

LAND AT CHALLENGER WAY, DIBDEN**1. BACKGROUND**

1.1 At its meeting of 4 December 2002 Cabinet resolved that the above Council owned site be used for:

- community use (Age Concern being the proposed main user (older persons day centre) together with maximum community use)
- housing (including market value housing and 35% affordable housing). It was also agreed that consideration would be given to key worker housing, and;

and agreed that further discussions should take place with the owners of the land to rear (the Orchard) concerning the development of the land for housing with access rights across the Council land.

1.2 In February 2005 Cabinet further resolved;

- that officers be authorised to agree terms of the lease (subject to the approval of the Housing and Finance & Support Portfolio Holders) to Hampshire County Council (HCC) for the development on part of the site for the provision of a day care centre for the elderly;
- that officers be authorised to show preferred status to Western Challenge Housing Association (WCHA) for grant of access rights to enable them to make another attempt to acquire the Orchard Site to maximise the provision of affordable housing;
- that if those negotiations should fail, officers be authorised to complete disposal for access to the present owners of The Orchard Site; and
- that the receipt from the disposal of the access rights be added to the Council's Social Housing Grant budget to assist in the provision of affordable housing in the District, with priority given to the use of that receipt to subsidise the provision of affordable housing by Western Challenge Housing Association on the Orchard site (subject to satisfactory details being approved by the Portfolio Holders for Housing and Finance and Support).

1.3 Officers have been working with Hampshire County Council and HVHS Housing Group (one of the District Council's partner housing associations) to produce a joint design statement for the site. The Portfolio Holders for Housing and Health and Social Inclusion, local members and Hythe and Dibden Parish Council will be consulted on this prior to the submission of planning applications.

1.4 Draft preliminary proposals for the transfer of land for the development of the day care centre for the elderly have been prepared and a value for the access rights for land to the rear has been agreed with the owners of that land (WCHA having been unable to secure that site for development).

1.5 The purpose of this report is to secure members' approval for the disposal of part of the site for housing and the temporary allocation for open space for the element that remains for the future provision of general purpose community use.

2. HOUSING LAND

2.1 Since the initial Cabinet resolution there have been discussions with the Leader and Portfolio Holders for Health and Social Inclusion, Housing, and Finance and Support on the details of the housing scheme. A series of alternatives are presented in Table 1 for members to consider.

	Receipt (estimated)	Comments
Scenario 1		
5 social rented units	nil	This best meets local housing need in a climate where needs are rising and resources and land for affordable housing are limited. The capital receipt that the Council could expect to receive would be less than if there were an open market disposal. While planning policies would not normally permit housing on this site, an exception to this policy may be permissible if the housing is affordable.
5 shared equity key worker units (HCC staff)	£350k	
5 general needs shared ownership dwellings	nil	
Total	£350k	
Scenario 2		
5 social rent units	nil	This achieves a comparable capital receipt to scenario 3 but limits the number of general needs affordable dwellings. Furthermore such a proposal would be contrary to planning policy.
5 shared equity key worker units(HCC staff)	£350k	
5 market units	£350k	
Total	£700k	
Scenario 3		
5 social rent units	nil	While this tenure mix had previously been agreed by Cabinet, the lack of key worker housing would conflict with HCC's funding requirements for the day care centre ¹ . As above, the proposal would be contrary to planning policy.
10 market units	£700k	
Total	£700k	

Table 1: Housing Land Development Scenarios²

¹ It is a HCC day centre funding requirement that land be made available for the provision of key worker housing to meet their own staff needs in addition to the already planned affordable housing.

² Housing numbers are indicative.

- 2.2 In order to best meet local housing needs and to maximise the chances of planning permission being granted, officers' views are that Scenario 1 should be the favoured option.
- 2.3 HCC have indicated that they wished to facilitate key worker housing for their own staff using revenue 2nd homes council tax revenue. However, the number of key worker dwellings HCC wish to see is uncertain at present, and recent decisions to re-allocate much of their 2nd homes council tax revenue to other services means that there is a need to be flexible about the numbers. Should HCC require less than the number of units proposed in Scenario 1, there would be advantages in re-allocating the units as general needs affordable. This would have implications for the envisaged capital receipt.

3. THE REMAINING LAND

- 3.1 The final element of the scheme is to provide a general needs community building on site. The original partnership of local churches has recently withdrawn from the project, which leaves this element of the scheme without a funder or service provider. In the circumstances it is proposed that this area of land be landscaped and set aside as open space until such time as it is possible to build a facility to serve the wider community.
- 3.2 The Parish Council have indicated that, subject to agreement on conditions, they may be willing to take on the future temporary responsibility the maintenance provision of this area of land.

4. CONSULTATIONS

- 4.1 Local members and the Parish Council will be consulted on the details of the scheme once the design statement has been drafted.

5. PORTFOLIO HOLDER COMMENTS:

- 5.1 The Portfolio Holder for Housing supports the recommendation.
- 5.2 The Portfolio Holder for Health and Social Inclusion has been consulted.
- 5.3 The Portfolio Holder for Leisure has no comments.

6. FINANCIAL CONSIDERATIONS

- 6.1 The Council will receive a capital payment for the sale of access rights to the private land to the rear and for any land used for key worker housing. If the recommendation is agreed it will forgo any receipt for the remaining housing land. However, the provision of subsidy for affordable housing provision, through for instance free land, is crucial to the delivery of new housing in the District and thus meeting one of the Council's top corporate objectives.

