



Name of meeting: **Cabinet**
 Date: **17 November 2015**

Title of report: **Housing Delivery Programme Update**

<p>Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</p>	<p>Yes</p> <p>A number of the projects will result in spending or savings of £250k or more. Overall, the Housing Delivery Programme will have a significant effect on two or more Electoral Wards. The report recommends a key decision in relation to one of the projects.</p>
<p>Is it in the Council's Forward Plan?</p>	<p>Yes</p>
<p>Is it eligible for "call in" by Scrutiny?</p>	<p>Yes</p>
<p>Date signed off by <u>Director</u> & name</p> <p>Is it signed off by the Director of Resources?</p> <p>Is it signed off by the Assistant Director - Legal, Governance & Monitoring?</p>	<p>Jacqui Gedman - 05.11.15</p> <p>David Smith - 04.11.15</p> <p>Julie Muscroft - 09.11.15</p>
<p>Cabinet member portfolio</p>	<p>Cllr Cathy Scott, Portfolio Holder for Housing & the Relief of Poverty</p>

Electoral [wards](#) affected:

Housing delivery projects and activities are taking place across Kirklees including some key projects in the following wards: Ashbrow, Batley East, Dewsbury East, Golcar, Mirfield and Newsome.

Ward Councillors consulted: Ward Councillors have been consulted as appropriate, in relation to key projects in their wards.

Public or private: PUBLIC

1. PURPOSE OF THE REPORT

1.1. This report provides an update on progress in developing and delivering proposals to address the housing crisis in Kirklees as noted in the Motion submitted to the Council meeting on 5th November 2014. The report also proposes the disposal of a Council owned site at Ashbrow in Huddersfield for a proposed housing development.

2. BACKGROUND

2.1. The Housing Commissioning Strategy 2013-16, together with action plans for delivery, was approved by Cabinet in February 2013. In July 2014 Council endorsed the complementary Kirklees Economic and Joint Health and Well-being Strategies. It is widely acknowledged that the homes and places where people live contribute significantly to our health and wellbeing and in turn that confident healthy, resilient people are better able to secure a job and be more productive in the work place.

The outcomes in the Housing Commissioning Strategy were updated in line with these key strategies and are now:

- An appropriate supply of good quality, energy efficient homes that support good health and reduce living costs.
- Access to suitable and settled homes, providing a secure place for families to thrive and live independently.
- A quality residential and neighbourhood offer which attract business and people to locate in Kirklees.

2.2. The full Motion submitted to Council is included as Appendix A and key parts of the Motion are summarised below.

2.3. The Motion noted that “this Council recognises that there is a growing housing crisis in Kirklees. There is a lack of good quality, energy efficient and affordable homes across all tenures to meet the varied needs of local people.....Secure, warm and affordable homes are the greatest determinant of the health and wellbeing of our communities, which is rightly a clear and stated priority of this Council. Therefore, this Council calls on Cabinet to bring forward proposals to address this crisis to include consideration of the following:

- A target to provide up to 1200 new homes on mixed tenure developments over the next 4 years, a third of which (i.e. 400 homes), should be Council and/or affordable housing and some of which should meet more specialist need for older and vulnerable people.
- Bring forward an initiative to buy back former right to buy properties.
- Bring forward Council owned land for new homes to be built.
- Identify sites for private sector homes for sale.
- Maximising inward investment into the district.
- Developing and bringing forward investment options and a business case to make best use of headroom and other HRA resources.

- Using creatively the investment of the resources, land, powers and knowledge we have available.
- Addressing the growing fuel poverty affecting our citizens.
- Working with responsible private landlords to drive up standards across the private rented sector.
- A long term strategic approach with partners including KNH and KCA to develop housing options and the ALMO model.

3. HOUSING DELIVERY PROJECTS AND PROGRESS

3.1. Following the Council meeting in November 2014, a number of work streams were established to develop and progress various projects and activities to help address the housing crisis and to help to deliver the Council's housing ambitions. The various projects report to a Housing Delivery Programme Board.

3.2. The following paragraphs summarise the key achievements and then describe the range of housing delivery projects and the progress that has been made since the Council meeting in November 2014.

