

WIRRAL COUNCIL
CABINET
13TH OCTOBER 2011

SUBJECT:	WIRRAL'S HOUSING MARKET RENEWAL PROGRAMME END OF YEAR REPORT 2010-11 AND HOUSING INVESTMENT PROGRAMME 2011/12
WARD/S AFFECTED:	ALL
REPORT OF:	INTERIM DIRECTOR OF CORPORATE SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR GEORGE DAVIES
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to provide an update to members on the progress of the Housing Market Renewal Initiative in Wirral for the period April 2010-March 2011, in line with audit requirements. This will be the final report as the programme and associated grant funding was ended at the end of March this year.
- 1.2 The report seeks Cabinet's approval for Wirral's Housing Investment Programme for 2011-12 which comprises funding from the Council's Capital Programme, carried over HMR funds and Growth Point funding and capital receipts which totals £5.64m for this year.
- 1.3 The report also seeks Cabinet's approval to dispose of properties acquired as part of HMRI, which are now surplus to requirements. Receipts generated would be used to support the HMRI exit strategy.
- 1.4 The report advises cabinet that a further report will be submitted following the outcome of the HMRI Transitional Funding bid.
- 1.5 The report also seeks Cabinet's approval to use external solicitors to undertake necessary legal work to the value of £15,000 to complete the legal processes with developers.

2.0 RECOMMENDATION/S

- 2.1 Cabinet is recommended to note the progress of the Housing Market Renewal Initiative in Wirral in the period April 2010-March 2011 (the final year of the programme) as detailed in this report.
- 2.2 Cabinet is recommended to agree the Housing Investment Programme 2011-12 for Wirral, set out in Appendix 1 to this report.
- 2.3 Cabinet is recommended to authorise the Interim Director of Corporate Services (in consultation with the Director of Law, HR and Asset Management) to dispose of the 21 surplus HMRI properties referred to within this report. The Interim Director of Corporate Services (in consultation with the Director of Law, HR and Asset Management) be further authorised to determine the method of disposal for each property as he considers most appropriate in the circumstances.
- 2.4 Cabinet is recommended to note that a further report will be submitted when the outcome of the HMR transition bid is known.
- 2.5 Cabinet is recommended to agree to the use of external solicitors to assist with the legal work, to the value of £15,000 arising in connection with outstanding legal work as set out in this report.

3.0 REASON/S FOR RECOMMENDATION/S

- 3.1 The annual HMRI performance report is an audit requirement and a legacy of the monitoring of the programme by the Department of Communities and Local Government (CLG) and the Audit Commission
- 3.2 The Council approves its Housing Investment Programme on an annual basis and delegates authority to officers to implement the programme in line with its budgets. This report is usually presented to Cabinet over the Summer but uncertainty in funding in 2011/12 has led to this report being presented in Autumn this year.
- 3.3 The disposal of surplus properties reduces maintenance expenditure on land and buildings in support of one of the principal objectives of the Asset Management Plan and the Council's Corporate Policy to improve use of the Council's land and assets.
- 3.4 Approval is needed to retain the services of Hill Dickinson Solicitors to enable the completion of the legal processes in connection with the private sector developers

4.0 BACKGROUND AND KEY ISSUES

- 4.1 The Newheartlands Business Plan for the 2008-11 programme was approved by Cabinet on 4th October 2007. This set out the vision for Wirral's HMRI Strategy, specific housing market renewal objectives, priorities for investment and a range of programme scenarios. The overall HMRI Programme for 2008-11 was agreed by Cabinet on 9th July 2008.
- 4.2 In 2008, Newheartlands (the Merseyside Housing Market Renewal Pathfinder) was allocated financial resources for 2008/09 with indicative allocations for 2009/10 and 2010/11. The subsequent allocations for both 2009/10 and 2010/11 were both

lower than the original indicative amounts. For 2010/11 Wirral was originally allocated £9.11m. Following an announcement in May 2010 that the national HMRI programme was to be reduced by £50m, Wirral's allocation was subsequently reduced to £7.437m, in line with similar proportional reductions for our HMRI partners, Liverpool and Sefton Councils. The reduction in HMRI resources necessitated revision of the Council's Housing Investment Programme, which was agreed by Cabinet on 22nd July 2010. This programme built upon priorities and initiatives previously reported and consisted of the following schemes:

