

Title of meeting:	Cabinet Member for Housing and Tackling Homelessness
Date of meeting:	26 <sup>th</sup> October 2023
Subject:	Development of Council Homes - Twyford Avenue, Stamshaw
Report by:	James Hill, Director of Housing, Neighbourhood and Building Services
Report Author:	Jo Bennett, Assistant Director - Housing Need and Supply Adam Hardwick. Assistant Director - Building Services
Report Author: Wards affected:	· · · · · · · · · · · · · · · · · · ·
	Adam Hardwick. Assistant Director - Building Services
Wards affected:	Adam Hardwick. Assistant Director - Building Services

#### 1. Purpose of report

- 1.1 To seek approval from Cabinet Member for Housing and Tackling Homelessness to deliver a development of 6 council homes on the site of the current block 305, 305A, 307 and 307A Twyford Avenue, Stamshaw.
- 1.2 To seek approval of a capital spend of £1.49m delivering 6 new council housing dwellings to be held in the Housing Revenue Account.

### 2. Recommendations

- 2.1 That the Cabinet Member for Housing and Tackling Homelessness approves the addition of the Twyford Avenue scheme to the Housing Revenue Account (HRA) Capital Programme, with estimated expenditure of £1.49m, to deliver 6 new council housing dwellings.
- 2.2 That the Cabinet Member for Housing and Tackling Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources & S151 Officer, to amend the composition and spending profile of the proposed scheme in order to meet planning and design requirements and also to agree the use of unsupported borrowing, along with either grant funding or retained capital receipts, whilst ensuring that the schemes remain financially viable following any necessary changes.



2.3 That the Cabinet Member for Housing and Tackling Homelessness delegates the Director of Housing, Neighbourhood and Building to apply for any grant funding to support the scheme.

## 3. Background

- 3.1 The properties were built in 1890 and were originally two houses with 305 being a 3 bedroomed house, and 307 being a 4 bedroomed house.
- 3.2 In 1974 the property was converted into four flats with 305 being a ground floor one bedroom flat, 305A being a first floor one bedroom flat, 307 being a ground floor two-bedroom flat and 307A being a ground floor two-bedroom flat. At this time both the rear and party wall were rebuilt due to subsidence.
- 3.3 305a remains tenanted with the tenant on the housing register waiting to be moved. The tenant from 305 moved in May 2023, 307 has been void since February 2015 with 307A void since December 2016.
- 3.4 In 2015 with 307 becoming vacant PCC undertook a structural inspection and invasive investigations were required. The property was then monitored for further movement and in 2016 when 307A became void it was decided not to relet the property.
- 3.5 In 2017 the HRA property team attempted to dispose of 307 and 307A and legal issues relating to the boundary and neighbouring property prevented sale. The decision to sell, options to repair and development potential were reconsidered.
- 3.6 In October 2020 PCC undertook further structural inspection and invasive investigations to understand the extent of the movement.
- 3.7 In December 2020 Archibald Shaw were engaged to carry out a structural inspection.
- 3.8 The bay windows were found to have corrosion of reinforcement and spalling of stonework. At this time repair or retention of the bays were both considered not to be financially viable options. Replacement of the bays would require the temporary propping of the floors and roof adjacent to the bays, the removal of the bays from 305, 305A, 307 and 307A, and the bricking up of openings and the installation of new windows.
- 3.9 The north west corner of the property was found to have stepped cracking both externally and internally to the kitchen of 307. Vertical cracking was evident externally to the kitchen wall. Repairs would be required using a heli-bar system to the brickwork externally and internally with any cracked bricks needing to be replaced completely. Wall ties would also require replacement together with expansion joint installation at the junction of the garden wall and main building with the garden wall. The garden wall will also require reinforcement with the

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installation of brick piers. Replacement of the defective rainwater goods would also be necessary. Underpinning of the north west corner of the property is also likely to be required.

- 3.10 The external wall to the north elevation is leaning approximately 70mm out of vertical. To facilitate an effective repair would require the installation of lateral restraint strapping at first floor and eaves level together with additional support to the roof structure. In addition, there is an inherent risk that the foundations under the north wall would require underpinning due to the additional loadings.
- 3.11 The north east corner of the building was found to have an insufficient lintel to an opening and building settlement. The repairs to this defect would require the rebuild of the brickwork walls adjacent to the opening, replacement of the lintel ensuring adequate bearing and underpinning of foundations.
- 3.12 The hallway of 307A and the party wall were shown to have substantial cracking at the junction of the wall and ceiling. Joist hangers were detached from the party wall and therefore providing inadequate support. To repair these would require the removal of the ceilings and installation of a new wall plate, new joist hangers and the installation of new ceilings. The area would then need to be returned to good decoration.
- 3.13 Substantial internal cracking to the plaster is evident in both 307 and 307A this would require the removal of plaster to either side of crack, replacement of any cracked bricks or blockwork, installation of heli-bars and mesh lath and replastering and decoration. There is a risk that cracking could present in other areas once existing cracks are repaired.
- 3.14 In addition to the structural issues above, all of the properties require substantial internal works before they could be relet. With all properties requiring new kitchens, cloakrooms, bathrooms, central heating systems, electrical upgrades and general decorations.
- 3.15 Consideration was given to the practicality of works being carried out with the resident in situ and it was felt that this was not possible. The predominant risk preventing the works being carried out in occupation was the requirement for major structural works to the property and the potential for injury to the resident and contractor from attempting to work in an occupied building.
- 3.16 The length of the work required were also a factor in evaluating if repairs could be carried out with the residents in situ. It was felt that works would likely take more than six months were the property decanted and with an occupied property requiring inefficient work practices and an extension of time to complete the works. It was considered that to have works ongoing in a property for this period would be impractical.
- 3.17 The living conditions of the occupants were also considered in understanding if the resident could remain in situ during repairs and it was felt that it would be



impractical for the occupant to remain. The type of works required would create disruption to all rooms for extended periods with rooms requiring propping and partial demolition in some cases. Living rooms would not be accessible during bay window replacement. The properties would also require all possessions to be removed to allow for full access for the works.

- 3.18 The projected costs for the repair of the building were considered in 2022 to be in excess of £500,000 but with residual risks remaining which may increase the cost of the works and also create a need for future works to the properties. It is also likely given cost inflation that this cost would have risen to a figure in excess of £550,000.
- 3.19 The residual risks were considered to be that the inherently poor construction may on further survey be found to be worse than expected and the structure could and likely would continue to be an issue. It was expected that the scope of the structural works could increase on further investigation, it was felt likely that other areas of the structure may require underpinning. There was concern that the structural works may not fully resolve issues or could move structural issues to other areas of the building.
- 3.20 Issues of thermal performance and future capital maintenance were also likely to require additional investment.
- 3.21 On review of the repair costs, residual risks and remaining investment requirements the property was deemed to be beyond economical repair.
- 3.22 Sale of the asset was considered at completion of the repair review. It was considered that, given the poor quality of the property, sale of the asset may lead to the property being repaired to a low standard and subsequently substandard accommodation could be provided in the private sector. Whilst the sale of the property to the private sector would have limited the council liability it was felt that the risk was not appropriate.
- 3.23 In June 2022 officers met with Ward Councillors and the residents to explain the situation in relation to the building and the decision that the property was beyond economic repair. Building issues and the financial position were presented to the ward councillors and residents and all were able to discuss options and to raise questions.
- 3.24 The residents from this point were assigned an estate manager from their area housing office as their single point of contact and they have since been supported to be registered for new housing.
- 3.25 One resident has since moved to a new home and one tenant is awaiting an offer of accommodation.
- 4. Indicative timetable



- 4.1 To expediate the proposal planning permission has been submitted to demolish the existing building and develop the land to provide new accommodation of 6 new 1 bed 2 person flats and associated landscaping. See appendix 1 for high level outline.
- 4.2 Outline timetable
  - Planning submitted 2nd October 2023
  - Engagement with local residents in vicinity ongoing from September
  - Planning decision notice period to January 2024 (including public consultation period)
  - Tender process January to Feb 2024
  - Start on site end March 2024
  - Occupation September 2025

### 5. Reasons for Recommendations

- 5.1 The building is deemed to be beyond economical repair.
- 5.2 The site can be redeveloped to accommodate more homes than currently sit on the site.
- 5.3 The new homes will be of a high standard and will be energy efficient.
- 5.4 The new homes will provide much needed homes for residents.
- 5.5 The new homes will work within Portsmouth City Council mission We will improve lives.
- 5.6 The development will increase the overall number of homes in the HRA and will improve the viability of the HRA supporting the continued maintenance and tenant services we provide to our residents.

### 6. Integrated Impact Assessment (IIA)

6.1 An IIA has been completed.

### 7. Legal Implications

7.1 The recommendations are within the power of the Cabinet Member for Housing and Tackling Homelessness 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.



#### 8. Director of Finance's comments

8.1 A financial appraisal has been carried out that demonstrates that a development costing £1.49m, including fees and a contingency, is financially viable. The development would deliver 6 x 1 bed flats, which would be let at affordable rent levels. The appraisal assumes that 40% of the cost will be funded from capital receipts retained from the sale of dwellings under the 'Right to Buy', with the balance being from unsupported borrowing. An alternative option to use affordable homes grant, instead of capital receipts, has been discussed with Homes England.

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

Appendices: Appendix 1 - Architect image Appendix 2 - IIA

### 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:

Title of document	Location

Signed by: