

CANNOCK CHASE COUNCIL

CABINET

21 JULY 2011

REPORT OF THE CORPORATE DIRECTOR

RESPONSIBLE PORTFOLIO LEADER - HOUSING

MOSS ESTATE REGENERATION STRATEGY

KEY DECISION - YES

1. Purpose of Report

- 1.1 To review the Councils regeneration strategy for the Moss Estate, Chadsmoor and determine actions to progress the strategy.

2. Recommendations

- 2.1 That the Councils regeneration strategy for the Moss Estate, Chadsmoor is reaffirmed whereby:
- (a) The Council owned Reema houses are subject to structural reinstatement works and retained in the Council's housing stock.
 - (b) The Reema flats (including those in private ownership) are demolished and replaced with a mixed tenure scheme undertaken in partnership with a Registered Social Landlord and private developer.
- 2.2 That the structural reinstatement works to the Council owned Reema houses are funded through future Housing Revenue Account Capital Programmes.
- 2.3 That the provisional allocation of resources within the initial Housing Revenue Account Business Plan to support the regeneration strategy is noted.
- 2.4 That further reports are received on:
- (a) The establishment of a design budget for the structural reinstatement works
 - (b) A proposed structural reinstatement scheme following completion of the design works.
 - (c) Rehousing and compensation (Homeloss and Disturbance) policies for the occupants of the Reema flats.
 - (d) A draft development brief for the redevelopment of the Reema flats, which includes an evaluation of the options regarding dwelling and tenure mix.
 - (e) Proposed works to the communal areas of the "traditional" flat blocks.

2.5 That pending consideration of a proposed rehousing policy no further Reema flats are relet.

3. Summary

3.1 Cabinet on 20 March 2008 agreed a regeneration strategy for the Council's Reema dwellings, (which are of pre-reinforced concrete construction) on the Moss Estate, Chadsmoor; whereby:

- (a) The Reema flats (including those in private ownership) would be demolished and replaced with a mixed tenure scheme in partnership with a Registered Social Landlord and private developer.
- (b) The Council owned Reema houses would be subject to structural reinstatement works (funded through the land value of the flat redevelopment site) and retained in the Council's housing stock.
- (c) That the agreed strategy would be progressed through the formulation of a project brief and an application for grant funding from the National Affordable Housing Programme to facilitate the provision of social housing as part of the redevelopment scheme.

3.2 It was anticipated at this time that the Moss Estate Redevelopment Scheme would commence following the completion of the Elizabeth Road Redevelopment Scheme. Moreover due to the economic recession and the availability of the funding from the (then) National Affordable Homes Programme the Elizabeth Road Redevelopment Scheme has been considerably delayed. This has impacted on the Moss Estate Redevelopment Scheme timetable as it was not possible to undertake the rehousing of both schemes simultaneously.

3.3 The implementation of the agreed strategy is however dependant upon the availability of the grant funding from the National Affordable Housing Programme, and managed by the Homes and Community Agency (HCA). This programme has been the subject of radical change by the Coalition Government and whilst these changes are still evolving, it is evident that:

- (a) The size of the National Affordable Housing Programme has been substantially reduced.
- (b) The amount of grant which Registered Providers (Registered Social Landlords and eligible private developers) can receive has also been substantially reduced.
- (c) New rented housing funded through the programme can only be provided at affordable rents (at up to 80% of market value) rather than social rents.

3.4 These changes have a number of implications regarding the viability of the Councils agreed regeneration strategy. In particular, it will not now be possible to fund the structural reinstatement of the 63 Reema houses from the land value of the redevelopment site, whilst the rented element of the replacement housing would be at affordable rather than social rents. (Note: Affordable rents are a maximum of 80% of market rent and provided on a flexible tenure for a minimum of 2-years).

3.5 Furthermore, in accordance with Cabinet's resolution to submit an application for grant funding from National Affordable Homes Programme, discussions have been undertaken with a

number of Registered Providers in relation to the new delivery framework. Under the new delivery framework Providers must submit a 4-year development programme and two Registered Providers have included the scheme in their proposed programme.

- 3.6 The HCA are currently in the process of determining the 2011-15 National Affordable Homes Programme and an announcement is expected later this year. However, a number of issues will still need to be clarified following the programme announcement, most importantly in relation to European procurement requirements.

4. Key Issues and Implications

- 4.1 The Council's agreed regeneration strategy has been reviewed in the light of the changes to the National Affordable Housing Programme and the Governments proposed self-financing reforms, which are as outlined in a separate report entitled "Housing Revenue Account Business Plan", elsewhere on your agenda.

- 4.2 Despite these changes, it is considered that the current agreed regeneration strategy continues to provide the most benefits for the future of the estate and it is therefore suggested that this is reaffirmed. As a result it is proposed that:

- (a) The 63 Council owned Reema houses are subject to structural reinstatement works and retained in the Council's housing stock.
- (b) The 167 Reema flats (together with three privately owned flats) are demolished and replaced with a mixed tenure scheme in partnership with a Registered Social Landlord and private developers.

