

Housing Scrutiny Commission

The Housing Company

Assistant Mayor for Housing: Cllr Andy Connelly

Date: 20th. August 2018

Lead director: Chris Burgin



City Mayor

Useful information

- Ward(s) affected: potentially all
- Report author: Simon Nicholls
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- Report version number: v.1

1. Purpose of Report

This report has been prepared to update members of the Housing Scrutiny Commission on the council's decision to set up a Housing Company.

2. Supporting information including options considered:

We received approval to set up a Housing Company on the 18th. January 2018

What have we done so far:

The company name has been agreed, 'Housing Leicester Ltd.' and it has been registered at Companies House.

The Governance structure has been agreed and the three directors are Phil Coyne, Chris Burgin and Colin Sharpe. The board meets every month.

The branding of the company is very important because the company will be delivering multi tenure products such as private rented properties and for sale houses as well as affordable housing.

See Appendix A;

The delivery of the new houses will be phased and we have identified phase 1 sites, which are primarily 4 HRA backland sites which will be developed first to deliver new affordable rent homes. A site-specific business case will detail the property mix for each individual site, eg. How many 2 or 3-bedroom properties, whether they will be houses, flats or bungalows and what access standard they will be built to. The business case will aim to meet the identified housing need in Leicester.

Phase 1 sites are located at:

Maplin Road
Brockesby Way
Ambassador Road
Felstead Road
Rosshill Crescent
Selby Avenue

See Appendix B.

How will Phase 1 be funded

	18/19	19/20	Total
Retained RTB receipts (£m)	0.5	1.4	1.9
HRA reserves (£m)	0.5	1.6	2.1
HRA borrowing (£m)	0.5	1.6	2.1
	1.5	4.6	6.1

When we will start to build?

Phase 1 sites will be onsite and being built early 2019

Based on:

An assumed build cost per property

No land costs (built on HRA land)

30% funding from retained RTB receipts

Residual funding split evenly between borrowing and HRA reserves

Progress so far on phase I sites:

House types and draft layout produced

Site locations identified:

