



**Title of meeting:** Cabinet Member for Housing and Tackling Homelessness

**Date of meeting:** 23<sup>rd</sup> April 2025

**Subject:** Conversion of former Wecock Area Housing Office, 5 The Kestrels, Eagle Avenue, Waterlooville, PO8 9GX

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

**Report authors:** Jo Bennett - Assistant Director of Housing Need and Supply  
Emma Randall - Interim Head of Housing Supply

**Cabinet Member:** Councillor Darren Sanders

**Wards affected:** Havant Borough Council - Hart Plain Ward

**Key decision:** No

**Full Council decision:** No

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**1. Purpose of report**

- 1.1 This report seeks approval from the Cabinet Member for Housing and Tackling Homelessness, for capital funding to convert the former Wecock Farm Area Housing Office to deliver 4 council homes.
- 1.2 To include the addition of a budget to the Housing Revenue Account ("HRA") Capital Programme, funded from borrowing and either grant or retained capital receipts, and delegations to the Director of Housing, Neighbourhood and Building Services to deliver the project after appropriate consultation.

**2. Recommendations**

- 2.1 That the Cabinet Member for Housing and Tackling Homelessness approves:
- 2.2 The addition of a scheme for the conversion of the Wecock Farm Area Housing Office via the HRA Capital Programme, to deliver 4 new council home, with a budget of £759,000, phased as £506,000 in 2025/26 and £253,000 in 2026/27.
- 2.3 That the Cabinet Member 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 rent profile, composition and spending profile of the proposed scheme in order to meet regulatory, design and procurement requirements and also to agree the use of HRA unsupported



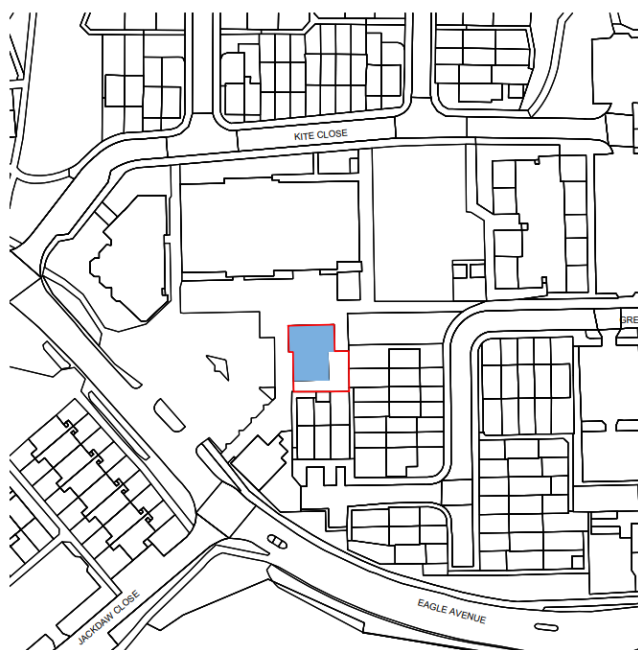
borrowing, along with either grant funding or retained capital receipts, whilst ensuring that the schemes remain financially viable following any necessary changes.

- 2.4 That the Cabinet Member delegates to the Director of Housing, Neighbourhood and Building to apply for any grant funding to support the scheme.
- 2.5 That the Cabinet Member for Housing and Tackling Homelessness delegates to the Director of Housing, Neighbourhood and Building Services, in consultation with the City Solicitor, an ability to enter contracts to enable the development.

### 3. Background

#### 3.1 Location context

- 3.1.1 The site of the former Wecock Farm Area Housing Office is held within the HRA and is located in Havant, next to the Acorn Community Centre, Wecock Church and takeaway restaurant off Eagle Avenue.



SITE PLAN  
1:500 Scale

***Location plan of Former Wecock Farm Area Housing Office outlined in red, existing building shown coloured blue.***

- 3.1.2 The building is a detached, two storey and constructed of red brick at ground floor level, with buff brick at first floor, beneath a pitched slate effect roof with contrast ridge tiles. Windows and doors are UPVC. There is a courtyard wrapping round the north and east sides of the building, enclosed by standard close boarded fence.



- 3.1.3 To the front of the building there is shared unrestricted parking, which serves the area generally. Beyond the adjacent community buildings, the area is characterised by residential development of generally high-density terraces.
- 3.1.4 The land slopes down to the south-east so that the building sits higher than the residential properties in Grebe Close which back onto the site. The site lies outside any current or future flood zones.

### **3.2 Background to Use**

- 3.2.1 Wecock Farm Area Housing Office was purpose built in 2005 with the intention that Portsmouth City Council's housing service (Portsmouth Homes) could provide housing services to 732 city council owned properties in the area.
- 3.2.2 The building provided office facilities to include interview and meeting rooms with cash desk operation. The building was closed and operations relocated in January 2025. The existing layout plans are provided at **Appendix One**.
- 3.2.3 Following a review of the housing service delivery model at Wecock Area Housing Office, it was found that the services provided were reliant upon residents and the community calling into the office or physical attendance and numbers of interactions and home visits had declined.
- 3.2.4 A revised housing services operational model was implemented from January 2025 which relocated some service delivery to the Leigh Park Area Housing Office. This was to improve connections and knowledge between communities and council run customer relations team. Twice weekly surgeries are now provided from the Acorn Community Centre, which is adjacent the former Wecock area housing office. The surgery sessions enable residents to access all housing services, including card payment facilities whilst supporting the community centre.
- 3.2.5 Prior to the service model change residents and members of the community were consulted. The council will continue to provide updates and seek feedback from residents and the community as part of an ongoing commitment to the area.
- 3.2.6 Since 31<sup>st</sup> January 2025, the building has been vacant and de-commissioned.

### **3.3 Proposed Redevelopment**

- 3.3.1 In response to the revised service delivery plan for the Wecock area housing office a massing and feasibility study was undertaken to determine the optimum way to deliver council housing on the site. The study identified that conversion of the building to deliver 2 one bed flats and 2, 2 bed flats would be viable, 4 premise in all.
- 3.3.2 In December 2024, an application was submitted to Havant Borough Council planning authority to determine if prior approval was required for the proposed change of use from commercial, business and service - Area Housing Office (Use



Class E) to Dwellinghouses (Use Class C3) to provide 2 one bed flats and 2 two bed flats (4 units) and associated alterations to doors and windows.

- 3.3.3 The proposed layout plans are provided at **Appendix Two**.
- 3.3.4 During the application process some revisions were made to the internal layout. This was to take account of feedback received during the application consultation. The submitted revisions altered which existing windows/doors were blocked up and changed the location of new windows/doors and changed the layout/orientation of accommodation to mitigate or minimise any impact of site level difference on neighbouring outlooks and privacy particularly for those residential properties on Grebe Close.
- 3.3.5 The application did not propose any direct vehicular access, and the proposed conversion would only have pedestrian access. There is, however, an unrestricted public carpark directly outside the building, which serves the area and the proposed development. Access to this would remain unchanged and previously served the area housing office and the proposed change of use would unlikely increase traffic generation or demand for parking. Furthermore, there is unrestricted road parking available locally, which could also benefit the proposed development.
- 3.3.6 As part of the application consideration, it was necessary to enter into a unilateral section 106 agreement (Town and Country Planning Act 1990) to secure a financial contribution of £9,360.34 towards measures to mitigate the water quality impacts of the development on the Solent European Sites,
- 3.3.7 In February 2025, Havant Borough Council determined that prior notice was required and granted, subject to the conditions stated. The conditions related to water efficiency; the decision notice is provided at **Appendix Three**.

### **3.4 Intended Use**

- 3.4.1 The proposed conversion will provide 4 residential units for general needs council housing with rents to be charged at the Local Housing Allowance rate, the recommendations include flexibility to change the rental profile to allow for a social rent model if this became a viable delivery model.
- 3.4.2 The proposed conversion scheme makes the best use of a redundant asset that exists within the HRA, minimising long term hold costs and risks posed from a vacant aging building.
- 3.4.3 The proposed housing will meet or exceed the Nationally Described Space Standards (NDSS). The units will be specified to as a minimum meet the latest Building Regulations or where achievable given the limitations of conversion and adaptations, aim to exceed them. The council aims to reduce energy poverty for its tenants and keep running costs for homes provided by Portsmouth Homes to a minimum.



