

REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER

TO: POLICY AND RESOURCES COMMITTEE

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DISPOSAL OF BRIGHT STREET, COLNE

PURPOSE OF REPORT

To agree the disposal of land at Bright Street, Colne under a negotiated procedure for the provision of supported housing

RECOMMENDATIONS

The Committee are asked to:

1. Agree to dispose of the Bright Street, Colne site under a negotiated procedure to a company (yet to be registered) with Jonathon Pritchard and Andrew Hopkinson as directors.
2. Agree that the sale would be conditional upon planning permission being granted for housing.

REASON FOR RECOMMENDATIONS

To support delivery of supported housing and to ensure early development of the site.

ISSUE

The Proposal

1. The Bright Street site (also known as Churchfields) was acquired as part of the Housing Market Renewal (HMR) Programme with the intention of developing a new housing scheme. The former housing was demolished in 2009 and the Executive agreed on 23rd October 2014 to declare the site surplus. A number of design options have been looked at with Pearl2 and Together Housing since the site was demolished to see if a viable scheme could be developed, but the steep slope of the site and its shape has made that problematic.

2. We have recently been approached by Homelife Supported Accommodation Ltd (www.homelife.uk.net) who specialise in the design and build of bespoke accommodation for people who require care. They are currently developing 10 apartments on the adjoining Argyle Street site to provide supported accommodation for working age adults with disabilities and older people and are interested in a further development at Bright Street.
3. They wish to set up a new Special Purpose Vehicle (SPV) company, with the same directors as Homelife (Jonathon Pritchard and Andrew Hopkinson), to develop 10 self-contained bungalows as further supported housing. The housing management would be provided by Inclusion Housing (www.inclusionhousing.org.uk) who are the Registered Provider at Argyle Street and they will take on a 21 year lease of the properties. The care would be provided by Making Space (www.makingspace.co.uk), a not-for-profit care provider who will also be providing the care at Argyle Street. The housing would be suitable for working age people with disabilities and older residents and occupants would be given an assured tenancy as the properties are intended for longer term occupation. The properties would not be used for any people with drug or alcohol problems.
4. Developing properties adjacent to those on Argyle Street will make it more efficient to deliver a care service between the two schemes and therefore improve viability of the Bright Street site. The intention is to deliver support through Wellbeing Teams who will provide traditional care services but also support residents to stay connected with their communities. The Argyle Street scheme will have a community room which would also be available for residents of the proposed Bright Street scheme and also existing residents in adjoining streets.
5. The development would be privately funded and there would be no requirement for public funding. The only involvement of Pendle Council would be the sale of the land. Homelife have done some initial costing of the development and it appears that the value of the land would be fairly minimal due to the abnormal costs associated with the site, but site investigations and topographical surveys are still needed to provide more accurate costings. Liberata Property Services would need to agree a site value once this more detailed work had been completed.
6. Our Strategic Housing Market Assessment (SHMA) has highlighted a need for affordable housing including housing suitable for people with disabilities and for the increasing number of elderly people so a scheme such as this would help to meet our housing need. The steepness of the site will mean that the properties may not be suitable for people with some physical disabilities but they are intended for people with a range of support needs. The detailed design of the properties and the outside space will be considered as part of a planning application for the site. Homelife have indicated that they would begin to work up a planning application as soon as the Committee have made a decision on the site and would aim to start on site in January 2019.

Conclusion

7. We have tried for a number of years to bring forward a viable scheme for this site and the opportunity now exists to bring it forward for a development of bungalows to provide supported housing, linked with the adjoining scheme on Argyle Street.
8. The Committee are being asked to agree to dispose of the site under a negotiated procedure to the new SPV being set up by the directors of Homelife, rather than put it on the open market. Homelife have indicated that they wish to progress the scheme quickly and would have their funding in place once an Agreement for Lease had been signed with Inclusion Housing. However, to safeguard the Council's interests and add more certainty

that the site is developed after disposal, it is proposed that any sale would be conditional upon planning permission being granted.

IMPLICATIONS

Policy: The scheme would support delivery of the Council's housing requirements identified in the Core Strategy

Financial: Liberata will negotiate to agree the value of the land

Legal: It is proposed to dispose of the land on a conditional basis subject to planning permission being obtained

Risk Management: None directly arising from this report

Health and Safety: None directly arising from this report

Sustainability: None directly arising from this report.

Community Safety: None directly arising from this report

Equality and Diversity: None directly arising from this report

APPENDICES

Appendix 1 – Plan of Bright Street, Colne

LIST OF BACKGROUND PAPERS

None