Site services surveys completed

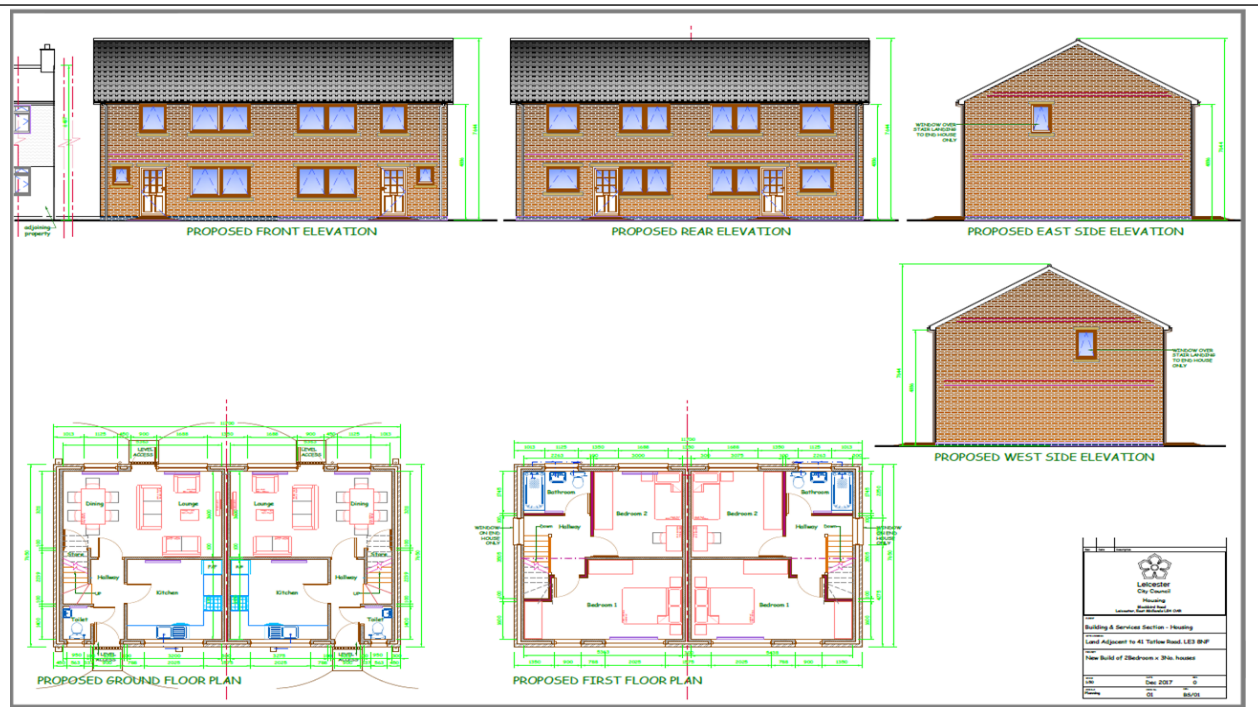
Architect appointed

Site location communicated to ward councillors as part of local plan consultation.

In the interim we have been working on a pilot scheme at Tatlow Road

Pilot scheme on Tatlow Road

1. 2 houses on land opposite Tatlow House
2. Plan drawn and confirmed acceptable to Planning
3. Ward Councillors consulted.



The Tatlow Road house types have been agreed with the Planning Department and because they are located at the end of a row of existing houses they have been designed to fit in with the existing street scene. The designs of the 6 phase 1 sites will reflect the site and their location.

Phase 2 sites.

We are currently identifying sites for phase 2 and aim to deliver in excess of 300 new houses during 19/20 and 20/21.

Individual business cases will be produced which will confirm the actual numbers and proposed tenure mix.

The table below shows indicative funding:

	Total
Retained RTB receipts (£m)	9
Reserves (£m)	7
Borrowing (£m)	21
Capital receipts from market sale (£m)	12
	49

Based on:

- 30% of properties for market sale / 70% for affordable rent
- An assumed build cost per property plus land cost for GF land (Rushey Mead and Saffron)
- Rented properties attract 30% funding from retained RTB receipts
- Profit of £18k per market sale
- All borrowing for market sale would be repaid from receipts by 21/22

Moving forward:

How will we continue to deliver the Housing Company:

A service analysis of the existing Housing Development Team is being carried out at the minute that will identify what resources will be required to deliver the Housing Companies objectives, in the interim we have appointed a temporary Housing Development Manager called Peter Kandola to deliver the phase 1 sites.

What else are we doing/considering:

Buy back of former council houses – offers accepted on first three properties, sale proceeding

Considering acquiring new properties via Section 106 agreements – acting as an RP negotiating with developers.

Investigating the possibility of acquiring properties from the new build market

We are in discussion with multiple external organisation over delivering more new homes for Leicester.

4. Details of Scrutiny

Report prepared to update Housing Scrutiny commission members

5. Financial, legal and other implications

5.1 Financial implications

For information only

5.2 Legal implications

For information only

5.3 Climate Change and Carbon Reduction implications

For information only

5.4 Equalities Implications

For information only

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

none

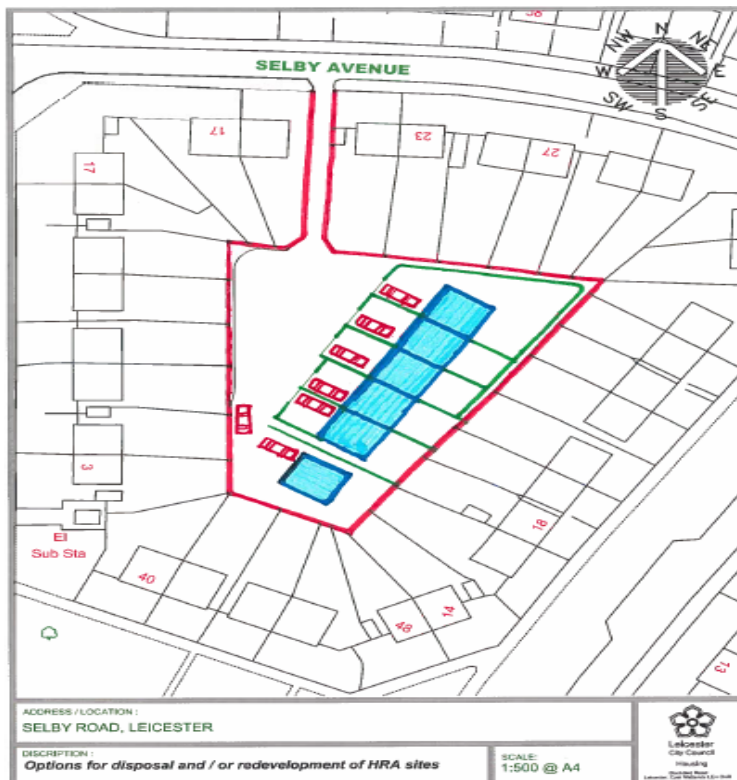
7. Summary of appendices:

