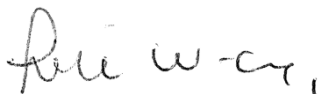


Date of issue: Monday 23rd September, 2019

| | |
|---|---|
| MEETING: | CABINET COMMERCIAL SUB-COMMITTEE |
| | Councillor Swindlehurst Leader of the Council and Cabinet Member for Regeneration & Strategy |
| | Councillor Hussain Deputy Leader of the Council and Cabinet Member for Governance & Customer Services |
| | Councillor Anderson Sustainable Transport & Environmental Services |
| | Councillor Nazir Housing & Community Safety |
| DATE AND TIME: | TUESDAY, 1ST OCTOBER 2019 AT 5.00PM |
| VENUE: | COUNCIL CHAMBER - OBSERVATORY HOUSE, 25 WINDSOR ROAD, SL1 2EJ |
| DEMOCRATIC SERVICES OFFICER: (for all enquiries) | NICHOLAS PONTONE 01753 875120 |

NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.



JOSIE WRAGG
Chief Executive

AGENDA

PART I

AGENDA
ITEM

REPORT TITLE

PAGE

WARD

Apologies for absence.

1. **Declarations of Interest**

-

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All Members who believe they have a Disclosable Pecuniary or other Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 4 paragraph 4.6 of the Councillors' Code of Conduct, leave the meeting while the matter is discussed.

2. **Commercial Sub-Committee Terms of Reference**

1 - 2

All

3. **Housing Development Programme**

3 - 16

All

4. **Exclusion of Press and Public**

-

-

It is recommended that the Press and Public be excluded from the meeting during consideration of the item in Part 2 of the Agenda, as it involves the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the Authority holding the information) as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (amended).

PART II

5. **Future Operational Structure of DISH**

17 - 30

All

6. **Chalvey 'Extra Care' Housing Scheme**

31 - 58

Chalvey

7. **Herschel Homes Commercial Update**

59 - 112

All

Press and Public

You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before the Committee considers any items in the Part II agenda. Please contact the Democratic Services Officer shown above for further details.

The Council allows the filming, recording and photographing at its meetings that are open to the public. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings. Anyone proposing to film, record or take photographs of a meeting is requested to advise the Democratic Services Officer before the start of the meeting. Filming or recording must be overt and persons filming should not move around the meeting room whilst filming nor should they obstruct proceedings or the public from viewing the meeting. The use of flash photography, additional lighting or any non hand held devices, including tripods, will not be allowed unless this has been discussed with the Democratic Services Officer.

Note:-

Bold = Key decision

Non-Bold = Non-key decision

Cabinet Commercial Sub-Committee –

Terms of Reference

Purpose of the Committee

To maximise existing and future commercial and business development opportunities within Slough Borough Council.

The Committee will act in accordance with the following principles:

The Guiding Principles:

- G1) Foster a commercial environment, within SBC, where individuals and commercial activities are empowered to challenge perceived ways of working, develop new ideas to increase efficiency, generate income streams and reduce operating costs for SBC.
- G2) Balance commerciality and income generation with social responsibility and financial prudence.
- G3) Provide leadership and oversight of strategy and operational delivery to maximise effectiveness and ensure that the activities of the Council's commercial functions complement the Asset & Estate Management Strategy and Housing Strategy.
- G4) Promote the delivery of regeneration, innovation and growth across all commercial functions.
- G5) Set out clear and achievable strategic objectives for each of Council's commercial functions to make sure they operate in an integrated way which supports the delivery of the Council's wider goals and objectives.
- G6) Promote ambition and innovation so that SBC captures as much income and wealth as possible from the future regeneration of Slough for the benefit of Slough's residents..

The Commercial Committee's remit is as follows:

- 1) Implement a Commercial Strategy and develop an Action Plan that brings together all existing commercial activities including (but not limited to) Slough Urban Renewal (SUR), the Strategic Acquisition Board (SAB), the Council's Housing Companies (including DISH), the proposed Environmental Services Trading Company and other new commercial activities that arise.
- 2) Oversee the 'commercial' strand of the Council's ongoing Transformation Programme to ensure it complies with the Committee's Guiding Principles'.
- 3) Consider business plans and business cases linked to new commercial activities and make recommendations to Cabinet or full Council, as appropriate.

- 4) Monitor and review agreed performance targets from each commercial function and recommend action as required.
- 5) Review proposed land acquisition and/or property investment proposals, taking into account the extent to which the proposition fulfils the Council's policy objectives against a set of agreed criteria.
- 6) Make strategic land acquisition decisions on behalf of the Council in line with processes agreed via the Strategic Acquisition Board (SAB).
- 7) Report acquisitions to Cabinet.
- 8) Oversee the development, and monitor progress, against the Council's 15-year financial plan.

Membership

The meetings will be chaired by The Leader of the Council and will also comprise of three additional Cabinet members, to be appointed by the Leader at the start of the municipal year.

The Committee will be quorate when at least three members are present.

The meetings will be supported by the following officers:

Director of Finance & Resources (Section 151)

Director of Regeneration

Service Lead Finance

Service Lead Housing Development & Contracts

Other officers may attend as required.

Meetings

A minimum of four meetings will be held each municipal year. The meeting will be serviced by the Senior Democratic Services officer and agendas will follow the usual constitutional rules applicable to Council Committees.

Outputs

The Committee will produce a bi-annual report and an annual report each year for consideration by full Council.