- 3.4.4 Furthermore, the proposal will increase the supply of good quality, affordable housing to ensure that people can be provided with accommodation that meets their needs and lets them feel safe and secure.
- 3.4.5 The housing needs and assessment data shows there is demand for all accommodation types and sizes in the area. Using this data in conjunction with the council's allocations policy, the delivered housing will provide move-on accommodation for homeless families, reducing pressure on the temporary accommodation budget.

### **3.5 Programme and delivery route**

- 3.5.1 Currently the project is at RIBA Stage 2 and has been developed using an HRA approved project development budget for preliminary design work. Costs of approximately £30,000 have been incurred up to grant of planning approval.
- 3.5.2 It is proposed the development uses direct delivery by the council with construction services to be tendered and procured in accordance with the council's procurement policies and procedures.
- 3.5.3 The design and project management will use the councils internal design teams and professional services and procure third party specialist professional services and surveys as required.
- 3.5.4 An indicative programme is set out below:
- May 2025 - Detailed design and tender pack completion
  - June 2025 - Tender issued
  - August 2025 - Tender award and contract
  - September 2025 - Works start on site
  - March 2026 - Works complete
  - April 2026 - Handover and occupation.

## **4. Reasons for recommendations**

- 4.1 Following the revised delivery model and relocation of services provided from the Wecock area housing office, the building has been vacant and de-commissioned since 31<sup>st</sup> January 2025.
- 4.2 Alternative uses were considered for the building, however, with the relocation of the area housing office function, no demand for other commercial or office use was identified within the HRA.
- 4.3 In February 2025, Havant Borough Council determined that prior notice was required and granted approval for the conversion of the building to deliver 2no one bed flats and 2no 2 bed flats, subject to conditions. This de-risks the principle of development and associated financial risk.



- 4.4 The proposed conversion will provide 4 council homes at an affordable rent, increasing the supply of good quality, affordable housing that meets people's needs and lets them feel safe and secure.
- 4.5 The financial appraisal demonstrates that a viable scheme is achievable based on the current cost, rent and borrowing assumptions and using either Homes England Affordable Homes Programme grant or council receipts retained from right to buy applications (141 receipts).
- 5. Integrated impact assessment**
- 5.1 An integrated impact assessment has been completed and is provided at **Appendix Four**.
- 6. Legal implications**
- 6.1 The recommendations are within the power of the Cabinet Member for Housing and Tackling Homelessness to adopt, and approve, the report raises no relevant 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 The total development costs are estimated at £759,000 to include costs incurred to date, estimated build costs, professional fees, and contingency.
- 7.2 The development appraised over 50 years and includes unsupported borrowing costs, rents set at the current local housing allowance rate and maintenance costs adjusted for inflation. However, additional revenue is required to ensure the scheme is viable. This has been modelled using either Homes England grant funding or council retained capital receipts.
- 7.3 The option modelled using Homes England Affordable Homes Programme grant funding is set at £63,000 per unit. This option returns a favourable net present value ("NPV") over 50 years with no cash flow deficits in any year.
- 7.4 Given the uncertainty over current and future Homes England grant funding an alternative option has been modelled using retained capital receipts following completion of sales under right to buy applications (141 receipts). This option would require a minimum of 22% contribution (£167,000) to gross costs to achieve a favourable NPV across the same period, also without cash flow deficits.
- 7.5 The Financial Appraisal demonstrates that a viable scheme funded with borrowing and either AHP grant, or 141 receipts is achievable and would positively impact the HRA 30-year business plan. However, the option with a minimum 141 receipts contribution is less favourable than the AHP grant scenario. The report approves delegations to amend the composition and spending profile of the proposed



scheme in order to meet regulatory, design and procurement requirements and also to agree the use of HRA unsupported borrowing, along with either grant funding or retained capital receipts. A revised financial appraisal will need to be approved by the S151 Officer, or delegate, under Financial Rule B.11. This will ensure that the schemes remain financially viable following any necessary changes.

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

**Appendices:**

- Appendix One - Current layout plans
- Appendix Two - Proposed layout plans
- Appendix Three - Planning decision notice
- Appendix Four - 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:

Title of document	Location

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

.....  
Signed by: