

SALE OF ST ANTHONY'S, LYNDHURST ROAD, ASHURST

1. INTRODUCTION

- 1.1 The Housing Asset Management Group has responsibility for effectively managing our residential assets, and has recently undertaken a survey of hostel accommodation owned by New Forest District Council: the results of which were reported to Housing Review Panel on 17 June 2009. This report outlined the need for a strategic review of the existing hostel accommodation and housing need.
- 1.2 The results of the survey and review have now been quantified in terms of expenditure, and as a result this report seeks the authority to sell one hostel and use the funds generated to make provision for a replacement hostel facility (in a more convenient town location and in better repair). This will be achieved by either the purchase of an existing property or the provision of a new purpose built hostel.

2. BACKGROUND INFORMATION

- 2.1 Our hostels are homes in multiple occupation and provide long term temporary accommodation for approximately 30 homeless households, all of which have their own bedrooms but share some communal facilities (normally kitchen, bathroom and toilet). They are occupied on the basis of a licence rather than a tenancy as this gives us flexibility of usage.
- 2.2 The location of a hostel is particularly important as most occupiers are reliant on public transport so the proximity of bus stops, shops, Surgery etc are paramount.
- 2.3 As with all of our residential properties we are responsible for the maintenance to ensure good standards of accommodation for our tenants. Whilst hostel accommodation does not need to meet the Decent Homes Standard it still must meet the standard under the Housing Act 2004 (Housing Health and Safety Rating System).

3. MAINTENANCE EXPENDITURE

- 3.1 Following the initial survey, further research has been undertaken to quantify the expenditure for all the hostels. Table 1 below details the total expenditure over the past 5 years for all hostels, together with a forecast of the work needed. The future works would have to be prioritized both to take account of the urgency of the repairs to each hostel and the level of funding available each year.

TABLE 1 - EXPENDITURE – ALL HOSTELS

Hostel	No of Units of Accommodation	Repair Costs (previous 5 years)	Future Refurbishment Costs	Remodelling Layout cost*
St Anthony's Ashurst	6	£72.5K	£160K	£200K
Woodlands Lyndhurst	5	£39.4K	£95K	£200K
Waverley Road Fordingbridge	7	£44.2K	£75K	£200K
Parsonage Barn Lane Ringwood	7	£65.8K	£50K	£100K
Tourlands Lymington	4	£26.5	£35K	£100K
Merrie Mead Marchwood	4	£24K	£40K	£100K

* This work may be desirable, but not essential for all of the schemes

- 3.2 It is clear from this information that St Anthony's hostel has needed a far greater financial input over the past five years, and indeed now needs a further £160,000 merely to maintain the property in a reasonable standard of repair. The initial impression of the external fabric of the building is reasonable, but it is deceptive. As an example you can see the evidence of the rising dampness in the photos (in appendix one) which is prevalent throughout the property. Flat 3 is uninhabitable as a result and has been left vacant pending the outcome of this report. The water main recently flooded the sub floor space and had to be replaced at a cost of £9,350

TABLE 2 - FUTURE REFURBISHMENT COSTS – ST ANTHONY'S

Car parking/externals	£10,000
Window repairs/double glazing	£15,000
Damp proofing	£15,000
Electrical re-wiring	£12,000
Sound proofing/fire prevention	£20,000
drainage	£10,000
Structural repairs walls/roof	£25,000
Works to entrance lobby/cupboards	£3,000
Flooring repairs	£20,000
Kitchen & utility refurbishment	£15,000
Refurbishment of washing facilities	£3,000
Insulation	£3,000
Sundry repairs	£9,000
TOTAL	£160,000

- 3.3 St Anthony's is a two storey Victorian house which has been converted into 6 flats (3 bedrooms on each floor), with a shared kitchen on the ground floor and bathroom facilities on each floor. This layout is far from ideal for use as a hostel, making parental supervision of young children difficult. For example the bedrooms are some distance from the kitchen so a parent either has to leave a young child alone in the bedroom or living room or take them into the kitchen whilst preparing meals. It is possible to improve the layout whilst undertaking the repairs for a total of £200,000 but this would reduce the number of units to four.
- 3.4 In addition it is not in an ideal location, as whilst it is close to a bus service the other facilities in the area are somewhat limited.
- 3.5 It can also be seen that the other hostels will require repair work to maintain a reasonable standard but these figures are considerably less than the necessary expenditure for St Anthony's.