- 4.3 It is however, no longer possible to fund the structural reinstatement works to the 63 Reema houses through the land value of the flat redevelopment site and this work will therefore need to be funded at an estimated cost of £1.4 million through future Housing Revenue Account Capital Programmes. The works will comprise of external works only and will not require the tenant to be decanted to temporary accommodation.

- 4.4 The redevelopment of the 170 Reema flats is dependant on the rehousing of the existing occupants and the acquisition of the three privately owned flats. It is envisaged that this process will take between 24 to 30 months, but is dependant upon suitable vacancies occurring within the Council and Housing Associations existing stock. In order to facilitate this process, a proposed rehousing and compensation policy (tenants who have resided in their home for more than 12 months will be entitled to a Homeloss payment of £4,700 together with payment of reasonable costs of moving) will be presented to the September Cabinet for consideration. However, in the meantime it is suggested that no further Reema flats are relet.

- 4.5 An initial 30 year HRA Business Plan is presented as a separate report elsewhere on your agenda. This includes the provisional allocation of resources to support the proposed affirmed regeneration strategy and in particular, the actions identified in paragraphs 4.3 – 4.4 above i.e.

	<u>Year 1</u> 2012-13	<u>Year 2</u> 2013-14	<u>Year 3</u> 2014-15	<u>Total</u>
	(000's)	(000's)	(000's)	(000's)
Structural Reinstatement (works to 63 Reema houses)	350	700	350	1,400
Provision of Homeloss & Disturbance Allowances and other ancillary costs (Actions in respect of 170 Reema Flats)	750	750	-	1,500
	<u>1,100</u>	<u>1,450</u>	<u>350</u>	<u>2,900</u>

4.6 The 170 Reema flats would be replaced by a mixed tenure scheme comprising of family houses for affordable rent, shared ownership and outright sale. It is not however, proposed to address the dwelling or tenure mix at this stage but to consider these issues as part of a proposed Development Brief which will include an evaluation of alternative dwelling and tenure mix options. The Development Brief will also consider the proposed layout of the new dwellings, the relocation and enhancement of the existing play area and (subject to the passing of the localism bill) a potential community infrastructure levy. This will again be the subject of a future report.

4.7 In addition to the 167 Reema flats, the Moss Estate includes 48 flats located in 8 traditionally built blocks. These blocks require works to update the communal entrance areas and stairwells. It is suggested that a proposed specification is again considered within a future Cabinet report, with a view to undertaking the required works during the next financial year.

4.8 An initial timetable for the above actions is set out below:

(a) Structural Reinstatement – Reema Houses

- Establish Design Budget September 2011
- Appoint Structural Engineer November 2011
- Agree Implementation Budget February 2012
- Approve proposed reinstatement scheme April 2012
- Start on site November 2012

(b) Redevelopment of Reema Flats

- Cease reletting of flats July 2011
- Agree rehousing and compensation (homeloss and disturbance) policies September 2011
- Agree Development Brief (including options

For dwelling and tenure mix)

July 2012

(c) Traditional Flats

- Approve specification for works to communal areas December 2011
- Agree implementation budget February 2012
- Start on site June 2012

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Section 1

Contribution to Council Priorities (i.e. Corporate Plan)

The Moss Estate Redevelopment Scheme has also been identified as a key action within the agreed 2011-12 "Place" Priority Delivery Plan.

Section 2

Contribution to Promoting Community Engagement

The residents living within the Moss Estate Redevelopment Scheme were consulted about the Council's proposals through "drop in" advice surgeries in.

Since this time residents have been kept informed of scheme progress via a number of circular letters.

Section 3

Financial Implications (Draft)

The 30 year business plan produced as part of the self financing calculation (reported elsewhere on your agenda) includes the cost of the structural reinstatement works for the Reema houses and the homeloss and disturbance payments for the Reema flats as outlined in the report. The business plan excludes any other income and expenditure in respect of the 167 flats which are assumed to be demolished within the first two years of the business plan.

Section 4

Legal Implications

There are no identified legal implications arising from this report.

Section 5

Human Resource Implications

There are no identified human resource implications arising from the report

Section 6

Section 17 (Crime Prevention) Implications

Redevelopment of the flats will enable improvements to design out petty crime and vandalism.

Section 7

Human Rights Act Implications

Article 8 provides that:-

1. Everyone has the right to respect for his private and family life, his home and his correspondence.
2. There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of

disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.

The Moss Estate Regeneration Strategy will result in 170 households having to leave their existing homes, possibly following compulsory purchase action.

The properties on the estate have however, been designated as defective and the Council needs to take action as a landlord and in the interests of the Cannock Chase Community.

Residents affected by the scheme will be compensated by Home Loss and Disturbance Payments and where necessary the provision of alternative accommodation.

