Site 1C to GPHG at nil consideration would constitute a Council contribution of £200,000 towards the provision of approximately 40 affordable homes, based on the current valuation of the site.
- 7.4 No provision has been made within the Neighbourhoods Investment Programme for a capital receipt being generated from the sale of these sites, so there is no direct impact on the planned capital programme.
- 7.6 The development of approximately 70 homes across these sites would produce a significant benefit to the Council through the government's New Homes Bonus and Affordable Homes Bonus scheme.
- 7.7 The Section 106 contribution from the scheme would also be programmed to be used in the local area to enhance public space and facilities.
- 7.8 The Council currently pays for the maintenance of the cleared sites so there would be a saving following transfer of responsibility to GPHG.

8.0 LEGAL IMPLICATIONS

- 8.1 Disposal of the site to GPHG at nil consideration to develop affordable homes would constitute assistance in connection with privately let housing accommodation and would require the consent of the Secretary of State under Section 25 of the Local Government Act 1988. A general consent has been issued for financial assistance or gratuitous benefit consisting of disposal of land to registered providers of social housing for development as housing accommodation. No further consent is needed under section 32 of the Housing Act 1985 to the disposal of housing land.
- 8.2 When deciding whether to dispose of a site at a discount to its market value it must be considered whether the proposed disposal would be in the interests of the City and its inhabitants as a whole and as Council tax payers and would be consistent with the effective, economic and efficient discharge of the Council's functions.

9.0 ALTERNATIVE OPTIONS CONSIDERED

9.1 Do not dispose of the site yet.

In order to maximise receipt from the potential sale of the site it has been considered whether it would be appropriate to wait until an upturn in the economy before disposal. This would however mean that the site would be left undeveloped for an indeterminable time with no guarantee of developer interest in this site or potential best price offer.

It would also deny the opportunity to develop the site speedily and to fit with GPHG investment plans for the neighbourhood or resident expectation for the development of the site.

GPHG view continued investment in Wybourn as a high priority for their organisation, and the first new homes should be available by 2014.

The timely development of the site is also intended to raise developer confidence in the wider area which will be reflected in the viability of other potential projects.

This option would also delay the delivery of an important strategic intervention of the WAMP Masterplan.

9.2 **Open market with conditions/no conditions**

Although this option could potentially allow rapid development of the site and maximise receipt, this is improbable in the current economic downturn as we could not guarantee developer interest or potential best price offer.

If the site was sold for open market development it would reduce the opportunity for local residents to access the new housing. It would also deny opportunity for local lettings and compromise the investment strategy of GPHG.

The process would also delay appointment of a developer and a start on site.

9.3 **Disposal of the site to another Registered Provider**

This option would allow development by a Registered Provider other than the local resident's landlord of choice.

Although this would introduce a choice of landlord for residents, it may compromise the opportunity for aligning investment and maintenance strategies.

This option may also compromise the compatibility of local lettings policies to the detriment of local residents wanting to access properties at Wybourn.

9.4 **Disposal of the site to Sheffield Housing Company (SHC).**

This site is not on the current list of sites that has been offered to the SHC. If it were to be offered then there is no certainty as to when the site would be released and any agreed release date would be made on the SHC priorities rather than local need.

9.5 **Open competition with detailed development brief.**

The Council could agree a development brief and advertise the site to developers. This would allow the Council to be prescriptive and prioritise the development requirements; however, it would delay the release of the site, be Council resource intensive and not guarantee developer interest or potential best price offer.

If a condition were included in the development brief that required that the developer work in partnership with GPHG then this may deter developer interest or create a difficult working arrangement that may be detrimental to any scheme.

