



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

TO: POLICY AND RESOURCES COMMITTEE

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Report Author: Julie Whittaker

Tel. No: 01282 661038

E-mail: julie.whittaker@pendle.gov.uk

BANKHOUSE ROAD SITE, NELSON

PURPOSE OF REPORT

To agree a developer for an Extra Care scheme on the site.

RECOMMENDATIONS

That Committee:

- (1) Note the submissions received.
- (2) Agree that PEARL Together are chosen as the preferred developer, subject to agreement over land value and future ownership of assets on the land.
- (3) Declare the Bankhouse Road site surplus and available for development.
- (4) Agree to receive a further report at an appropriate time in relation to the terms of disposal.

REASON FOR RECOMMENDATIONS

To progress as Extra Care on the site.

Background

1. On 16th December 2021 the Committee noted that £200,000 of Brownfield Land Release Fund had been obtained to support the development of the Bankhouse Road site in Bradley. The Committee also agreed that proposals should be sought from Housing 21 and PEARL Together for delivery of an Extra Care scheme at Bankhouse Road site so that a preferred developer could be chosen.
2. Following on from that meeting the two companies were asked to submit proposals by 16th February.

Extra Care Submissions

3. Appendix 1 summarises the responses from both organisations. Due to the timescales given to the organisations to submit proposals they can only be considered indicative at this stage.
4. Both organisations are proposing 70 apartments for social/affordable rent with a roughly equal split of one and two bed properties. Both have said that they will do consultation on the proposals but not given details. Both are proposing to own and manage the buildings themselves but Housing 21 would deliver the care themselves and PEARL Together would deliver through Lancashire County Council. Both will provide a range of facilities for residents but PEARL Together are proposing a bistro which would also be available for the wider community.
5. Neither have provided a financial appraisal to show viability at this stage and both are assuming a nil land value. This is not unexpected due to the viability problems which have stalled development of the site for many years, but the actual land value would need to be established once the scheme has been refined further and detailed appraisal produced. Both organisations are proposing a similar date for start on site of May/June 2023 with Housing21 showing a 12 month build period and PEARL Together 18 months.
6. There are a lot of similarities between the proposals, but PEARL Together have provided more detail and appear to be more advanced in their thinking. This gives more confidence that they would be able to progress a scheme quickly. It is therefore proposed that PEARL Together are chosen as the preferred developer for the site.
7. The site has been assembled over a number of years and parts of it have previously been declared surplus. Members are now asked to declare the whole site (Appendix 2) surplus and available for development.
8. As the scheme proposals are at an early stage of development it is proposed that a further report be brought to a future meeting of the Committee to agree the terms of disposal.

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: Disposal of surplus sites reduce maintenance costs and can generate a capital receipt.

Legal: The terms of disposal will be considered in a future 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

1 – Extra Care Submissions

2 – Site Plan

LIST OF BACKGROUND PAPERS

Report to Policy & Resources Committee – 16th December 2021

EXTRA CARE SUBMISSIONS

| | Housing 21 | PEARL Together |
|---|--|--|
| Number of apartments proposed with details of number of bedrooms and tenure mix | 35 one bed and 35 two bed = 70 apartments All for Social Rent | 33 one bed and 37 two bed = 70 apartments All for Rent |
| Any other facilities within the building and whether these will just be available for residents or the wider community | Facilities not specified. Will be residents only | Hairdressers, managers office, buggy store, laundry room, kitchen, 1 guest suite and a carers suite for residents. There will be a bistro available for residents and the wider community. |
| How you would consult with the local community on development of the proposals | The local community would be consulted via their planning consultants. No detail provided. | Face to face consultation will be carried out with the local community, local services and local authority The scheme would be promoted through Together Housings website. |
| Key organisations involved in the project including: who will own the building; who will manage the building; and who will deliver the care | Housing 21 will own the building and deliver the care | Together Housing will own and manage the building and the delivery of care will be by Lancashire County Council |
| Procurement arrangements for the construction of the building | Barnfield will be the contractor | Together Housing would acquire the land. PEARL Together would be the developer for the scheme and Barnfield the contractor |
| How the building will be funded. If any grant funding will be required from Homes England is that currently secured | The scheme will be forward funded by Housing 21 with assistance from Homes England. It was not explained whether the funding was secured | Funding would be secured from Homes England (application to be made) and by recycled grant and internal Together Housing funds |
| Timescales for delivery with key milestones e.g. legals in place, planning application submitted, start on site, completion of development | Start on site - June 23 Completion of development – June 24 | Agree Heads of Terms – March 2022 Legal negotiations – May 2022 Agree design and specification – June 2022 Pre-planning reports – September 2022 Planning application submitted - October 2022 Start on site – May 2023 Completion of development – Nov 2024 |
| A high level financial appraisal demonstrating scheme viability | To follow once the scheme design is agreed | To follow once the scheme is agreed |

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| The land value that will be offered to Pendle Council | Assumed to be nil | Assumed to be nil |
| Any other information you wish to be taken into account | Nothing further provided | <p>The proposal is subject to:</p> <ul style="list-style-type: none"> - Planning - Receipt of Grant Funding - Board approvals - Site investigation/remediation and gas main diversion - Contract |