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| Part 1 | ITEM NO. |

REPORT OF THE STRATEGIC DIRECTOR FOR SUSTAINABLE REGENERATION

TO THE ASSISTANT MAYOR HOUSING AND ENVIRONMENT ON 29 May 2012

AND THE DEPUTY CITY MAYOR (PROPERTY) ON 22 May 2012

TITLE: Approach to support housing led regeneration and renewal of the areabounded by Great Cheetham St West and Great Clowes St, and Hilton St North and Murray St (even numbers only), Broughton.

RECOMMENDATIONS:

That the Assistant Mayor Housing And Environment approves:

* The joint working with Contour Homes (part of the Symphony Housing Group) to explore and maximise the opportunities presented through Affordable Housing Programme (AHP) 2011-15 funding

and notes:

* The approach to sale and transfer of Salford City Council land and empty properties as part of any agreed and approved development.
* To market test for open sale the properties on Queens Terrace owned by SCC and Contour Homes.

That the Deputy City Mayor (Property) approves:

* The approach to sale and transfer of Salford City Council land and empty properties as part of any agreed and approved development
* To market test for open sale the properties on Queens Terrace owned by SCC and Contour Homes

and notes:

* The joint working with Contour Homes to explore and maximise the opportunities presented through Affordable Housing Programme (AHP) 2011-15 funding.

EXECUTIVE SUMMARY:

The Renewal area bordered by the main roads of Great Cheetham St West and Great Clowes St, and Hilton St North and Murray St (even numbers only) is comprised mainly of pavement fronted terraced property, and a small number of mainly 1 bed apartments. There is also a play area / green space. Social renting is the predominant tenure, with some private rented accommodation and a limited number of owner occupiers. The 2008 neighbourhood survey found that the general image of the area is poor. Historically there has been concern about sustainability; low demand, low values, high turnover, comparatively high level of empty dwellings, poor estate layout and crime and anti-social all being significant issues. The area was intended to be subject to regeneration and renewal works as part of the longer term Housing Market Renewal (HMR) programme.  Contour Homes is the main social housing provider in the area and owns developable land and empty properties in the area. Salford City Council owns developable land and properties that have been acquired in anticipation of the regeneration of the area.

The funding and national policy landscape has changed considerably and it is unlikely that funding will be available for major regeneration and remodelling of the area, however, there are opportunities to work on making best use of the resources that are available in the area to maximise the impact. Contour Homes is looking at options to bring the long term empty properties back into use and develop housing on the available land. There is some funding secured through the Affordable Housing Programme (AHP) 2011-15. Approval is sought to work with Contour Homes to look at options, which include bringing forward the empty properties on Great Cheatham St (known as Queens Terrace).   Should this be progressed, more detailed options and plans will be identified and presented to the appropriate Lead Member after the summer.

As well as meeting strategic housing and regeneration objectives, the schemes also provide the City Council with the opportunity to:

* + mitigate the impact and cost of managing and maintaining empty properties and vacant land;
	+ potentially realise capital receipt(s) on sale of land / assets;
	+ provide New Homes Bonus and the affordable housing ’’enhancement’’ ; and
	+ increased council tax revenue.

BACKGROUND DOCUMENTS:

* Lead Member for Housing briefing 6th February 2012
	+ Salford’s Affordable Housing Programmes update.

KEY DECISION: No

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**DETAILS:**

1. **Background to the Renewal Area**
	1. The Renewal area bordered by the main roads of Great Cheetham St West and Great Clowes St, and Hilton St North and Murray St (even numbers only) was intended to be subject to regeneration and renewal works as part of the longer term Housing Market Renewal (HMR) programme.  The neighbourhood, consists of approximately 250 households living in mainly pavement fronted terraced property, and a small number of mainly one bed apartments. There is also a play area. Social renting is the predominant tenure (over 70%), with some private rented and limited owner occupation. In the 2008 neighbourhood study it was identified that the general image of the area is poor. Historically there has been concern about sustainability; low demand, low values, high turnover, comparatively high level of empty dwellings, poor estate layout and crime and anti-social all being significant issues. The area was intended to be subject to regeneration and renewal works as part of the longer term Housing Market Renewal (HMR) programme.

1.2 All social homes are in Contour Homes ownership and Contour Homes owns a number of vacant properties that had been terraced homes converted in flats that proved to be in low demand. In addition they own pieces of land, one of which is directly adjacent to a City Council owned piece of land that was formerly a youth centre, shown on the plan in the Annex 1. Salford City Council has acquired properties in the area as part of the long term aspiration for regeneration and also own plots of land, shown on the plan as Site C.

