

Subject:	New Homes for Neighbourhoods - Small Site Strategy		
Date of Meeting:	5 March 2014		
Report of:	Executive Director Environment, Development & Housing		
Contact Officer:	Name:	Sam Smith	Tel: 291383
	Email:	sam.smith@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Building new homes on council land is a council priority and essential if City Plan housing targets are to be met and the city's 'housing crisis' tackled. The council's New Homes for Neighbourhoods programme is split into three overlapping phases: Phase 1 (garage sites project), Phase 2 (vacant land and infill sites) and Phase 3 (wider estate regeneration).
- 1.2 Soft market testing for Phase 1 of the programme has revealed a lack of appetite for the development of smaller sites amongst traditional development partners such as Register Providers of Social Housing (RPs), commercial developers and larger construction companies. This report covers a number of proposed pilot approaches for developing these sites.

2. RECOMMENDATIONS:

- 2.1 That Housing Committee:
 - (i) Delegate authority to the Executive Director Environment Development and Housing (in consultation with the Executive Director of Finance and Resources) to enter into the necessary contract(s) to secure the design and build of housing on small site(s) following a RIBA supported design competition as described in paragraphs 3.8 to 3.12
 - (ii) Approves the Pilot 2 proposal set out in the report for development of a small site by a housing co-operative represented by Co-operative Housing in Brighton & Hove.
 - (iii) Approves the Pilot 3 proposal set out in the report for the design and build of housing on small site(s) using Passivhaus principles.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Background

- 3.1 On 6 March 2013 Housing Committee gave delegated authority to the Strategic Director of Place in consultation with the Director of Finance and Resources to award the contract following completion of procurement of a delivery partner for the development of new housing on a number of garage/car parking sites in the city.
- 3.2 The original procurement strategy for these sites aimed to appoint a single development partner to take them forward. However extensive soft-market testing, in early 2013, revealed a lack of interest amongst potential partners (including Registered Providers, developers and large construction firms) in some of the smaller sites that often had specific issues to overcome, for example narrow access. The feedback indicated that they were not interested because:
- Project too small
 - Number of sites and associated variables
 - Complexity of individual sites and high risk
 - Project not in the right geographical location
 - Full order books
- 3.3 Four of the sites were more attractive to Registered Providers and the procurement for these is now complete and the Guinness Partnership has been awarded the contract to build these homes and hand them back to the council for management:
- Flint Close North and South, Portslade, Brighton, BN41 2GH
 - Foredown Road , Portslade, Brighton, BN41,2FD
 - Harmsworth Crescent, Hangleton, Hove BN3 8BS
 - 4-7, 9-10 & 15-20 Kensington Street, Brighton , BN1

Innovative solutions

- 3.4 The difficulties encountered in the procurement of these sites indicate that more creative solutions need to be identified if the council is to develop smaller sites and meet the target of 500 homes on HRA sites by 2030. The lack of interest we have found in developing sites of this type from traditional development partners such as large construction companies presents an opportunity to work with smaller organisations and companies who have an understanding of Brighton and Hove and are interested in smaller development projects.
- 3.5 The team have been developing an alternative development strategy for the smaller sites that would include the following from the sites that were included in the 6 March 2013 report:
- Rotherfield Crescent, Hollingbury, Brighton
 - Hinton Close, Hollingdean, Brighton

- Natal Road, off Lewes Road, Brighton
- Plumpton Road, Brighton

There is also potential to include some smaller sites that have been identified in Phase 2.

- 3.6 There is potential for this strategy to be part or fully funded by the existing budget allocation for the garage sites project which may finance the pilots in this report as well as the main garage sites project (depending on the final scheme design and financial modelling which will take place in the early stages of that project). It is envisaged that the opportunities offered by the strategy will appeal to small and medium enterprises (SMEs) and it will therefore be in harmony with the government's strategy to open out commercial opportunities to SMEs.
- 3.7 A number of other smaller sites are currently being assessed for their suitability for piloting different approaches. It is proposed that a range of pilot approaches is tested which could then be applied to the delivery of further smaller sites that are identified in the programme.

Pilot 1 – Design Competition

- 3.8 It is proposed that a design competition is piloted with the aim of supporting local employment strategies, and is led by architects, producing innovative and imaginative designs for the small sites. The entrants would be asked to develop innovative proposals that would provide a high quality of accommodation, as well as meeting the particular challenges of the individual sites. This would enable the council to have a competitive process for each site, drawing out proposals that meet the council's objectives and provide innovative solutions. In informal discussions with local architects they have indicated interest in participating in a design competition and suggested potential to link with Brighton University offering opportunities for architecture students to also participate.
- 3.9 There is a long history in the UK of design competitions being used as a way of developing new buildings and the Royal Institute of British Architects (RIBA) provides guidance and support for running them.

“Design competitions deliver exciting buildings and projects. They drive up quality, stimulate creativity and innovation and generate a range of ideas improving choice. They are a highly effective procurement model that brings out the best in a project - often providing a platform to showcase new and emerging talent.”

Angela Brady, RIBA President 2010-2013

- 3.10 RIBA believes that design competitions can provide a number of benefits to those wishing to develop new buildings. The design competition route can help find a suitable local team for the development, deliver a high level of quality and attract talented architects to participate who may not be large enough to participate in larger scale procurements or belong to procurement frameworks. Design competitions also deliver the opportunity to choose between different solutions whilst actively engaging local communities and others with interests in the site/project directly in the competition process.

- 3.11 A design competition could also be effective in raising the profile of the scheme; potentially showcasing local talent and publicising the council's New Homes for Neighbourhoods programme. Design competitions can also be a good way of delivering cost effective schemes and reducing project timescales. Although there may be some additional cost at the initial stages, they offer the potential to set cost parameters and drive out innovation, delivering timely projects and value for money.
- 3.12 There are a number of different potential design competition formats that RIBA can support and the most suitable format would be identified with support of RIBA. The aim would be to encourage smaller firms of architects based in the greater Brighton area to participate. The winner could be selected from initial entrants or a further stage commissioned with short-listed teams developing their designs and being interviewed by the award panel. This would enable the council to get a wide range of design ideas from individual firms or multi-disciplinary teams, enabling designs to be selected on their quality and suitability for the site. Housing Committee is asked to agree to working with RIBA to deliver the design competition pilot with the winning design being taken through planning, construction and handed back to the council for management.

Pilot 2 – Local Housing Co-ops

- 3.13 The city has a number of Housing Co-operatives who are keen to work with the council in the delivery of new homes. Housing co-ops are organisations that are controlled by their members and which provide homes for their members through the building, renovation and management of properties. They are registered as Industrial and Provident Societies and do not trade for profit. Housing co-ops in the city are represented by CHIBAH (Co-operative Housing in Brighton & Hove) and the council's Estate Regeneration Team have had early discussions with CHIBAH about the potential for a pilot project which would involve them developing a small site for new co-operative housing. The home/s would be managed by a local Housing Co-op.
- 3.14 Discussions are at an early stage and members of CHIBAH are currently undertaking training with a development expert with experience of delivering small sites to increase their knowledge and capacity to manage a pilot project. Some initial site visits have taken place and the next steps would be to identify a suitable site for the pilot, this would involve a range of searches and checks. Once a site has been identified and agreed between the council and CHIBAH they would be given a fixed time period to produce a Business Plan for the delivery of the site which at the minimum this would cover the following areas:
- High level proposal/intended use for the site
 - Approach to development and project management
 - Identification of expertise for undertaking design (including feasibility)
 - Identification of expertise for undertaking financial viability and ensuring financial control
 - Scheme resourcing (including funding options and plan)
 - Approach to community consultation and engagement
 - Their requirements of the council

- 3.15 Once a Business Plan has been submitted, the council will consider it in terms of deliverability and other implications before go-ahead is given.

