

**Housing, Major Projects & Delivering Sustainable
Economic Growth**

15th November 2011

**Prepared by the Development and Major Projects Strategic Director - John Betty
Housing Services Update – Graham Sabourn**

Contents

	Sustainable Development Overview	3
Part 1	Housing	4
1.1	Housing Delivery	5
1.2	Housing Services Update: Graham Sabourn	12
Part 2	Major Projects & Development	15
2.1	Development & Regeneration	16
2.2	Council Direct Projects	19

Sustainable Development Overview

- The most significant work currently being undertaken is the work entitled Planning, Delivery Financing the Future programme. This is being carried out to establish the impact of development upon viability and corporate financing.
- The Directorate is focused on delivering Sustainable Economic Growth as set out in the Economic Strategy of April 2010 and the Smart Economic Growth Cabinet paper of November 2010.
- Joint corporate working is now progressing on this agenda. Grant Thornton have been appointed and a Delivering the future, Financing the Future Steering Group and Project Team meetings are taking place 21st October 2011 with BELG members.
- The delivery of this is manifested through Business development and support, Regeneration and Development projects, Housing Delivery and the continued delivery of Capital projects.
- This work is set against a background of significant Government changes to funding and support, continuing macro-economic challenges and increasing pressure on housing.
- The ability of the Council to deliver its priorities and aspirations in this area will depend on the alignment of policies in Planning, Transport and the ability of the Council to influence and encourage growth and development through its asset base and influence.
- The Directorate is responsible for providing a co-ordinated and integrated approach to the provision of Housing, Jobs, Business growth and Economic activity.
- There are significant challenges ahead in bringing forward development but there are also major opportunities through our Enterprise Area -Bath City Riverside, Bath Western Riverside, Bath Quays South and Manvers Street. Also Norton Radstock Regeneration, MOD Sites, Keynsham, Somerdale and Temple Street. All of which could and should have significant ability to help the economic growth, development agenda and Housing delivery.
- The Directorate is currently reviewing its capacity and organisation in order to respond to this agenda.
- The requirement to ensure that the agenda is rooted in the Administrations requirement to ensure local engagement.

