

Committee Name and Date of Committee Meeting

Cabinet – 16 October 2023

Report Title

Eastwood Sites Housing Development

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Ian Spicer, Strategic Director of Adult Care, Housing and Public Health

Report Author(s)

David Bagnall, Housing Development Manager
david.bagnall@rotherham.gov.uk

Ward(s) Affected

Rotherham East

Report Summary

This report seeks approval from Cabinet to develop the council-owned Netherfield Court and York Road sites in Eastwood to build a projected 31 new homes for council rent.

Recommendations

That Cabinet:

1. Approves development of the Netherfield Court and York Road sites in Eastwood to build a projected 31 new homes for council rent.
2. Delegates authority to the Assistant Director of Housing in consultation with the Cabinet Member for Housing to make amendments to the scheme design, where this is necessary to comply with Planning and other statutory consultee requirements, or where site conditions otherwise prescribe a design alteration.

List of Appendices Included

- Appendix 1 Indicative Site Plans
- Appendix 2 Initial Equalities Screening (Part A)
- Appendix 3 Equality Analysis (Part B)
- Appendix 4 Carbon Impact Assessment

Background Papers

Rotherham Housing Strategy 2022-25

Cabinet Report - Housing Development Programme 2023/24

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Eastwood Sites Housing Development

1. Background

- 1.1 The Netherfield Court and York Road sites are council-owned land assets held in the Housing Revenue Account (HRA). Both are situated in areas comprising existing council homes.
- 1.2 The sites form part of the HRA-funded Housing Delivery Programme, having first been introduced to the Programme via the Annual Housing Development Report – 2021/22, approved by Cabinet in March 2021.
- 1.3 The latest Programme refresh was presented to Cabinet January 2023, with a mid-year update subsequently presented to Cabinet July 2023.
- 1.4 Netherfield Court is a former care home which was decommissioned several years ago and has since been demolished, meaning the site is clear and ready for development. York Road is a former Council car park which has also been decommissioned and is currently in use as a site compound in support of Town Centre regeneration activity.
- 1.5 Netherfield Court specifically is situated within the area known as Eastwood Village, for which there are a range of management considerations related to a prevalence of small, low-quality housing in private ownership, whilst York Road is considered to be a 'gateway site' to the Town Centre.
- 1.6 Netherfield Court is projected to deliver 19 new homes, whilst York Road will deliver a projected 12 new homes, resulting in 31 homes combined.
- 1.7 Programme reports have identified that there is a clear and continuing need for more affordable homes across the Borough, an issue further exacerbated by the current cost-of-living crisis. The Council is continuing to address this need through delivery of the Housing Delivery Programme, with a target to deliver hundreds of new homes between January 2018 and March 2026.

2. Key Issues

Approvals

- 2.1 Both Netherfield Court and York Road have been included in previous Housing Delivery Programme reports to Cabinet, as set out in 1.2 - 1.3, meaning that release of the sites for the purpose of new housing development has been approved.
- 2.2 The Housing Delivery Programme was first presented to Cabinet in September 2020, and has been refreshed on an annual basis since. Recommendation 2 of the September 2020 Report stated:

2. That Cabinet note that proposals to deliver more than ten homes on any individual site, will continue to require a separate Cabinet report.

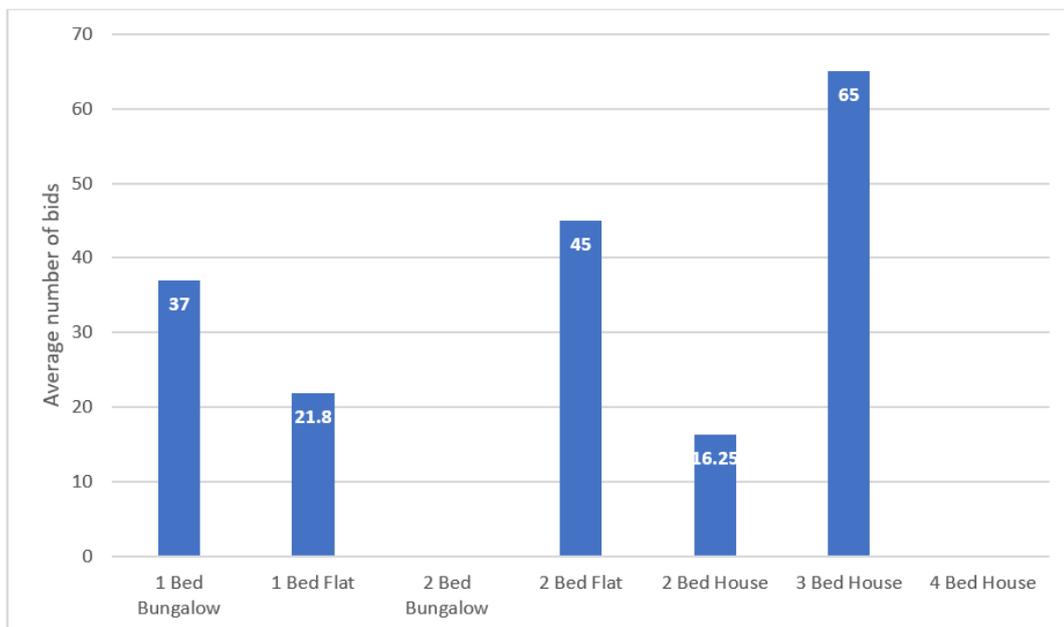
2.3 This report therefore seeks approval from Cabinet to build a projected 19 and 12 new council homes respectively, across the 2 sites. Indicative plans are provided in Appendix 1. The final designs are subject to change in line with recommendation 2 of this report.

