

NFNPA 511/16

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 22 SEPTEMBER 2016

DEVELOPMENT OF TWO NEW AFFORDABLE HOMES, THE OLD VICARAGE, RINGWOOD ROAD, BRANSGORE

Report by: Steve Avery, Executive Director

1. Summary

- 1.1 This report brings Members up to date on the Authority's affordable housing scheme at Bransgore following the recent completion and subsequent letting of the two properties over the summer. It also provides Members with an opportunity to review how the scheme has progressed from its inception to completion and to consider how similar schemes might be supported in the future.

2. Background

- 2.1 Housing affordability is a major issue facing the National Park and our local planning policies seek to promote affordable housing to meet local needs. This is achieved by requiring open market housing schemes to make provision for affordable housing. Over the last 10 years, this provision has largely been made by developers electing to pay a financial contribution in lieu of on-site provision. Such contributions are secured by s106 agreements and then pooled to fund affordable housing provision elsewhere in the National Park (normally through a local housing association).
- 2.2 However, finding suitable sites on which to build affordable housing can be challenging for many reasons, not least because it relies on a willing landowner to bring forward serviceable land at a heavily discounted rate. It was against this background that Richard Frampton, local parish councillor and Authority Member (and now District Councillor) offered to gift the Authority a small piece of land on the outskirts of Bransgore in 2013 for the sole purpose of providing affordable housing for rent. At the time, 80 people were registered on New Forest District Council's waiting list as having a local housing need in Bransgore.
- 2.3 This generous and welcome offer was considered by the Resources, Audit and Performance Committee (RAPC) on 25 November 2013 and formally accepted by Members at the Authority meeting on 12 December 2013. Officers were instructed to progress the proposal to the next stage by identifying partners to help deliver and manage the proposed scheme. The District Council's housing team were very supportive from the outset but early discussions with a local housing association revealed that they would only be willing to get involved if they could acquire the freehold ownership of the site (which was not the basis on which the offer was made).
- 2.4 The first stage of the project therefore was to secure the land and to engage an architect to prepare the necessary plans. The land was transferred to the Authority in July 2014 on a 999 year lease. Whilst the lease was being completed, local architects were invited to tender for the preparation and submission of plans for planning and

building regulation approval. The brief was to design a pair of traditionally styled and modestly sized three bedroom semi-detached houses. Specialist ecological and arboricultural reports were commissioned to help inform the design process. A further requirement of the brief was to ensure that the design and build of the new homes achieved Level 4 of the Code for Sustainable Homes in accordance with the Authority's own planning policies.

- 2.5 Maughan Architecture, in association with Avon Project Services, successfully bid for the contract and worked closely with officers in preparing the plans for two semi-detached houses.

3. Obtaining the necessary consents

- 3.1 The planning application was submitted in early August 2014 (ref. 14/00664) and the usual publicity and consultations were undertaken. The application was supported by Bransgore Parish Council and the District Council's housing team. There were no concerns raised by neighbours or any of the other consultees. The application was reported to the Planning Committee on 21 October 2014 (given that the Authority was the applicant) when it was agreed to grant conditional planning permission subject to the payment of the usual developer contributions towards habitat mitigation, off site highway improvements and open space provision.

- 3.2 A further report was then considered by Members at the RAPC meeting on 10 November 2014 which set out two alternative options for progressing the project to the next stage; a choice between the Authority building and letting the properties itself or transferring the land to another registered social landlord (e.g. a housing association). It was agreed that the Authority should continue to progress the project itself, working closely with the District Council's housing team, who have been a great help throughout the project.

- 3.3 The building regulation approval was subsequently granted on 12 February 2015.

4. The construction phase

- 4.1 In July 2015 the Authority tendered the building works, which due to the scale and cost of the project, had to follow a strict set of procurement and contract rules. In addition to listing the tender on the Government's 'Contracts Finder' website, 29 local building contractors based in the Hampshire area were directly notified of the opportunity via email in order to prompt local participation.

- 4.2 The skills and expertise of our in-house Finance and Procurement team, complimented by the appointment of a Quantity Surveyor (Align Property Consultants Limited) ensured that all the necessary steps and checks were followed. The evaluation of the tenders was based on a criteria of 60% price and 40% quality. Following a desktop evaluation, shortlisted candidates were then interviewed by a panel comprising senior officers and the retained Quantity Surveyor (QS).

- 4.3 Out of this process, and following a further report to the Authority meeting on 24 September 2015, the Authority awarded the building contract to Agincourt Contractors Ltd, a building company based in Petersfield that had undertaken similar projects to a proven high standard (having won previous awards).

- 4.4 Building works commenced in January 2016 with the Council's Building Control

service undertaking all the relevant site inspections. The properties were completed on time (i.e. within 26 weeks) and to the agreed budget (see below). Monthly liaison meetings with the builders and the QS ensured that the build programme progressed smoothly and without incident.

- 4.5 Some Members were able to inspect the buildings on completion (prior to occupation) and complimented the designers and the builders on the excellent build quality, the attention to detail in the finishes and the level of accommodation provided in what are quite modestly sized properties (100m²). Features include a slate roof with recessed photovoltaic tiles, timber casement windows and doors, exposed rafters and the use of traditional joinery in the construction of the front porches. Together with appropriate soft and hard landscaping, the finished buildings have a very rural character and sit comfortably in their surroundings.
- 4.6 As well as being built to Code 4 the buildings have also been designed to meet the Lifetime Homes Standard. The buildings further benefit from the Local Authority Building Control (LABC) warranty.

5. Letting the properties

- 5.1 Acting on the recommendation of the Authority's external auditors, Counsel's Advice was obtained in August 2015 which confirmed that the provisions of section 65(5) of the Environment Act 1995 allowed for the acquisition and management of the properties by the Authority. This advice was also reported to Members at the Authority meeting on 24 September 2015 and considered before deciding to appoint Agincourt Contractors Ltd to carry out the building works.
- 5.2 Through the RAPC, Members have also been engaged in agreeing the arrangements for the letting of the properties. It was decided that the Authority should advertise the properties through the District Council's Homeseach website and that prospective and eligible tenants would be assessed by the Council's Allocations Team in the normal way.
- 5.3 In the meantime, the Authority adopted its own Tenancy Policy at the RAPC meeting on 7 March 2016 which specifies that the properties are to be let on an Assured Shorthold Tenancy Agreement at an affordable rent (no more than 80% of the open market value). The rent for the current lettings has been set at £800 per month per dwelling.
- 5.4 The Authority received tenancy nominations from the District Council in June 2016 proposing two local families with a local connection to the village. These were agreed in consultation with the Chairman of RAPC. The properties were let within two weeks of completion and are managed through a local letting agent (Taylor Viscount) who undertakes all the day to day landlord duties on behalf of the Authority.

6. Costs

- 6.1 The properties have been built at a total cost of £237,997 each. The building contractor costs were on budget and within the provisional sums allowed. One extra expense (£3,000) was the use of slates rather than concrete tiles which had previously been shown on the drawings (the preferred concrete tile having been discontinued by the manufacturer).

6.2 The table below provides a summary of the main costs of the project:

| | |
|---|-----------------|
| Pre-construction Costs (Architect / Planning / Building Control / Assessments / Legal / Appraisals) | £20,348 |
| Developer Contributions | £13,255 |
| Total Building Contractor Costs | £422,756 |
| Total QS Costs | £15,290 |
| LABC Warranty | £2,946 |
| Post-construction Costs (SAP Calcs / Utility Bills / Window Blinds) | £1,399 |
| Bransgore Project Total | £475,994 |

6.3 The buildings are fully insured and a revised asset valuation is now being sought post construction. The gross rental income from the two properties is £19,200 per annum.

6.4 An internal audit of the project is scheduled to be carried out later in the year, the results of which will be reported to a future RAPC meeting.

7. Conclusions

7.1 This has been a very satisfying project and one that has progressed without any major issues. Members and officers have acquired new knowledge and experience that can now be applied to future projects.

7.2 More importantly, the aim of the project from the outset was to trial a new approach to delivering bespoke, small scale affordable housing schemes in the National Park in a way that might encourage similar schemes to come forward in the future. There is already interest in undertaking a similar project in Burley.

7.3 Securing affordable housing provision through the planning process is becoming less certain following recent planning reforms (whereby the Authority is no longer able to seek affordable housing provision on schemes of five or less dwellings). That is why the Authority is looking at new ways to deliver lower cost housing that better meets local housing needs through the draft local plan. The value of the Bransgore project is that the design and layout of the buildings can now be cited in support of our new and emerging draft planning policies for estate worker houses and limiting the size of new dwellings in the Forest to 100m².

7.4 An official 'opening' of the scheme is planned for 16 September 2016 when there will be an opportunity to meet with all those involved in the project.

8. RECOMMENDATION

That Members note the report.

Contact: Steve Avery

Papers: NFNPA/429/13, NFNPA/RAPC 214/13, NFNPA/RAPC 244/14, NFNPA/464/14, NFNPA/RAPC 490/15, NFNPA/RAPC 284/16 and NFNPA/RAPC 290/16

Equality Impact Assessment:

There are no equality or diversity implications arising directly from this report. The properties have been designed as Lifetime Homes to support the changing needs of individuals and families at different stages of life.