Appendix A - Phase 1 site locations

Appendix B - Branding

Appendix A.

1. Selby Avenue Garage Site



Site Name: Selby Avenue Garage Court
Ward: Humberstone & Hamilton
Area Office: Rowlatts Hill & Humberstone
Area Manager: Nick Griffiths (Marlene Blake)
Updated Planning/Highway/Development Team comments as at
23/02/2016:

Planning: potential 4 – 6 units.

Ecology: No surveys required.

Highways: Existing 3m access needs widening by taking land from No. 19 and/or 21 (both LCC stock). Approx 1.8m available from no. 19 and 1.3m from no. 21. Not enough scope to adopt. Suggest widen to 5.5m as private drive with no footway.

NHO: Vacant possession: One week's notice to be served on licencees however up to one month to be allowed to clear garages and contents, etc. Out of a total of 54 parking spaces/garages, 15 are occupied (28%) and 39 are void.

Consultation with tenants of 19 & 21 Selby Avenue required to obtain garden land for access.

Site assembly: Timetable for consultation with tenant to be confirmed.

Land requirement at 19 & 21 Selby Avenue (LCC stock) flagged by RTB.

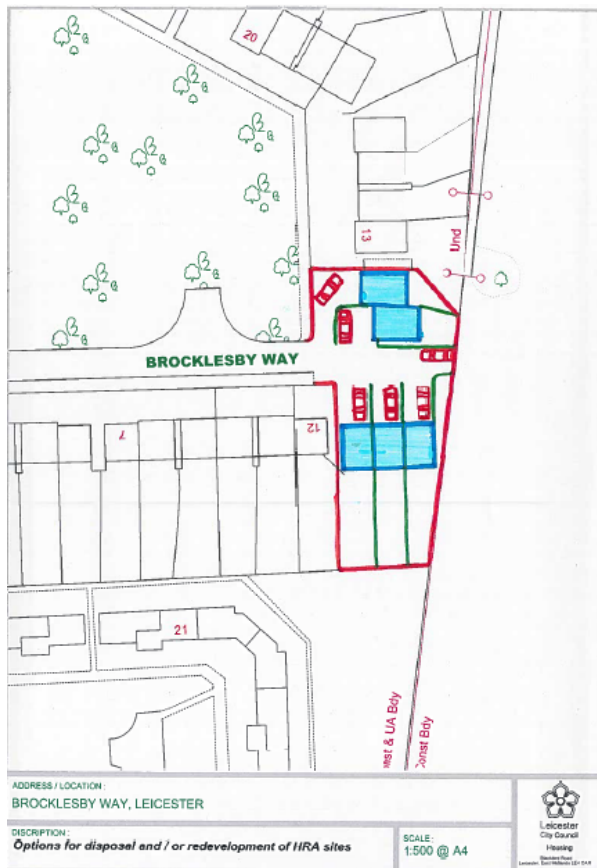
Acquired rights: No recorded access rights.

Current status: awaiting approval to progress development and/or land sale.

SITE TO REMAIN AVAILABLE FOR DEVELOPMENT. NO NEW CAR PARKING LICENCES TO BE GRANTED OR OTHER USES ALLOWED.