Pilot 3 –Passivhaus

- 3.16 The Estate Regeneration team have been looking at different ways of speeding up the delivery of new homes and a Passivhaus pilot is being proposed to try out an alternative method of delivering homes. This has the potential to reduce construction time and costs, improve sustainability standards and potentially provide training and employment opportunities. The proposal is for a suitable small site/s to be identified for a pilot and a specification for its development to be agreed with the help of Passivhaus expert/s. Once this proposal is agreed delivery partner/s would be procured to take the scheme through planning and construction and then handed back to the council for management. The pilot will provide an opportunity to test for this type of home and construction method within the programme with potential for it to be rolled out more widely.
- 3.17 Homes built to Passivhaus principles are super insulated with a high level of air tightness, leading to homes requiring up to 75% less energy for space heating than standard practice for UK new build. This reduces energy use and therefore results in lower energy bills for residents and lower carbon emissions. Passivhaus can be delivered through modern construction methods such as timber frame and modular construction with key elements of the buildings structure being manufactured off-site. This construction method can provide opportunities for young and semi-skilled people to be involved in building process.
- 3.18 A good example of this approach can be seen in Great Yarmouth where the local council is delivering social housing on former garage sites in the borough¹. The new homes are being delivered at a comparatively low cost, to a time-scale quicker than traditional construction, whilst providing employment and training opportunities. Passivhaus has been successfully used for the provision of social housing by a number of housing providers including in Oldham where new tenants are impressed by the design, thermal comfort and lower bills of their new homes².

Land for self-build

- 3.19 The Housing Committee Self-Build Report on 6 March 2013 included that “in identifying vacant sites with development potential, we will consider whether there are any opportunities which could be offered for self-builds rather than council housing”. This could provide alternative option for some smaller sites with the land leased or sold to groups or individual self-builders. This could potentially produce a capital receipt for the council whilst providing a solution for a difficult to develop site that delivers new housing.

¹ <http://www.heart.co.uk/norfolk/news/local/great-yarmouth-eric-pickles-visits-council-houses/>

² <http://www.theguardian.com/environment/2013/nov/01/cutting-energy-bills-oldham-passivhaus>

- 3.20 There are self-builders in the city who are interested in purchasing land for self-build and this model has worked in Bristol's Ashley Vale³ where group land purchase and subsequent sales of plots to individuals has led to the development of a new community. Self-Build has also been successfully used in the city including on some urban fringe sites such as the Hedgehog Co-operative development in Bevendean and at Golf Drive in Hollingbury. The smaller sites the council has currently identified may be less attractive due to their size.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Community involvement and effective consultation is key to the successful delivery of the Small Sites Strategy. We publicise the programme under the name 'New Homes for Neighbourhoods', emphasising the 'localism' and 'neighbourhood' approach that Housing Committee agreed for the delivery strategy. We will use a bottom up community engagement approach, providing opportunities for local residents to be involved in the pilot projects and to discuss plans in a safe and open environment.
- 4.2 The team presented to Area Housing Panels in January about the programme including these sites and were well received by residents who offered suggestions of additional sites in their areas. Local residents neighbouring the former garage sites have been informed by letter that the council was arranging feasibility studies to look at the options for the future use of the sites and that they would have the opportunity to be involved in any proposals. We will inform local residents of any development with the pilot projects for sites in their locality. Ward councillors have been kept up to date and briefed on the schemes in their wards. We will continue to keep them informed and involve them in community engagement.
- 4.3 Regular updates will be given to Housing Committee, City Assembly and Area Panels. Council tenants and leaseholders will also be kept informed through *Homing In* and information will also be put on the council's website. Queries and suggestions can be directed to estate.regeneration@brighton-hove.gov.uk.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The Housing Revenue Account Capital Programme budget 2014-2017 report, approved by Policy & Resources Committee on 15 February 2014, includes budget of £1m in 2014/15 and a provisional budget of £3.9m in 2015/16, totalling £4.9m for the garage sites. The budget is for the delivery of new homes for the four sites through the Guinness Partnership and to develop the remaining sites.
- 5.2 The costs of the proposed pilots recommended in this report are to be met from the garage sites capital budget of £4.9m. Financial modelling on the main scheme sites needs to be updated with the final scheme design and the costs for the pilot will be reviewed as these schemes progress. Any variations from the

³ <http://www.selfbuildportal.org.uk/ashley-valeb>

approved budget will be reported to Policy & Resources in accordance with the council's standard financial procedures.

- 5.3 The costs of using RIBA to support the design competition is estimated at £23,000 and will also be met from the garage sites budget.

Finance Officer Consulted: Susie Allen Date: 20/02/14

Legal Implications:

- 5.4 Procurement of all works and services referred to in this report will need to comply with the council's standing orders including, where applicable, the relevant provisions of the Public Contracts Regulations 2006.
- 5.5 When dealing with housing co-operatives, the council must consider whether preferential terms that could amount to state aid are given and, if they are, ensure that regulations are properly observed.

Lawyer Consulted: Isabella Sidoli and Oliver Asha Date: 20/02/14

Equalities Implications:

- 5.6 An increase in housing supply will increase the opportunity to provide new, well designed homes to local households registered in need. New development and renovation provides an opportunity to better meet the needs of particularly vulnerable households including those, such as existing elderly residents, who may be under occupying their current home.
- 5.7 Across the New Homes for Neighbourhoods programme we aim that at least 10% of all new housing will include accommodation designed for households with a disability, increasing the visibility and inclusion of such households.

Sustainability Implications:

- 5.8 The approach detailed in this report has the potential to deliver innovative highly sustainable homes that are energy efficient and minimise carbon emissions. New homes should also include features to help support people to live sustainable lifestyles and encourage the development of more sustainable communities.
- 5.9 The council will ensure our partners follow local sustainability planning guidance and policies, and that new homes are built to at least Code for Sustainable Homes Level 4 and higher where viable. We will also look to include Solar Photo Voltaic systems and other renewable energy sources where possible on relevant homes. New homes will also meet Lifetime Homes space standards.

- 5.10 It is anticipated that some new homes will be built to Passivhaus principles and the benefits of this approach are explained in the body of this report.
- 5.11 The new homes will support One Planet Living and when contracts are tendered bidders will be asked put forward innovative ways of meeting the 10 One Planet Living principles. This could be achieved by for example:
- Providing secure cycle storage
 - Incorporating food growing areas into schemes
 - Including recycling facilities in kitchen units
 - Providing composting facilities in gardens and communal areas
 - Incorporating water saving and re-use measures
 - Providing green walls and roofs on some developments to encourage wildlife
 - Incorporating community facilities where needed and possible.
- 5.12 Some of these measures will not need to significantly increase scheme costs and will help new residents to live more sustainable lives. Partners will also be asked to demonstrate these principles through the construction process by for example minimising distances that materials travel (e.g. local materials and supply chain), using re-cycled materials and local labour.

Crime & Disorder Implications:

- 5.13 Disused garages and other smaller HRA sites can be unsightly; attracting anti-social behaviour and fly-tipping .The Small Sites Strategy will offer the opportunity to provide new, well-designed homes in these areas and link to wider regeneration opportunities, including work to deliver the council's economic and sustainability objectives. Good quality housing has been demonstrated to influence the rate of crime and disorder and quality of life.

Risk and Opportunity Management Implications:

- 5.14 There are a number of risks and benefits associated with this strategy including:
- Team capacity - smaller schemes can be as resource intensive as managing larger schemes with a lower number of new homes delivered
 - Costs – smaller schemes can be more costly, however measures will be taken to control this as detailed in the body of the report
 - Capacity of housing co-ops – Housing Co-ops may not have the expertise or financial backing to deliver schemes (this will be tested through the Business Plan)
 - Ongoing maintenance – Buildings that are innovative, do not follow traditional build and have features such as mechanical ventilation may require specialist maintenance and training for residents

Public Health Implications:

- 5.15 There are strong links between improving housing, providing new affordable homes and reducing health inequalities. Energy efficient homes which are easier and cheaper to heat will help support the health of households.

Corporate / Citywide Implications:

- 5.16 As reported in the Housing Revenue Account Capital Programme 2013-2016 considered by the Housing Committee on 16 January 2013, the development of new housing has a strong economic multiplier impact on the local economy, estimated at over £3 of economic output for every £1 of public investment, creating jobs and supply chain opportunities.
- 5.17 The design competition will be specifically targeted at local businesses in order to provide opportunities for smaller firms that are often excluded from traditional procurement exercises.
- 5.18 The pilot approach should offer a range of employment and training opportunities for local people as detailed in the body of the report. Partners will be asked to work with the Local Employment Scheme to ensure that work, apprenticeship and training opportunities are provided for local people. We will also look at how larger schemes can provide employment opportunities for people living on estates included in the Estate Regeneration Programme.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms

None

Background Documents