Part 1. Housing

1.1 Housing Delivery

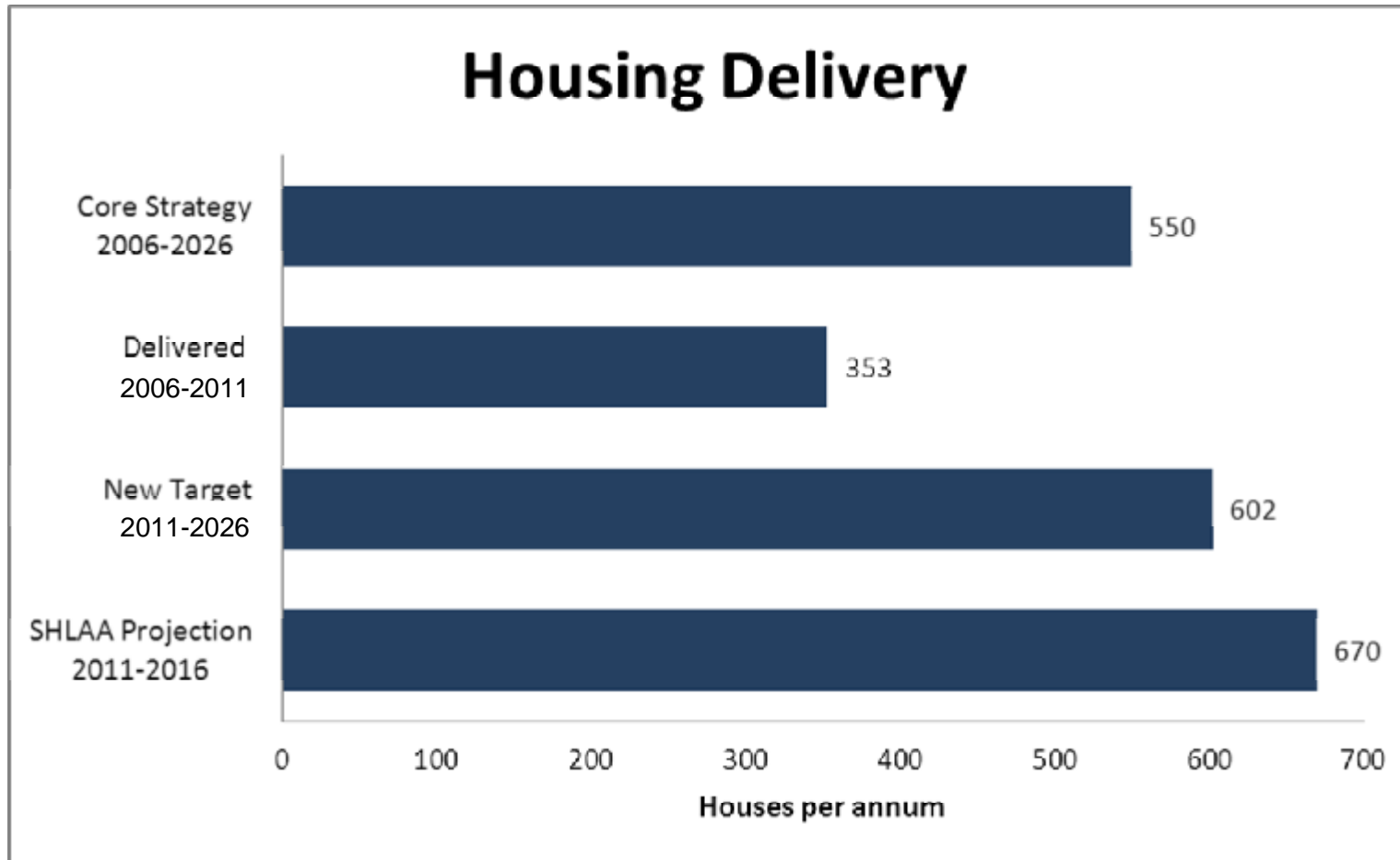
- **Commitment**
 - The Council has published a Core Strategy which seeks to provide 11,000 new homes in B&NES by 2026. This will require a step change in annual delivery rates over the plan period from 393per annum (2006-2011) to achieve the required average of 550pa. (Core Strategy Target 2006-2026)
 - The Core Strategy will be subject to an Examination in Public in January 2012, including the proposed Housing numbers and delivery locations.
 - Given the scope of the changes and demands of this the Strategic Director for Development & Major Projects has been given the corporate responsibility for developing a Council-Wide action plan to ensure a corporate co-ordinated approach to the delivery of housing, including affordable housing.
 - A brief review of the current arrangements within the council has been commissioned by SDG. The report will cover the capabilities and effectiveness of the organisation and the capacity currently in place and will recommend actions necessary to ensure that there is a co-ordinated approach across the council and accountable to the Strategic Director of Development and Major Projects.
 - The report will address:
 - § an assessment of current governance structures and future needs
 - § priorities for action against Council corporate objectives
 - § targets, reporting and accountabilities
 - § skills/capacity/gap analysis
 - § Current management reporting arrangements.

- **Delivery update and targets**

- Based on demographic, migration, household and housing market indicators the Bath and North East Somerset future housing growth requirements study concluded that in order for housing supply to absorb demographic change and support economic and employment growth potential it would need to increase by 12,000 dwellings to 2026. The Core Strategy plans for 11,000 homes as 12,000 presents unacceptable environmental and Green Belt impacts.
- Between 2006 and 2011 1967 homes (an annual average of 393 homes were built. This leaves 9,033 homes to be delivered over the next 15 years at an annual average of 602 per annum. This results in a requirement for the next 5 years of 3011
- The Strategic Housing Land Availability Assessment considers that 3,346 homes could reasonably be expected to come forward between 2011/12 and 2015/16.
- The Council's policy is to focus on brownfield land in delivering these targets in order to protect the quality of life for residents in Bath and North East Somerset.
- Sufficient brownfield land has been identified to achieve these targets. However there remain some challenges in delivery:
 - § Working with the MOD and other partners to bring forward sites vacated in Bath
 - § Ensuring infrastructure is in place to allow development in Bath City Centre sites (including Bath Western Riverside)
 - § High land values in Bath and Keynsham in particular
 - § Influencing other land owners to ensure disposal of other key sites (e.g. Somerdale in Keynsham and Polestar in Poulton)
 - § Reluctance of some developers to build, given the on-going uncertainty about house prices and availability of credit.

