

BABERGH DISTRICT COUNCIL

FROM: **The Housing Panel**

REPORT NUMBER

E135

TO: **STRATEGY COMMITTEE**

DATE OF MEETING 15 September 2005

REDEVELOPMENT OF CLIBBON HOUSE, GREAT CORNARD

1. **SUMMARY**

The Housing Panel's report (Paper E11 - Review of the Council's Sheltered Housing Service) was approved at the Council meeting on 7th June 2005. The report detailed plans for the future of the Council's 15 Sheltered Housing Schemes.

One of the Housing Panel's key recommendations was that a feasibility study should be undertaken into the improvement or redevelopment options for the Council's sheltered housing scheme at Clibbon House, Great Cornard, and that a report be prepared for Strategy Committee to determine the best option in September 2005.

This report details the results of the feasibility study and the reasons for the recommendation below. A plan of the site is included as Appendix 1 to this report.

2. **RECOMMENDATION**

That the Clibbon House site be transferred to Flagship Housing Group at nil cost, on the following conditions:-

- a) Flagship Housing Group arrange for the demolition and redevelopment of the site to provide approximately 20 new affordable homes
- b) That an agreement for Babergh to have nomination rights to all vacancies in perpetuity is entered into
- c) That a local group be established, which will determine the tenure type, density and property mix of the new dwellings, as detailed in Para. 5.23 of this report.

The Committee are able to resolve this matter.

3. **KEY INFORMATION**

The Site

- 3.1 Clibbon House is a two storey, long, thin building providing 14 flats with a large area of land at the rear. This scheme, in terms of difficulties in letting, is the most unpopular sheltered scheme in the council's stock.
- 3.2 It was built in line with a now very outdated concept of 'warden controlled flats', and has poor design and space standards. It also has an 'institutional feel' with long corridors and very small flats.

3.3 The scheme currently consists of:

- 14 one bedroom sheltered flats
- A communal kitchen
- A common room
- A laundry room
- A Scheme Manager's 2-bed bungalow
- Office space
- A lift
- Grassed/open areas

3.4 Some improvements have been made over the years:

- The flats now have their own showers (the original shared facilities used to be a very unpopular feature of the scheme)
- Two very small bed sits have been removed

Demand

3.5 Despite these improvement works there is still a continuous (and significant) lack of local demand, particularly from older people, for this scheme. There is often nobody on the Housing Register wanting to move there. This means the majority of relets are made to people from outside the Babergh District moving into the area, many of whom later apply for transfer to the Council's more popular housing

3.6 We have, on occasion, advertised vacancies at Clibbon House in the local press in an attempt to let the units when there is no one on the waiting list. We have also contacted other councils in the hope of finding applicants living outside the Babergh area interested in a move.

3.7 One way or another we have always managed to find someone, and have managed to avoid long-term empty units, which a growing number of councils have with their sheltered stock. By taking action now we can avoid such a situation from occurring here. If no changes are made to the present situation the decline will continue with the scheme becoming even less desirable as time goes by.

4. OPTIONS CONSIDERED

The Panel considered the following options:

- (a) Do nothing
- (b) Minor refurbishment
- (c) Major refurbishment and retention as a 'sheltered unit'. Improvement works would include:
 - Improvements to garden areas
 - Provision of a conservatory
 - Improved levels of insulation
 - A new heating system
 - Upgrading of communal areas
 - New kitchens and bathroom

- (d) Convert the existing block into 13 two-bedroom flats for single people and couples, and a 2-bed bungalow, thus providing 14 units in total with no communal facilities, and build 5 new bungalows in the rear garden area
- (e) Convert the existing block into a terrace of 7 three-bedroom houses for families, and build 5 new bungalows in the grounds.
- (f) Demolish the sheltered block entirely and redevelop the site.

5. EVALUATION OF OPTIONS

5.1 The Panel considered all the above options and came to the following initial conclusions on the first three:

Option (a) - `do nothing`

The Panel felt that this should be discounted because it did not address any of the problems highlighted in para's 3.1 to 3.7 above.

Option (b) – minor refurbishment

This option was discounted for the same reason

Option (c) – major refurbishment and retention as a sheltered unit

The Panel felt that, while a major improvement of this nature could be implemented it would not significantly affect the desirability of the scheme, and thus not provide value for money. More importantly however, it would not provide the kind of accommodation that is most wanted. It is considered that the other sheltered scheme in Great Cornard (the bungalows at Clover Court) is sufficient to meet the sheltered housing needs of the parish. There is also scope to increase the number of bungalows at Clover Court if demand increased

5.2 Options (d), (e) and (f) were considered to be of greater merit. Although costs were substantial they included the erection of new properties. They would each therefore involve a partnership arrangement with a Registered Social Landlord (RSL) to fund these new properties.

Option (d)

Divide the existing block into two blocks of two bedroom flats (for single people and childless couples) and a 2-bed bungalow, thus providing 14 units in total, and build 5 new bungalows in the rear garden area, at an estimated cost of £1.05M (plus fees).

This scheme provides 13 two-bedroom flats with four separate entrances. It requires the removal of the existing common room, communal kitchen areas, long corridors and the warden call system. It also involves converting the existing single-storey accommodation into a 2-bed bungalow adapted for a disabled person. Five bungalows would be constructed in the existing rear garden area and 16 car parking spaces for the development would also be provided.

The Council would need to find £760,000 to fund the conversion works and dispose of the land at the rear of the scheme to a RSL at nil cost. The new bungalows would cost £290,000, which would be funded by a combination of Social Housing Grant from the Housing Corporation and private funding secured by the RSL.

Features in the design of this option would include:

- High levels of insulation for warmth and sound
- High levels of security features e.g. door entrance controls
- External drying facility
- Hard wired smoke alarms
- Individual heating and power sources for each flat
- Change from communal water metering system to individual flat metering

Option (e)

Convert the existing block into a terrace of three bedroom houses for families and a 2-bed bungalow, thus providing 7 new units, and build 5 new bungalows in the grounds at an estimated cost of £800,000 (plus fees).

This scheme turns the flats into a terrace of 6 three-bedroom, two-storey houses each with their own front door, front garden and small rear courtyard. It also involves converting the existing single-storey accommodation into a 2-bed bungalow adapted for a disabled person. Five bungalows would also be constructed in the existing rear garden area and 15 car parking spaces for the development would also be provided.

This option provides the accommodation mix that is most urgently required in the area. However, the number of properties provided is low and the cost per unit is high.

The Council would need to find £515,000 to fund the conversion works and dispose of the land at the rear of the scheme to a RSL at nil cost. The new bungalows would cost £290,000, which would be funded by a combination of Social Housing Grant from the Housing Corporation and private funding secured by the RSL.

Option (f)

Demolish the existing buildings and completely redevelop the site to provide up to 20 new homes at an estimated cost of £1,290,000 (plus fees).

The Clibbon House site occupies a large area of land. It is possible to provide, through a completely new development, up to 20 new units in the same area. Planning and other considerations would obviously determine the final dwelling mix, but the intention would be to provide the highest density possible with a mix of tenure and property types.

By way of illustration of what is feasible, the following example of a mixed development is provided for Members guidance:

- 2 one-bedroom flats
- 4 two-bedroom flats
- 5 two-bedroom bungalows
- 1 three-bedroom bungalow

- 4 two-bedroom houses
- 2 three-bedroom houses

One of our key Registered Social Landlord partners, Flagship Housing Group, is currently working on the redevelopment project at Poplar Road shops, which adjoins the Clibbon House site. This option for the Clibbon House site could therefore link with the adjacent Poplar Road shopping area regeneration scheme providing financial and administrative benefits from cross subsidy opportunities, joint commissioning and economies of scale.

