

**Report to** Cabinet  
12 December 2012  
**Report of** Head of city development services  
**Subject** Provision of social housing at Riley Close

**Item**

12

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## **Purpose**

To seek approval to include in the 2013/14 housing capital programme and plan, to be considered by Council in February 2013, financial provision for the construction of council houses on land at Riley Close (subject to planning consent).

## **Recommendation**

Cabinet is recommended to:

1. Agree to the construction of 3 new council dwellings on land at Riley Close subject to planning consent; and
2. support the inclusion of £390,000 in the 2013/14 housing capital plan and programme to be approved by council.

## **Corporate and service priorities**

The report helps to meet the corporate priority “Decent housing for all” and the service plan priority to bring forward new build housing development for the council.

## **Financial implications**

1. The design and construction of 3 new council dwellings will require a total budget provision of approximately £390,000 from 2013/14 housing capital budget.
2. There is an existing budget of £200,000 for the site formation of new build council homes some of which will be utilised to progress this site.

**Ward/s:** Crome

**Cabinet member:** Councillor McDonald – Housing

**Contact officers**

Andrew Turnbull

01603 212778

Paul Swanborough

01603 212388

**Background documents**

None

# Report

## Background

1. The recent Housing Revenue Account (HRA) refinancing gives the council 'headroom' to consider funding the construction of new council houses. On 14 November 2012 cabinet approved a new housing investment strategy with the following additional priorities in light of this headroom:
  - a) Providing new council housing;
  - b) Reconfiguring the sheltered housing stock;
  - c) Estate renewal;
  - d) Renewable energy solutions; and
  - e) Investment in private sector housing.

Following this Council, at their meeting on the 27<sup>th</sup> November, agreed to allocate resources to enable council housing to be provided on phase 1 of Bowthorpe Threescore development and at Pointers Field.

## Proposal

2. The next site being proposed for development is a garage site situated at the end of Riley Close. The site is 0.074 hectares in size.
3. The site is adjacent to the recent development of 25 new affordable dwellings on the former Canary Public House site on the Heartsease estate. The site has been subject to initial consultation with planning officers who have shown support for the redevelopment of the site for 3 houses. Officers would consult with ward councillors, local residents and garage tenants, prior to progressing the site further.
4. This is a tight constrained site, however it is anticipated that it would support the development of 3 new dwellings, two 2-bedroom houses and one 3-bedroom house that would be new council social rented dwellings. Due to a lack of internal capacity it is proposed to procure a development agent to act on behalf of the council to secure delivery of this project.
5. It is anticipated that in total the required council budget for this project will be in the region of £390,000.
6. The costs relating to the construction of the new council housing can be funded through the use of RTB receipts (up to 30%), HRA borrowing against the rents from the new dwellings, receipts from the disposal of assets uneconomic to maintain or from a combination of these and additional HRA headroom.
7. As this proposal lies outside the existing capital plan and it is proposed to commence work to develop it during the current financial year. However it will be necessary for full council to approve the progression of this project as part of the annual budget setting process. The construction cost will be included in next years housing capital plan and programme.

8. Cabinet are asked to agree that development of land at Riley Close is progressed in this financial year with a view to constructing 3 new council houses, subject to planning consent and to note that the inclusion of £390,000 will be required in the 2013/14 housing capital plan and programme to be approved by council in February 2013.

## Integrated impact assessment



**NORWICH**  
City Council

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

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	12 December 2012
<b>Head of service:</b>	Andy Watt
<b>Report subject:</b>	Provision of social housing at Riley Close
<b>Date assessed:</b>	15 November 2012
<b>Description:</b>	To agree to the construction of 3 new council dwellings on land at Riley Close subject to planning consent; and to note that the inclusion of £390,000 will be required in the 2013/14 housing capital plan and programme to be approved by council.

	Impact			
<b>Economic</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Finance (value for money)</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Provision of more council homes will improve overall affordability of the housing stock. This represents a prudent use of financial resources to meet corporate priorities
<b>Other departments and services</b> e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>ICT services</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Economic development</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.
<b>Financial inclusion</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Providing additional social rented housing will advance financial inclusion by helping to improve housing affordability
<b>Social</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Safeguarding children and adults</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Building more council homes to meet changing needs will help provide accommodation for vulnerable adults and children.

	Impact			
<b><u>S17 crime and disorder act 1998</u></b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Human Rights Act 1998</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Health and well being</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The provision of sufficient and decent quality housing is essential to ensuring decent levels of health and well being
<b>Equality and diversity (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Relations between groups (cohesion)</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Eliminating discrimination &amp; harassment</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Advancing equality of opportunity</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Environmental (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Transportation</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Natural and built environment</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Waste minimisation &amp; resource use</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Pollution</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The new council homes will be designed to a higher standard of environmental standards than building regulations require.
<b>(Please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The new homes will be subject to the Right to Buy which represents a risk to the council.

### Recommendations from impact assessment

#### Positive

Overall the project will provide more council homes which will improve overall affordability of the housing stock. The investment priorities represent a prudent use of financial resources to meet corporate priorities and will provide local employment opportunities.

#### Negative

The right to buy is a risk that could be mitigated through the council considering the setting up of a special purpose vehicle.

#### Neutral



<b>Issues</b>