Report to Cabinet Item

14 October 2020

Report of Head of city development services

**Subject** Managing Assets (Housing)

#### **KEY DECISION**

# **Purpose**

To consider the disposal of the land detailed in this report.

#### Recommendation

To approve the disposal of land identified in the exempt appendix to this report to support the development of six affordable homes under the Local Government Act 1972: General Disposal Consent 2003.

# Corporate and service priorities

The report helps to meet the corporate priority Great neighbourhoods, housing and environment

# **Financial implications**

The financial implications are detailed in the exempt appendix to this report.

Ward/s: Lakenham

Cabinet member: Councillor Harris - Deputy leader and social housing

Councillor Maguire – Safe and Sustainable City Environment

#### **Contact officers**

Andrew Turnbull Interim housing development manager 01603 989607

Andy Watt Head of city development services 01603 989618

Chris Hancock Housing partnerships officer 01603 989397

#### **Background documents**

None

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# Report

# **Background**

- In August, the Ministry of housing, communities and local government (MHCLG) announced that additional funding was available for rough sleeper funding under their Next Steps Accommodation Programme (NSAP). The government released their prospectus in response to their call to get all rough sleepers accommodated during the initial Covid-19 crisis lock down.
- 2. The overall objectives of NSAP is:
  - Reduce rough sleeping and no return to it providing accommodation to develop a permanent solution to rough sleeping.
  - As Covid-19 continues rough sleepers are kept safe where they can selfisolate
- 3. Proposals were co-designed with our rough sleeper advisor from MHCLG, Broadland HA and Pathways and must have:
  - An assessment of health/care and support needs of all the people we have accommodated during the crisis
  - Focus on all rough sleepers including those people who are long term repeat cases
  - Identified how support services are necessary beyond what is currently in place
- 4. There are two funds available:
  - a. £105m funding for immediate revenue support in 2020-21 (this must be spent in this financial year) and can include:
    - Funding for accommodation to help people self-isolate (including 12 weeks accommodation funding for people with no recourse to public funds)
    - Additional support requirements to help people settle into accommodation
    - Cover additional winter costs for housing rough sleepers
  - b. £161m funding (of an overall pot of £433m available over four years) to purchase the following types of accommodation for rough sleepers:
    - Purchase and repair of properties on the open market
    - Refurbishment and repurposing of existing stock
    - Private sector lease arrangements
    - Development and new build.
- 5. Norwich City Council has submitted bids for both funds.
  - a. For the immediate funding, we have submitted a bid for a total of £217,350 to support the provision of emergency accommodation, access to the private rented sector, funds to spot purchase temporary accommodation, tenancy set-up costs, funds to reconnect rough sleepers with their place of origin and funds to support the provision of indoor 7-day access to food. MHCLG has confirmed that they are minded to award all of this bid subject to final due diligence.

- b. For the second fund, in partnership with Broadland Housing Association, we submitted a bid for £1.222m of capital funding for 2020/21 to provide ten properties purchased off the open market and a further six properties developed as modular construction on land owned by the council. In addition, a bid was made for £281.5k of revenue funding to provide two integrated housing and care navigator (IHCN) posts, hosted by St Martins as part of the Pathways team, to provide support to these properties until 2024 and a further £140.7k for an IHCN to provide floating support to the wider Pathways resettlement team.
- 6. The proposed programme for the second fund is to secure and develop the following:

Bid name	Number of homes	Total capital requested	Total revenue requested to March 2024	Longstop date for completion
Norwich Street Properties	10	£790,000	£175,940	31 March 2021
Norwich Modular Scheme	6	£432,000	£105,562	31 March 2021

7. MHCLG have indicated this week that they are minded to fund the bid for the capital funding of the 16 properties and the 2 IHCN posts associated with these, subject to final due diligence. We are awaiting further decision on the third IHCN post. The timescale for spending the money is very tight with practical completion of any development or acquisition required by the end of March 2021.

#### The Land

- 8. The council has identified land that would be suitable to support the development of six 1-bedroom flats. The details of the land and proposed disposal are included in the exempt appendix to this report.
- 9. BHA have committed to keeping rents low on the properties being built and purchased. Whilst the rents are above the calculated social rent level they are below the 80% of market rents required under the affordable rent regime.
- 10. BHA will need to seek planning permission for the site so the disposal will be subject to planning approval.
- 11. In order to achieve the practical completion of the new dwellings by the March 2021 deadline BHA will be adopting a modular construction solution. This also offers the council learning possibilities on adopting this method ourselves for future projects.

12. Should the timescale not be achieved, the council as an alternative option, would look to utilise the funding for BHA to purchase an additional six dwellings in this financial year and look to bid for new-build in the future years of the Next Steps funding rounds.

#### Recommendation

13. Cabinet is recommended to approve the disposal of the land detailed in this report under the Local Government Act 1972: General Disposal Consent 2003 at nil value to Broadland Housing Association, subject to planning approval, to support the development of 6 new affordable dwellings

# **Integrated impact assessment**



The IIA should assess the impact of the recommendation being made by the report

Detailed guidance to help with the completion of the assessment can be found here. Delete this row after completion

Report author to complete	
Committee:	Cabinet
Committee date:	14 October 2020
Director / Head of service	Andy Watt, Head of City Development Services
Report subject:	Managing Assets (Housing)
Date assessed:	1 October 2020.

		Impact		
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)		$\boxtimes$		As amenity land the land currently generates no income. The land in question would be a liability in terms of grounds maintenance.
Other departments and services e.g. office facilities, customer contact				
ICT services				
Economic development				This project will provide employment opportunities, opportunities for local contractors and businesses and will generate local spending for the benefit of the wider economy. Providing more housing is important in supporting sustainable economic growth and prosperity.
Financial inclusion				Providing additional affordable housing will advance financial inclusion by helping to improve housing affordability for homeless residents.
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults				Building more affordable homes to meet needs will help provide accommodation for vulnerable adults who may otherwise be rough sleeping.
S17 crime and disorder act 1998	$\boxtimes$			
Human Rights Act 1998				

		Impact		
Health and well being				The provision of sufficient and decent quality housing is essential to ensuring decent levels of health and well-being. Floating support will also be provided to tenants to assist with their health and well-being and assisting with independent living.
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	$\boxtimes$			
Eliminating discrimination & harassment				
Advancing equality of opportunity				
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation				
Natural and built environment		$\boxtimes$		The proposal will be developed utilising modern methods of construction and enhance the built environment of this land.
Waste minimisation & resource use		$\boxtimes$		Modern methods of construction are shown to minimise waste and resources compared to traditional construction.
Pollution				
Sustainable procurement				

		Impact		
Energy and climate change				
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management				Disposal of this land for affordable housing delivery will minimise future liabilities relating to maintenance.
Recommendations from impact ass	essment			
Positive				
	of resider	nts. There w	ill also be ed	to help address homelessness and rough sleeping has a positive conomic benefits for contractors working on the development. The use council assets.
Negative				
Neutral				
Issues				