With these advantages in mind the Housing Panel recommend that the potential for transferring the site to the Flagship Housing Group be pursued on the understanding that they would meet all site clearance costs including demolition. In addition they would be asked for 100% nomination rights in perpetuity. It is council policy to transfer council owned land in these circumstances at discount or nil cost as our contribution towards the scheme; and in this case the success of the project requires transfer at nil cost.

It is proposed therefore that the local group set up by the Council to develop the Poplar Road project (the Poplar Road Regeneration Group) be asked to undertake the Clibbon House regeneration scheme as well. Its main task will be to oversee the project and to advise on the dwelling mix, tenure and density issues for the new site and ensure that the full potential developmental advantages flowing from linking the two adjoining housing schemes are achieved. The new Group is to be named the North Cornard Regeneration Group to reflect its` wider remit and should be comprised of all the key players in the project with a Ward Member as its` Chair. It is proposed that the Group refers all its recommendations to the Housing Panel for ratification.

The demolition and redevelopment option as shown in the example above, would cost in the region of £1,29M and would be funded by a combination of Social Housing Grant from the Housing Corporation and private funding secured by the RSL. This option will only cost the Council the asset value of the site.

6. **THE SELECTED OPTION**

- 6.1 It is recommended that Option (f) be selected for the following reasons.
- 6.2 Options (a), (b) and (c) have already been discounted.
- 6.3 The costs of conversion required by options (d) and (e) i.e. £760,000 and £515,000 respectively, would fall on the Housing Revenue Account (HRA). This would have serious budget implications for the HRA Business Plan, which is currently on target to deliver the `Decent Homes` standard by 2009 and the `Babergh Standard` by 2015. In order to accommodate either of these options substantial contributions will be necessary from the HRA and it would be necessary to delay other major work programmes or major improvement schemes.
- 6.4 The demolition and redevelopment option (f) is the most favourable because:
 - a) It provides the Council with the greatest number of affordable homes in an area of great housing need at the least cost to the Council of all the options.
 - b) The Council has already been successful in working with RSLs to deliver the required investment with other problem properties in our housing stock e.g. the Airey houses, the blockbuilt bungalows, Uplands Way bungalows and the Poplar Road shops/flats. This is a tried and tested solution and one that we know delivers results.

- c) The use of a local group to drive the regeneration process forward is a technique we used in the Beacon award winning neighbourhood renewal scheme on the Anglia Estate and is a format that the Panel recommends is continued for this project.
- d) Consultation by the Housing Panel with the scheme residents (and, in some cases, their families) has been conducted on a one to one basis as well as by way of open meetings at the scheme. There is a general acceptance that something has to change at the scheme. Vacancies arising have not been filled this year pending the outcome of Council's deliberations for the site.
- e) All the tenants at Clibbon House have registered their transfer requirements. This means we are aware of what and where they are prepared to move. All these moves are feasible within a reasonable time scale. Tenants moving because of redevelopment will be entitled to Home Loss and Disturbance payments of up to £2000 each and these sums will be included in the scheme costs.

7. **CONCLUSION**

- 7.1 Having given due consideration to the remaining options the Panel considers that Option (f) is the most favourable for the Council.
- 7.2 It has been a difficult decision, but the opportunity for a completely new development, with a mix of properties appropriate to existing demand, and which is funded by an RSL, should not be missed.
- 7.3 The Panel also considers that the Flagship Housing Group, who are already developing the adjacent Poplar Road project, should be appointed as Babergh's partner RSL in this project, as there could be further economies available.
- 7.4 The Panel considers that this is an innovative solution to the problems at Clibbon House, and goes a long way towards ensuring that the long-term housing needs of the area will be met.

APPENDICES

- 1. Plan of Clibbon House and the surrounding site.

The Housing Panel

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APPENDIX ONE

**Plan of Clibbon House and the surrounding site
to be transferred to Flagship Housing Group**