



CABINET 2 APRIL 2003

**GRANTING OF ACCESS RIGHTS AT RUMBRIDGE GARDENS,
TOTTON**

1. INTRODUCTION

- 1.1 HVHS Housing Group, one of the Council's partner Registered Social Landlords (RSLs) plans to develop a site at 58 Rumbridge Street, Totton, for affordable housing and a community training facility.
- 1.2 Planning Development Control Committee resolved to approve the proposal (subject to a legal agreement regarding the provision of open space) on 12 February 2003.
- 1.3 The Portfolio Holder for Housing agreed, on 24 February 2003, that Local Authority Social Housing Grant of £388,500 be allocated to support the scheme. This grant funding has been matched by grant to HVHS directly from the Housing Corporation.
- 1.4 In order to gain vehicular access to the site HVHS need to cross a strip of land that lies between the public highway and the development site. This strip is owned by the District Council.
- 1.5 The purpose of this report is to note the decision taken by the Director of Resources, as a matter of urgency, to seek authorisation to grant access rights to HVHS to serve the development.

2. DEVELOPMENT PROPOSALS

- 2.1 The proposal is to build 12 self-contained flats for vulnerable young people aged 16 to 25. Hampshire Voluntary Housing Group will develop the property and manage the scheme in partnership with Stonham Housing Association. The Council's Housing Needs team will nominate residents. Residents are likely to be homeless or threatened with homelessness prior to moving into the scheme or nominated from the Homesearch register.
- 2.2 A community computer training room is being provided in partnership with Totton College to provide an additional package of support intended to address educational and employment opportunities.

3 FINANCIAL IMPLICATIONS

- 3.1 Having regard to the difference in value for the site with and without access it is estimated that the value of providing access to the development is in the region of £40,000 and £60,000.

4 CONSIDERATIONS

- 4.1 Normally the cost of securing access rights would be taken into account by a purchaser when negotiating a purchase from the vendor. In this case, however, HVHS did not identify that the strip of land existed until a very late stage when negotiations had concluded. They believed that the site directly abutted the public highway. The vendor has indicated he is not willing to re-negotiate the sale price.
- 4.2 HVHS have re-appraised the scheme, adding on the cost of securing access rights. They do not consider they would be able to proceed with the scheme if it had to bear all the additional costs, though they have indicated they could make a limited contribution to the Council of £5,000.
- 4.3 The likely consequence of the situation is that unless access rights are granted the scheme will not proceed. Furthermore the grant funding allocated by the Housing Corporation and the LASHG (most of which would be refunded to the Council) will be lost to the District.
- 4.4 It is worth noting that historically Council land that has been made available for affordable housing has been transferred at a nominal sum – normally £2000- £3000/plot (perhaps 5-10% of its open market value). A parallel may be drawn between this method of disposal and the situation here.
- 4.5 This matter came to light at a very late stage and the situation had to be resolved by 24 March 2003 at the latest in order to secure grant funding.
- 4.6 Where a decision is urgently required, the Director of Resources, in accordance with Financial Regulation 1.3, may set aside the Financial Regulations if he considers it necessary. In this case the Director of Resources agreed to this course of action.
- 4.7 In accordance with Financial Regulations the matter will be reported to the next meeting of the Council.

5 ENVIRONMENTAL IMPLICATIONS

- 5.1 None arising directly as a result of this report.

6 CRIME AND DISORDER IMPLICATIONS

- 6.1 None arising directly as a result of this report.

7. OTHER OPTIONS

7.1 If access rights have not been granted as set out above it is probable that the scheme would not have proceeded.

8. CONCLUSIONS

8.1 On balance the Director of Resources considered that, the benefits of facilitating the scheme by setting aside Financial Regulations and granting access rights at £5,000, outweighed the costs of the scheme not proceeding (as a result of not granting access rights or charging a full market value for the rights).

9. RECOMMENDATIONS

9.1 To note that, in accordance with Financial Regulation 1.3 the Director of Resources set aside Financial Regulations and approved, as a matter of urgency, the granting of access rights for the proposed development for a consideration of £5,000.

Further Information:

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Background Papers:

Scheme file (includes
some exempt information)