

**REPORT OF: HOUSING, HEALTH AND ENGINEERING SERVICES
MANAGER**

TO: POLICY AND RESOURCES COMMITTEE

DATES: 16th DECEMBER, 2021

Contact Details: Julie Whittaker
Tel. No: 01282 661038
E-mail: julie.whittaker@pendle.gov.uk

BANKHOUSE ROAD SITE, NELSON

PURPOSE OF REPORT

To inform the Committee of grant funding awarded through the Brownfield Land Release Fund and to propose how to take the site forward for development.

RECOMMENDATIONS

That Committee:

- (1) Note the award of £200,000 from the One Public Estate Brownfield Land Release Fund..
- (2) Agree to invite Housing 21 and PEARL Together to submit proposals for an Extra Care scheme and receive a future report on those proposals.

REASONS FOR RECOMMENDATIONS

- (1) To keep the Committee informed.
- (2) To consider the best option for delivery of Extra Care on the site.

ISSUE

1. The Bankhouse Road site was assembled by the Council under the Housing Market Renewal Programme and it has remained substantially vacant for a number of years due to low land values in the area and a range of abnormal costs. In December 2016 the Executive agreed that a soft market testing exercise be carried out on the site to identify a housing developer. The site was promoted at a Pennine Lancashire 'developer day' held in 2017. The event brought together a wide range of national, regional and local housebuilders to promote the availability of key housing sites within the sub-region. Unfortunately the event did not generate any interest in this site. The Council's joint venture company PEARL2 also looked at the site for market housing but this proved to be unviable.

2. In 2018 it was agreed that a small portion of the site be disposed of to the Bradley Community Land Trust for the development of 4 affordable houses. This development has been completed and has made a good start in improving the area.
3. Subsequently Lancashire County Council (LCC) produced a Housing with Care and Support Strategy which showed a need for 138 Extra Care housing units in Pendle by 2025. Extra Care housing is aimed at the over 55's. It provides the opportunity for independent living (i.e. in your own apartment / dwelling) but with varying levels of care and support available on site. Developments include shared/communal areas for residents to socialise and take part in organised activities, should they wish.
4. LCC have worked with districts to identify suitable locations as they wish to see at least one Extra Care scheme developed in each borough. Both Pendle and LCC believe that the location of this site is highly suited to such a scheme due to its proximity to local shops and services (transport, health, leisure, etc) in and around Nelson town centre. The preference is, therefore, for the site to be considered for that use.
5. The Council had discussions with several providers of supported housing regarding the redevelopment of the site for an Extra Care housing scheme and at the time there was only Calico who wished to consider the site further. In January 2020 the Committee gave approval for the Council to work exclusively with Calico Homes for a period of 9 months on proposals for a housing scheme, including Extra Care, for the Bankhouse Road site in Nelson. To try and progress the scheme a site investigation report was commissioned for the site, using predominantly funding from our successful OPE7 bid, with a contribution from Calico. The exclusivity period expired in September 2020 but due to the COVID pandemic there was limited progress in taking the site forward during that time.
6. Calico have recently informed us that they would still be interested in the site but would be unable to consider it until at least the end of 2022 due to a similar scheme they are developing in Burnley. We have recently had an approach from Housing 21, another Registered Provider with experience of Extra Care schemes, who are interested in the site. Together Housing, through our Joint Venture PEARL Together previously felt that they were not able to progress a scheme on this site but would now wish to consider the site.

Brownfield Land Release Fund

7. In April 2021 we got the opportunity to bid for funding from the One Public Estate Brownfield Land Release Fund (BLRF) which was set up to support local authorities to bring forward brownfield sites for housing. We submitted a bid for £200,000 in May 2021 for Bankhouse Road to divert a medium pressure gas main which crosses the site and isolate/remove redundant services to increase housing density and improve viability. This was the maximum funding we could bid for whilst still meeting the Benefit Cost Ratio (BCR) thresholds required.
8. We were informed in September that our bid had been unsuccessful but that the scheme had been put on a reserve list for if future funding became available. We were subsequently informed in November that we had been successful.
9. In the bid we said that we would look at two options for the site – general needs affordable housing and Extra Care. There were a number of milestone dates within our bid including: starting on site with capital works by February 2022; 'releasing' the site (i.e. disposal to developer) by June 2022 and start on site with the housing developer by September 2022. The later approval means that we are not expecting to meet these deadlines and there is a process for requesting a variation. The longstop deadline for the funding is that the site must be released for housing by March 2024.

Next Steps

10. In order to meet the funding requirements for BLRF we need to agree a developer for the site and work with them to progress a scheme. Officers still believe that Extra Care is the most appropriate housing use for the site to help meet our housing needs and this is supported by Lancashire County Council. Now that we have two Registered Providers of housing who have expressed an interest in developing the site (Housing 21 and Together Housing through PEARL Together) it is recommended that we ask the two companies to submit proposals to the Council. This would enable us to assess the best option for development of the site. A range of information would be requested from them in relation to their proposed development scheme such as: number of units; development timescales; funding; land value and future management.
11. A report would be brought back to a future meeting of the Committee to agree which organisation we wish to progress with.

IMPLICATIONS

Policy: The Bankhouse Road site is allocated for new housing development within the Bradley Area Action Plan (one of a suite of documents which forms the Pendle Local Plan).

Financial: A Funding Agreement has been signed for the £200k Brownfield Land Release Fund. Disposing of the site may generate a capital receipt for the Council.

Legal: None as a result of this report.

Risk Management: None as a result of this report.

Health and Safety: None as a result of this report.

Sustainability: None as a result of this report.

Community Safety: None as a result of this report.

Equality and Diversity: None as a result of this report.

APPENDICES

Location Plan: Bankhouse Road site

LIST OF BACKGROUND PAPERS

Previous Reports to Policy & Resources Committee (as set out in the report)
Lancashire County Council Housing with Care and Support Strategy 2018-25
<https://www.lancashire.gov.uk/media/912048/housing-with-care-strategy.pdf>