1.3 Comprehensive consultation and master planning exercises have been undertaken in the past, but the financial context has changed giving fewer funding opportunities for major regeneration activity. Despite these challenges, it is positive that Contour Homes has already started to invest in the area by converting a number of apartments back into six large family houses on Bowker St to better meet the needs of the local community.  The works are part financed though Affordable Housing Programme (AHP) 11-15 and Contour Homes own resources. It commenced in January 2012 and are anticipated to be completed by June 2012.

**2. Housing Led Regeneration**

2.1 Contour Homes has some indicative funding in their AHP 2011-15. This indicative funding was identified for new build affordable housing and conversion of further empty homes in this area.

2.2 It is now timely to explore the opportunities for development in more detail with a view to deliver approximately 30 affordable homes and the options for how these can be delivered using Contour Homes and City Council assets in this area. The indicative bid does also include for some conversion of empty properties which are currently in Salford City Council ownership, Queens Terrace, shown as C on the plan. These sites and empty properties in both Contour and Salford City Council ownership adjoin or are in close proximity. The pink sites / homes are in City Council ownership and the sites / homes in blue are in Contour ownership. The site in green is open / green space / playing area and site F is vacant and in City Council ownership. Sites A, B and E are potential development sites.

2.3 The options for delivering these solutions will need to consider the joint use of assets in order to maximise the impact of any activity and will need further Lead Member consideration. Furthermore, the City Council land and property is not all in the jurisdiction of Sustainable Regeneration Directorate. Urban Vision, in the role of managing and maximising the use of City Council Assets and Properties, will engage with the other directorates accordingly. Indeed their work with Children’s Service’s Directorate has revealed that the youth centre plot is no longer meeting their service function. The development of options will potentially require the appropriation of such assets from across the Council to be used to achieve the outcomes. This work will be undertaken by Urban Vision in line with the appropriate processes.

2.4 Further work on the options will be completed by the end of Summer 2012, with likely development starting early in 2013. It has been agreed that community engagement would be required as part of any development process. In relation to the empty properties in Queens Terrace, it has been agreed, subject to Lead Member approval, to market test for open sale the empty homes in Queens Terrace in Contour Homes and Salford City Council ownership. The outcome of this market testing will influence the options presented to Lead Members after summer 2012.

**3.0 CONCLUSION**

3.1 Contour has secured funding from the AHP 2011-15 to deliver affordable housing and return empty properties back into use in an area identified for intervention through HMR.

3.2 Following the soft market testing of the empty properties on Queens Terrace further options for development through the use of land owned by SCC and Contour Housing Group will be developer further.

**Ben Dolan,**

**Interim Strategic Director of Sustainable Regeneration**

**Annex:**

Site F

Site E

Site B

Play area / green space

Hill St

Site A

Bowker St

Rock St

Todd St

Great Clowes St

Queens Terrace (Site C)

Great Clowes St West

Todd St

Bowker St

KEY COUNCIL POLICIES:

* The Salford Agreement, 2007-10
* Housing Market Renewal Update 2008
* Housing Strategy 2008-2011
* City of Salford Unitary Development Plan 2004-16 (adopted June 2006)
* Salford Supporting People Strategy 2005-2010
* Salford City Council Publication Core Strategy February 2012.

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

The conclusion of the options appraisal for the redevelopment of this neighbourhood will be the appropriate time for the detailed equality implications to be considered.

ASSESSMENT OF RISK:

Low

At present there are no legal commitments to deliver affordable homes in this area. However, not exploring options for development / returning empty properties back to use, for which the council has provided indicative in principle support to may provide a reputational risk with partners and funders.

Furthermore, not developing units or bringing empty homes back into use, will mean that for Salford City Council will be liable for the maintenance and management of the stock / land and the impact on the surrounding area and initiatives to meet other strategic housing and regeneration priorities.

SOURCE OF FUNDING:

No financial implications arising from this report.

LEGAL IMPLICATIONS:

Supplied by David Egerton tel: 0161-219 6046.

Any disposals by the Council of land and property under this joint working programme will need individual approval supported by an appropriate report and valuation.

The Council is expected to work with its partner organisations. Action to reduce the number of empty dwellings, vacant sites and properties in disrepair will reduce the potential for claims against the Council and Contour.

No other specific legal implications identified at this stage.

FINANCIAL IMPLICATIONS:

Supplied by Steve Bayley tel: 0161-793 2584.

There are no financial implications arising from this report. However, should Lead Member be minded to approve joint working with Contour to explore options, there may well be financial implications in the future concerning transfers of Council assets.

OTHER DIRECTORATES CONSULTED:

The regeneration of sites will affect other Directorates, and as such they are engaged through the existing appropriate consultation and engagement processes in the development and delivery of programmes.

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WARD(S) TO WHICH REPORT RELATE(S):

* Broughton