- **Affordable Housing Delivery**

- **Previous delivery 2006-2011** (5yrs) **632 (Average pa = 126)**
- **Target delivery 2011-2015** (4yrs) **610 (Average pa = 153)**
- **Position to date 2011/12** 2nd quarter **95 (On track)**



Major sites coming forward (e.g. BWR, MoD, Keynsham) will assist delivery

West of England Housing Delivery Panel (HDP)

- Following an Official Journal of the European Community (OJEC) compliant tender process, initiated in 2010, we have recently signed up to a four year framework of selected housing providers which aims to:
 - § Help increase jobs and new homes;
 - § Develop better engagement and collaboration;
 - § Improve quality and innovation;
 - § Maximise investment and delivery;
 - § As an OJEU compliant framework assist “state aid” requirements.
- This framework agreement replaces the former “HomesWest Partnership” which comprised of: Sovereign; Aster; Knightstone and Somer and which officially ended on 30 September 2011;
- On 23rd September 2011 a mobilisation event was held prior to the effective commencement date for the panel of 1st October 2011
- An official publicity launch will held for the panel on 18th November 2011 – to date there are 19 organisations that have contracted (possible max 22 organisations).
- Launch will have key speakers including Neil Gibson - Oxford Economics, David Warburton - HCA, James Gibson - Sovereign Housing Group.

Homes & Communities Agency Investment Framework 2011-15

- We now know that 17 investment partners (Registered Providers) have received allocations within the South and South West Region
- Individual contracts are currently being finalised – published details are pending.

- **Positive Key issues in relation to Housing:**

- **BWR** - Phase 1 underway. 60 homes expected in 2011/12. Remaining 240 between 2012/13 and 2014/15. 'Strategic Housing Land Availability Assessment' (SHLAA) expects phase 2 to begin to deliver from 2015/16.
- **Somer Schemes in Bath** – progressing well and in line with SHLAA trajectory.
- **MOD** – MOD proposing to dispose of sites by March 2013. SHLAA forecasts first completions from 2016/17 (i.e. nothing within the next 5 years). Significant planning policy and development management stages to be progressed in advance of redevelopment of sites. Dialogue established with MoD and HCA. Concept Statements being prepared by BANES to inform sale/ value of the sites.
- **South West Keynsham (K2)** - Planning permission for 285 homes granted at appeal. Decision received July 22 2011. Essential to SHLAA housing delivery trajectory that the Council now progresses its part of the site and that it begins to deliver within the next couple of years.
- **Somerdale** – Sale of site progressing. Scope for development towards end of current 5 year period.
- **NRR** – Linden Homes intent on progressing redevelopment after road works have been implemented. Extension to Planning consent currently pending.
- **Polestar Phase 1** – Major elements delivered but development of final quadrant of site (c.30 flats) has been delayed.

- **The effect of Government Policy on viability to deliver**
 - **Community Infrastructure Levy (CIL)**
 - Consultants have been appointed to prepare the key evidence ‘viability assessment’ to set the CIL charging schedule. The draft report is due in early November followed by the final report in December.
 - There are a number of informal engagements scheduled as part of the viability assessment process. We had a developers’ workshop on 17th October to ensure that the viability assessment reflects the conditions with B&NES and seek their views on the methodology and assumptions behind the viability work. A briefing session with statutory providers is also scheduled on 2nd November.
 - We also started to scope the review of the Planning Obligations Supplementary Planning Document and the framework to produce our Regulation 123 lists. The Regulation 123 lists the Infrastructure that CIL funding will pay for.

Commence	July 2011
Public consultation on Preliminary Draft Charging Schedule	March-April 2012
Public consultation on Draft Charging Schedule	September 2012
Submission	December 2012
Hearings	March 2013
Adoption	September 2013

- **New Homes Bonus (NHB)**

- § The Government has put in place the New Homes Bonus. This is a new scheme which provides a financial incentive to Local Authorities for every home built and an additional bonus for affordable homes built. Bath and North East Somerset received £611,349 in its first allocation.

- **Grant Applications - Regional Growth Fund (RGF)**

- § In 2010 the Government launched the Regional Growth Fund. This is a £1.4 billion fund over three years to create private sector jobs, particularly in areas with a high reliance on public sector employment. Bath and North East Somerset has strongly supported a bid to round 2, worth £4 million from the University of Bath to develop a Tech Hub for Bath, building on the areas existing strengths in digital and media sectors. In round 2 nationally 492 bids were received with a combined value of £3.3bill. The outcome of the applications will be announced in the Autumn.

