

## CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**11 MARCH 2010**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

### **CABINET DECISION**

**Housing & Community Safety - Lead Cabinet Member - Councillor Nelson**  
**Corporate Management and Finance - Lead Cabinet Member - Councillor Laing**

#### **SOCIAL HOUSING DEVELOPMENT**

1. Summary

This report seeks Cabinet approval to dispose of part of the former Redbrook Primary School site, Stockton (as shown edged red on the attached plan) for less than best consideration in order to assist in the provision of 28 units of much needed affordable housing accommodation (20 for social rent and 8 for intermediate rent) to be developed by Housing Hartlepool, a local registered social landlord. The report also seeks to advise members of the Council's proposals for the former playing fields.

2. Recommendations

1. Members agree to dispose of the Council's freehold interest in the 0.8 ha site of the former school buildings (as shown edged red on the attached plan)
2. Members note the position regarding the improvement of the former school playing fields (as shown edged green on the attached plan).

3. Reasons for the Recommendations/Decision(s)

1. To assist the Council in meeting its targets for the provision of new social housing.
2. Advise members of the proposed use of the former playing fields

4. Members' Interests (the text below is fixed and should not be altered by the author, however, extensive guidance on the **Members' Code** of conduct is available to officers if required)

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

**Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.**

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**RECOMMENDATIONS**

1. Members agree to dispose of the Council's freehold interest in the 0.8 ha site of the former school buildings (as shown edged red on the attached plan).
2. Members note the position regarding the improvement of the former school playing fields (**as shown edged green on the attached plan**).

**DETAIL**

1. As members are aware the demand for affordable housing is significant across the Borough. The Strategic Housing Market Assessment completed early 2009, identified an annual shortfall of in excess of 800 units. In order to address this shortfall, the Council is committed to working in partnership with registered social landlords and private developers. In the summer of 2009, the Homes and Communities Agency (the agency responsible for funding the development of new affordable housing social housing nationally) announced a bidding round for Registered Social Landlords to bid for funding to develop new housing that meets housing need across north east region.
2. The Councils Housing Service has therefore been working with a number of Registered Social Landlords to identify potential 'bids' at various sites across the Borough. A scheme to provide 28 units of accommodation was developed with Housing Hartlepool on the site of the former Redbrook School. This is one of the few sites available and can be brought forward to meet funding timescales. Following a successful Housing Hartlepool have secured in excess of £1,3million from the HCA to enable the provision of:
  - a. 20 units of social rented housing (8 x 3 bed houses, 4 x 2 bed houses and 8 x 2 bed bungalows)

- b. 8 units for intermediate rent (4 x 2 bed houses and 4 x 3 bed houses).

These additional units of accommodation will address housing need for both families and older/vulnerable residents in a popular area of the Borough.

3. Whilst the site has an unrestricted development value of approximately £350,000, the relatively high development costs of the housing proposed for the site and the restrictions on the availability of funds mean that, based on this valuation, Housing Hartlepool are not able to make the scheme financially viable.
4. Negotiations have taken place with Hartlepool Housing and terms have been provisionally agreed for the Council to transfer the freehold interest in the site for an initial payment of £1. The site will then be developed and the costs associated with this will be monitored on an "open book" basis. Any savings made during construction (over and above the agreed estimated construction costs) will be passed to the Council as an additional consideration when the development is completed. In addition to the above the site will be sold with a restriction to social housing use only and Hartlepool Housing will reimburse the Council's reasonable surveyors and legal fees.
5. Given the Council's commitment to the provision of social housing and the current none availability of alternative Council owned sites it is recommended that Cabinet agrees to a sale on the terms outlined above.
6. The playing fields are not included in the sale. The Open Space Recreation and Landscaping SPD indicates that there is an additional requirement for amenity open space/play space/ sport provision in this locality. Therefore this area is to be developed into a community multi use open space, including an informal kickabout area and play provision, which will help address some of the areas open space needs. Exact details of what is proposed are not as yet known, but plans are to be drawn up for consultation purposes.

## **LEGAL IMPLICATIONS**

7. The Council has a duty under Section 123 of the Local Government Act 1972 to obtain the best consideration for the freehold disposal of land unless the Secretary of State's consent is obtained to sell for less than best consideration. The General Disposal Consent (England) 2003 provides the Secretary of State's consent for disposals for less than best consideration if the local authority considers that the disposal is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the borough or residents or persons present in the borough and the difference between the unrestricted value and the consideration does not exceed £2million. The sale to assist to achieve the Council's desire for the provision of social housing will come within the General Consent and will therefore be lawful.

## **FINANCIAL IMPLICATIONS**

8. The land and Property Manager considers that the school buildings site has an unrestricted development value of approximately £350,000 in its current condition. A sale on the terms as detailed in this report will result potentially forgoing the majority of this sum.
9. As the designs for the playing field site are still to be drawn up and have not gone to consultation, it is not yet known the full funding implications to realise the project in full. However, the funds required to bring forward a possible first phase of improvements would be met from a secured section 106 contribution from the Harpers Garden Centre development site and provisional play builder funding, subject to satisfactory consultation and the first phase being realised prior to the end of March 2011.

## **RISK ANALYSIS – BROAD LEVEL**

10. There are no significant risks associated with the sale as proposed.

## **COMMUNITY STRATEGY IMPLICATIONS**

11. The proposal is in accordance with the Key Objective of Making the Most of our Community within the Community Plan.

## **CONSULTATION INCLUDING WARD COUNCILLORS**

12. The general public, adjoining residents and local ward members have all been consulted as part of the comprehensive pre-application process. A public exhibition was held on Tuesday 10 November at Kiora Hall, Ragworth Lane, Roseworth. The proposed housing developments were displayed with representatives from Hartlepool Housing, Frank Haslam Milan and Blake Hopkinson Architecture in attendance. The exhibition was well attended with 29 residents registering their attendance at the event.
13. In addition to the above, meetings have been held between representatives from Housing Hartlepool, the Councils housing service and both Roseworth Council Members.
14. Support has also been given in principle to the proposed open space improvements, subject to wider consultation from relevant Ward Councillors.

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**Corporate Director of Resources**

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