- Birkenhead Clearance
- Rock Ferry (Fiveways) Clearance
- Tranmere (Church Road) Clearance
- Tranmere (Borough Road) Clearance
- Wallasey (Royston/Woodhall avenues) Clearance
- Strategic Site Assembly
- Facelift Improvements
- Private Sector Home Improvements
- Private Rented Sector Home Improvements
- Living Through Change
- New Build

- 4.3 The Regional Housing Pot (RHP) allocation for 2010/11 was £2.355m, substantially lower than the 2009/10 allocation of £5.241m. The majority of the RHP allocation has been used as match funding to Housing Market Renewal Resources. The remainder has been used to fulfil statutory responsibilities, both within and outside the HMRI area.
- 4.4 The mid-year reduction in HMRI resources led to a number of challenges. The main challenge involved property acquisition commitments exceeding the resources available, largely in North Birkenhead. Property owners and residents had reasonable expectations of moving house after agreeing a sale price but there was insufficient funding available to meet these expectations. Towards the end of the year the Council was successful in both securing and utilising £2.1m of additional capital resources from the Homes and Community Agency to assist with these acquisitions. The additional funding enabled completion of a number of urgent acquisitions and capital resources (Regional Housing Pot / Growth Point) to be carried over from 2010/11 to fund committed clearance schemes in 2011/12.
- 4.5 Following the Government's Comprehensive Spending Review last year, both the Housing Market Renewal Initiative (HMRI) and the Regional Housing Pot (RHP) were terminated from the end of March 2011. The HMRI was originally planned to be a 15 year programme but was cancelled prematurely, after eight years, with Pathfinder authorities encouraged to seek alternative funding through the new national Regional Growth Fund. Wirral submitted two Round 1 bids in conjunction with local authority and preferred developer partners however; there were 464 bids to the value of £2.8 billion bidding for funding from a pot of £450m. Only 50 bids were successful and unfortunately Wirral's bids were unsuccessful. A further bid for Regional Growth Fund resources as part of Round 2 has been submitted.
- 4.6 In addition to the Regional Growth Fund, the Government has also made available £5m in transitional revenue funding to the Pathfinders over the next 2 years to

provide local capacity to exit former HMRI areas. A bid was submitted with the aim of providing a specialist resource to be able to review and rework intervention programmes within the Merseyside Market Renewal area. This is in line with the Government's localism agenda and makes best use of the new funding regimes, which have emerged following election of the coalition. I am pleased to report that it has been announced that the Merseyside bid was successful and it has been awarded £330,000 over 11/12 and 12/13. Wirral will receive £44,000 in 2011/12 and £48,000 in 2012/13. Centrally, this will provide funding to sustain a small team of experienced staff formerly part of Newheartlands. The team will conduct a review of the programme, engineer projects in the short to medium term using the new policy framework and assist with financial feasibility work as new models are explored.

4.7 In addition to the local capacity resources the Government has also made available £30m transitional capital funding to the 5 worst affected HMR areas to achieve a structured exit to the programme and to specifically help people trapped in stalled clearance schemes. Merseyside is one of these 5 areas and a joint bid for resources was submitted in July this year. Wirral's share of this bid is £3m. Since submitting the bid further details have been requested by the CLG to assist assessment process and this was provided in September 2011. A decision about the allocation of this funding is expected later this year.

4.8 In addition to preparing bids for the limited funding opportunities being made available by Government through the HCA and other agencies, the Council has also been actively engaging with all Government agencies to lobby for investment to be maintained in HMRI and other housing programmes. This has involved a number of high profile representatives from HCA, Government and the opposition visiting the area and/or meeting members and officers.

