

Mead Court update

Mead Court Task Group, 16 October 2012, item 3

Committee: Mead Court Task Group

Agenda Item

Date: 16th October 2012

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Title: Mead Court update

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Summary

1. This report summarises the work carried out following the last Task Group meeting.

Recommendations

2. That the Task Group:
 - a. Note the information contained in this report
 - b. Recommend to Housing Board that a Local Authority New Build Scheme be taken forward as the preferred option for the site

Financial Implications

3. The estimated cost of implementing the project in-house is £2.6m. This figure includes a sum of approximately £300,000 for consultants' fees. The total cost of the project is based on current building costs and optimum housing mix for the site and is subject to change depending on scheme changes.
4. Subject to approval the project will follow due tender process to select a suitable contactor.
5. Once the project is tendered the Council may wish to consider fixing the contract price to avoid any uncertainty with costs.
6. The estimated cost of the project has been allowed for within the HRA Business Plan 2012 – 2042 and capital budget as follows: £600,000 in year 13/14 (prelims and demolition) and £2m in year 14/15.
7. It should be noted that the Council will still have headroom for other potential projects as the cost of this project has already been included in the business plan and does not draw on uncommitted funds.
8. A council new build scheme will replace any net reduction in the HRA stock numbers through RTB sales, a key priority of the business plan.

Background Papers

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1. None

Impact

- 2.

Communication/Consultation	Full consultation with residents will be needed as the scheme is currently part occupied. Consultation with neighbours would take place in the pre planning application phase, during consideration of a planning application and through any construction time
Community Safety	Appropriate precautions would be taken during works
Equalities	Tenants affected will be supported in the appropriate way
Health and Safety	Appropriate precautions would be taken during works
Human Rights/Legal Implications	None
Sustainability	Redevelopment offers the opportunity to provide accommodation to improved standards
Ward-specific impacts	Stansted South
Workforce/Workplace	Options appraisal by contractors can be resourced from revenue budgets

Situation

3. At the last meeting of the Task Group, then subsequently at both the Housing Board and Cabinet on 9th May 2012, it was agreed that resources could be committed to drawing up proposals for a local authority new build scheme as an option for the site. Since that time, Officers have been working to procure an architect to take the proposal forward to the planning stage and have recently instructed The Design Partnership for this.
4. The Parish Council and local Members have been made aware of that detailed design work has yet to start.
5. Housing Officers have also spoken with residents and reassured them that they will be involved in the consultation. It was agreed that there would be regular meetings with residents to keep them informed of progress now that

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an architect has been appointed. It is essential that the Council retains momentum and good relationships with both residents and the Parish Council.

6. The Design Partnership has been given a brief to maximise the affordable housing that can be provided through the development of the site. This will ensure best use of this Council asset.
7. Prior to appointing the architect initial draft sketch proposals for the site were looked at by the Mead Court Task Group for comment. The sketches showed optimum levels of new build housing and gave the task group an indication of what could be achieved on the site.
8. Suggestions made by the Task Group will be incorporated in new draft plans drawn up by the Design Partnership. These include amendments to parking facilities and the provision of some flats that can be used as temporary accommodation. The Design Partnership has been instructed to consider the Parish Council's request to see a mixed development of houses and bungalows on the site and the possibility of retaining some of the current green. Draft alternative schemes will be prepared for the task group to consider however the Design Partnership has advised that this may impact on the number of properties that can be delivered.
9. The Housing Board had previously been furnished with a number of different options for the site, all of which would bring forward an element of affordable housing. The initial options for the site included transferring/selling it to a Housing Association; selling the site on the open market; or selling part of the site and developing part of the site.
10. Officers are keen to proceed with this project as a local authority new build scheme for the following reasons:
 - The funding necessary for this project has been identified through the HRA Business Plan
 - The architect has assessed the estimated costs and believes that they are sufficient in the current market to build the scheme
 - The Council has a successful recent track record of delivering a new build scheme
 - Officers will maintain regular communication with those affected by the development. This will be simpler to manage if there are fewer parties involved in the development.
 - Demand for affordable housing remains high
 - The Council maximises the delivery of affordable housing across the district, and is in a stronger position to ensure the programme is implemented by using its own assets,
 - The procurement manager has confirmed that there are the frameworks available to support the Council with a development of this scale and initial meetings have taken place with a potential supplier
 - A council new build scheme will count toward the replacement of homes sold through RTB, which is a business plan priority
 - There is overwhelming support from tenants for the council to build its own council homes

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- There is no desire or financial reason why the project should be stopped at this stage and sell the site to a housing association or developer

Conclusion

11. All options have been considered. A Council new build scheme is the preferred option. The project should now progress towards a planning application.
12. Taking this forward as a Council new build project will achieve increased rental income for the HRA; ensure that the whole site remains within the Council's ownership creating a valuable asset, retaining nomination rights and achieving a housing mix that makes best use of the site and meets current housing need.

Risk	Likelihood	Impact	Mitigating actions
Negative publicity resulting from moving tenants	2 – Until further discussions held with residents risk is difficult to quantify	2 – Negative publicity may slow down the scheme or provide an impediment to continuing.	Maintain high level of engagement and consultation with the Parish Council and existing residents to ensure they are fully informed of the process, timescale and options available to them.
Insufficient staff capacity to take forward Council led scheme	1 – low, money already identified in the business plan to recruit staff	3 – significant risk to project	The Housing Asset Manager has been appointed with a key task of delivering development/redevelopment of existing land holdings. In addition the Council has recruited a graduate surveyor to assist with the project management