The Council is complying with the legislation which empowers it to undertake the redevelopment of the area and at the same time is considering the needs of existing residents.

For these reasons the Council's actions are considered to be compatible with the Human Rights Act.

Section 8

Data Protection Act Implications

There are no specifically identified implications in respect of the Data Protection Act arising from this report.

Section 9

Risk Management Implications

There are a number of risks associated with the Moss Estate Regeneration Strategy which can be mitigated through a number of current or future actions.

Section 10

Equality and Diversity Implications

There are no specifically identified Equality and Diversity implications arising from this report.

Section 11

List of Background Papers

Section 12

Report History

PRC Dwellings – Moss Estate And Rowley Cabinet
Close/Bradbury Lane

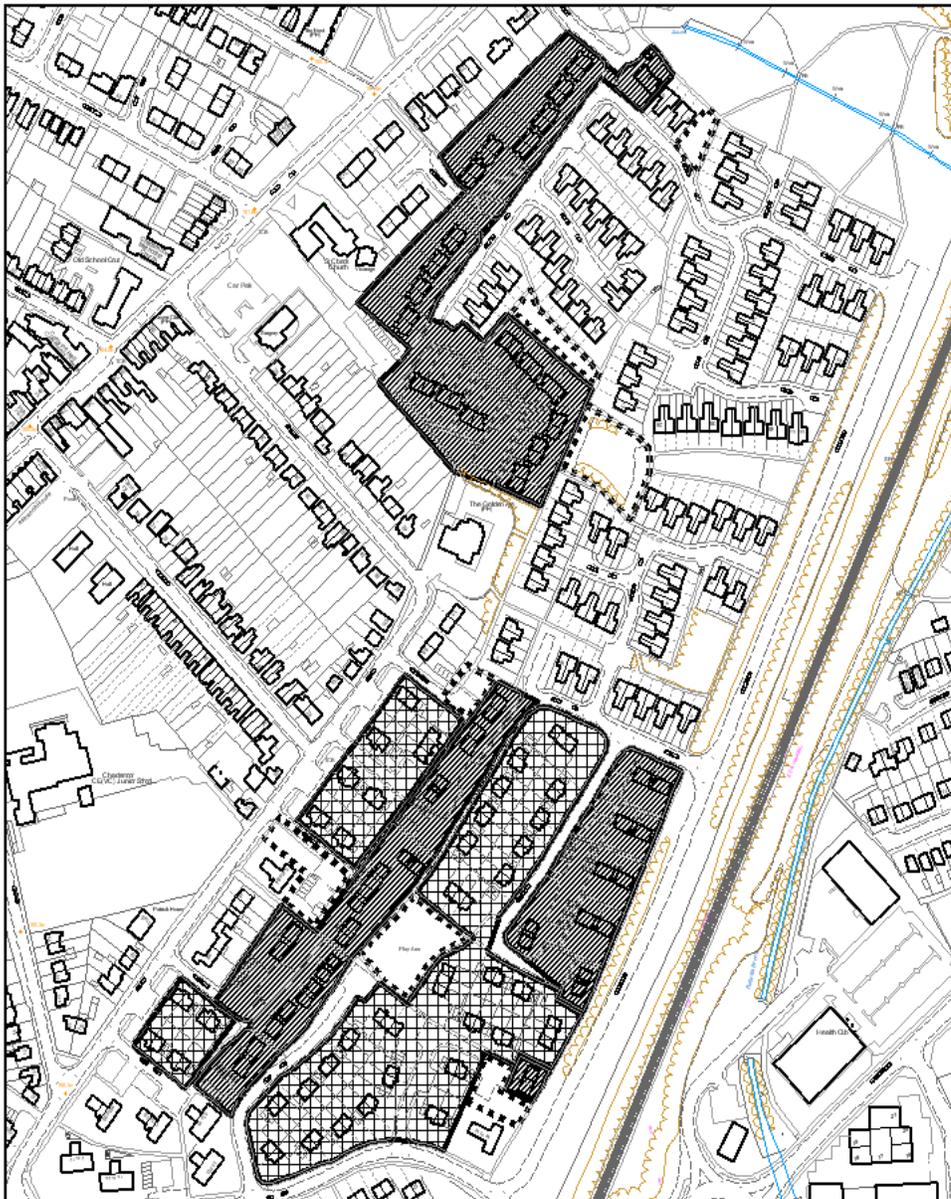
20 March 2008

Annexes

Annex 1 Moss Road Estate Plan

Moss Road Estate Plan

 <p>Cannock Chase Council</p>	<p>MOSS ROAD REDEVELOPMENT</p> <p> Land identified for inclusion in the redevelopment</p> <p> Flats to be demolished</p> <p> Houses to be retained</p>	
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MOSS ROAD REDEVELOPMENT

-  Land identified for inclusion in the redevelopment
-  Flats to be demolished
-  Houses to be retained