5.0 THE HOUSING MARKET RENEWAL PROGRAMME 2010-11

5.1 The targets for the 2008-11 Programme and two financial years that made up the programme were agreed by Cabinet on the 9th July 2008. The targets for 2010/11 were subsequently revised following the reductions in funding. In summary, the key output targets and performance for the year 2010/11 are:

	Target April 2010-March 2011	Actual Performance April 2010-March 2011
Acquisitions	78	91
Demolitions	168	186
Home Improvements (incl. Group Repair/Facelift	107	104
Energy Efficiency Improvements	577	872
New Build RSL	120	90
New Build Private	115	181

5.2 The following sections of the report set out the detail of each of the initiatives mentioned in 4.2 & 5.1 above.

6.0 CLEARANCE

6.1 **BIRKENHEAD PHASE 1**

Demolition of houses on Station Road/Tyrer Street was completed. There is still an advertising hoarding to acquire to complete site assembly prior to housing redevelopment by Keepmoat Homes.

6.2 **BIRKENHEAD PHASE 2**

Progress with acquisitions in both the Milner/Carrington Street and Bray Street Clearance Areas was good with 23 properties acquired by agreement. There are 6 remaining properties and 2 leaseholds in Milner/Carrington St and 1 property remaining in Bray Street to be acquired for site assembly completion. 102 demolitions were completed in both areas, including the former Council owned and run Cavendish Enterprise Centre. The Council's private sector partner, Keepmoat Homes, will develop the Bray Street site when the final acquisition and demolitions are completed, which is anticipated to be later this year. The redevelopment will produce up to 82 new housing units.

6.3 9 non-residential/businesses that moved from the Cavendish Enterprise Centre benefited from Rent Relocation Support Grant to help them relocate. These gap funding payments are made on a reducing basis for a period of 5 years.

6.4 48 strategic acquisitions were made in Thorneycroft/Plumer/Rundle Street at the request of individual owners. 3 strategic acquisitions were made in the Laird Street/Corporation Road Neighbourhood Options Appraisal area in North Birkenhead.

6.5 **TRANMERE**

2 units were acquired by agreement in the Church Rd Masterplan area and 15 properties demolished. There are 7 commercial units and 1 residential property still to be acquired. No acquisitions/demolitions were completed on Borough Road. The redevelopment programme has begun with 55 new houses built on Whitford Road and the Church Rd retail scheme is due to begin shortly.

6.6 **ROCK FERRY**

2 private properties were acquired through agreement and 55 properties demolished. The outstanding acquisition has now been completed. Over 80 of the new houses in phase 1 of the Lovell development are occupied and residents include a number of occupiers from the clearance area.

6.7 **WALLASEY**

Both the remaining commercial acquisition in the Woodhall/Royston Avenue Clearance Area and the demolition of the final properties were completed during 10/11. The site is currently being redeveloped by Cosmopolitan Housing Association.

6.8 3 strategic acquisitions were made on King Street and an emergency demolition was undertaken at 33 Trafalgar Road due to structural instability. 1 further unit was acquired in Trafalgar Road and plans are being made to demolish all Council owned units in this terrace later this year.

6.9 Remaining funds originally allocated to strategic site assembly in Wallasey amounting to £890,000 have been carried forward into 2011/12.

7.0 CRAVEN/PATERSON STREET NEIGHBOURHOOD FACELIFT SCHEME

7.1 The scheme involves externally renovating 272 properties, with an additional option to install solar thermal water heating. The scheme offers a 75% grant with a means tested household contribution of up to 25% and is being implemented in two phases.

7.2 Phase 1 completed in June 2010 with 117 properties renovated externally.

7.3 Phase 2 started in November 2010 and involves a maximum of 155 houses. The contract is scheduled to complete by November 2011. Upon completion, there are no further schemes planned.

8.0 PRIVATE SECTOR HOME IMPROVEMENTS

8.1 1 Equity Renewal Loan was provided within the HMRI area to renovate a property to the Decent Home Standard. This is currently the only active Equity Renewal Loan case in the HMRI area. A number of properties were planned to be improved to the Decent Homes Standard as part of the HOUSED scheme run by the Empty Property Team, however, the mid year reduction in funding prevented implementation.

8.2 HMRI Energy Efficiency funding directly assisted 470 households, in addition to the 402 households in the area assisted by the Government's Warm Front Grant. Outputs were higher than forecast, mainly due to heating grants being for lower value works and due to more CERT funding for insulation measures. 10 solar water heating systems were installed in "The Triangles" area of Birkenhead, which completed the original offer for residents who underwent the Group Repair scheme.