1.2. Housing Services Update: Graham Sabourn

Home Improvement Agency Re-commission (HIA)

- Bath & North East Somerset, Bristol, North Somerset & South Gloucestershire are undertaking the joint commissioning of a single Home Improvement Agency for the sub-region.
- HIAs help vulnerable people live independently by providing housing related support, such as minor repairs, handy person services, adaptations and advice. The core customer groups for HIAs are disabled, elderly and otherwise vulnerable households across all tenures, although the focus is on owner occupiers. The service is means tested: provided free to those on benefits, with a modest charge levied for those who can pay. HIAs also provide services through self-funding options to non-vulnerable households.
- The lead commissioners organised a workshop with Foundations, the Government appointed advisors on HIAs, to investigate whether the business case supported this partnership approach. This highlighted the following potential benefits for commissioners and users of the service:
 - Financial Benefits:
 - § Savings in procurement costs. With an increasing complex and hostile procurement environment these costs are increasing. By working together we can, and do, make significant savings.
 - § Economies of scale in the commissioned service associated with the reduction in back room duplication, particularly around governance, management, IT and other professional support costs.
 - § Reduced contract management costs, through less duplication by the contract and field officers of the 4 authorities.
 - Non-Financial Benefits:
 - § A larger contract value is likely to interest more potential providers, thus generating greater competition. The increase in bidders would also improve the sustainability of the sector reducing the likelihood of only a single or even no bidders for a single authority commission.
 - § A larger contract value would provide the economies of scale to develop services which may prove unviable for a single authority.

- § It is more effective for a single provider to market themselves across the sub-region, particularly given that referrers, such as client's children & siblings may live out of district though within the sub-regional.
- The successful provider will be expected to offer authorities a range of services including:
 - § information and advice, particularly around housing options for older people;
 - § casework, advocacy and support;
 - § home safety assessments;
 - § hospital discharge and re-ablement services;
 - § independent living centre services, including product and equipment testing;
 - § independent living centre assessment facilities;
 - § co-ordination and technical support for repairs, maintenance, adaptations and improvements; and
 - § Handy person repairs, maintenance and security improvements.
- Each local authority will identify at the outset the particular services that it wishes to buy throughout the contract. The contract will work flexibly to allow local authorities to take up un-purchased services in future.
- A twelve week consultation period will be undertaken from the beginning of October in accordance with local authority compacts. This will include public availability of the commissioning strategy and equality impact assessment, the opportunity to feedback through an online survey, local stakeholder drop in events and a single market providers' day. The consultation feedback will be used to draw up the tender specification. The tender will then be advertised at the beginning of February with a contract award anticipated in by mid-June 2012.

Home Energy Efficiency

- Joint working between Housing Services and the Public Health Team at NHS BANES resulted in the Council's Warm Streets home energy efficiency scheme being promoted with this year's Flu Jab mail out to over 36,000 residents over 60 years of age. At the time of writing this had resulted in 822 referrals for loft or cavity wall insulation. This may increase further in the weeks ahead. Past experience would suggest that this is likely to result in at least half as many actual installed after a follow up survey

by the contractor. Improving the energy efficiency of these homes has the potential to provide vulnerable residents the triple benefit of:

- § Better health through warmer homes
 - § Lower fuel bills
 - § Lower carbon emissions to help reduce climate change
- To ensure that these most vulnerable residents are able to receive the maximum impact from this scheme Housing Services are providing "top-up" funding where the Government sponsored schemes fail to pay the full costs. The likely cost will be in the region of £50,000, funded through the Housing Renewal budget. Central Government funding of Housing Renewal was cut from 1st April 2011. Subsequently, locally a proportion of the lost funding was replaced through Housing Services efficiency savings and use of new Department of Health funding for social care, including services that facilitate early hospital discharge, keep people out of hospital and support people to remain in their own homes.

Access to Housing Advice & Options

- Housing Services are now able to provide clients with daily appointments to provide a full housing advice and options interview over the phone. Users receive a return call from the adviser at an agreed time, and advice given will be backed up with written information. The new appointments ensure that people in isolated and rural locations are not excluded from the service, and reduce the need to travel. This is in addition to the housing advice and options services operated from the Guildhall, The Hollies and Keynsham Town Council Offices.

Part 2.

Major Projects & Development

2.1 Development & Regeneration

- **Somerdale**
 - Kraft continue to analyse the bids for the Somerdale site - a decision as to their preferred developer has not yet been made. An announcement is imminent.