Local needs

2.4 Eastwood is a well-established neighbourhood which comprises over 300 existing council homes alongside a sizeable contingent of private dwellings. around 35% of the homes in Eastwood are privately rented, which exceeds the Borough average of 14.6%.

2.5 There is a good mix of homes in the area, comprising bungalows, apartments, and family housing, although there is very limited availability for larger family housing (4-bed or larger). 2021 Census data indicates that overcrowding is an issue in the Eastwood area; 218 homes have one fewer bedroom than required and 64 households have two fewer bedrooms than required. Overcrowding is a determinant of poorer health outcomes and can also lead to prevalence of damp and mould and other hazards.

2.6 There were no 2-bedroomed bungalows or 4-bedroomed houses let in Eastwood in 2022. These types of homes last became available in Eastwood in 2019.



2.7 33.5% of council homes in the area are occupied by people over 55, whilst 50% of those over 55 are also recorded as having a disability, meaning they may benefit from adapted and/or older people's accommodation.

2.8 Engagement with key stakeholders has identified a preference for larger family accommodation on the Netherfield Court site to help address acute local issues around overcrowded smaller family housing, whilst stakeholders have further advised against the inclusion of 1 and 2-bed general needs

apartments on the York Road site due to the prevalence of similar council stock nearby.

Highway requirements

- 2.9 The Council's Highways department is due to embark on alterations to Fitzwilliam Road in Eastwood, in support of sustainable travel measures. This will have a direct impact on the York Road site as a strip of land to the north of the site will need to be utilised by highways to support these changes. The latest scheme designs have factored in the expected impact.

Council housing delivery proposals

- 2.10 In view of the prevalent need and feedback from key stakeholders, proposals for the two sites are focused on family accommodation comprising 2-bed, 3-bed, and 4-bed houses, along with some provision for older people.

- 2.11 Netherfield Court is projected to deliver:

- 14, 3-bed houses.
- 5, 4-bed houses.

- 2.12 York Road is projected to deliver:

- 2, 2-bed houses.
- 6, 3-bed houses.
- 4, 2-bed apartments for older people.

- 2.13 The apartments for older people will all have their own direct access front door (no internal communal areas) and will be constructed to an enhanced accessibility specification, designed to achieve the 'Category M4(2) Accessible and Adaptable Dwellings' standard defined under Building Regulations. Their specification includes:

- Level-access shower facilities.
- Wider-access doors and hallways.
- Additional space to allow wheelchairs or other mobility aids to be utilised.
- Structural provisions to support later installation of ceiling track-hoists.
- Structural provisions to support later installation of chairlifts (upper-floor apartments).
- Integrated mobility scooter storage provision.

- 2.14 In view of the Council's net zero-carbon ambitions, all council homes will also be constructed to the Government's Future Homes Standard (full technical specification pending), which means:

- No fossil fuel heating (gas).
- Future-proofed with low carbon heating and high levels of thermal efficiency.
- No further energy efficiency retrofit work will be necessary to enable them to become zero-carbon as the electricity grid continues to decarbonise.