9.0 LIVING THROUGH CHANGE

9.1 The Living Through Change programme covers a number of non-physical interventions aimed at maintaining environmental standards, community safety and community cohesion through the Housing Market Renewal areas. In addition, the programme covers some environmental improvements. The programme supports the Clearance, New build and Improvement programmes and reduces the potential negative impact on residents in the Housing Market Renewal areas.

9.2 During the period April 2010 to March 2011 the following activity has taken place:

- Live Wirral Wardens dealt with 2482 fly tipping incidents and secured 999 properties to maintain environmental standards and keep the HMRI area clear of fly tipping
- Live Wirral Wardens have dealt with 6279 requests from residents.
- The HMRI Anti-Social Behaviour Officer dealt with 125 active enforcement cases within the HMRI area.

- The Homemovers Service completed 99 cases to assist households affected by clearance, with 16 cases ongoing. 9 first time buyers have been assisted into home ownership in the Housing Market Renewal area through the First Homes scheme which provides guidance and financial assistance and access to support services.
 - The Handyperson Service has carried out basic maintenance works to assist 757 vulnerable people.
 - The Landlord Accreditation Scheme accredited 382 private rented properties.
- 9.3 As a result of the cessation of HMR funds the living through change programme has been scaled back to focus only on Landlord Accreditation, Homemovers and Handy Person Services. This has led to the loss of the Live Wirral Wardens Service.

10.0 **NEW BUILD**

- 10.1 Schemes completed on former clearance areas include 9 RSL rented properties in Holt Hill (Tranmere) and 30 open market sales by Lovell in Whitford Rd (Tranmere). 39 new build completions were achieved on phase 1 of the Sevenoaks redevelopment, with 25 of these units being RSL houses for rent and part ownership. These redevelopment schemes would not have occurred without HMRI intervention and have resulted in renewal of housing stock in some of the most deprived areas of the Borough.
- 10.2 Additionally, 14 houses for rent were built at Fox Street (Birkenhead) and an extra care scheme developed by Housing 21 was completed on the former Somerville Primary School site (Wallasey). Both of these schemes have addressed local housing needs with new accommodation.

11.0 **MARKETING AND PUBLICITY**

- 11.1 The Marketing and Communication focus continued with the “Live Wirral Love Wirral” brand and an intensive marketing campaign publicising the activities of the programme providing a platform to promote the HMR areas as exciting, vibrant places to live, work and play. Use of a mix of communication channels such as signage, events, outdoor advertising and newsletters, supported by a range of marketing collateral, has ensured key messages were communicated to all stakeholders and residents through a consistent strong flexible brand that promotes the key attributes of Wirral as an area in which to live.
- 11.2 Continued promotion of HMR funded services through sub brands has provided comprehensive information about products and services delivered through activities of the programme facilitating strengthening of the Live Wirral brand and enabling communication with the target audience. Sustained use of the Live Wirral website has ensured that up to date information regarding the programmes activities can be accessed by the community and stakeholders at all times.
- 11.3 Further activity included;
- Regeneration Enterprise Day with Prenton High School Year 10 Pupils
 - Regeneration Enterprise Day with Wallasey High School Year 10 Pupils
 - Tranmere Show

- Landlord Expo
 - Art for Places
 - Neighbourhood Resource Centre Open Day
 - Fire Service Life Project
 - Build Wirral - Meet the Developer Event
 - Sponsorship of Park High Students 'Hooked on Fishing' Project
 - NewHeartlands Community Awards
 - Sevenoaks Residents Garden Competition
- 11.4 Press Releases issued:
- Design awards shortlist for Wirral regeneration project
 - Awards Success for Wirral Regeneration
 - Better Homes for Wirral Residents
 - Rock Ferry Residents move into New Homes
 - Get Thousands to Revamp your Empty Property
 - First Time Buyers Get a Leg Up on the Property Ladder
 - Residents set to choose Wirral's art spot!
- 11.5 The Council was short listed for a HCA National award for Regeneration for its work in Tranmere and Rock Ferry.
- 11.6 With the unexpected cessation of the HMRI Programme careful planning is now required to deal with all ongoing schemes to ensure satisfactory completion within a reasonable timescale. Any HMRI schemes yet to be started are now unlikely to proceed. The Housing Capital Programme for 2011/12 takes into account part finished HMRI schemes and legal commitments such as Development Agreements. The cessation of HMR funds has led to a scaling back of marketing, publicity and place making. The key issue now is managing expectation in neighbourhoods where HMR has been investing.
- 12.0 THE HOUSING INVESTMENT PROGRAMME 2011/12**
- 12.1 The Housing Investment Programme 2011-12 which builds upon priorities and initiatives in previous reports consists of the following initiatives, for which Cabinet's approval is sought:
- Birkenhead Clearance
 - Rock Ferry (Sevenoaks/Fiveways) Clearance
 - Tranmere (Church Road) Clearance
 - Tranmere (Borough Road/Belmont) Clearance
 - Wallasey (Trafalgar Road) Clearance
 - Facelift Improvements
 - Private Sector Home Improvements
 - Private Rented Sector Home Improvements
 - Healthy Housing Initiative
 - Empty Properties
 - New Build

The following information sets out the revised funding for each of the above initiatives.

13.0 CLEARANCE

13.1 BIRKENHEAD

Housing capital funds from the former RHP, Growth Point and recycled capital receipts to a value of £1.79m rolled over from 10/11 will allow for further acquisitions to be made in Birkenhead Areas 1 and 2 (Milner/Carrington Streets, Bray Street, Thorneycroft/Plumer Streets and Station Road/Tyrer Street areas) The resources will meet commitments previously agreed in 10/11 and also allow for the potential acquisition of the remaining units in Bray Street, Milner and Carrington Streets and Station Road and Tyrer Streets and at least 1 property in Belmont. Resources will also be used to fund Relocation Loans where appropriate to support low income homeowners to move.

13.2 In addition, Capital Programme funding provided from the Council's own resources will pay for any further demolition, as and when appropriate and Rent Relocation Support payment commitments. A total of £160K will available to support demolition costs across all clearance schemes and £38K will be available for Rent Relocation Grant Support commitments.

13.3 ROCK FERRY

Housing capital funds to a value of approximately £150K, rolled over from 10/11 has been identified for the acquisition of the remaining property. This acquisition has now been completed and marks the final acquisition by agreement of 300 properties spanning a 6 year period. The completion of the outstanding acquisition and the demolition of the remaining units will make land available for a further 169 new housing units to be built as part of phase 2, by the Council's appointed developer Lovell. It is planned that Lovell will commence phase 2 (total 135 units), following the completion of phase 1 (76 of 148 dwellings, remaining to be completed), thereby delivering a total of 283 new homes across the site for owner-occupation and shared ownership.

13.4 Capital Programme funding provided from the Council's own resources will pay for remaining demolition. A total of £160K will available to support security and demolition costs across all clearance schemes

13.5 TRANMERE

£884k Housing Capital rolled over from 10/11 will be used to fund the land value deficit of the former Abakhan site to facilitate commercial redevelopment and compensation associated with the acquisition of 2 of the remaining commercial properties, subject to negotiations. Planning permission has already been secured for this major mixed use redevelopment, consisting of 100 new houses, 55 apartments and 9 A1 retail units, which it is hoped will be as successful as the Urban Village proposals on Old Chester Road in Lower Tranmere. A total of £160k will be made available to support demolition across all areas of intervention.

13.6 WALLASEY

£34,000, will be used to demolish 23-37 Trafalgar Road and make good the cleared site and adjoining buildings. This action will remove long term vacant and derelict buildings which have blighted the local area for many years.

RHP funding of £890k, previously allocated towards strategic acquisitions in the Wallasey Neighbourhood will be rolled over from 10/11. Prior to committing these resources it is intended to wait for the outcome of the HMRI Transition capital funding bid. It may be appropriate to redirect all, or a proportion of, the RHP resources to support any funding award achieved through this bid, particularly if the resources allocated are lower than necessary to achieve the outcomes. The outcome of the HMRI Transitional bid will be reported back to Cabinet.

14.0 FACELIFT IMPROVEMENTS

- 14.1 £1m recycled contributions from Phase 1 of the Facelift scheme will be used to complete Phase 2, currently on site in Craven Street, Birkenhead. Completion of the scheme will mark the end of the successful block repair programme started under the HMR Initiative which will result in the external improvement of 274 houses. The scheme will be evaluated in a similar manner to the Triangles Group Repair Scheme in Birkenhead, which has proved very successful with local residents.

15.0 PRIVATE SECTOR HOME IMPROVEMENTS

- 15.1 Housing Capital Programme resources of £300K will be made available to fund at least 50 Home Repair Assistance Loans. These borough wide loans provide up to £6K towards small scale emergency works where there is deemed to be a risk to the health and safety of the occupants. A further £90k will be used to fund 3 Equity Renewal Loans/Renovation Loans up to £30k each, for major repair works to sustainable properties. Additional RHP carry-over resources will be used to finish committed work started in 10/11.

16.0 PRIVATE RENTED SECTOR IMPROVEMENTS

- 16.1 The Council's Landlord Accreditation scheme providing incentives to landlords to improve their properties, was previously HMRI funded but in 2011/12 will be accommodated by the Community Fund. The Landlord Accreditation team are currently looking at income generating activities, which may contribute towards future costs.

17.0 HEALTHY HOMES INITIATIVE

- 17.1 Housing Capital Programme resources of £105K will be made available to fund Fire Safety Loans and priority HRA Loans where particularly vulnerable households with Category 1 hazards are identified through the scheme.

18.0 EMPTY PROPERTIES

- 18.1 £125k housing capital programme resources will be used to fund the cost of improvement works to properties that have been empty for more than 12 months via 60 Empty Property Grants of £2,000 each. The grant will be paid once the properties are re-occupied. Additional RHP carry-over resources will be used to finish committed work started in 10/11.

19.0 NEW BUILD

- 19.1 During 2011/12 the retail development of the former Abakhan site on Church Rd is due to start and phase 1 of the Sevenoaks redevelopment in Rock Ferry is due to complete, enabling Lovell to begin the development of phase 2. It is also anticipated that the Bray St site will be fully assembled later in the year enabling Keepmoat Homes to initiate the first phase of a new residential development in North Birkenhead.

20.0 COMMUNITY LED HOUSING

- 20.1 The scale of future new build resulting from HMR investment presents potential for community led new build housing products. This potential will be explored further with local developers and the HCA, to enable some of the momentum built up in these areas to be maintained in the future.

21.0 NEW HOMES BONUS

- 21.1 New Homes Bonus commenced in April 2011 and provides match grant funding for the additional Council Tax raised for each new home and property brought back into use for a period of 6 years. The grant is based on the national average for the Council Tax Band for the new properties/properties brought back into use. This grant is un-ringfenced. On 21st July 2011 Cabinet agreed to use £940,000 of Wirral's New Homes Bonus as match funding for the HMRI Transitional Fund bid previously mentioned in 4.7. In addition £60,000 was agreed to support the HOUSED programme and renovate 7 empty properties over 2011/12 and 2012/13. These properties are being subsequently sold to generate a capital receipt in the region of £0.5m, which will be recycled into the Council's Housing Capital Programme.

22.0 DISPOSAL OF SURPLUS HMRI PROPERTIES

- 22.1 Members will be aware of the Council's need to reduce expenditure on land and buildings in support of the Asset Management Plan and the Council's Corporate Priority to improve land and asset use. Accordingly, the properties listed below acquired as part of the Housing Market Renewal Initiative, are now surplus to operational requirements and need to be disposed of. All of these properties are currently vacant and incurring ongoing security, insurance, Council Tax and utility costs.

- **26, 50, 56, 94 & 111 Craven St and 9, 10 & 73 Paterson St, Birkenhead**
These eight properties were acquired in association with the Craven/Paterson St Facelift Scheme and were intended to be used as clearance decant properties or offered to first time buyers. The properties have been renovated externally and are therefore structurally sound but limited funding availability has prohibited internal rehabilitation. The internal conditions will limit their resale value but they will provide good potential homes for those able to carry out the internal rehabilitation.
- **50, 58, 112, 129/131, 137, 346 & 356 Laird St, 62 Brassey St and 845 Corporation Rd, Birkenhead**

These nine properties were acquired in association with Neighbourhood Option Appraisals and Clearance Areas for use as decant properties for clearance participants. They represent a mix of residential and commercial accommodation in varying states of repair. It should be noted that 129/131 Laird Street has since been let to a charity shop operated through the North Birkenhead Development Trust. The original lease was for 6 months. This has now expired, but due to the success of the shop, the lease has been and will continue to be renewed on a monthly basis until the property is eventually sold.

- **57 Palatine Rd, Wallasey**

This property was acquired as part of the Empty Property Team's HOUSED scheme to bring long term void properties back into use. This property was one of 6 properties acquired and renovated for subsequent re-sale. This is the only property in the scheme to remain unsold.

- **85, 87 & 89 King St, Wallasey**

These three derelict properties were acquired as strategic acquisitions to facilitate regeneration of a terrace on the King St corridor. Since their acquisition the private sector has invested in the locality and the Council has received expressions of interest regarding their rehabilitation. Disposal to the private sector would therefore save Council resources. Due to the location of these units on a main transport route, any sale will be conditional to ensure suitable renovation

22.2 As the properties listed represent different accommodation types and various states of repair the Head of Asset Management will consider alternative methods of disposal appropriate to each asset. Depending on his conclusions, certain of these assets may be recommended for sale by private treaty or by other methods. Sale at auction is the preferred method of disposal when other avenues, if appropriate, have been exhausted. Some of these properties will be required to offer 'stock swaps' with housing associations that have homes in clearance areas. This is the first priority. After these stock-swaps have been agreed, officers will utilise the New Homes Bonus allocation set aside to refurbish empty homes for sale. Members are advised that the target of renovating 7 empty homes using £60,000 of NHB may be difficult to achieve as the residual empty property stock owned by the Council after the RSL stock swaps are completed may be of a poor internal condition. Capital receipts from the sale of all empty homes are required as match funding for the HMR transition capital bid.

23.0 LEGAL SUPPORT

23.1 Since 2006 the Council has retained Hill Dickinson Solicitors as its legal advisors in dealing with both Lovell and Keepmoat Homes at a total cost of £152K. This has successfully resulted in two Development Agreements being in place to build 800 new homes and a shopping centre with private sector investment of £110m. The budget used to retain Hill Dickinson has now been spent but some important legal work is outstanding although near completion. Therefore Cabinet approval is sought for a further £15,000 to be allocated to retain Hill Dickinson until 31st March 2012 for a number of key tasks principally preparing the lease for the Church Road retail scheme, preparing the lease for the Keepmoat development

of the Bray Street site and that for Phase 2 of Sevenoaks (Fiveways) with Lovell. The £15,000 can be met from revenue funding for 2010/11.

24.0 RELEVANT RISKS

- 24.1 Failure to finish ongoing clearance and option appraisals started as part of the HMRI programme will put existing contractual obligations with our developers (Lovell and Keepmoat) and one of our previous funders, the Homes and Community Agency (HCA) at risk. This could result in litigation and/or claw back of funding, in the case of the HCA. In addition, the health and safety of any remaining residents living in any unfinished clearance areas may be at risk.
- 24.2 The acquisition of further houses in Thorneycroft/Plumer/Rundle Street area will increase the Council's land ownership and stake in the area. Future funding (yet unsecured) will be necessary to complete any outstanding acquisitions. There is a risk that this funding will not be secured, however, progressing acquisitions within available resources over a longer period of time will be an alternative option.
- 24.3 As with all outstanding acquisitions there is a risk that owners may not agree to sell to the Council. In this case the use of Compulsory Purchase Orders (CPO) may be necessary. There is a risk that the Council could lose a future Local Public Inquiry following an objection(s) to a CPO. Members should note that the land assembly already achieved in during the life of the HMRI programme has been by negotiation only, without the need to resort to CPO, however, consideration is now being given to the use of CPO powers to secure the outstanding acquisitions.

25.0 OTHER OPTIONS CONSIDERED

- 25.1 None. The proposed programme is smaller than in previous years and reflects the reduced funding available from various sources.

26.0 CONSULTATION

- 26.1 The results of the "Wirral's Future, be part of it" consultation campaign are reflected in the Housing Capital Programme, which also supports the revised Corporate Objectives. Extensive consultation takes place during the delivery of the Housing Capital Programme in the form of options appraisals, ongoing dialogue with partners, customer feedback surveys etc and the annual review of the Private Sector Housing and Regeneration Assistance Policy. This feedback informs the delivery itself, which is dynamic as opposed to static over the life of the programme.

