

Committee: Housing Board

Agenda Item

Date: 7th June 2016

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Title: Development Site – Sheds Lane, Saffron Walden

Portfolio Holder: Doug Malins, Housing Development Manager

Key decision: Yes

Summary

1. This report provides the Housing Board with detail relating to the proposed development of the site at Sheds Lane, Saffron Walden.
2. This site has been identified as having potential for the development of council owned homes, as part of the council's on-going development programme.

Recommendations

3. That the Housing Board:
 - a. Recommends to Cabinet that the site is progressed through the planning application stage, having regard to the estimated costs associated with this work, as detailed in this report.

Financial Implications

4. Financial provision for the development of new Council owned homes is included within the Housing Revenue Account. The development of this site will also enable the use of Right to Buy capital receipts.
5. The Indicative cost for the scheme has been calculated by our consultant Quantity Surveyor having regard to site constraints and the prevailing market conditions. These indicative costs should be regarded as an estimate at this stage, and could be subject to change as further survey work is carried out, and the detailed designs are finalised. The final cost will only be known following the tender process for the selection of a building contractor.

Background Papers

6. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Richard Utting Associates Outline Elemental Cost Plan – 27th May 2016

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| | |
|----------------------------|---|
| Communication/Consultation | Existing tenants, local residents, Town Council and external agencies |
| Community Safety | Appropriate precautions would be taken |

| | |
|---------------------------------|---|
| | during works |
| Equalities | Equality and diversity is a key issue for the Council with regards to housing provision |
| Health and Safety | During the management of the project all risks will be constantly reviewed, revised and managed |
| Human Rights/Legal Implications | Legal team have been consulted |
| Sustainability | An opportunity to construct new thermally efficient homes for people in housing need. |
| Ward-specific impacts | Saffron Walden |
| Workforce/Workplace | There are sufficient resources in the housing team to manage the project |

Situation

8. The site is made up of two separate garage areas located on Sheds Lane in Saffron Walden. The land is currently used as a parking court comprising 50 garages in total which are constructed with concrete bases, concrete panel walls and a corrugated asbestos roof. However many are in a poor condition and at the time of starting this process, 12 of the garages were not in use.
9. Of the 38 garages in use, 24 were rented by owner-occupiers, with 14 rented by Council tenants. Garages of this age are generally too small for modern cars, and as such the majority of the usage was for storage. Notice to Quit has been served on all of the tenants, and alternative garages have been offered to those who want them.
10. The sites have excellent access directly onto Sheds Lane.
11. Saunders Boston architects have been appointed to undertake sketch schemes for the sites. For the Northern site (site B on the attached plan), they are proposing 2 x 2 bedroom 4 person houses. For the Southern site (site A on the attached plan), they are proposing 3 bedroom 5 person fully wheelchair compliant bungalow. Indicative unit type layouts are also attached to this report.
12. The 3 bedroom wheelchair compliant bungalow is being proposed to meet the specific needs of a particular family, where it is not possible to adapt their Council home to meet their needs, both now and for the future.
13. A Planning Pre-Application has been made and a favourable response received. The key issues that need to be considered are access, overlooking of adjacent dwellings and the loss of car parking. This will all be dealt with as part of the Design and Access Statement.

14. Topographical, Asbestos and Ecology surveys have already been undertaken. Services enquiries have also been made. Ground condition, demolition and structural surveys are due to be undertaken, along with a drainage strategy.
15. The construction costs for this development have been estimated at **£518,000 (£173,000 per dwelling)**. Whilst this sum does appear higher than expected, given the 'Abnormal Costs' attributed to this scheme, it is not perceived to be unreasonable. If the abnormal costs are stripped out, the estimate falls to **£464,000 or £155,000 per dwelling**, which does not seem unreasonable under current market conditions.
16. The abnormal costs include the track hoist (including addition joists) and carport to the bungalow, demolition of the garages, breaking out of the whole concrete slab and additional works to the access "bell mouths". A 10% contingency has also been included because of the early stage of this scheme. The estimate will therefore be updated as more detailed information is available, and the designs developed in more detail.

Risk Analysis

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| Risk | Likelihood | Impact | Mitigating actions |
|--------------------------------------|------------------------------------|---|---|
| Not achieving planning permission | 1 Planners supportive | 4 Development not possible | Pre-planning discussions with planners |
| Underground services identified | 2 Investigations to be carried out | 3 Diversions possible but cost implications | Investigations to be undertaken at the earliest stage |
| Further "abnormal costs" identified. | 2. Surveys being undertaken | 3 Potential cost implications | Contingency already included with cost estimate |

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.