2. Brocklesby Way





Site Name: Brocklesby Way
 Ward: Humberstone & Hamilton
 Area Office: Rowlatts Hill & Humberstone
 Area Manager: Nick Griffiths (Marlene Blake)
 Updated Planning/Highway/Development Team comments as at 23/02/2017:

Planning: potential 5 units.

Ecology: survey not required. Green buffer required to development to protect adjacent green wedge.

Highways: access fine: entrance at end of adopted highway.

NHO: Vacant possession: One week's notice to be served on licencees however up to one month to be allowed to clear garages and contents. Out of a total of 27 parking spaces/garages, 9 are occupied (33%) and 18 void.

Two LCC metal storage containers will also need to be relocated.

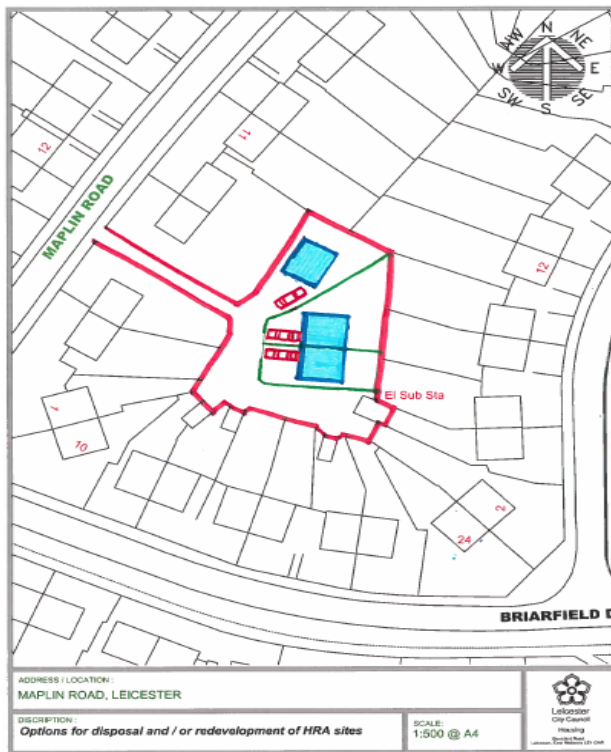
Acquired rights: No recorded access rights.

Current status: awaiting approval to progress development and/or land sale.

SITE TO REMAIN AVAILABLE FOR DEVELOPMENT. NO NEW CAR PARKING LICENCES TO BE GRANTED OR OTHER USES ALLOWED.

3. Maplin Road Garage Site





Site Name: Maplin Road Garage Court
 Ward: Humberstone & Hamilton
 Area Office: Rowlatts Hill & Humberstone
 Area Manager: Nick Griffiths (Marlene Blake)
 Updated Planning/Highway/Development Team comments as at 23/02/2016:

Planning: potential 2 – 3 units or 3 – 4 units if substation re-sited.

Ecology: No survey required unless demolition of 5 Maplin Road is required to widen access. Site is low ecology value.

Highways: Existing 3m wide access needs widening by taking land from No. 5 (LCC stock). 3m available without removing house. Not enough scope to adopt. Suggest widening to 5.5m as private drive with no footpath.

NHO: Vacant possession: Site (29 parking spaces/garages) is not in use and therefore immediately available for development.

NHO: Site assembly: Consultation with tenant of 5 Maplin Road required to obtain garden land for access.

Updates: Land requirement at 5 Maplin Road (LCC stock) flagged by RTB.

Acquired rights: No recorded access rights.

Current status: awaiting approval to progress development and/or land sale.

SITE TO REMAIN AVAILABLE FOR DEVELOPMENT. NO NEW CAR PARKING LICENCES TO BE GRANTED OR OTHER USES ALLOWED.

4. Ambassador Road



Site Name: Land Between 62-64 Amabassador Road – 1227 sqm
Ward: Coleman
Area Office: Rowlatts Hill & Humberstone
Area Manager: Nick Griffiths (Andy East)

Updated Planning/Highway/Development Team comments as at 23/02/2017:

Planning: potential 2 x 2 bed houses or 4 x 1 bed flats.

Ecology: survey not required

Highways: Existing access 5M wide + additional 2.0m footway alongside. Poor visibility onto the existing highway looking west will need to be improved by works and /or removal of existing hedges.

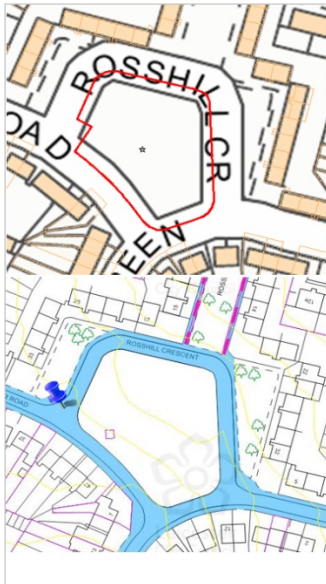
NHO: Vacant possession: Site is immediately available for development – no car parking spaces are rented out.

Acquired rights: None identified by NHO

Current status: awaiting approval to progress development and/or land sale.

SITE TO REMAIN AVAILABLE FOR DEVELOPMENT. NO NEW CAR PARKING LICENCES TO BE GRANTED OR OTHER USES ALLOWED.

5. Rosshill Crescent



Rosshill Crescent. Bungalows on three sides, on the higher sides of the site, so bungalows preferred. Small area to SW not in site boundary needs investigating. Road works could be sought as earlier improvements not high quality. CCTV pole on the site. Site ref Thurncourt 97.





Site Name: Rosshill Crescent

Ward:

Area Office: Rowlatts Hill & Humberstone

Area Manager: Nick Griffiths (Andy East)

Updated Planning/Highway/Development Team comments as at 23/02/2017:

Planning:

Ecology:

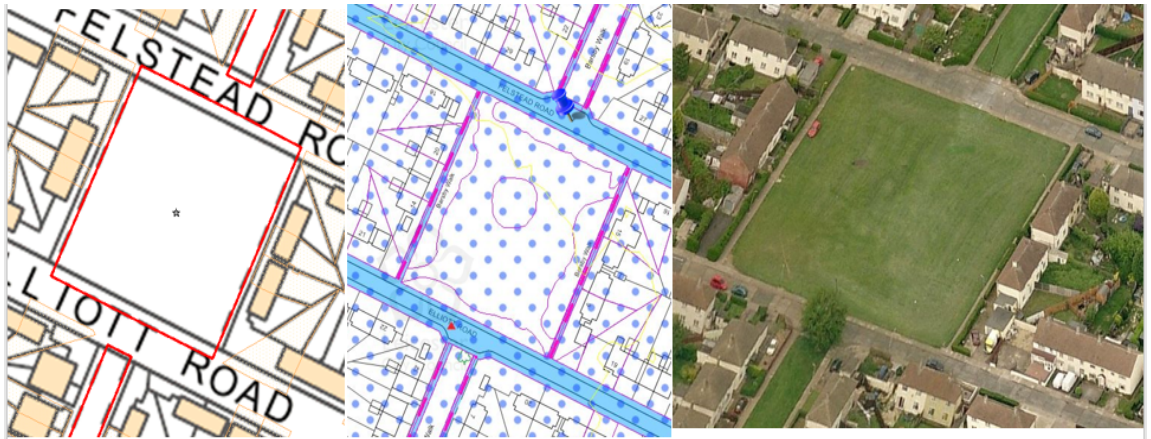
Highways:

NHO: Vacant possession

Acquired rights:

Current status: awaiting approval to progress development and/or land sale.

Felstead Road



Elliot Rd (1). Fairly flat, has reasonable potential however roads might need work – very narrow, and a high level of on-street parking demand as some existing houses don't have a street frontage. Might be just enough width to put driveways in. CDA so SuDS required. Site ref Abbey 22.



Site Name: Felstead Road
 Ward:
 Area Office: Rowlatts Hill & Humberstone

Area Manager: Nick Griffiths (Andy East)

Updated Planning/Highway/Development Team comments as at
23/02/2017:

Planning:

Ecology:

Highways:

NHO: Vacant possession

Acquired rights:

Current status: awaiting approval to progress development and/or land sale.