WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 7 JULY 2009

Title:

PROPOSED AFFORDABLE HOUSING DEVELOPMENT – STATION ROAD, GODALMING

[Portfolio Holder: Cllr Keith Webster] [Wards Affected: Godalming Central and Ockford]

Summary and purpose:

In 1987, the Council acquired a site in central Godalming for housing purposes. This site has been used for parking purposes for many years. Given the pressing need for affordable housing, it is proposed that the site be developed for affordable housing.

How this report relates to the Council's Corporate Priorities:

This report relates to two of the Council's Corporate Priorities namely: **Improving Lives** – Improving the quality of life for all, particularly the more vulnerable within our society; and **Subsidised affordable housing** – Working for more affordable housing to be built and managing council housing well.

Equality and Diversity Implications:

There are no Equality and Diversity issues arising from this report.

Resource/Value for Money implications:

In the 2009/10 budget, there is an estimated income arising from the sale of season tickets amounting to £35,000 - £15,000 of which is retained by the General Fund for managing the car park and £20,000 is credited to the HRA. Should the site be developed for affordable housing this income stream would be lost. It is worth noting, however, that as a result of an office move the main purchaser of season tickets is no longer using the car park.

At this stage, the resource implications relate to the appointment of a Development Agent and the costs of a planning application. Such costs can be found from within the capital resources available for affordable housing development.

Legal Implications:

It would be necessary to enter into a formal Agreement with the Registered Social Landlord, or other suitably qualified organisation, appointed to undertake the role of 'Development Agent'.

Background

- In 1987, the Council acquired a site at Station Road, Godalming for housing purposes. It is adjacent to a property owned by the Council called Priory Orchard. See location plan at <u>Annexe 1</u>.
- 2. In 1990, planning permission granted for a scheme of 31 flats for older people. However, owing to financial pressure this development did not progress. Since that time, the site has been used as a contract car park.
- 3. More recently, the car park has not been used to capacity during the week as the company, which purchased most of the contract parking spaces has relocated. In any event, the site was purchased for housing purposes and given the pressing need for affordable housing in the Godalming area, it is considered timely and appropriate to propose the development of this site for affordable housing.
- 4. The Station Road site (which includes Priory Orchard) is a 'brownfield site' (of 0.22 hectares) within the developed area, within easy reach of shops, services and transport links.
- 5. At this stage, Members are being asked to agree to the principle of releasing this land for housing purposes to enable a development of affordable housing details of which have yet to be formulated.
- 6. The Council has agreed to establish a local housing company, with a view to providing affordable housing outside of the Housing Revenue Account (HRA). Whilst the local housing company is at a formative stage in its development and is not in a position today to undertake a development of this sort, it would be sensible for the Council to keep its options open at this stage. Furthermore, the Government has changed its stance on allowing local authorities to build Council housing. The Homes and Communities Agency has made available £100 million against which local authorities can bid to help fund new council homes. Waverley is likely to make such a bid and the Station Road site in Godalming could benefit from this funding if a bid is successful.
- 7. The Council itself has not undertaken a new build housing project for some years. It is therefore proposed that the Council appoint a Registered Social Landlord or another suitably qualified organisation, to act as its 'Development Agent'. A Development Agent would ensure that plans are drawn-up that address local housing need; and are in line with the requirements of the local Planning Authority and Homes and Communities Agency. They would oversee the actual development process.
- 8. It is proposed that:
 - the Council agrees to release the site at Station Road, Godalming, for the development of affordable housing;

- the Head of Housing appoints a Registered Social Landlord, or suitably qualified organisation, to act as its 'development agent' in the first instance. The RSL, which would have considerable experience of affordable housing development, would work up proposals for the site for consideration by the Council as a Housing Authority and would then submit a planning application in due course;
- once planning permission had been secured, decisions would then need to be taken about the which organisation would fund and own the homes at the end of the build period. This might be the Council's Housing Revenue Account, the Waverley Local Housing Company, or the RSL that the Council has appointed to undertake the development process, or perhaps a combination.

Resource and Legal Implications

- 9. In the 2009/10 budget, there is an estimated income arising from the sale of season tickets amounting to £35,000 £15,000 of which is retained by the General Fund for managing the car park and £20,000 is credited to the HRA. Should the site be developed for affordable housing this income stream would be lost. It is worth noting, however, that as a result of an office move the main purchaser of season tickets is no longer using the car park.
- 10. At this stage, the resource implications relate to the appointment of an RSL (or appropriately qualified organisation) as a development agent and the costs associated with making a planning application. The costs associated with this exercise can be funded from within the capital resources available within the affordable housing capital programme.

Conclusion

11. There is a considerable need for affordable housing across the Borough and in Godalming itself. The Station Road site is centrally located close to amenities. The site lies within the settlement and developed area and is a 'brownfield site'.

Recommendations

It is recommended that:

- 1. the Council agrees to the land at Station Road, Godalming, being released from its current use, and revert to the purpose for which it was originally acquired (i.e. housing purposes);
- 2. the Head of Housing appoints a Registered Social Landlord, or suitably qualified organisation, to act as its development agent to draw up plans for a scheme of affordable housing at Station Road, Godalming; and
- 3. once plans have been drawn-up and the scheme costed, a further report be presented to the Executive.

D. J. (0D00)

Background Papers (SDCS)

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICER:

Name: John Swanton Telephone: 01483 523361

E-mail: john.swanton@waverley.gov.uk

Comms/exec/2009-10/064