4. PROPOSAL

- 4.1 The only viable option is to consider the sale of one or more hostels (where the ongoing investment needed is high). This would enable us to use the proceeds of the sale to make alternative provision for hostel accommodation in a more suitable location – either by purchasing an existing property or facilitating a purpose built hostel. In addition this would enable us to reduce the longer term investment in maintenance.
- 4.2 The most logical hostel to sell would be St Anthony's, and this has been valued at £425,000 in its current condition. This would give us sufficient flexibility to source an alternative hostel, the location of which can be influenced by the actual housing need.
- 4.3 The temporary loss of one hostel could be accommodated at present, as the number of Private Sector Lease Properties available is high due to the current financial climate.

5. FINANCIAL IMPLICATIONS

- 5.1 One hundred percent of the capital receipt generated from the sale of St Anthony's can be retained and earmarked for the purchase of a new hostel or purpose built new property.
- 5.2 The repair works to our hostels will have to be undertaken to ensure we meet a reasonable standard of accommodation, and these works will be prioritized and incorporated into the Planned Maintenance programme of work over the next five years. These works will be funded from the HRA. It

is unlikely that we will be able to include all of the layout improvements at the same time due to cost implications, however the likelihood of this happening will increase if St Anthony's is sold as this would effectively release between £165,000 - £200,000 that would otherwise have been needed for repairs.

6. ENVIRONMENTAL IMPLICATIONS

There are no environmental implications in respect of these proposals

7. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

8. EQUALITY AND DIVERSITY IMPLICATIONS

The provision of a replacement hostel for St Anthony's in a more suitable town location would be far more convenient for the occupants allowing easier access to transport links, local facilities and employment.

9. TENANTS COMMENTS

To be reported verbally at the meeting.

10. PORTFOLIO HOLDER COMMENTS

The Portfolio Holder has been consulted and says 'I have been involved in the reviewing the outcomes of the Hostel Survey as a member of both the Housing Asset Management Group and the Corporate Asset Management Group. I fully support the sale of St Anthony's to facilitate the provision of a better located alternative hostel which at the same time will reduce the financial investment necessary to maintain what is a tired old inadequate building'.

11. CORPORATE ASSET MANAGEMENT GROUP COMMENTS

The Corporate Asset Management Group is in favour of the disposal of St Anthony's provided any replacement accommodation is evaluated in terms of the housing need of the whole district.

12. RECOMMENDATION

It is recommended that approval is given for the sale of St Anthony's, and to use the proceeds to make provision for an alternative hostel in a more suitable location. This will either be by purchasing an existing property or a purpose built new hostel.