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet Commercial Sub-Committee **DATE:** 1st October 2019

CONTACT OFFICER: John Griffiths Service Lead Housing Development & Contracts
(For all enquiries) (01753) 875436

WARD(S): All

PORTFOLIO: Cabinet Member for Housing & Community Safety
- Cllr Mohammed Nazir

PART I
KEY DECISION**HOUSING DEVELOPMENT PROGRAMME****1 Purpose of Report**

The Committee is requested to support the Principles of a 'Housing Development Strategy' that sets out the approach of delivering the opportunity to a wider range of residents that are restricted through income, limited choice or opportunity to access a broad range of affordable housing.

The cabinet resolved to accept the HRA Asset Strategy in April 2018, with a requested update in twelve months. The paper offers insight as to how the strategy has been implemented by reviewing garage and land with a view to generating opportunities for new homes. The natural evolution of learning from implementing the HRA Asset Strategy is to look to the future delivery of new homes and offer the committees consent to adopt principles for housing development contained within the report.

This report will:

- Update Members on the progress on delivering the current housing development programme.
- Advise as to the collaborative working with colleagues to design and deliver opportunity for significant accommodation savings for adult social care and youth provision.
- Outline the effort to develop family homes to alleviate some of the pressure of temporary accommodation of the homeless.
- Set out the options of the means to procure, that will offer value for money funding through institutional finance, leaseback, general fund, Homes England grants and housing revenue account to deliver the current programme, and also enable the future phases and initiatives for residential development. Outline the basis of sustaining future delivery through innovation and a socio-intuitive commercial approach to developing homes for;
 - Social Rent, Slough Living Rent
 - 'Homes England Grant' funded approved rent structured homes
 - Key Workers Accommodation
 - Economic Worker Private Rented Sector
 - Slough Shared Ownership
 - Starter Homes and Development for Sale.

2 **Recommendation(s)/Proposed Action**

The Sub-Committee is requested to resolve that:

(a) The principles of the Housing Development Housing Strategy as set out in section 3 and 5 be accepted as the basis for strategic delivery of affordable housing and to be incorporated and adopted within the housing and regeneration strategies.

(b) The key decisions be approved as detailed in the report at:

- 5.4 (i) Tower & Ashbourne
- 5.4 (ii) Weekes Drive
- 5.4 (iii) General Programme and Specialist Housing Sites
- 5.5 Estate Development and Asset Review
- 5.6 Financial Planning and Procurement
- 5.7 Procurement

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The strategy will maximise the opportunity for Slough residents to access a broad range of affordable housing. Additionally, through delivery of high quality affordable housing, we will undertake a collaborative master plan, offer a contributing approach that will invest in the neighbourhood, allowing increase in value of the areas and the council's asset base, increase council tax receipts and provide an income stream which could contribute to the provision of front line services. The Housing Development Strategy will provide Slough with the opportunities to create places that support and enable people of all abilities and in all stages of life to lead healthier lives.

3a. **Slough Joint Wellbeing Strategy Priorities**

The masterplan approach to housing development and contract development is a collaborative intent to contribute to wider strategies beyond housing, by respecting wider impact to regeneration, economic development, the local plan, leisure and wellbeing so that a coordinated approach, supported by significant sustainable investment can deliver within the community.

In meeting the demand for well-designed new homes in attractive communities, we can also facilitate healthier lifestyles by building places and communities that promote physical activity, have attractive green spaces or parks for play and recreation, foster learning and wellbeing; with well-planned, convenient and safe routes to walk or cycle to school and work, for example.

The supply chain for building materials, skilled and manual labour, procurement opportunity for small and local contractors to house build, present opportunity over the next five years for local employment, local economy as well as increasing opportunities for range of apprenticeships, enabling local people to improve their learning, skills base and wellbeing.

Redeveloping in coordination, by simultaneously planning and delivering investment identified within the HRA Asset Strategy, establishing upon stock rationalisation what other opportunities there are for remodelling and innovation for new homes offers a range of benefits of inclusion for whole communities as we adopt the approach of an

estate master plan and planned delivery. The communications, engaging in design and improving the public realm to true quality amenity space will improve the quality of the built environment within localities. No one needs be left behind as we enhance the centre of town. Our neighbourhoods will be invested within whilst providing much-needed high quality affordable housing.

3b **Five Year Plan Outcomes**

The Council's Five Year Plan 2019-2024 sets out the aims and priorities of the Council for the five year period and addresses the challenges that the Borough faces. Its stated aim is "Growing a place of opportunity and ambition".

By providing new a broad spectrum of high quality, sustainable affordable housing, the development principles and consent to deliver the current program of development contribute significantly to 'Outcome 4 – Our residents will live in good quality homes'.

Outcome 3 - Slough will be an attractive place where people choose to live, work and stay. The principles of the housing development strategy will create design, range of choice and utilise sites of ASB and blight by transforming these into new housing.

4 **Other Implications**

(a) **Financial**

The development programmes arising from the current housing development programme, future options resulting from estate reviews and acquisitions will be underpinned by fully developed business cases that can be supported through the Council's capacity to borrow. Based on historical build cost the current housing development program will generate £ 140 million for investment in delivering 612 new homes. The approach to achieve this opportunity is to coordinate with the Council's 30 year borrowing plan, by seeking consent from the committee to commission a housing development finance plan that recognises there are limitations within any account, be that the HRA (housing revenue account), or general fund or institutional finance. The coordinated approach recognise there are a range of opportunities for investment, potential for innovation, the discipline of risk mitigation model to be put in place that is intended to enable each project business case to be evaluated within a context of the capacity of the council as a whole.

The benefit of a collaborative approach does not detract from being unique, innovative, and enabling enterprise in creating individual projects. The proposal of a financial plan offers the strength of negotiation for value for money investment, and accompanying sense based investment business model provides clarity and consistency when determining the feasibility of each project.

The collaborative approach to financial planning and risk modelling proposed above sets out the framework to access investment through a feasibility assessment framework which will enable the Council to adopt a socio intuitive commercial approach to housing development within and outside the borough. Innovation and enterprise that generate new opportunities can access funds through the financial plan feasibility assessment, this allows the review of risk allowing the Council reassurance and consistency of approach to each potential new venture.

Housing development sites, joint ventures, teckal management initiatives, land acquisition, disposals, transfers and related business plans will have the opportunity to be evaluated to determine viability prior to presentation to committee, thereby allowing a responsible, reasoned, risk based approach for appropriate scheme of delegation, enabling the Council's section 151 officer approval of individual schemes within the housing development business plan.

Costs associated with the Housing Development Strategy and the initial financial planning and risk modelling will be met from the project and consultancy budgets in the HRA and Housing Strategy services. Developments can then be capitalised and funded as per the agreed Business Plans and modelling.

(b) Risk Management

| Recommendation from section 2 above | Risks/Threats/ Opportunities | Current Controls | Score | Future Controls |
|-------------------------------------|--|---|---|---|
| Economic/ Financial | Normal major construction cost & development risks | Scheme approval on a project by project basis | 12 Marginal impact. Very High probability | Fully funded programme to be planned and evaluated for sites showing technical & financial feasibility. |
| Political | Reputational risk to council owing to exercise of normal town planning process | Independence & transparency of the existing Town Planning Process | 18 Critical impact. Very High probability | HDC to enter into a pre-application protocol to take on board policy constraints |
| Health & Safety | Normal construction risk | Application of Construction Design & Management Regulations 2015 | 18 Catastrophic impact. Significant probability | Full decant existing homes; Policy to only carry out major remodelling works in unoccupied homes |
| Environment | Existing policies given lip service only. | SBC Environmental & Sustainability policy | 15 Critical impact. High probability | Introduce the opportunity to meet The Code for Sustainable Homes assessment process |
| Legal/Regulatory | Uneconomical to meet necessary standards of additional fire safety and rescue | Current compliance with FRA (Fire Risk Assessment) | 12 Critical impact. Significant probability | Rule out un-economic developments at appraisal stage |
| Management inc. Contractual | Balance of risk sharing between SBC & Builder will be considered | Competitive tendering process | 15 Critical impact. High probability | Carefully consider contract & procurement strategy so best value achieved |

(c) Human Rights Act and Other Legal Implications

There are no new Human Rights implications as a direct consequence of this report.

Other legal implications are associated with normal design and development consideration under Town & Country Planning Acts, Health & Safety at Work Act, the Building Acts and regulations and orders thereunder; the Housing Acts and the Law of Property Act 1925 and regulations and orders thereunder related to title and leasehold management issues including service charges. The power the Council uses in section 1 general powers of consent as set out in the Localism Act 2011, section 95 power to trade in the local government act 2003.

(d) Equalities Impact Assessment

It is anticipated that the outputs and outcomes delivered via the Housing Development Strategy will have a positive impact in relation to creating new affordable homes for Slough residents. The principle of developing a broad range of options of affordable housing is intended to widen the access for residents for new homes. The Council's allocation scheme, adult social care and youth services will determine access to rental schemes allowing priorities and those with established greatest need to be met.

(e) Property

Whilst the financial wellbeing of SBC is on a solid foundation, the Council must continually re-examine its approaches to gaining investments so as to borrow and pay for new homes, the opportunity for income generation and taking a socio-intuitive commercial approach to housing development. The committee is asked to accept disposal where necessary, transfer where required, stock rationalisation and demolition so that we maintain the viability of existing stock and able to fund new build homes.

Although housing has been discussed the access and level of accessible funding from central government is not able to support the needs of the Council's housing programme. The uncertainty about the future allocation of business rates and the indecision associated with Brexit are key drivers, offer little rationale on reliance of central government support. As a major owner of land, the HRA and other Council assets it is incumbent that the Council maximise the financial and/or social value of our assets, seek opportunity and innovation and to do so in a way that will deliver the outputs and outcomes set out in the 5 Year Plan.

5 Supporting Information

- 5.1 **Background:** There has been an historical program that has delivered 200 houses over 26 sites since 2012/13 of which there are now only 8 sites remaining offering 44 homes to be completed within the next 12 months.

Since November 2018 a development program of sites has been assembled, of which 6 projects (277 homes) are at commissioning based upon final design and procurement, 20 projects (272 homes) are in for pre app or final planning, 1 project (2 homes) at design in preparation for planning, 19 projects are at site assessment and 40 projects at initial scoping stage to establish number of homes and potential best use of the site.

The Housing Development & Contracts team (HDC) are in the process of implementing a procurement process. The level of £140m investment to deliver 612 homes necessitates a robust approach where we are creating a framework for tender so as to achieve value for money through option of fix price, best offer for Tower & Ashbourne and Weekes Drive. We are creating a small sites developer and constructors framework for local suppliers and companies to offer a key to key solution to build homes within and outside the borough. Whilst this will take six months the team are actively working with procurement for immediate tender and subject to planning appointment to build new homes at Rochford Gardens, Langley Police Station, Broom House former garage site and Quantock Close garage site.

