

DISPOSAL OF LAND AT TRAFALGAR HOUSE, SEWARD ROAD, HYTHE

1. INTRODUCTION

- 1.1 The purpose of this report is to consider the disposal of land at Trafalgar House, Seward Road, Hythe to Hyde Housing Association.
- 1.2 The proposal is to develop 18 affordable homes for low cost home ownership that would be allocated to applicants from the Council's Homesearch register.

2. BACKGROUND

- 2.1 New Forest District Council owns the land currently and a block of 21 flats upon it. These are currently let on an assured shorthold basis as temporary accommodation to those registered as homeless and awaiting permanent allocation.
- 2.2 Based on comments from Planned Maintenance the flats will not meet the Decent Homes Standard required by 2010. If NFDC spent the minimum of £425,000 with the total number of units remaining at 21, this would equate to £20,240 per unit which over a 30 year period does represent a good use of resources. However if NFDC were to improve the block and provide flats with all facilities this will not only increase the costs to around £750,000, but also reduce the total number of units by approximately a third to around 15. This would work out to around £50,000 per unit over 30 years which would not make good use of Council resources.
- 2.3 It has been discussed and agreed with Housing Needs, Housing Portfolio Holder and local Councillors that the flats be demolished due to the anti-social behaviour and related problems.
- 2.4 The flats have been decanted and it is understood that the block is now empty and it will be boarded up until it is demolished. It is intended that the existing flats will be demolished at the earliest opportunity to limit the opportunity for further anti-social behaviour or squatting.
- 2.5 The new development will have 6no. 1 bed flats and 12no. 2 bed flats. The tenure will be for 6 intermediate rent and 12 shared ownership. The properties will be very affordable as the income levels for a 1 bed flat will be from £15,866 - £19,762 and for the 2 bed flats will be from £19,003 - £23,678. There is a high need for this type of property in Hythe and there are 327 people registered for 1 and 2 bed accommodation. Of these there are 36 people registered in the income bracket for 1 bed and 16 registered for 2 bed.

- 2.6 A planning application for this proposal is to be submitted within the next few weeks, which will include a request for consent to demolish the existing building. Several meetings and discussions with Development Control, Urban Design, Community Safety and Tenant Participation Officer have been held to ensure that the new scheme is suitable. The site lies within the defined built up area boundary of Hythe; and therefore subject to policy BU-H1 which permits residential development of the New Forest Local Plan.
- 2.7 Hyde Housing Association have agreed to offer a financial contribution to signposting for areas of play and recreation as the Play Development Officer and Tenant Participant Officer highlighted that this site is currently utilised by young children and teenagers. There is no planning requirement to provide an area of open space but the open space at the rear of the site will be improved as part of the development.
- 2.8 Hythe has a high number of households on the Council's Homesearch Register (currently 389). The properties will be allocated to applicants on the Council's Homesearch register.

3. FINANCIAL IMPLICATIONS

- 3.1 Housing Corporation grant totalling £312,000 has been bid for 2006/07 to develop this scheme.
- 3.2 The site is valued at £482,000. As this asset will be transferred to the RSL at nominal £1 there will be no capital receipt.
- 3.3 Further financial details are set out in Section 4 below.

4. OPTIONS

- 4.1 There are a couple of options for this site that are set out below:

Disposal Option	Benefits	Other Factors
1. 18 Affordable Dwellings	<p>18 units of affordable housing would be provided.</p> <p>A bid to the Housing Corporation has been made for £312,000.</p> <p>Subject to planning there is certainty over delivery.</p>	<p>Loss of 21 flats.</p> <p>The site is valued at £482,000. As this asset will be transferred to the RSL at nominal £1 there will be no capital receipt</p>

Disposal Option	Benefits	Other Factors
2. Do nothing	Continued income received from flat rental. (Possible reduction of flats from 21 to 15 due to renovation will affect revenue.)	<p>Potential loss of Housing Corporation funding £ 312,000.</p> <p>The opportunity to provide affordable housing on the site would be lost.</p> <p>Continued problems and costs associated with damage and anti-social behaviour.</p> <p>Cost to improve the current flats to meet the Decent Home Standard - this will cost NFDC £500,000 - £750,000</p>

5. ENVIRONMENTAL IMPLICATIONS

- 5.1 The local planning authority will assess the impact of the development through the planning process.
- 5.2 A tree survey of the trees on site will be carried out as part of the Planning Application. The Trees Team have been involved in the discussions on loss/replacement of trees on site.
- 5.3 New homes to be developed to Eco-homes 'very good' rating.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1 The proposed scheme intends to remove the current issues of anti-social and related behaviour on this site.

7. CONSULTATIONS

- 7.1 Discussions and meetings have been held with Hyde HA, NFDC Community Safety Officer, Tenant Participation Officer, Housing Needs, Urban Design, Development Control and Trees to ensure the scheme is right for the site.
- 7.2 The Councillors for the area have also been involved in discussions and a public awareness day was held. Residents in the area were very supportive of the proposals.

- 7.3 The Portfolio Holder for Housing agrees the recommendation; there is a demand for affordable housing in Hythe. This proposal would go some way towards meeting that need.

8. CONSIDERATIONS

- 8.1 The proposed scheme will make a valuable contribution towards meeting local housing needs and provide housing for households on the Homeseach register.
- 8.2 The loss of temporary accommodation on the site balances with the replacement of affordable low cost home ownership.

9. CONCLUSIONS

- 9.1 Given the priority attached to the provision of affordable housing, disposal option 1(section 4) is recommended.

10. PORTFOLIO HOLDER COMMENTS

- 10.1 The Portfolio Holder for Housing supports the demolition of Trafalgar House and the re-development of the site for 18 affordable homes to be provided by Hyde Housing Association.

11. RECOMMENDATIONS

- 11.1 That the land at Seward Road, Hythe is transferred leasehold to Hyde Housing Association for £1.
- 11.2 That the transfer will only proceed provided that planning consent is granted to Hyde Housing Association to develop the site for affordable housing.
- 11.3 That consideration be given to demolition of the existing flats in order to redevelop.

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SU4207

Title

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