- **Planning, Delivering & Financing the Future**
 - The Council has commissioned the “Planning Delivering & Financing the Future” (PDaFF)project to gain a better understanding of the issues and constraints surrounding the delivery of development sites linked to a financial model which will assess the impact on the Council’s income and expenditure streams over time.
 - The project is a response to the new and emerging income streams available to local authorities such as New Homes Bonus (NHB), Tax Increment Finance (TIF), Community Infrastructure Levy (CIL) and the potential for retention of Business Rates which are linked to the delivery of housing and employment growth
 - The PDaFF project will initially consist of a pilot study to develop a delivery and funding model based on the Bath City Riverside “City of Ideas” Enterprise Area. It is intended to complete the pilot study by the ends of December.

- **Bath City Riverside - City of Ideas Enterprise Area**
 - Earlier in the year, the West of England Local Enterprise Partnership (LEP) determined that Bristol Temple Quarter would be given a new designation as an Enterprise Zone. The LEP also agreed the establishment of 4 Enterprise Areas within the West of England. One of these is Bath City Riverside. This designation means that the area will be one of the first to benefit from some of the financial gains from business rate retention accrued from the Bristol Temple Quarter Enterprise Zone. A MoU between the Local Authorities is currently being prepared to articulate exactly how this will work.
 - Bath City Riverside is being used as a pilot project for the Planning Delivering & Financing the Future initiative to test the potential for rolling out the project across the whole of B&NES
 - Work has started to articulate the scope of the Bath City Riverside Enterprise Area. Key activities have been:
 - § A study has been commissioned to identify options for the delivery of up-stream flood storage as part of a Strategic Flood Risk Management Strategy for the river corridor in Bath

- § Work will begin on a Competitive Identity project with key members of the local business community to better promote the area as a business location. In addition the Council is about to award a contract to re-design the business facing website so that it promotes the district more effectively to businesses
- § Within the Enterprise Area Bath Western Riverside phase 1 will deliver climate change adaptation through flood alleviation measures, sustainable transport routes and a district heat grid ready to use when the first homes are occupied in January 2012

- **London Road:**

- Following extensive recent local consultation on the issues and potential solutions for addressing problems in the London Road area, Council officers are now considering the activities which could form a Regeneration Action Plan, and the funding which is available / which may be necessary to take such activities forward.
- The Council owns the freehold of three buildings in the area – numbers 2, 3, and 4 Long Acre, which have the potential to contribute towards the wider regeneration of the vicinity.
- During July and August the Council invited Expressions of Interest from community groups and from the open market for numbers 3 and 4 Long Acre. Resources have been identified to develop an overall plan for the area, including initial ideas for the Long Acre properties.

- **MOD SITES:**

- The MOD have confirmed that, following the transfer of 1,700 – 2,000 staff currently base in Bath to Abbey Wood in South Gloucestershire they will dispose of their three sites in Bath by March 2013. This will cover 33ha of land in total at Foxhill, Warminster Road and Ensleigh
- The MOD, in conjunction with the Council and the HCA, are preparing a Project Delivery Plan (PDP) which will cover :
 - § Preparation and adoption of Concept Statements for each of the MOD sites
 - § The marketing and disposal of the MOD sites
 - § The relocation programme & procedures for Bath based MOD staff
- The PDP will be finalised and monitored through the Strategic Working Group between the MOD, Council and HCA. The Council is leading on the preparation of Concept Statements, which will include community consultation, with the intention of seeking their adoption by Council in May 2012

- **Midsomer Norton:**
 - Cllr Beath and John Betty met with Midsomer Norton Town Council to discuss future ways of working and are currently considering proposals to set up the Midsomer Norton Development Partnership to oversee various planning and development projects as well as the Somer Valley 100 which would be led by Midsomer Norton and District Chamber of Commerce, working with the top businesses in the area to encourage growth and job creation.

- **Other Council projects: Radstock Infrastructure Project:**
 - At the Cabinet meeting on 14th September members decided to postpone their decision on the TROs for the proposed highway improvements in Radstock. Cabinet asked highway officers to review the objections to the TROs, look again at the traffic data and, in the light of this information and the many changes that have been suggested to the current proposal, see if the scheme can be further amended to maintain traffic flows and pedestrian movements through the town.

2.2 Council Direct Projects

- **Keynsham Town Hall**
 - Project is on programme and budget.
 - The tender for a Construction Delivery Partner has been issued (via OJEU) to 6 Contractors.
 - Over 1,000 people attended the public consultation, which was held over 6-days in Keynsham.
 - The planning pre-application has been updated, and meetings have been held with planning officers to discuss Urban Design and Highways.
 - Design development is on-going – taking reference from the comments provided by the Planners and Public.