3.3. Key achievements since November 2014 include the following:

- **94 new affordable homes delivered by private sector developers or Registered Providers.**
- **111 housing units developed in Huddersfield and Dewsbury town centres as part of the Council's Empty Clusters project (as part of a wider programme which has delivered 142 units in total to date).**
- **Refurbishment and re-modelling of Denham Court in Batley completed and opened in May 2015 to provide 16 homes for older people.**
- **Planning applications have been approved for two schemes to provide 16 homes for people with disabilities.**
- **Buy back of 10 former right to buy properties has been completed with more properties in the process of being purchased.**
- **Outline planning permission approved in May 2015 for residential development on a Council owned site at Ashbrow. Procurement process to appoint a delivery partner for a scheme to provide a mixed tenure development of about 180 new homes on this site has commenced.**
- **Outline planning application submitted in September for a Council owned site at Soothill in Batley with an indicative layout for 358 new homes.**
- **Feasibility work is proceeding for a potential environmentally friendly housing development at Newsome.**
- **Conditional full planning permission approved (subject to actions delegated to officers) for 49 new "rent to buy" homes on a Council owned site at Chickenley.**

- **Planning permission has been granted for new homes on 15 small Council owned sites with one further planning application having been submitted.**
- **Meetings have been held with developers in relation to stalled sites that have planning permission for housing but where construction has not yet started.**
- **Solar PV installation on 410 Council homes.**

3.4. Economic Benefits

- 3.4.1** The housing projects outlined in this report will bring a number of economic benefits to Kirklees. **In total, the programme is forecast to build 1,254 new homes. Based on the average new build costs for Kirklees in October 2015, of £81,000, this represents a total investment of over £100 million.**
- 3.4.2** In addition, based on current policy, it will also bring **£8.4 million in New Homes Bonus (over 6 years) for the district and an annual increase in council, tax revenue of around £1.5 million. New homes benefit the wider economy, and it is predicted that around 1,900 new jobs will be created by this housing programme.**

3.5. New homes target

- 3.5.1** 94 new affordable homes have been completed in Kirklees since October 2014 and are usually either as a result of agreements with private sector housing developers or have been built by Registered Providers as part of the Homes and Communities Agency (HCA) Affordable Homes Programme.
- 3.5.2** With funding from the Government's Homes and Communities Agency, the Council's **Empty Clusters project** has delivered 111 housing units since November 2014. The project focuses on providing grants to enable town centre buildings to be converted for residential use. A total of 142 housing units have so far been delivered and work is currently progressing on the final three empty clusters schemes which are expected to deliver a further 23 housing units. The Council's empty clusters project was recently a finalist in the "Best Housing and Regeneration Initiative" category at the APSE 2015 Annual Service Awards.
- 3.5.3** The **Care and Support Specialised Housing (CASSH) project** was approved by Cabinet on 26th August 2014. The project involves three schemes. The refurbishment and re-modelling of Denham Court in Batley opened in May 2015 and provides 16 homes for older people. Planning applications have been approved for two new build schemes which are being developed with Connect Housing, a Registered Provider. A scheme at Siggott Street in Longwood will provide ten homes for people with learning and physical disabilities and a scheme at Knowl Grange in Mirfield will be designed to provide six homes for

people with physical disabilities. The scheme is supported by £454,000 of grant from the HCA.

3.6 Buy back

- 3.6.1** Work is proceeding on a project to buy back former right to buy properties and to date three such properties have been purchased and were available to rent from the end of September. Three more properties are in the process of being purchased and offers have been made on an additional four properties.
- 3.6.2** The Kirklees Community Association (KCA), a local charitable organisation, also contributes to the buyback project. Seven former right to buy properties have so far been purchased and refurbished and are available for rent. Refurbishment work is proceeding on a further property and during September KCA started the process to purchase an additional three such properties.

3.7 Council owned land for new homes

- 3.7.1** This area of work seeks to bring forward Council owned sites for housing developments.
- 3.7.2** Outline planning permission was granted in May 2015 for residential development at a Council owned site adjacent to **Ashbrow Road** which is approximately three miles from Huddersfield town centre. This 4.5 hectare site was previously used by the former Huddersfield Technical College for the provision of agricultural and horticultural courses. The Council is undertaking a procurement process with companies on a Homes and Communities Agency (HCA) framework to appoint a delivery partner. A shortlist of bidders is currently being drawn up who will be invited to submit detailed tender proposals for a scheme of about 180 new homes, including homes for sale and a Council affordable extra care scheme for older people. The Council is intending to undertake some highways and access work in Spring 2016 to help facilitate the proposed housing development.

The Council's intention to dispose of all or part of this site to a delivery partner (that will be appointed following the procurement process) was recently advertised and this is described further in paragraph 4.1 of this report.

- 3.7.3** An outline planning application was submitted on 9th September 2015 with an indicative layout for 358 homes at the Council owned site adjacent to Soothill Lane and Mill Forest Way in the **Soothill** area of Batley. This 12.8 hectare site is currently leased to an agricultural tenant. It is anticipated that this application will be considered by the Council's Strategic Planning Committee in

either December 2015 or January 2016. When built, the development will be a mixture of market and affordable homes.

- 3.7.4** The former **Stile Common Junior School site** in the Newsome area of Huddersfield has been identified for a potential environmentally friendly housing development and feasibility work is progressing.
- 3.7.5** A Council owned site at **Chickenley**, Dewsbury is being progressed by the QSH organisation who are intending to develop up to 49 new homes through a rent to buy model which will include 14 affordable homes. Conditional full planning permission was approved on 30th October 2015 (subject to actions delegated to officers). This is an innovative “rent to buy” model which allows tenants to buy their homes using funds set aside from their rent.
- 3.7.6** A **small sites project** is focussing on identifying and selling small Council owned sites which can usually accommodate between two and five new homes. To make the small sites more attractive to local house builders and developers, the sites will generally be disposed of with the benefit of outline planning permission and with legal documentation in place. Planning permission has so far been received for fifteen small Council owned sites and one site is the subject of a current planning application. It is anticipated that the small sites in total could potentially accommodate up to about 50 new homes. Two open days will take place in November to help promote the availability of small sites to local builders and developers and to encourage and stimulate housing development.
- 3.7.7** Kirklees Neighbourhood Housing (KNH) are working with Building Services to progress two small sites and it is anticipated that each site could accommodate four 2 bedroom properties. Site investigations have been completed and initial design options are being considered with a view to developing eight affordable homes for social rent.

3.8 Identifying sites for private sector homes

- 3.8.1** Work is being undertaken in relation to a number of **stalled sites** ie sites which have planning permission for housing development but where construction has not yet started. Meetings have been held with owners and/or developers for thirteen stalled sites to discuss the current position and identify any blockages to construction proceeding. Progress has been made in relation to eight of the stalled sites including the submission of revised planning applications and applications to discharge planning conditions.
- 3.8.2** Based on discussions with developers, site owners and partners in relation to their progress in pursuing current or new permissions, and discharging conditions, continued progression

on sites would secure the delivery of 396 new homes. This is based on developer/owners' appetite for development and discussion with them and their partners.

- 3.8.3** The Council's recently published draft Local Plan identifies potential sites for housing development.

3.9 Maximising inward investment and use of HRA resources

- 3.9.1** The Council's application for City Region loan funding of £1 million towards off site highways work to help facilitate the development of the Ashbrow, Soothill and Stile Common sites has been approved. It was considered by Cabinet on 20th October 2015 and the Director of Resources was given delegated authority to finalise the terms of the loan and agreement.
- 3.9.2** The Department for Communities and Local Government (DCLG) has provided funding of £2.8 million for the Empty Clusters project and the Government's Homes and Communities agency has provided funding of £445k towards the CASSH project.
- 3.9.3** To help maximise the amount of development that the Council can create from its own resources, Council land and Housing Revenue Account (HRA) funding will be used to lever in private sector investment from development partners and from Housing Association partners to produce mixed tenure developments.
- 3.9.4** Proactive engagement is underway with officers from the Leeds City Region as part of the review of the LCR Strategic Economic Plan which is due for revision in winter 2015. The plan will be one of the key avenues to future funding opportunities. As such discussions are underway on a range of stalled private sector sites, and how these may be brought to the market in the future. Further engagement will take place on the draft local plan and opportunities that may bring to accelerate housing growth from 2017 onwards. The scale of available of future resources is still subject to confirmation especially given the discussions with regard to devolution.

3.10 Addressing fuel poverty

- 3.10.1** To help address fuel poverty, a solar PV installation programme on Council homes was approved by Cabinet in September 2014 and commenced at the end of last year. With funding from the HRA installations on 410 homes have so far been completed.

