

**To the Chair and Members of the  
CABINET**

**BRISTOL GROVE, WHEATLEY (HOWARDS) CONSTRUCTION PHASE**

<b>Relevant Cabinet Member(s)</b>	<b>Wards Affected</b>	<b>Key Decision</b>
Portfolio Holder for Housing (Cllr Jane Nightingale)	Wheatley Hills & Intake	Yes

**EXECUTIVE SUMMARY**

1. This report seeks Cabinet approval for the delivery of 80 new council houses for rent that will form part of the Council House Build Programme, Phase 3, on the site known as the Bristol Grove Regeneration Scheme. Please see Appendix 2
2. Cabinet will recall that in July 2015 a decision was made to clear the site of the non-traditional properties.
3. The Council House Build budget was then agreed by full council in the Capital Programme at £14m for the future development of this scheme. The scheme costs are well within budget and the details are listed in Appendix 1.

**EXEMPT REPORT**

4. Financial Information to be presented in Appendix 1 refers to information with is exempt under paragraph 3 for information relating to the financial and business affairs or any particular person (including the authority holding that information)

**RECOMMENDATIONS**

5. It is recommended that the Mayor and Members of the Cabinet:
6. Approve the build phase of the Bristol Grove Regeneration Scheme to deliver 80 affordable rented units in Wheatley & Intake Ward as outlined in this report. This scheme will form part of The Council House Build Programme and the appointment of the construction contractors will be via the SCAPE framework.

7. To approve the drawdown funding for both phase 1 and future phases as required, earmarked for this development in the Capital Programme.

## **WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

8. Residents of Doncaster will benefit from more affordable homes being built in the borough. These homes will be incorporated into the Housing Revenue Account (HRA) and will be allocated to those on the Housing Register via the Choice Based Lettings (CBL) scheme.

## **BACKGROUND**

9. As members will recall, on 14<sup>th</sup> July 2015 a report was presented to Cabinet regarding the non-traditional houses at Bristol Grove. At this meeting, Cabinet resolved to:
  - Clear the site identified in the report of all 50 non-traditional properties; and
  - once cleared, the site be used for the development of new Council houses;
  - Bring back a report to Cabinet on the Council House Build Programme Future Phase (Decision K1292)
10. On 31<sup>st</sup> March 2016 Council approved the Capital Programme 2016/17 to 2019/20 in which £14 million was earmarked for the future development of the Wheatley Howards Project (which is the Bristol Grove Regeneration Scheme). This budget is for the construction phase of the project.
11. To enable the construction of phase 1 to commence the Decant process has to be complete. In Phase 1 St Leger Homes needed to decant 16 households before the demolition process can take place. Currently we are on course to meet the agreed timeline.
12. This Bristol Grove Project has taken the approach that demolition and construction will happen in Phases. This approach ties in with the precedent set by the K1292 report stated earlier of a phased approach. This scheme is flexible and adaptable to either increase/decrease activity, dependant on the decanting process.
13. The scheme is profiled into 4 phases over a 2 year period. Phase 1 is programmed to start the demolition process in November 2016 to achieve a construction start of March 2017. 24 units are set to be delivered in Phase 1 at an indicative cost of £2.8m and this has been profiled into the budget for 16/17 and 17/18.
14. Phases 2 – 4 are scheduled to start construction in 2017. However if the decant process takes longer to complete than forecast, contingency dates have been discussed and accounted for in the costs quoted.