- 2.15 Original forecasts indicated potential for up to 46 new homes across the 2 sites; however, this has since been revised down to 31 homes. This is because:
- Larger family accommodation is more 'land hungry' and thereby reduces the number of homes which can be delivered on a site. This particularly affects Netherfield Court.
 - Whilst a reasonably sizeable site, York Road is quite narrow, an issue exacerbated by the reduction in site area which will result from planned Highways changes. This means that planning requirements around separation distances and overlooking restrict the density of homes which can be delivered. The number of homes could be increased through delivery of general needs apartments, however key stakeholders have recommended against this approach.
- 2.16 The indicative layouts for both sites have had informal planning and highways comments and at this time no major concerns have been raised. However, development of the sites is still subject to a formal planning application and neither has received formal planning approval.

3. Options considered and recommended proposal

3.1 Option 1: Do not develop the sites for new council homes

This option would entail leaving the sites vacant or disposing of them through asset sales. This would mean housing would not come forward or would come forward more slowly. It is not recommended due to the acute need for larger family accommodation in the Eastwood Village area which the Council will be able to directly address through development of the Netherfield Court site, whilst the Council can further ensure the delivery of a high-quality development at the gateway site of York Road to complement wider regeneration efforts for the Town Centre.

3.2 Option 2: Development of the Netherfield Court for a projected 19 homes and the York Road site for a projected 12 new council homes

This option will meet a range of identified needs for the Council and make a significant contribution toward the Council's ambition to deliver 1,000 new homes by March 2026.

This option is recommended.

4. Consultation on proposal

- 4.1 Rotherham East ward members have been consulted on scheme proposals on several occasions.
- 4.2 Subject to Cabinet approval of these proposals, residents will be formally consulted via the planning process along with all statutory consultees. A formal planning application is being prepared in parallel with this report and is due to be submitted before the end of the calendar year.

4.3 Occupational Therapist advice has been taken on the specification of the council homes.

5. Timetable and Accountability for Implementing this Decision

5.1 The Assistant Director of Housing will have responsibility for implementing the project. The Assistant Director, Legal Services will have responsibility for the negotiating, approving, and completing of all applicable legal documentation necessary to deliver the scheme, including contracts.

5.2 To help expedite potential delivery, a planning application is being prepared in parallel with this report. However, neither submission of a planning application nor planning approval infer any obligations upon the Council to proceed. A planning decision is currently anticipated spring 2024.

5.3 Procurement activity is anticipated to begin before the end of the calendar year, with the intention being to have a construction contractor identified or in place as soon as planning permission is secured. This will then allow the technical design to be refined with the contractor before build activity begins.

5.4 The latest project Programme forecasts that a start on site should take place Summer-Autumn 2023, with completion of all dwellings by Spring 2026.

6. Financial and Procurement Advice and Implications

6.1 The 31 new council homes will be funded using HRA resources. Current assumptions indicate that the average cost per unit is £255k. Based on this, the total cost for 31 units is anticipated to be in the region of £7.905m. Final costs will be dependent upon scheme design which could be impacted by planning requirements.

6.2 The final costs will be presented in a business case and assessed for affordability within the context of the assumptions in the Housing Revenue Account (HRA) Business Plan and specific scheme resources approved via the Council's capital governance route.

6.3 The HRA Business Plan model further assumes that social housing properties supported by grant funding will be let on Affordable Rent values, rather than Social Rent. However, this will be determined on a scheme-by-scheme basis, once full costs are known and with a preference for Social Rent to be applied, subject to an assessment of the financial viability of the proposed development; Affordable Rent is higher than Social Rent.

6.4 Whilst the primary source of funding for the scheme will be HRA resources, additional sources of subsidy will be pursued to improve the overall viability and affordability of the scheme. This may include Right to Buy (RTB) 'one-for-one' receipts, which are an internal form of subsidy, and/or external grant funding through Homes England and the South Yorkshire Mayoral Combined Authority, along with other providers as and where suitable opportunities arise. All grant funding applications will be subject to the Council's grant

funding authorisation process. The precise combination of resources utilised will be based on the most appropriate source available for this scheme.

- 6.5 Procurement activity is detailed within the main body of this report, and it is essential that this activity is undertaken in compliance with the Public Contracts Regulations 2015 (as amended) and the Council's own Financial and Procurement Procedure Rules.

7. Legal Advice and Implications

- 7.1 The delegations sought under this report are consistent with the Council's Constitution and allow for timely and flexible decisions to be made in respect of potential housing delivery.
- 7.2 There are no direct legal implications arising from this report other than those detailed in the body of the report.