The current housing development programme is set out in appendix 1 and is an updated version of the programme was presented at neighbourhood and community services scrutiny panel on the 24th June 2018.

The committee are advised that the HDC team have worked with corporate project management officers and have created and implemented a monthly housing development update that offers a summary for ward members to review the progress of delivering new homes, seeking new initiatives, joint ventures and outcomes of rolling detailed housing estate and council land review intended to establish if plots are available for new homes, opportunities for conversions delivering new homes.

5.2 Principles of a Housing Development Strategy: the proposed approach of delivering opportunity for residents to access options of a broad range of affordable housing.

The basis of sustaining future delivery is through innovation and a socio-intuitive commercial approach to developing homes. The principle is that affordable housing is intended to be the delivery of the following range of housing options;

- Social Rent
- Slough Living Rent
- Homes where rent is set so as to receive funding from 'Homes England'
- Key Workers Accommodation
- Economic Worker Private Rented Sector
- Slough Shared Ownership
- Starter Homes and Development for Sale.

There is also the realistic principle that we first look to delivering traditional forms of construction; but where this is not feasible, planning restricts us from doing so, pressures for homeless accommodation prevail, or commercial opportunity beckons we will create a modular offer for a site:

- Modular Housing; if permanent is not feasible, pressure for savings or commercial opportunity then pursue modular development.

The principle of doing so is in order to offer opportunity for a wider range of residents that are restricted through income, limited choice or opportunity to access a broad range of affordable housing.

The decision as to what we deliver is dependent on key factors that determine the reality of the options as to what we build. Fundamental to delivery is planning and consent as to what we can do. The site, by size location and condition of the land has its own potential character and design personality. Each will have an associated cost

to potential and design but the principle of the housing development strategy is that we can build, and the character as well as the personality that is affordable will be one of the above identified range of affordable options.

- 5.3 **Collaborative working to achieve Principles & Priorities:** The HDC team have prioritised the development programme so as to offer support at alleviating significant pressures for accommodation and substantive budget for adult social care, youth provision and homeless families in temporary accommodation.

There are over a 1000 households that are in receipt of a form of housing support from adult social care services, youth services and housing service (homeless) that draw upon £20 million of the Council's budget. Whilst each individual case varies, the level of support, the quality of accommodation, significant numbers of households placed out of borough are due to limited available housing within Slough. The housing development programme has identified 15 specialist sites able to be developed to offer new homes for this vulnerable group and deliver substantial budget savings.

Collaborative working groups of adult social care and youth provision, housing (people) service and housing development and contracts have met frequently, through discussion, workshops with architects a number of design principles have enabled schemes to be developed for planning and procurement.

- (a) Together the group have enabled a design of a 54 bed extra care scheme in Langley by sensitive remodelling of demolition of an existing adult and social care scheme and surrounding buildings and assemble of adjoining land for phased development. This will support relocation of existing households to modern high quality accommodation with state of the art incorporated design of IT health and care systems. This scheme is currently with planners for initial pre-application discussion.
- (b) We have a 'Joint Venture' near finalisation of commercial dialogue and preparation of legal agreement to develop and commence construction of a 60 bed extra care scheme in Chalvey.
- (c) Birchden Developments have consented to work on a potential joint venture at Upton where council land and developer land are combined so as to deliver affordable housing. The discussions are of site design and planners' consenting to develop a combination of extra care scheme and family housing. The opportunity for leaseback or acquisition of the whole development by the council is available. The architects for the council and developer are in discussion, a business plan will be commissioned to determine the options for finance, rent structure and feasibility for the council. The committee are requested to agree in principle to proceeding with a joint venture to point of design and planning consent with a further report to committee to determine if we proceed with an option to lease back or acquire the development.
- (d) As a group the HDC team have also established 160 existing bedsit bungalows and the former de-designated shelter schemes as opportunities with adult social care services to plan to remodel over the next 5 years. The principle is a masterplan approach in Britwell, Langley Kedermister and Chalvey and continues to work in conjunction with colleagues to deliver new homes, modify existing or incentivising so that current schemes are an attractive offer for downsizing. We will evaluate, design and cost to implement a cost effective

program of extensions, attic conversions, remodel for extra bedroom, and where gardens can be split build new homes within existing tenancies.

- (e) The original planning consent for Rochford Gardens had a design that was not compatible with the expectations of building control. In working with adult social care services we have reviewed the design and have presented an amended planning proposal and are proceeding to procurement in order to build.
- (f) The provision of specialist accommodation for youth has been a part of dialogue in the redesign of the police station in Langley, alongside potential former garage sites locally. The opportunity exists to deliver a collaborative approach with the children's trust for presenting a practical proposal for provision of purpose built sites within Langley Kedermister. We have 6 sites with potential of 54 units that provide the basis for a specialist operating model that can be developed to deliver the development and offer ease of tenure so that young persons may have a route for support with collective accommodation that can progress or revert to or from individual living so as to arrive at a point of sustaining an individual tenancy or licence.
- (g) The pressure of providing homes for homeless has been highlighted and in discussion with housing (people) services. The housing development programme alongside specialist housing has dedicated its resources to creating the potential homes to rehouse or offer temporary accommodation for the homeless. The major affordable housing developments at Tower & Ashbourne and Weekes Drive will provide the opportunity for over 250 new homes. The challenge is to sustain planners approval to allow an ongoing pipeline for development. 20 individual projects have been identified that will deliver 112 new homes and a further 40 sites are currently being assessed. Over the next three years these schemes will support the need to accommodate the homeless.

5.4 Housing Development Programme: There are a number of key decisions the committee are requested to consider and determine in order to enable the delivery of the current housing development programme. The full programme is set out in appendix 1 and an update of key sites and initiatives for consent are also offered as following;

- i. **Tower and Ashbourne:** upon planning consent the required agreements setting out conditions for development are in progress and with the Council's legal services for approval.

The hoarding for demolition of the site has been commissioned and layout will be sensitive to local community access. The procurement of demolition contractors is underway with intent for a phased program of works to prepare the site for transfer for development at the earliest opportunity.

The formal appointment of CPO advisors has taken place to proceed with the required due statutory process we are obliged to undertake to apply for compulsory purchase of the sole remaining leaseholder. On vacant possession of remaining leasehold, the site will be cleared and interest in the land is proposed to be transferred to access potential grant and enable use of institutional finance to deliver the affordable housing.

Whilst preparation of the site is underway, we will not delay in commissioning necessary surveys and finalising all design. This will form a basis for an OJEU compliant procurement process. Getting the best value, reducing the borrowing requirement whilst sustaining a flagship quality of a £50 million development on the Tower & Ashbourne site will necessitate a robust procurement process which will challenge the preferred bidder to share risk; to be innovative through options such as a fixed price offer, transparency of contractual cost and delivery penalty.

The committee are asked for consent for Tower & Ashbourne Development.

- (a) The Director of Finance & Resources as s151 officer, service lead for housing development and contracts with supporting legal advice determine the most appropriate option to transfer or dispose the land from the HRA to a Special Purpose Vehicle (SPV).
 - (b) That the costs associated to planning conditions, historical costs, clearance of the site, CPO process, design, fees for procurement, development and clienting construction are capitalised so as to recover costs through the agreed funding provider of Institutional Finance. That the option of applying for available grant or use of retained 1-4-1 right to buy receipts be actively pursued for the benefit of additional funding so as to minimise borrowing and optimise potential surplus the SPV may generate for the general fund.
 - (c) Pending capitalisation and repayment the committee agrees that the HRA will continue to fund and allow the housing development & contracts service to commission services and draw down up to £4m to meet the requirements for development set out above in point b above.
- ii. **Weekes Drive:** the site is at an advanced stage of dialogue with planners. The site is an assembly of garage blocks, scrub land, open space and existing community centre. The development offers much needed investment in the provision of new affordable homes, provision of new community centre within the ward and rejuvenating what will be a smaller but significantly improved amenity space.

We have undertaken a masterplan approach. The development will not be undertaken in isolation and the scheme has been designed with the community in mind, associated surveys on the environment, transport and asset review of the adjoining HRA estate have also been taken into consideration. That on approval for development of Weekes Drive the phases of construction will coordinate with the asset investment due on the estate alongside ancillary environmental improvements.

The committee are asked for consent for Weekes Drive

- (a) That on successful planning consent the Director of Finance & Resources as the s151 Officer, the service lead for housing development and contracts supported with the legal advice and financial review to determine on the most appropriate option funding of the development and committee consent is given for procuring Institutional Finance for the development and consent to transfer or dispose of the land from the HRA to a Special Purpose Vehicle (SPV).

- (b) That the costs associated to planning conditions, historical costs, clearance of the site, design, fees for procurement, development and clienting construction are capitalised so as to recover costs through the agreed funding provider of Institutional Finance. That the option of applying for available grant or use of retained 1-4-1 right to buy receipts be actively pursued for the benefit of additional funding so as to minimise borrowing and optimise potential surplus the SPV may generate for the general fund.
- (c) That the HRA set aside up to £1.5 million estate asset improvements that will include environmental, community and asset investment works. The HDC service lead is approved by the committee to procure from relevant council trading partnership, formal offer from the RMI, considered specialist provider or resource from council framework that can deliver the best value.

- iii. **General Programme and Specialist Housing Sites:** the body of the report, especially collaborative working to achieve principles and priorities outline the basis by which the approach to delivering the development sites has endeavoured to work with each council service so as to achieve the design and type of housing in greatest need. The existing housing development programme in appendix one sets the current list of sites, the current and future stages and expected delivery dates.

The committee are requested to consent that on the condition that the s151 Officer, in consultation with the Cabinet Member for Housing & Community Safety and advice of service lead for housing development and contracts have delegated authority to approve business cases from the delivery of the housing development programme in appendix 1. This will include approval to demolish, transfer to SPV such as the DISH, tender and appoint for construction on the basis that costs, when capitalised are recovered via the HRA, GF, retained 1-4-1 right to buy receipts, capital from disposal, return on housing development commercial initiatives and institutional finance so that the HDC service have ongoing delegated funding to continue with initiatives to supply new homes.

- iv. **Modular Housing and Air-Space:** the committee are requested to note that the formal offer of a modular factory remains an ambition. The use of modular is not discounted but may be best used on sites where we can only be granted meanwhile use, have a life cycle of 10/12 years, provide opportunity for use for Heathrow workforce or potential for temporary accommodation for homeless households. The current priority is delivering the housing development programme, and it is intended to return to use of modular when an opportunity arises.

Airspace: this has been dormant over the past 12 months, and has now been revived as a stock condition strategy is underway, structural surveyor appointed to establish opportunity for piloting three sites. We will update the committee on the realities of a desk top study potential of 1000 units and offer what is the realistic development potential of air-space/top-hatting on the borough's HRA blocks of flats. On review of London schemes it has taken a substantial subsidy of £100,000 per unit and unless we receive government grant this is not a feasible option for providing homes for rent. The way forward will be assessed as the potential for a Slough shared ownership and socio-intuitive commercial development may well be the business case presented to a future committee.

5.5 Estate Development & Asset Review

The report refers to an approach of '*Master Planning*' where the proposed complete spatial review of housing land and estates to determine the potential for redevelopment or remodelling of estates is undertaken in a collaborative process. Discussions with the service lead for regeneration is to combine the review of all council assets so that the analysis of potential land for housing development can form a basis of dialogue as to how we prioritise and use space.

The committee is asked to agree to HRA £120,000 feasibility review that will be procured through the Council's framework, and this cost will be recovered from any site or sites that identify and able deliver new affordable homes

The committee are advised that as part of the study the HRA Asset Strategy will be updated, that dwellings where extensions, attic conversions, internal remodelling to add new bedrooms will be identified, categorised for household viability, designed and costed so that a deliverable programme may be established. This will run concurrent with identification of scrub land or such non leisure defined space we would advocate for use for new affordable housing and its enhancement as an amenity in the community.

5.6 Financial Planning and Procurement

The housing development service has reasonable expectations to acquire affordable homes from section 106 developer obligations, engage in seeking the opportunity for maximising the investment in affordable on the TVU site. That the proposed housing development financial plan align itself with the Council's 30 year borrowing plan so as to provide a realistic capacity for not only the current £140m program but to sustain the ambition of a future program. The capacity to generate the significant investment to deliver future substantive programs is credible, allowing access to such opportunities that will arise at the TVU site and Town Centre. In essence creating a financial and procurement framework so that the councils can sustain delivery of its ambition of providing new homes.

The committee consent is requested for the creation of a credible financial development model so that business case and borrowing requirements can be assessed in the context as to what is in the best interests of the council. This is achievable as a framework enables the appointments of housing financial advisor, KPMG are also in place, thus working with colleagues a working group led by the commercial and housing development finance manager, s151 Officer representation and service lead for housing development and contracts will deliver this initiative and report back to the committee.

On this basis the committee is requested to consent to the commission of developing a comprehensive financial plan and supporting assessment model for the funding to develop new homes.

5.7 Procurement

The report offers reference £140mi of investment in building 612 homes which require procurement and principles of seeking to achieve best value, seeking fix price offers and establishing a framework whereby local developer and constructors using local supply chain can deliver local homes, for local households.

The housing development and contracts service are organising a local supply chain and market testing event for developers and builders at the end of September at Hawkers House.

The committee consent to:

- (a) The procurement team in conjunction with service lead for housing development and contracts establishing a housing development working group supported by a procurement specialist commissioned from the Council's development framework to work together and prioritise the delivery of procurement of the housing development programme. The collaborative approach will extend an invitation to regeneration, building control, planning team, housing (people) service and adult social care.
- (b) The OJEU procurement of Tower & Ashbourne and Weekes Drive with delegation to appoint relevant contractors to the s151 Officer, service lead for housing development and contracts in consultation with the Cabinet Member for Housing & Community Safety.
- (c) The procurement of Rochford Gardens, Langley police and Quantock Close garage site with delegation to appoint relevant contractors to the s151 officer, service lead for housing development and contracts in consultation with the Cabinet Member for Housing and Community Safety
- (d) That committee consent to creation of a framework for developers and construction contractors to tender and join to form a basis over the next five years to provide a transparent procurement process for the appointment and delivery of new homes both within the borough and outside of the borough.
- (e) The committee consent that on conclusion of commercial dialogue with the developer of Lion House, Slough, the section 151 officer has delegated authority for the purchase of 29 affordable flats (6 one-beds, 23 two-bed). The funding will be supported by right to buy receipts of £1.95m which is an average at £202k a unit, and into £5.86million for the whole development.

6 **Comments of Other Committees**

The Neighbourhood and Community Services Scrutiny Panel report item 7. *'PROGRESS WITH IMPLEMENTATION OF HOUSING ASSET MANAGEMENT STRATEGY'* outlined the housing development program within the body of the text and in detail in appendix 1 of the scrutiny report. The Panel noted the approach of the service in delivering asset management and new homes.

7 **Conclusion**

The report sets out the principles for housing development, provides the programme of current and future development, the reassurance of collaborative working, the social intuitive commercial approach to providing access to affordable homes and modelling for the long-term financial investment necessary to deliver.

8 **Appendices Attached :** '1'- Housing Development Programme

9 **Background Papers:** None

Appendix 1 Housing Development Programme 20.08.2019

| Stage | Key | Estimated | | Overview of Stage | Total Number at Each Stage | |
|--------------|-------------------------|--------------|----------|--|----------------------------|------------|
| | | Working Days | Weeks | | Projects | Units |
| Stage 0 | Initial Scoping | 20 days | 4 weeks | Identification and Initial Scoping of Potential Development Site | 40 | tbc |
| Stage 1 | Site Assessment | 25 Days | 5 Weeks | Identifying the Best Use for the Site; Financial Evaluation | 19 | 34 |
| Stage 2 | Design & Dialogue | 30 Days | 6 Weeks | Detailed Plans; Preparation for Planning Application; Pre-Application if Required | 1 | 2 |
| Stage 3 | Planning & Consultation | 80 Days | 16 Weeks | SBC Pre-Application submission or full Planning Application & Building Control | 20 | 272 |
| Stage 4 | Commissioning | 120 Days | 24 Weeks | Detailed Design; Approval to Proceed; Procurement of Contractor (OJEU / Non OJEU); | 6 | 277 |
| Stage 5 | Construction | 425 Days | 85 Weeks | Handover to Contractor; Construction of Scheme | 6 | 36 |
| Stage 6 | Handover | 20 Days | 4 Weeks | Formal Handback of Completed Scheme by Contractor (Phased in Larger Schemes) | 5 | 20 |
| Total | | | | | 97 | 641 |

| | | | |
|---------------------|---|-----------|--------------------|
| Housing Need | General Housing Need | 46 | © 442 units |
| Specialist | Specialist provision for Adult Social Care Services | 10 | © 145 units |
| | Specialist provision for Young Persons | 6 | © 54 units |

Baylis & Stoke

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|--|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Site Assessment | 1-13 Hawthorne Crescent (Garage Site) | | HDC | Housing Need | tbc | May-22 | 139 |
| Site Assessment | 30-33 Hawthorne Crescent (Garage Site) | North | HDC | Housing Need | tbc | May-22 | 139 |
| Total | | | | | tbc | | |

Britwell & Northborough

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|---|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Construction | Wentworth Avenue (Troy Gardens) | North | SUR | Housing Need | 12 | Aug-20 | 52 |
| Planning & Consultation | Hawkhill Road & 155 to 174 Monksfield Way | North | HDC | Specialist | 2 | Dec-21 | 117 |
| Planning & Consultation | Pemberton Road (Site 1) | North | HDC | Housing Need | 2 | Dec-21 | 117 |
| Site Assessment | Fairview Road | North | HDC | Housing Need | 1 | May-22 | 139 |
| Site Assessment | Goodwin Road | North | HDC | Housing Need | 1 | May-22 | 139 |
| Site Assessment | Long Furlong Drive | North | HDC | Housing Need | 2 | May-22 | 139 |
| Site Assessment | Long Readings Lane | North | HDC | Housing Need | 1 | May-22 | 139 |
| Site Assessment | Lower Lees Road | North | HDC | Housing Need | 1 | May-22 | 139 |
| Site Assessment | Pemberton Road | North | HDC | Not Categorised | 2 | May-22 | 139 |
| Initial Scoping | Rokesby Road (Site 1) | North | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Garrard Road | North | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Garrard Road | North | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Wordsworth Road | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Northborough Road (Site 1) | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Northborough Road (Site 2) | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Pemberton Road (Site 2) | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Rokesby Road (Site 2) | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Odencroft Road | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 31 | | |

Central

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|--------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Commissioning | Alpha Street South | East | SUR | Housing Need | 14 | Apr-21 | 93 |
| Initial Scoping | Kenilworth Close | East | HDC | Not Categorised | tbc | Jun-22 | 144 |
| Total | | | | | 14 | | |

Chalvey

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|----------------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Construction | Turton Way (Site 1) | South | SUR | Housing Need | 4 | Jun-20 | 40 |
| Commissioning | Chalvey Extra Care Housing | South | HDC | Specialist | 60 | Apr-21 | 93 |
| Commissioning | Tower & Ashborne | South | HDC | Housing Need | 193 | Apr-21 | 93 |
| Site Assessment | Stour Close | South | HDC | Housing Need | 3 | May-22 | 139 |
| Initial Scoping | Church Street | South | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Darvills Lane | South | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Turton Way (Site 2) | South | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 260 | | |

Cippenham Green

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|--------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Handover | Moreton Way | South | SUR | Housing Need | 4 | Jun-19 | n/a |
| Handover | Brook Path | South | SUR | Housing Need | 3 | Aug-19 | n/a |
| Construction | Bowyer Drive | South | SUR | Housing Need | 3 | Dec-19 | 18 |
| Initial Scoping | Kennedy House | South | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Bowyer Drive | South | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Mercian Way | South | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Maria Cowland Hall | South | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 10 | | |

Cippenham Meadows

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|-----------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Planning & Consultation | Weekes Drive | South | HDC | Housing Need | 114 | Dec-21 | 117 |
| Planning & Consultation | Keel Drive | South | HDC | Specialist | 1 | Dec-21 | 117 |
| Design & Dialogue | Bath Road | South | HDC | Housing Need | 2 | Apr-22 | 133 |
| Initial Scoping | 150-160 Bath Rd | South | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 117 | | |

Colnbrook & Poyle

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|---------------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Initial Scoping | Layburn Crescent (Site 1) | East | | Not Categorised | tbc | Jun-22 | 144 |
| Initial Scoping | Layburn Crescent (Site 2) | East | | Not Categorised | tbc | Jun-22 | 144 |
| Total | | | | | tbc | | |

Appendix 1 Housing Development Programme 20.08.2019

Elliman

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|---|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Planning & Consultation | Borderside | East | HDC | Specialist | 1 | Dec-21 | 117 |
| Planning & Consultation | Borderside | East | HDC | Specialist | 2 | Dec-21 | 117 |
| Initial Scoping | Elliman Avenue | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Shackleton Road | | | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Kendall Close (Grassmere Avenue Garages 1-10) | East | | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 3 | | |

Farnham

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|----------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Construction | Belfast Avenue | North | SUR | Housing Need | 12 | Aug-20 | 52 |
| Commissioning | Wawick Avenue | North | HDC | Housing Need | 1 | Apr-21 | 93 |
| Planning & Consultation | Greenside | North | HDC | Housing Need | 2 | Dec-21 | 117 |
| Initial Scoping | Southcroft | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 15 | | |

Foxborough

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|--------------------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Construction | Cheviot Road (off Garmpan Way) | East | SUR | Housing Need | 3 | Aug-20 | 52 |
| Commissioning | Quantock Close | East | HDC | Housing Need | 8 | Apr-21 | 93 |
| Planning & Consultation | Garrick House | East | HDC | Specialist | 60 | Dec-21 | 117 |
| Initial Scoping | Grampian Way (Site 1) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Grampian Way (Site 2) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Grampian Way (Site 3) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Grampian Way (Site 4) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Mendip Close | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 71 | | |

Haymill & Lynch Hill

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|-----------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Construction | Newport Road (Site 1) | North | SUR | Housing Need | 2 | Dec-19 | 18 |
| Initial Scoping | Lynch Hill Lane | North | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Marescroft Road | North | HDC | Housing Need | TBC | Jun-22 | 144 |
| Initial Scoping | Newport Road (Site 2) | North | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 2 | | |

Langley Kedermister

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|------------------------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Handover | Denbigh Close | East | SUR | Housing Need | 6 | Jul-19 | n/a |
| Handover | Trelawney Avenue (Site 1) | East | SUR | Housing Need | 3 | Jun-19 | n/a |
| Planning & Consultation | Paget Road | East | HDC | Specialist | 2 | Dec-21 | 117 |
| Planning & Consultation | Stile Road | East | HDC | Specialist | 1 | Dec-21 | 117 |
| Planning & Consultation | Trelawney Avenue (Site 2) | East | HDC | Housing Need | 3 | Dec-21 | 117 |
| Planning & Consultation | High Street Langley - Poplar House | East | HDC | Specialist | 8 | Dec-21 | 117 |
| Planning & Consultation | Langley Police Station | East | HDC | Specialist | 19 | Dec-21 | 117 |
| Planning & Consultation | Hampden Road | East | HDC | Specialist | 6 | Dec-21 | 117 |
| Planning & Consultation | Broom House, Churchill Road | East | HDC | Specialist | 4 | Dec-21 | 117 |
| Planning & Consultation | Churchill Road | East | HDC | Specialist | 2 | Dec-21 | 117 |
| Site Assessment | Fox Road | East | HDC | Housing Need | TBC | May-22 | 139 |
| Site Assessment | Gosling Road (Site 1) | East | HDC | Housing Need | TBC | May-22 | 139 |
| Site Assessment | Randall Close | East | HDC | Housing Need | 4 | May-22 | 139 |
| Site Assessment | Swabey Road (Site 1) | East | HDC | Housing Need | 1 | May-22 | 139 |
| Site Assessment | Trelawney Avenue (Site 3) | East | HDC | Housing Need | 4 | May-22 | 139 |
| Site Assessment | Blandford Close | East | HDC | Not Categorised | TBC | May-22 | 139 |
| Initial Scoping | Meadow Road (Site 1) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Meadow Road (Site 2) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Gosling Road (Site 2) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Swabey Road (Site 2) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 63 | | |

Langley St Mary's

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|----------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Planning & Consultation | Minster Way (Site 1) | East | HDC | Housing Need | 12 | Dec-21 | 117 |
| Planning & Consultation | Maryside | East | HDC | Specialist | 15 | Dec-21 | 117 |
| Initial Scoping | Minster Way (Site 2) | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | London Road | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 27 | | |

Upton

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-----------------|------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Site Assessment | Chichester Court | South | HDC | Housing Need | 3 | May-22 | 139 |
| Total | | | | | 3 | | |

Wexham Lea

| Current Status | Street | Neighbourhood Locality | Development Lead | Development Category | Estimated Number of units | Estimated Completion Date | Weeks to Completion |
|-------------------------|---------------------------|------------------------|------------------|----------------------|---------------------------|---------------------------|---------------------|
| Handover | Marlow Mews | East | SUR | Housing Need | 4 | Jul-19 | n/a |
| Commissioning | Dawes Moor Close (Site 3) | East | HDC | Housing Need | 1 | Apr-21 | 93 |
| Planning & Consultation | The Cherries | East | HDC | Specialist | 2 | Dec-21 | 117 |
| Planning & Consultation | Rochford Gardens | East | HDC | Specialist | 14 | Dec-21 | 117 |
| Site Assessment | Coftards | East | HDC | Housing Need | 6 | May-22 | 139 |
| Site Assessment | Dawes Moor Close (Site 1) | East | HDC | Housing Need | 3 | May-22 | 139 |
| Site Assessment | Dawes Moor Close (Site 2) | East | HDC | Housing Need | 2 | May-22 | 139 |
| Initial Scoping | The Normans | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Initial Scoping | Carlton Road | East | HDC | Not Categorised | TBC | Jun-22 | 144 |
| Total | | | | | 32 | | |

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