15. The Strategic Housing Team, in consultation with the Technical Services Team has submitted a planning permission for 80 units (16/01864/3FULM). This has a determination date of the 20<sup>th</sup> October 2016.
16. The proposal meets all the key objectives required by DMBC for the provision and development of affordable housing and also meets the Council's ambition to create safe and sustainable places to live. Six different House types are proposed for this site which satisfy the 'Lifetime Home' requirements and all will have common architectural features that tie them together.
17. The proposed design keeps the internal layouts similar, to ensure each house-type met the following criteria:
  - i. New Spatial Standards for overall sizes and room sizes,
  - ii. New Nationally Described Space Standards (NDSS) internal storage requirements,
  - iii. Building Regulations optional standard for mobility for the bathrooms and ground floor WCs,
  - iv. Straight staircases for the later addition of stair lifts if needed
  - v. St Leger Homes' preferences for future adaptation, and
  - vi. Enhanced external wall thickness for improved thermal insulation.
18. Following discussions with the Homes and Communities Agency (HCA), the Council has been invited to submit a bid for Affordable Homes Programme 2015/18 grant. Work is currently ongoing to secure approx. £700k of this grant to deliver 24 units at Bristol Grove. The outcome of this bid will be known towards the end of December 2016.
19. To meet the criteria for obtaining funding from the HCA's Affordable Homes Programme, any unit built using this grant must be let at an 'affordable rent'. An affordable rent is one which is up to a maximum of 80% of market rent. These would be allocated in the same way as social housing (which makes up almost all DMBC housing stock) through the CBL Scheme.
20. The scheme is fully funded and the costs have been profiled in the budgets 16/17 through to 19/20. If the HCA bid is successful this would help to reduce the scheme cost to the Council. The Council is hopeful the bid for the HCA grant is successful and work is ongoing with the HCA to secure the grant amount. The HCA will pay grant on all completed affordable units before April 18.
21. Recent analysis of the Council's Housing Register as well as bidding activity through the CBL scheme has shown that demand for housing in Wheatley remains well above the average with family homes in particular being in high demand.
22. The construction phase of the programme will be sensitive to the requirements of residents living in the centre of Bristol Grove, whose homes are not part of the programme (being of traditional build). Whilst there will be some disruption to the residents of surrounding houses, through careful

project planning this will be kept to a minimum.

23. The demolition and construction of the project will be conducted by Willmott Partnership Homes Limited. The contract was agreed through a Scape framework and involved Doncaster Councils Procurement team.
24. The Scape suite of national frameworks enables Authorities to access EU compliant agreements covering a multitude of construction orientated services, such as residential construction projects.
25. The Major Works framework is designed to deliver such construction projects with a value of over £2m, which following competitive tendering process is led by a single award contractor in Willmott Dixon and has been configured to deliver projects utilising local supply chains, training schemes and inclusive school projects throughout the life of each project.
26. The use of the Major Works framework will enable the delivery of this project without the need for a lengthy procurement process which a more traditional open tender route would require. It also ensures that through a principal contractor arrangement project management and delivery can be maximised especially on a sensitive and restricted site such as Bristol Grove.

## **OPTIONS CONSIDERED**

### **OPTION 1 – (preferred option)**

27. To construct 80 much needed homes to rent on the cleared site known as Bristol Grove Regeneration Scheme which will form part of the Council's stock and be managed by St Leger Homes.
28. The scheme proposal submitted to Planning is to provide 80 units of affordable housing that will form part of Doncaster's Housing stock managed by St Leger Homes.

### **Advantages**

- Provision of new build on the site will increase the size of the housing stock and choice in the area.
- Increase housing rental income for the Council.
- Positive impact on housing waiting list.
- As all Howard properties are demolished, the wider estate would benefit from a more aesthetically appealing street scene of modern properties, which is likely to have a positive effect on the area as a whole.
- The avoidance of a cleared area of land which could attract fly tippers and other forms of anti-social behaviour.

### **Disadvantages**

- Even with very careful planning and execution, the quality of life for residents who live within the vicinity of a demolition site may be impacted

upon temporarily however this will be managed carefully to minimise any disruption.

**OPTION 2 – (Do Nothing)**

29. Leave the site as a brownfield site. Not a recommended option as it would create an area of wasteland which detracts from the street scene and could attract fly tipping and other anti-social behaviour.

**REASONS FOR RECOMMENDED OPTION**

30. The proposal would provide much needed modern energy efficient new homes to help meet the housing needs of Doncaster Residents in a popular area. It is also important that once the sub-standard homes in the area are demolished new build takes place as soon as possible to prevent the derelict land from becoming a magnet for anti-social behavior such as fly tipping.