3.11 Working with responsible private landlords

- 3.11.1** The Council's Housing Solutions Service work with private sector landlords to improve both the management and condition of private rented stock. Key activities include the following;
- 3.11.2** Working with landlords to secure access to the private rented sector for households threatened with homelessness, with 61 such cases since November 2014.
- 3.11.3** Encouraging landlords to increase the number of properties complying with the Kirklees Landlord Accreditation Scheme.
- 3.11.4** 247 property inspections have been undertaken over the last year which resulted in properties being compliant or informal advice being provided. Additionally, 162 private rented property inspections resulted in the provision of specialised advice to landlords or tenants. 202 properties had improvement work completed by the landlord following a property inspection.

3.12 Long term strategic approach to develop housing options

- 3.12.1** On 22nd September 2015 Cabinet looked at a range of different delivery models and considered the pros and cons of each in relation to which best support the council's strategic priorities. The options included:
- Status quo – continue as is.
 - Large scale stock transfer.
 - Take KNH back to the council.
 - Merge KNH and Kirklees Building Services.
 - Merge some of the council's strategic housing services with KNH and Kirklees Building Services.

Cabinet requested officers to produce a detailed analysis of the option to merge KNH and Building Services and a longer term management agreement and that a further report be submitted to Cabinet in January 2016 to enable a final decision on the future delivery of housing management and maintenance services to be made.

4 IMPLICATIONS FOR THE COUNCIL

4.1 Legal Implications.

The Council's intention to dispose of all or part of the Ashbrow Road site for a housing development (after the conclusion of the procurement process to appoint a delivery partner) has recently been advertised under Section 123 of the 1972 Local Government Act. No objections were received.

The procurement process to appoint a delivery partner for the Ashbrow scheme is using a framework that was procured by the HCA.

4.2 Financial Implications.

The financial implications arising out of the proposal to dispose of all or part of a Council owned site at Ashbrow in Huddersfield will be evaluated as part of the procurement process to appoint a delivery partner. There are no new financial implications arising from this report in relation to the other housing delivery projects and activities. HRA and Council resources are being used to contribute towards the development and implementation of some of the housing delivery projects and activities noted in this report. This will be reported as part of HRA and Council financial reporting processes.

4.3 Council Policies and Priorities.

In July 2014 the Council endorsed the complementary Kirklees Economic and Joint Health and Well-being Strategies. As a result the Housing Commissioning Strategy 2013-16 was amended to reflect the agreed strategic shared outcomes and plans for addressing housing need and housing delivery have been updated.

The projects and activities noted in this report contribute to addressing the housing crisis in Kirklees which is a key Council priority.

4.4 Equalities Implications.

The housing delivery projects and activities noted in this report are contributing to increasing both the supply and the condition of affordable homes in Kirklees, including homes designed for older people and people with learning and/or physical disabilities.

5 CONSULTEES AND THEIR OPINIONS

- 5.1 The overall Housing Delivery Programme is managed at a strategic level by a programme Board that includes the Leader of the Council, Portfolio Member for Housing and the Director of Place. Board members receive regular progress reports and support the development of the projects and activities noted in this report.

6 NEXT STEPS

- 6.1 Continue to progress the projects and activities noted in this report.

7. OFFICER RECOMMENDATIONS and REASONS

Members are recommended to:

- 7.1 Note the report and the progress made in relation to the housing delivery projects.
- 7.2 Delegate authority to the Director of Place and the Assistant Director of Place in consultation with the Portfolio Member for Housing to take the necessary actions to continue to progress the activities and projects noted in this report.
- 7.3 Note the outcome of the public open space advertising process for the Ashbrow site.
- 7.4 Delegate authority to the Director of Place and the Assistant Director of Place in consultation with the Portfolio Member for Housing to procure a delivery partner for the site at Ashbrow to include the finalising of a shortlist of bidders for the proposed housing scheme at Ashbrow and to carry out the tender stage of the procurement process to appoint a delivery partner.
- 7.5 Grant approval for the Council to enter a development agreement with the appointed delivery partner and to dispose to the delivery partner (whether by freehold transfer or the grant of a long leasehold interest) all or part of the Ashbrow site.
- 7.6 Delegate authority to the Director of Place and Assistant Director of Place to negotiate the negotiate and agree the terms of the documents disposing of all or part of the Ashbrow site and any other relevant documents that relate to the development of the Ashbrow Site by the appointed delivery partner.
- 7.7 Delegate authority to the Assistant Director Legal Governance & Monitoring to enter into and execute the documents disposing of all or part of the Ashbrow site and any other relevant documents that relate to the development of the Ashbrow site by the appointed delivery partner.
- 7.8 Approve the carrying out of enabling works that are referred to in clause 3.7.2 of this report.
- 7.9 Request that officers prepare a further progress report for consideration by Cabinet at a time to be agreed by the Lead Member for Housing and the Director of Place.