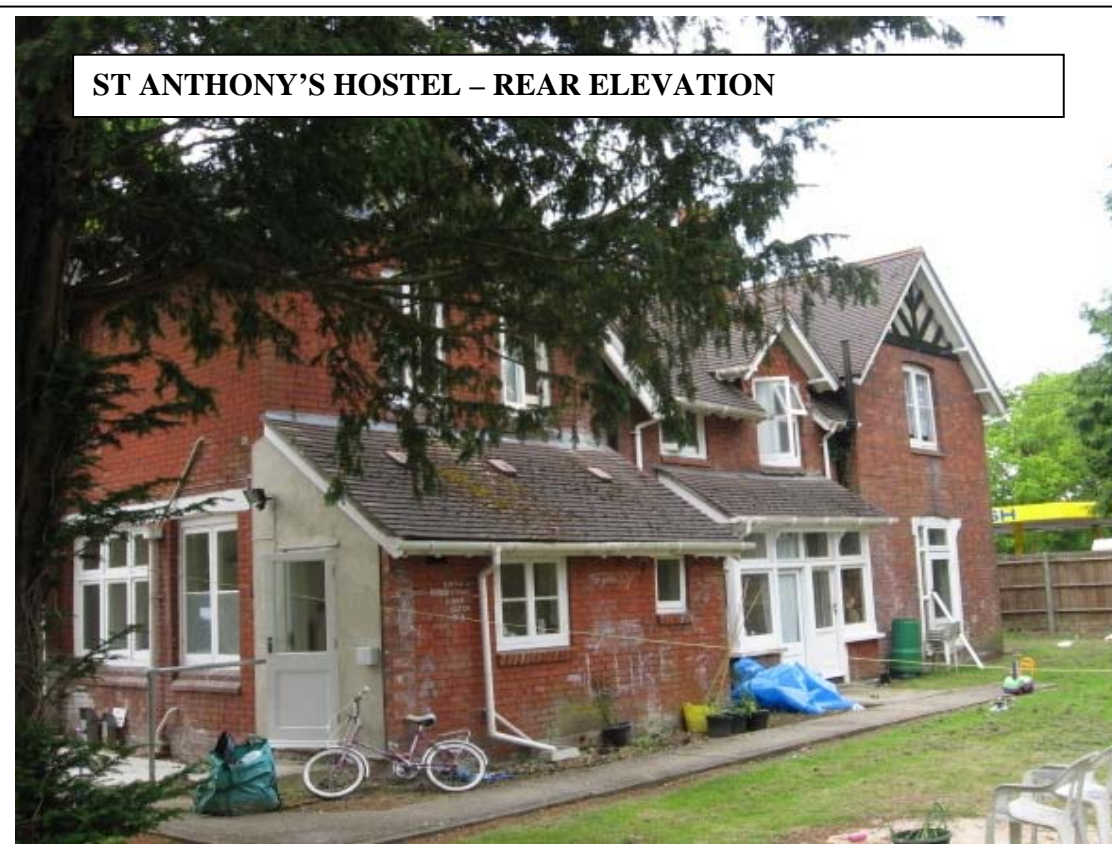
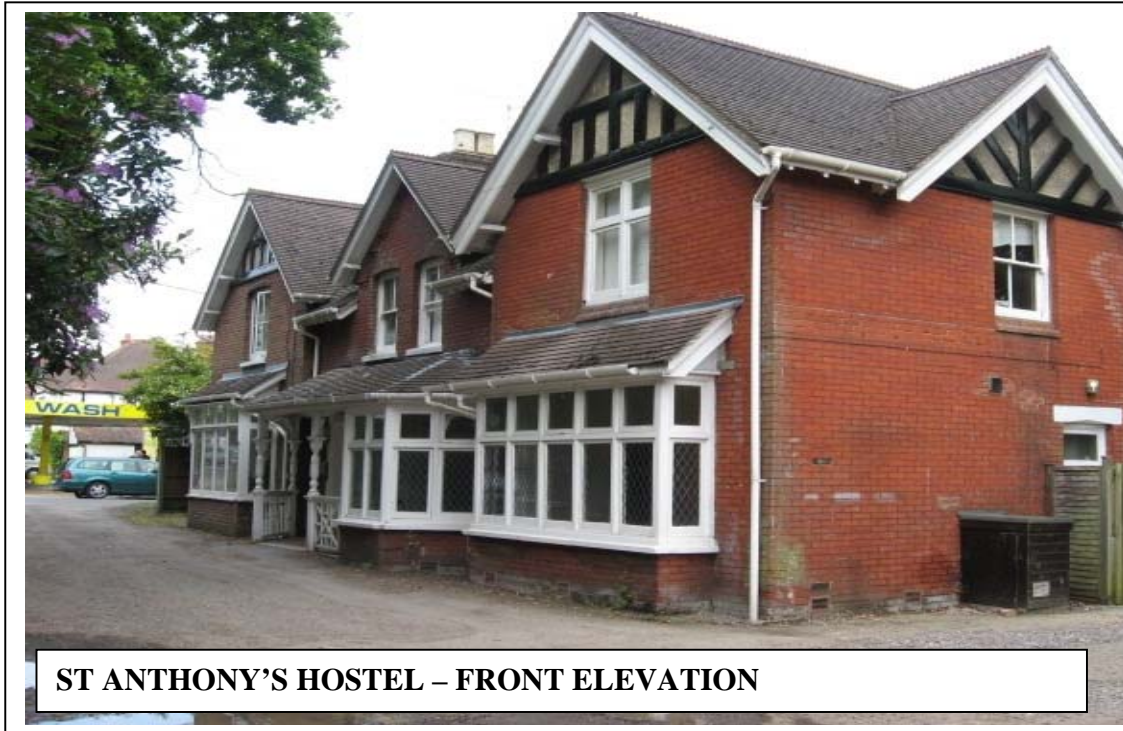
For Further Information Please Contact:

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Background Papers:

Review of Hostel Accommodation
(Housing Review Panel 17.06.09)

APPENDIX ONE – PHOTOS OF ST ANTHONYS HOSTEL



ST ANTHONY'S HOSTEL – KITCHEN FACILITIES



ST ANTHONY'S HOSTEL – ROOF LEAK
(Now repaired but only on temporary basis as needs re-roofing)



**ST ANTHONY'S HOSTEL – EVIDENCE OF RISING DAMPNESS
(Present throughout property)**