**IMPACT ON THE COUNCIL’S KEY OUTCOMES**

The report has the following impact

	<b>Outcomes</b>	<b>Implications</b>
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Be a strong voice for our veterans</i></li> <li>• <i>Mayoral Priority: Protecting Doncaster’s vital services</i></li> </ul>	<p>Increasing building in Doncaster, enabling growth and contributing to the Councils Assets.</p>
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	<p>Providing quality homes for the residents of Doncaster.</p>
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Safeguarding</i></li> </ul>	<p>Providing quality homes for families. The delivery of these units will provide quality housing and improvements to the local area.</p>

	<p><i>our Communities</i></p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	
	<p>All families thrive.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	<p>Providing quality homes for families.</p>
	<p>Council services are modern and value for money.</p>	<p>The Council will procure the delivery of the new build programme through the delivery frameworks available to them.</p>
	<p>Working with our partners we will provide strong leadership and governance.</p>	<p>The programme will be managed by the Council in accordance with its governance arrangements.</p>

## **RISKS AND ASSUMPTIONS**

31. The recovering housing market could lead to a greater demand on the construction sector which could result in delays to the program.
32. From previous experience delays have occurred on other projects due to connection of main utility services, by the utility companies.
33. If the build phase is not approved the site could attract severe ASB and fly tipping causing a drain on Council resource.
34. If the Decant process takes longer to complete this will have an impact on scheme costs and completion dates.

## **LEGAL IMPLICATIONS**

35. S9 Housing Act 1985 provides Councils with the power to erect houses in order to provide housing accommodation.
36. S1 Localism Act 2011 provides Councils with the power to do anything which an individual may generally do.
37. S 111 Local Government Act 1972 provides Councils with the power to purchase goods and services.
38. The report author has advised that Homes and Communities Agencies (HCA) monies the region of £700,000 may be available to the Council. It is important that the terms and conditions attached to the HCA monies are strictly adhered to avoid claw back.
39. The report author has advised that the appointment will be made using the SCAPE Framework. Frameworks are arrangements set up in accordance with EU procurement rules, which will allow the Council to purchase the works without the need to run a separate tender.
40. The Council must adhere to strict compliance with the rules of the SCAPE Framework if this procurement is to be compliant with EU Regulations. Furthermore diligence work may be required to ensure that the SCAPE Framework operates within the strict interpretation of the Public Contracts Regulations. The decision maker should be comfortable that the benefits of utilising the framework are consistent with any risks inherent within the process.
41. Following contract signature, the project manager should be completely familiar with the contractual terms in order to protect the interests of the Council and enforce any terms as and when necessary.

## **FINANCIAL IMPLICATIONS**

42. The cost of delivering 24 units, under phase one of the Bristol Grove development is estimated to be £2.84m. A detailed breakdown is included at Appendix 1. The delivery of the remaining 56 units estimated at £6.68m will be done in future phases. The total cost of delivery of 80 units is £9.53m.
43. The Council was invited by the Homes and Communities Agency to bid for additional grant funding as part of the 2015-2018 Affordable Homes Programme. In order to qualify for this grant, the units need to be completed by the end of March 2018. The delivery of phase one of the development has been profiled to coincide with this opportunity.
44. Once constructed, the properties will become part of the HRA housing stock, managed by St Leger Homes Ltd. Assuming full occupancy, the estimated income based on charging social rents for the 80 units would be £362k per annum. All income will be credited to the HRA.

## **HUMAN RESOURCES IMPLICATIONS**

45. There are no HR implications specific to this decision.

## **TECHNOLOGY IMPLICATIONS**

46. There are no specific technology implications in relation to this report.

## **EQUALITY IMPLICATIONS**

47. All of Doncaster affordable Housing Stock managed by St Leger Homes, will be allocated in line with their allocations policy to meet individual need.

## **CONSULTATION**

48. Ward Members and residents have been consulted on the proposed layout of the site and the delivery methods. This occurred close to the site on Monday 20<sup>th</sup> June 2016. Over 50 residents attended from the surrounding areas.

49. The Housing Portfolio holder and St Leger Homes has been consulted on this report throughout this ongoing process.

50. This was also a planning requirement due to the nature of the regeneration scheme.

## **BACKGROUND PAPERS**

51. The Future of Howards Properties, Wheatley was approved in July 2015 by cabinet to demolish the 50 non-traditional property types on 4 streets referred to as the Howard Estate, Wheatley.

## **REPORT AUTHOR & CONTRIBUTORS**

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