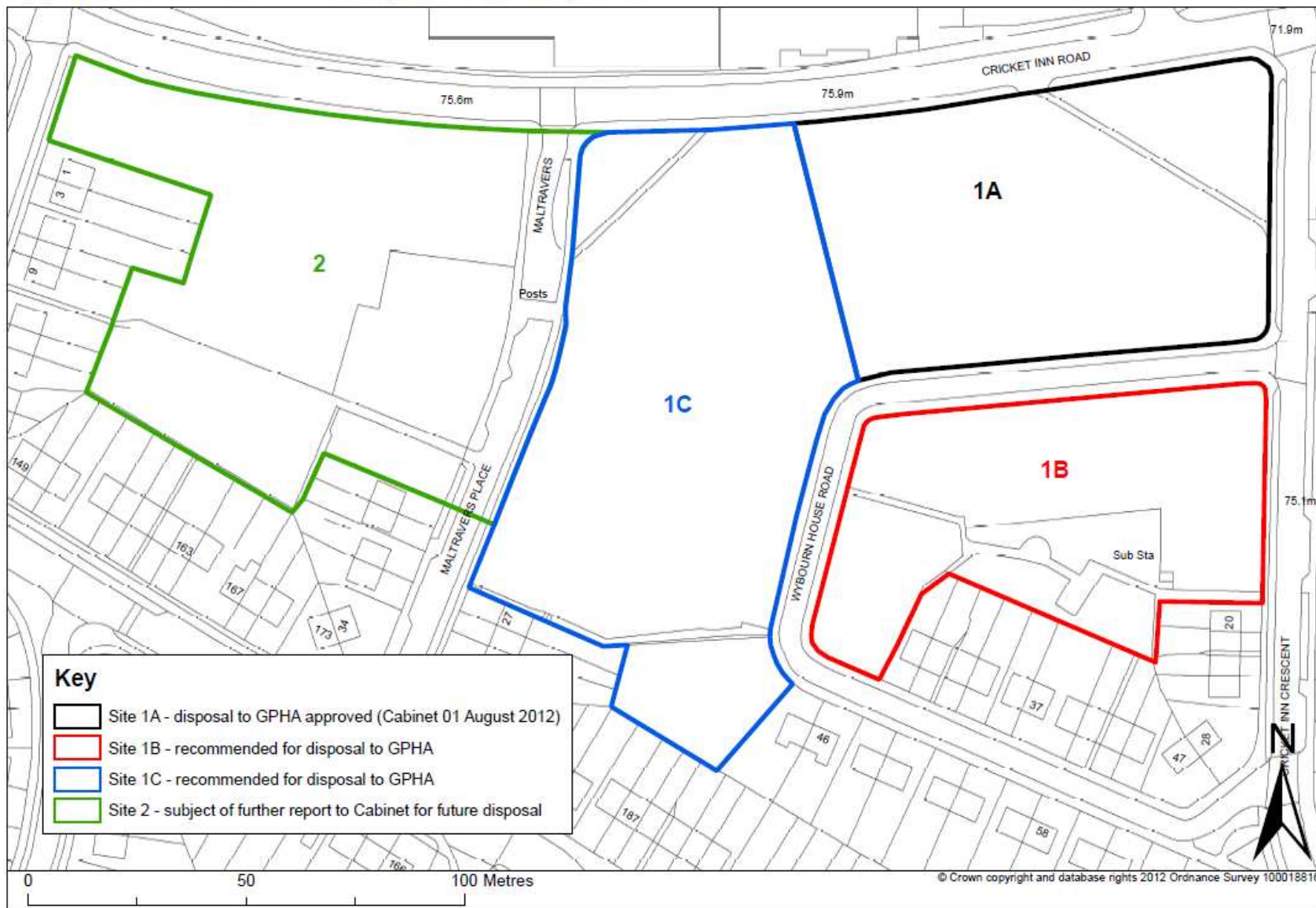
10.0 REASONS FOR RECOMMENDATIONS

- 10.1 Disposal of these sites would allow for residential development consistent with the Council approved Masterplan for Wybourn, Arbourthorne and Manor Park.
- 10.2 The development of approximately 70 new homes for affordable rent would help meet the identified shortfall in affordable housing in the city.
- 10.3 The provision of a mix of housing types, including bungalows, would provide greater housing choice, especially for local older people who may wish to move to more suitable accommodation, thus freeing up much needed family housing.
- 10.4 The development of the sites by GPHG, the local landlord of choice, would ensure that local people and stakeholders were properly consulted and that their needs and aspirations were at the forefront of the planning and development process.

11.0 RECOMMENDATIONS

- R1 The Cabinet decision of 1 August 2012 about the disposal of the site then identified at Appendix A and now described as Cricket Inn Site 1A be rescinded.
- R2 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1A be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R3 Subject to planning permission the site now shown at Appendix A as Cricket Inn 1B be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
- R4 Subject to planning permission and funding for the development being secured the site now shown at Appendix A as Site 1C be leased to Great Places Housing Group at nil consideration for a period of 125 years for use as social housing.
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- R6 The proposed nomination arrangements set out at Section 6 of this report be agreed.

Appendix A: Cricket Inn Development Sites, Wybourn.



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