7 CABINET PORTFOLIO HOLDER RECOMMENDATIONS

The portfolio holder, Councillor Cathy Scott, is happy to note the report and the progress made, in relation to the housing delivery projects and for this report to proceed to Cabinet on the 17 November 2015. The portfolio holder supports all the recommendations and asks Cabinet to agree the recommendations detailed in section 7 above.

8 CONTACT OFFICERS and RELEVANT PAPERS

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Papers:
APPENDIX A – Motion agreed by Council on 5th November 2014
(attached)

9 ASSISTANT DIRECTOR RESPONSIBLE

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COUNCIL
WEDNESDAY 5 NOVEMBER 2014

Item 7 - Motion submitted in Accordance with Council Procedure Rule 14 as to Addressing the Growing Housing Crisis in Kirklees

To consider the following Motion submitted in the names of Councillors Sheard, C Scott, Calvert, G Turner and S Hall

“This Council recognises there is a growing housing crisis in Kirklees. There is a lack of good quality, energy efficient and affordable homes across all tenures to meet the varied needs of local people. Too many of our citizens do not have suitable places to live in and bring up their families now. Together with demographic changes, demand will continue to grow and new homes of all types are required urgently right across the Borough. Otherwise our children will have nowhere to live. We do not have enough Council houses to meet demand. Private sector rents are rising, short term insecure tenancies do little to stabilise communities and quality too often falls short of acceptable standards. Owner occupation is now beyond the reach of many of our citizens as depressed wage levels and price rises make mortgages unobtainable and unaffordable as reported in the Examiner only a few weeks ago.

Secure, warm and affordable homes are the greatest determinant of the health and wellbeing of our communities, which is rightly a clear and stated priority of this Council. Therefore this Council calls on Cabinet to bring forward proposals to address this crisis, to include consideration of the following :-

- A target to provide up to 1200 new homes on mixed tenure developments over the next 4 years, a third of which, ie 400 homes, should be council and/or affordable housing and some of which should meet more specialist need for older and vulnerable people.
- Bringing forward an initiative to buy back former right to buy properties as part of a wider partnership to bring empty homes back into use and to make the best use of housing stock across the district.
- Bringing forward Council owned land for new homes to be built with a range of partners in mixed developments to meet specific local needs, including new Council houses where appropriate
- Identifying sites for private sector homes for sale both to meet housing demand and generate income and jobs for local people
- Maximising inward investment into the district and use all available resources including private sector investment, HCA programmes and other strategic opportunities at the City Region to meet the Council’s housing priorities.
- Developing and bringing forward investment options and a business case to make the best use of the £45 million headroom and other HRA resources as part of the 30 year business planning requirement of the council.

- Using creatively the investment of the resources, land, powers and knowledge we have available, using our partners to make it go further and maximise the number of new homes and jobs we can provide
- Addressing the growing fuel poverty affecting our citizens leading to cold and damp homes and more ill health
- Working with responsible private landlords to drive up standards across the private rented sector
- A long term strategic approach with partners including KNH and KCA to develop housing options and the ALMO model, taking best practice from other councils to progress new build and other opportunities linked to jobs, training and employment to support the growth of the Kirklees economy, local businesses and a better quality of life for residents of Kirklees.

These proposals will not in themselves solve the housing crisis in Kirklees. The national housing policies and investment priorities of all political parties will need to significantly change for that to happen. This Council has a duty to do all it can within the resources and powers available now to make a start on making a difference. Further opportunities will arise to meet some of these needs and we need an open mind to do things differently if that helps our citizens have better places to live in the future.

In approving this Motion the Council commits to working with all its strategic housing and regeneration partners to explore every avenue possible to increase the numbers of quality homes for our people to live in, bringing all the resources and ideas we all have to the table. Let the journey begin.”