7. ENVIRONMENTAL CONSIDERATIONS

- 7.1 These are being considered as part of the design statement production process and will be appraised when a planning application submitted to the Council for consideration.

8. CONCLUSIONS

- 8.1 There is a continually rising need for affordable housing in the District and the provision of additional affordable housing is one of the Council's key priorities. Disposal of the site as set out in Scenario 1 above represents, subject to planning permission being granted, the best way for this site to contribute towards this priority and ensure that HCC continue to support the day centre project.
- 8.2 There is a continued need for a general community use building in the Dibden area. However, in the absence of a funder or provider it is advisable to reserve an area of land for future provision. In the meantime, laying out as open space will allow it to contribute towards amenity of the area.

9. RECOMMENDATION

- 9.1 It is recommended that:
- Subject to planning permission being granted and funding being available to implement the scheme, the housing land is disposed of to one of the Council's partner housing associations to provide a mix of affordable rented, shared ownership/equity and HCC key worker housing broadly in the proportions as set out in Scenario 1 (final details to be agreed with the Portfolio Holder for Housing) for the following consideration:
 - Nil cost for any general needs affordable housing (rent or shared ownership/equity)
 - Market value for key worker housing (with the receipt being allocated to the Council's social housing grant budget for the provision of new affordable housing).
 - The key worker housing should be re-allocated as general needs affordable housing should HCC not wish to take their full quota.
 - The area of land intended for a community use building should be landscaped and set aside as open space, pending a provider being found.

For Further Information:

Housing Issues

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Background Papers:

Scheme files (may contain some exempt information)

Land Ownership Issues

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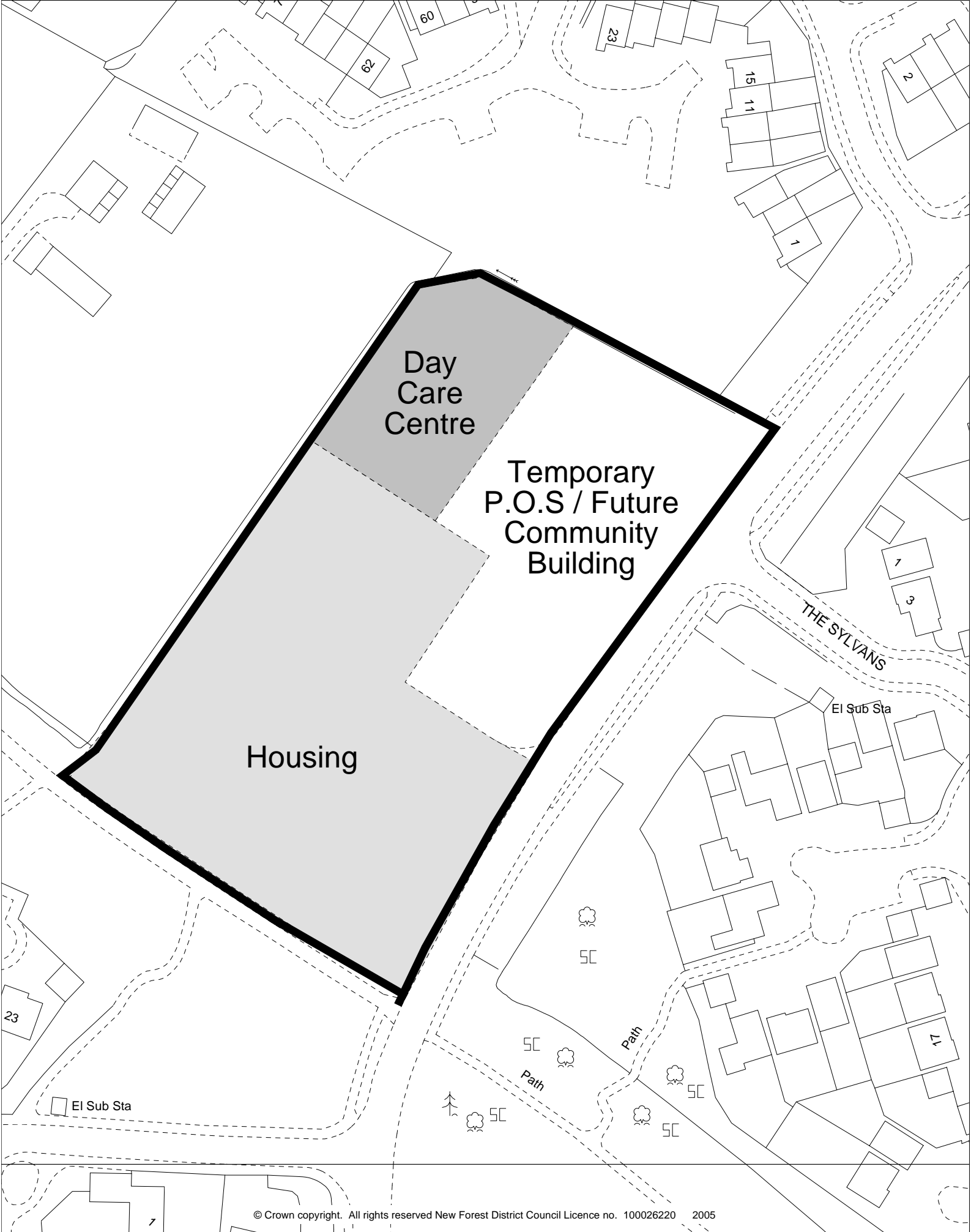
Finance Issues

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