

<b>Title of meeting:</b>	Cabinet Member for Housing & Preventing Homelessness
<b>Date of meeting:</b>	8 <sup>th</sup> March 2021
<b>Subject:</b>	Strouden Court, Havant - Council Housing Development
<b>Report by:</b>	James Hill - Director for Housing, Neighbourhood and Building Services
<b>Author:</b>	Jo Bennett - Head of Business Relationships, Growth and Support
<b>Wards affected:</b>	N/A Housing Revenue Account (HRA) land held in Havant
<b>Key decision:</b>	Yes
<b>Full Council decision:</b>	No

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## **1. Purpose of report**

- 1.1 To seek approval from the Cabinet Member for Housing and Preventing Homelessness to deliver a mix of 63 new council house dwellings within the Strouden Court area of Havant.
- 1.2 To seek approval of a capital spend of £18.7m delivering 63 new council housing dwellings to be held in the Housing Revenue Account

## **2. Recommendations**

- 2.1 That the Cabinet Member for Housing and Preventing Homelessness approves Housing Revenue Account (HRA) Capital Expenditure of £18.7m, to deliver 63 new council housing dwellings.
- 2.2. That the Cabinet Member for Housing and Preventing Homelessness note that the Capital Expenditure of £18.7m requested for this scheme is based on estimated costs from industry cost analysis of a Passive house model.
- 2.3 That the Cabinet Member for Housing and Preventing Homelessness notes that this development will be a pilot scheme designed and built adopting the principles of the Improved Energy Efficiency Standards For New Build Council Homes this will include bringing a report to this meeting at the completion of the following phases to report on progress and learning; design phase, construction phase and operational phase.

- 2.4 That the Cabinet Member for Housing and Preventing Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources to amend the composition, design standard and spending profile of the proposed scheme in order to meet planning and design requirements whilst ensuring that the scheme remains financially viable following any necessary changes.**
- 2.5 That the Cabinet Member for Housing and Preventing Homelessness delegates the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources to apply for any grant funding to support the scheme and also to agree the use of either Grant funding or 141 receipts to support the scheme**
- 3. Background**
- 3.1 There has been a desire to regenerate the Warren area of Leigh Park for a number of years both by Portsmouth City Council (PCC) and Havant Borough Council (HBC)
- 3.2 The area has large open spaces maintained by Portsmouth City Council green and clean team. In 2014 Portsmouth City Council completed the installation of a new play area, The Giants Footsteps, working with the local residents to deliver the design.
- 3.3 The Warren's local centre is in Strouden Court, the row of shops includes a post office/convenience store, Chinese takeaway and early years setting, there is natural footfall through both the park and the shops to the school and the shops are widely used, the Asda free bus also stops to the rear of the block.
- 3.4 In June 2020 the concept of this scheme was passed to our in-house design team for evaluation. A feasibility study has been received which is attached as Appendix A, but the estimated costs have recently been revised and used in the financial appraisal for the scheme.
- 3.5 The new homes will be built on areas of open land, owned by Portsmouth City Council.
- 3.6 Havant are the planning authority for this development and the feasibility study has been carried out to include their requirements. Policy H39 within the Havant Borough Council emerging local plan shows Strouden Court as a mixed use development of about 55 units.
- 3.7 Havant Borough Council currently has a target of 504 homes per annum based on central government's standard methodology. This development will contribute towards this need. The two authorities will continue to work closely together through the duty to cooperate both unilaterally and through the Partnership for South Hampshire, on housing need and areas other cross boundary working.



- 3.8 We have commenced discussions with Havant Borough Council regarding their requirements for affordable housing within our Havant developments. Havant Borough Council will expect to receive nomination to 30% of properties of any development of over 10 properties.
- 3.9 The new properties will meet demand from both Havant and Portsmouth waiting lists and will include looking at bespoke properties to support those with a need for adapted accommodation. The proposed mix of new homes is; ten, one bed two person flats; twenty, two bed four person flats; twenty five, three bed six person houses and eight, four bed eight person houses.
- 3.10 The Improved Energy Efficiency Standards for New Council Homes also presented at today's meeting details the principles which will be used to define the energy standard for this development. The intention being to develop to Passive house standards but with additional design requirements set out within that report, Low Energy and Social Housing Design Requirements attached as Appendix B.
- 3.11 We will strive for the highest possible standards as outlined in the report however factors such as orientation, site layout, and costs of development may all have a differing impact on whether the development is financially achievable and whether the dwellings can be certificated as Passive house.
- 3.12 There will be three reports used to track the progress of this development and the implementation of the Low energy and Social Housing Design Requirements. These reports will come to this meeting and will be presented at the design phase, construction phase and operational phase. The next report at completion of the design phase will report on the programme for the development as well as the low energy standards included in the design.

#### **4. Reasons for recommendations**

- 4.1 These homes will provide much needed homes for residents and support Portsmouth City Councils corporate priority 1 " Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe and independent lives". Although the homes are within the borough of Havant, the tenants will be Portsmouth's, therefore the priority is valid.
- 4.2 The schemes will increase the overall number of homes in the HRA and will improve its viability to allow for continued maintenance and tenant services to residents.

#### **5. Integrated impact assessment**

- 5.1 An Integrated Impact Assessment has been completed and no adverse equality implications were identified.

#### **6. Legal implications**

- 6.1 The recommendations are within the power of the Cabinet Member for Housing to adopt, and for the City Council to approve, and raise no immediate notable legal implications. The delegations recommended in the report are supportable and focus upon the scheme delivery within the HRA.

## **7. Director of Finance's comments**

- 7.1 A financial appraisal has been carried that demonstrates that a development over these multiple sites could be viable even if they were built to Passivhaus standard and Low Energy and Social Housing Design, based on an outline design and an estimation of market costs. This will be reviewed as we go through the design and build process.
- 7.2 The appraisal states that the cost of the development could be as a much as £18.7m. This would deliver 63 homes including 10 x 1 bed flats, 20 x 2 bed flats plus 25 x 3 Bed Houses and 8 x 4 bed houses.
- 7.3 The Council will apply to Homes England for £1.89m of affordable homes grant funding. The remainder of the project will be funded with unsupported borrowing.
- 7.4 The viability appraisal has been calculated using rents at affordable rent levels.

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Signed by: James Hill - Director of Housing, Neighbourhood and Building Services

## **Appendices:**

**A - Feasibility Study**

**B - Design Standards**

**C - Integrated Impact Assessment**

## **Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....Signed by: