

9 September 2015		ITEM: 15 01104413
Cabinet		
Housing Estate Regeneration and Local Growth Fund Update		
Wards and communities affected: All	Key Decision: Key	
Report of: Portfolio Holder for Housing		
Accountable Head of Service: Kathryn Adedeji, Head of Housing Investment and Development and Corporate Commercial Services		
Accountable Director: Barbara Brownlee, Director of Housing		
This report is Public		

Executive Summary

Reports to Cabinet in December 2014 and June 2015 updated Members on the progress that had been made on the housing estate regeneration programme, obtained approval for the vision and objectives for the programme, and the next steps required to prepare for and facilitate the procurement of a regeneration partner or partners to assist in the programme's delivery.

This report provides an update of progress and seeks the necessary approvals to progress the programme's delivery.

Recommendations

- 1.1 Cabinet to note the progress of the Housing Development Programme being funded by Department of Communities and Local Government (DCLG) and Homes and Communities Agency (HCA) through the programmes under the Local Growth Fund and approve the feasibility studies for these potential developments.**
- 1.2 Cabinet to endorse the exploration of potential additional Growth Fund Bids with HCA to support the housing estate regeneration plans within the borough.**
- 1.3 Cabinet to approve the consideration being given to the use of sites identified within the Council's emerging Grays Town Centre master plan to facilitate the development of new, high quality housing and the wider housing regeneration proposals for the Seabrooke Rise Estate.**

- 1.4 Cabinet to approve, subject to consultation with residents, the development of the extended Tops Club site in South Grays and re-location of community play area to support the on-going regeneration of the Seabrooke Rise estate.**
- 1.5 Cabinet to note the progress in relation to the potential joint development of the Riverside/Rippleside site on Argent Street, South Grays and approve for the inclusion of the Council-owned part of the site within the Seabrooke Rise estate regeneration plans if a joint development with the adjacent owners is not deliverable.**
- 1.6 Cabinet to note the progress that has been achieved on the Housing Estate Regeneration programme and the publication of the Prior Information Notice (PIN) in relation to the proposed housing regeneration opportunity.**
- 1.7 Cabinet to note the HRA's acquisition of the former Prince of Wales public house in South Ockendon as a strategically important development site to facilitate the wider estate regeneration plans for the Flowers estate.**

2. Introduction and Background

- 2.1 Since 2013, Cabinet have approved key objectives and programmes designed to improve the quality homes within the borough and in June 2015, approved the vision and strategic objectives associated with a broader programme of regeneration on our key housing estates. Estates where the cost of meeting the Transforming Homes standards are very high, will not provide comparable benefits in terms of regeneration and on estates that were built to very low-density standards with under used and poor quality garage and open space provision.
- 2.2 Adopting a wider regeneration approach, the Council will be able to provide better quality housing for existing residents and better meet future housing needs of the borough by providing much needed additional housing within the footprint of the existing housing estates and adjacent opportunity sites.
- 2.3 The Housing Department was successful in securing additional borrowing and HCA grant for a number of potential developments across the borough. Further feasibility, coupled with further discussions with planning and further exploration on the scope and phasing of any potential estate regeneration programme has required us to re-evaluate individual developments and make amendments to our programme.

3. Issues, Options and Analysis of Options

- 3.1 The housing regeneration and development team constantly appraises the opportunities and options available to the Council to deliver high quality homes across the borough to meet current and future housing needs. This process is on-going and the recommendations outlined for approval within this

report have been fully appraised to deliver the number of new homes as agreed by DCLG and HCA under the Local Growth Fund programmes and to appropriately facilitate the wider estate regeneration proposals of the Housing Department.

- 3.2 As outlined above, we were successful in securing additional borrowing and HCA grant for a number of potential developments across the borough. Further feasibility, coupled with further discussions with planning and further exploration on the scope and phasing of any potential estate regeneration programme has required us to re-evaluate individual developments and make amendments to our programme. The proposed changes are summarised in Table 1 below.