8. Human Resources Advice and Implications

- 8.1 There are no Human Resources implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 The proposed scheme will provide accessible older people's accommodation which will allow older people to live in safe, suitable accommodation that meets their needs and allows them to live independently for longer.
- 9.2 The homes for older people will also provide the potential for existing family accommodation which may be being under-occupied to be released back into stock, creating additional opportunities for children to be rehoused into council-managed housing.
- 9.3 The new family houses will further provide opportunities for more children to be housing in good quality, safe, and thermally efficient homes.

10. Equalities and Human Rights Advice and Implications

- 10.1 Through its wider Programme, the Council will increase the local supply of high quality, affordable homes to meet a range of needs. The Council holds a wide range of data which is used to determine the different needs and influence the types of homes being acquired. For example, of Rotherham's 265,800 residents, around 26% are aged 60 years or over and 9% are aged 75 years or over and the proposed new homes include apartments that are suitable for older people, as well as people with disabilities.
- 10.2 The Council's Delivery Programme is critical to supporting families who are on the Housing Register, into high quality and affordable accommodation. Any new homes offered for rent by the Council are managed through the Council's Allocations Policy to ensure a fair and transparent approach to helping people in the greatest housing need to gain access to suitable and appropriate accommodation.

10.3 Surveys will be carried out with the occupants of new homes, and equality and diversity results analysed and compared with other relevant data sets such as the Housing Register. This will allow the Council to understand whether any protected characteristic groups are over or under-represented in new build homes and take appropriate action if required.

11. Implications for CO2 Emissions and Climate Change

11.1 Climate change poses a significant threat to environments, individuals, communities, and economies on local, national, and international scales. In recognition of this the Council has aimed to be net carbon neutral as an organisation by 2030, and for Rotherham to achieve the same position by 2040.

11.2 Through its own Housing Delivery Programme, the Council can ensure that new homes are high quality and energy efficient, which will contribute to reducing domestic carbon emissions in the longer-term.

11.3 New council housing will ultimately increase emissions. Whilst mitigations are in place, with an explicit aim to exceed Building Regulations Part L requirements where feasible, the overall net carbon emissions status of Rotherham's social housing stock will increase in the short term. Homes brought forward with electrically sourced heating and hot water provision, however, should become effective carbon neutral once the electricity grid itself achieves zero-carbon. In addition to delivering new homes, the Council continues to improve and sustain its existing homes, including investment to maintain the Decent Homes Standard and improve energy and thermal efficiency.

12. Implications for Partners

12.1 Once built, the new homes will be added into the Council's Repairs & Maintenance contract.

13. Risks and Mitigation

13.1 The key risks are summarised in the table below. A detailed risk assessment will be provided alongside the business case for individual schemes as they are brought forward.

13.2	Risk	Mitigation
	Pressure on construction labour and materials (both in terms of supply and costs) resulting from the Covid pandemic, EU Exit and invasion of Ukraine.	Risks recorded and monitored for all individual schemes, advance ordering, and storage of materials where appropriate / possible. Schemes fully designed and planning approved before committing to contractor costs.
	Site suitability - even at a late stage in the process,	Scheme procurement is likely to take place via a two-stage 'design and build' process

sites can be found to be unsuitable (for example due to severe contamination or high flood risk) or need to be restricted in terms of the type and numbers of new housing which can ultimately be achieved.	which will allow sites to be appraised and suitable designs to be determined in advance of the Council entering into build contracts. This will help ensure that particularly problematic sites are dealt with and potentially removed from the Programme before the Council is contractually committed to build. Grant funding will also help the Council to mitigate against the cost of ground remediation works but where a site is ultimately unsuitable for development it will not be brought forward.
Delays to housing development schemes resulting from utilities connections and other statutory undertakings	Early engagement with relevant organisations and internal services, and robust project management processes in place with realistic contingencies for costs and delays.
Internal staff capacity – Housing, Legal, Procurement, Asset Management etc	Ongoing dialogue between services regarding forward planning and resource requirements, and continued HRA contributions to staffing costs in key supporting services.
Community opposition	Early and regular consultation with Ward Members, communication strategy to provide information on the schemes and explain the rationale. Formal consultation also takes place as part of the Planning process.
Funding availability / eligibility	Continual dialogue with external funding bodies. Investment of time in robust business case preparation to ensure overall costs remain within approved HRA Business Plan affordability modelling and Capital Programme approvals. Regular meetings with Finance colleagues to monitor Programme.

- 14. Accountable Officers**
James Clark, Assistant Director of Housing

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	02/10/23
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	26/09/23
Assistant Director, Legal Services (Monitoring Officer)	Phil Horsfield	27/09/23

Report Author:

David Bagnall, Housing Development Manager
david.bagnall@rotherham.gov.uk

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