- **Norton Radstock Public Infrastructure**
 - Following a debate at Cabinet Highways are re-considering some options prior to re-submission to Cabinet in order to achieve the TRO approval
 - Current programme is for works to commence on site after January 2012.

- **Southgate**
 - Revised programme completed, Station works have commenced and are to be delivered in 2 parts:
 - **Initial works:** Lift & Toilets
 - **Remaining works:** Excavation of ramp & completion of station environment including refurbishment of vaults works due to commence October 2011 including Front plaza and 2 storey retail units.

- **Public Realm**

- **Preparatory Projects -City Info, Street Furniture & Pattern book**

- Manufacture due for completion November 2011 for December 2011 finish.
- PQQs will be issued once design has been signed off by the client – some street furniture elements are being re-visited.
- Pattern Book is currently on hold and will be reviewed at the next Steering Group meeting.
- PRMP coming to PID 18th October 2011

- **High Street**

- Team looking to improve quality the original scheme to make significant improvements. Enhancements to High street will be raised at Steering group on how to take this forward including funding.
- High Street works due to commence March 2012.
- Planned completion August 2012.

Children's Services

- **Primary Capital Programme (Batheaston)**

- The school is now completed and occupied.
- A straw bale classroom is currently being built and independently funded.
- There are minor landscaping works to complete such as completion of Pond and outdoor fencing.

- **Primary Capital Programme (Midsomer Norton)**

- Mid November 2011 expected for build completion.

- **Primary Capital Programme (Weston all Saints Primary)**
 - New Key Stage 2 block is scheduled for completion in October Half Term.

- **Ralph Allen School Applied Learning Centre and all weather pitch (RAS) (ALC)**
 - Team are ready to submit Full Planning application November 2011.
 - Design team working towards designs for tender package.
 - All surveys have been completed, Ecology, Contaminated Land as a part of the Planning process.

- **Wellsway Sports Centre**
 - School is on programme.
 - Planning Application anticipated 1st November 2011.
 - Contractor interviews took place at the school 29th September 2011.
 - Scoring has taken place and team now in a position to formally identify the preferred contractor subject to planning permission.

- **Oldfield School Bath**
 - School is on programme.
 - Planning consent was granted 28th September 2011.
 - Contractor appointment completed 10th October 2011, Contract awarded to E R Hemmings.
 - E R Hemmings on site start date 24th October 2011.

- **Radstock Schools**
 - **St Nicks**
 - School is on programme
 - Phase 2 due for completion December 2011.
 - Warings have targeted to complete their works and clear site during the October 2011 half term ready for decant.

 - **Trinity**
 - Currently on programme for completion over October 2011 Half Term

- **BWR – secured land**
 - **Residential element** is on programme and not critical to any programme delay.
 - **Phase 1b**
 - § Final completion for Somer Affordable Homes due October 2011.
 - § Show Homes open during November 2011 and are on programme.
 - § Marketing to commence & Occupations expected in the New Year 2012

 - **Phase 2**
 - § Occupation due 2013.
 - § Potential issues of progress on secured land if gas holders not decommissioned

 - **Main scheme** is currently behind programme due to the works to Victoria Bridge. Morrissons are increasing resources should there be infrastructure delays.
 - A proposal is expected to come to B&NES at a later date.

- **BWR – unsecured land**
 - Initial discussions are underway to bring forward the unsecured land in order to ensure continued progress

- **Victoria Bridge**
 - Heritage has been consulted and programme has been tested with them.
 - § **Stage 1**
 - Emergency monitoring instructed to be undertaken weekly.
 - Gateway review completed 3rd October 2011
 - Feasibility study incorporating a 3 stage action plan has been signed off by Strategic Director of Service Delivery.

 - § **Stage 2**
 - Commence the Temporary works
 - Design commence November 2011
 - Tenders to be issued early December 2011

 - § **Permanent works**
 - Design commence January 2012
 - Works due for completion Autumn 2013
 - Structural analysis undertaken by Fenton Holloway and completed 6th September 2011.
 - It has been noted that the structure is in a worse condition than previously reported, however weekly inspections of the cracked members can provide a degree of mitigation to sudden collapse until the temporary works is installed
 - A programme to reopen the bridge for public access in the spring has been proposed.