Table 1: Changes to Proposed Developments

Development	Current Position	Proposed	Commentary
Tops Club, Grays	16 units	40 units	Re-provide play area in consultation with residents and extend site to deliver more homes to facilitate Seabrooke Rise wider regeneration plans.
Yacht Club, Grays	30 units	-	This site is now being considered as a part of the Council's wider South Grays regeneration and it is therefore proposed to remove it from being specifically identified within the Housing development programme
Kings Walk, Grays	30 units	-	Small site unable to achieve proposed unit numbers. Include within Seabrooke Rise wider regeneration proposals and explore non HRA housing and commercial use of this site.
Vehicle Testing Centre, Purfleet	79 units	79 units	Large development site able to achieve mixed tenure housing provision and capable of facilitating the wider regeneration of the Garrison estate. No changes proposed.
Argent Street	38 units	20 units	Further feasibility work confirms a reduction in units likely on this site due to size. Joint development with Riverside/Rippleside Metal Works a possibility.
Sub-Total	193	139	Net reduction of 54 units so further sites to be explored to deliver 54 units required.

- 3.3 Given the changes outlined in Table 1 above, further HRA sites have been sought to deliver 54 units required for our current levels of DCLG and HCA funding. Maps of the proposed new sites are attached at Appendix A. All sites are conveniently located and compliment well the wider estate regeneration proposals that are currently being worked up for the Council’s key housing estates. Cabinet is recommended to approve the sites identified in Table 2 for further feasibility studies. If approved, the Housing Department will explore and recommend the changes with DCLG and HCA for approval.

Table 2: Additional HRA Sites Recommended for Feasibility

Site	Estimated Provision	Commentary
Orchard Road/Tamarisk Road, South Ockendon	12 units	Good site to facilitate wider estate regeneration of Flowers estate.
Defoe Parade	12 units	Under-utilised HRA garage site adjacent to community retail provision.
Martin Road, Aveley	20 units	Good sized, HRA site within existing residential area.
Former Prince of Wales Public House, South Ockendon	10 units	Strategically important, road-facing site adjacent on Flowers estate in South Ockendon. Acquisition of site by HRA.
Sub-Total	54 units	Required number of units to accommodate changes to existing developments.

- 3.4 The Housing Department is seeking approval from Cabinet to proceed with the development of the extended Tops Club site in Grays, including development on the play area adjacent to the Tops Club. It is recognised that this play area was established by the local community, and as such detailed consultation will need to take place about the location and content of a re provided play area. Reprovision of the play area will allow for a larger development of c.40 units that provides an attractive and landmark corner development for this site of high quality, new homes, in keeping with the character and new homes being provided to the north of the Seabrooke Rise estate. The Tops Club is a strategically important site for the wider regeneration proposals, as it is proposed that new homes on this site be ring fenced to affected residents in the first instance subject to compliance with lettings policy, if decant status is awarded as part of Seabrooke rise regeneration proposals.
- 3.5 The former Prince of Wales public house in South Ockendon is a prominent, road-facing and generous development site adjacent to HRA-owned land on

the Flowers estate. This site came to market and was under offer with planning approval for a flatted development. Given its location and emerging, broader master plan and regeneration proposals for the Flowers estate, the acquisition of this development site by the Council was evaluated to be strategically important to the broader regeneration of the Flowers estate. Following appraisal of the residual land value associated with the site, confirmation as to the affordability to the HRA and the qualitative aspects of this site, an Urgent Decision was sought to approve the acquisition of this site by the HRA. The freehold interest in the site was acquired on 20 August 2015.

- 3.6 Discussions with Riverside/Rippleside Metal Works are on-going in relation to a potential joint development of the metal works site together with the Council-owned site adjacent to Argent Street. In the event that a joint proposal is unlikely to be deliverable, or too delayed, then Cabinet are recommended to approve the inclusion of the Council-owned land within the Seabrooke Rise estate regeneration plans so that this site does get developed out with high quality, new housing. Cabinet are requested to note the current position in relation to this site and approve the potential inclusion of the Council-owned site within the Seabrooke Rise regeneration plans.
- 3.7 The other key points of note in relation to the current Housing Estate Regeneration and Local Growth programme are as follows:
- The Seabrooke Rise “Echoes” development is progressing well and will deliver 53 new, high quality homes for local people. We are currently undertaking further feasibility and scoping on the Seabrooke Rise estate regeneration proposals and are likely to utilise this development for any proposed decant that is recommended for the Seabrooke Rise regeneration plans.
 - The Derry Avenue HAPPI development in South Ockendon, remains on schedule to deliver 25 new homes for residents aged 55 years and above, at the end of November 2015.
 - Claudian Way - Architects, Bailey Garner, have been appointed to work on developing proposals in consultation with residents and ward members for this site in Chadwell St Mary. Initial discussions have taken place with Ward members and Chadwell forum to agree an outline timetable of consultation with residents. These initial discussions have informed the need to develop a set of proposals that deliver a development that is sensitive to the current use of this space but also provides much needed additional high quality new homes.
 - Bracelet Close and Calcutta Road are progressing in line with previously reported programme and plans.
- 3.8 Our housing estate regeneration proposals are progressing well and we are working with our advisers to better establish the proposed scope and phases of any regeneration plans to ensure they deliver the required mix and numbers of

new housing that meets local need, is affordable to the Council and can be delivered by a regeneration partner. We are also continuing with our community consultation so that local residents can help shape and inform the proposals prior to formally commencing the procurement of a housing regeneration partner. The Housing department is scheduled to present the results of our community consultation activities and make specific recommendations to Cabinet in relation to the Seabrooke Rise estate regeneration proposals in October 2015.

- 3.9 Specialist advisers have been appointed and are appraising the options available and type of partner we are seeking, prior to formally commencing the procurement of a partner. As previously agreed, a Prior Information Notice (PIN) notifying the market of the potential opportunity was published in August. This also conforms to the timetable that was outlined to those interested organisations that participated in our soft market testing exercise in April and May 2015.

4. Reasons for Recommendations

- 4.1 Quality housing provision and choice in areas that people live are central to us achieving our vision for Thurrock. It is necessary for us to find alternative and suitable HRA sites where we are able to develop high quality, new housing that meets are current and future housing needs within the borough. We also need to ensure that we are delivering the number of new homes, within the approved and agreed timeframes with DCLG and HCA to properly utilise the additional funding and grant levels that have been agreed and continue to be monitored.
- 4.2 Development and delivery of a programme of housing development that also best facilitates the wider regeneration and investment proposals across the borough is also critically important.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 Our programme of consultation with all relevant stakeholders associated with all proposed housing developments and regeneration proposals are on-going. Local support and influence is critically important for all housing development and regeneration. A further report will be available in October 2015 outlining the results of and recommendations for Seabrooke Rise estate.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 Achieving regeneration for the Council's housing stock is a key priority and part of the Council's overall growth targets and corporate objectives, helping

to deliver improved health and wellbeing, build pride in our communities and their environment and promote skills development and job creation.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**
Head of Corporate Finance

- 7.1.1 The medium to long term financial implications of any project undertaken for housing development or estate regeneration will be, and are considered as, part of both the Medium Term Financial Strategy and the HRA business plan which evaluates both the financial viability and affordability of the schemes incorporating both Capital and Revenue implications with regards to funding and additional revenues generated.
- 7.1.2 We can confirm that the recommendations outlined above are within the affordability parameters of the HRA Business Plan. At this stage the proposals in this report do not involve any net additional expenditure beyond existing approvals. Work is ongoing to ensure the viability of the estate regeneration proposals as they are developed within the HRA Business Plan and a further report on the financial implications and the HRA Business Plan will be made to Cabinet in November 2015, including the impact of the government's budget announcements on 8 July 2015
- 7.1.3 Further reports to Members will be presented on the affordability position of the housing development and regeneration plans on conclusion of the feasibility and affordability studies outlined above. We will also seek approval from Cabinet on the proposed delivery mechanisms and any changes to the required HRA expenditure and business plan as a result of these programmes.

7.2 Legal

Implications verified by: **Evonne Obasuyi**
Senior Lawyer

- 7.2.1 The report provides an update on the Council's estate regeneration programme. Section 9 of the Housing Act 1985 provides local authorities power to acquire land for the provision of housing accommodation. Section 123 Local Government Act 1972 provides local authorities with disposal powers. The Council's land acquisition and disposal rules will also need to be complied with in the delivery of the programme.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
**Community Development and Equalities
Manager**

Regeneration of the Council's housing estates will have positive impact on the availability of high quality affordable housing in Thurrock, including for vulnerable groups and will be developed through a process of consultation and engagement with all residents and the local community. Regeneration objectives include not only high quality housing but also holistic objectives around health and wellbeing, improving education and job creation and improving economic prosperity. Contractors and developer partners will be required to have relevant policies on equal opportunities, be able to demonstrate commitment to equality and diversity and to supporting local labour initiatives that achieve additional social value.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

8. Background papers used in preparing the report

8.1 Previous reports to Cabinet on housing development and regeneration.

9. Appendices to the report

Appendix A: Maps/Locations of new HRA sites identified for housing development:

- Appendix 1: Former Prince of Wales Public House, South Ockendon
- Appendix 2: Orchard Road/Tamarisk Road, South Ockendon
- Appendix 3: Defoe Parade, Chadwell St Mary
- Appendix 4: Martin Road, Aveley

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