27.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 27.1 The Wirral Environmental Network (WEN) currently utilise the former site of 59/61 Trafalgar Road as a temporary community allotment, which has proved popular with local residents, in an area with few statutory allotments. This occupation is granted on a short term lease. The same group has expressed an interest in using the cleared site 23-37 Trafalgar Road for a similar purpose. Once the said site has been cleared it is proposed to investigate this option

further and, subject to there being no financial liability to the Council, to grant a lease to the WEN, pending the longer term redevelopment of this site.

- 27.2 The HMR Programme, working in partnership with Together Neighbourhood Management Pathfinder, Riverside Housing Association, local voluntary organisations and community members, facilitated the establishment of a Neighbourhood Resource Centre (NRC) within a vacant Council owned commercial property in Church Road. This has enabled a variety of services, including housing advice and information on programme activities, to be provided to residents within the local community. Public sector agencies, such as the PCT and Merseyside Police, and voluntary / community organisations have undertaken activities from the NRC, including training and employment courses which have been undertaken in conjunction with Involve Northwest. An example of the type of activities available for local residents is the opportunity to gain registration through the Construction Skills Certification Scheme to assist individuals in finding employment in the construction sector and this has proved very popular along with the healthy eating Bag-A-Bargain scheme which is now operating from the centre. The NRC was recently nominated for a 'Spirit of Merseyside' award aimed at recognising and celebrating the achievements and work of voluntary sector organisations and received the Community Cohesion Award in recognition of the work undertaken in helping to bond the local community and create a sense of belonging amongst residents. Whilst the premises used for the NRC was acquired for clearance purposes it is intended to continue using the building for the NRC until it becomes necessary to demolish to facilitate the redevelopment of the site by Lovell.

28.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 28.1 Wirral's HMRI programme has been primarily delivered by the Private Sector Housing Renewal Team, with appropriate support from other Council Departments. This team grew at the outset of the programme to ensure it had the right skills and capacity to deliver this flagship programme. At its peak the delivery team consisted of 48 staff, largely funded from the HMRI resources budget. Over time, as financial resources have reduced, the team has contracted through a combination of retirement/voluntary severance and redeployment and now consists of 21 staff. These remaining staff are responsible for the residual clearance programme and other core private sector housing functions such as empty properties, financial assistance and statutory enforcement of minimum standards. The remaining team is being funded by a combination of the Council's own resources, the Community Fund and the Primary Care Trust. The team is fewer in number in 2011 than prior to the outset of HMRI funding in 2003/4
- 28.2 The remaining Private Sector Housing Renewal team will be focussing on the delivery of the targets agreed in connection to both the Community Fund and the Council's Corporate Plan such as empty homes, HMO Licensing and Healthy Homes.
- 28.3 The financial resources identified in this report will enable the delivery of the Housing Investment Programme for 2011/12, as detailed in Appendix 1. Should additional funding be secured during the year a further report will be prepared showing the amendments to the programme.

- 28.4 It is not possible, at this stage, to quantify the total capital receipts that might be achieved from the disposal of surplus HMRI assets but current market conditions may mean that certain assets would be better sold by private treaty, which could offer an opportunity to maximise receipts. Receipts could subsequently be used to offset liability costs and support the HMRI exit strategy.
- 28.5 Planned demolitions will reduce the potential income generated under the New Homes Bonus for the following year but any new development and the reuse of empty properties will offset this loss by providing an additional income in future years

29.0 LEGAL IMPLICATIONS

- 29.1 There may be legal implications if clearance plans are amended in respect of obligations to developers and risk of claw back of funding from the HCA if new build outputs are not delivered.

30.0 EQUALITIES IMPLICATIONS

- 30.1 The Housing Investment programme will have a positive impact on some of the most socially and economically deprived areas of the Wirral. The programme will improve the quality of housing, bring back into use vacant dwellings and redevelopment of cleared sites with new build will help promote greater choice, increase quality and choice of housing for all local people.
- 30.2 An Equality Impact Assessment has previously been completed on 4th August 2009 for the combined delivery of the clearance, refurbishment and new build schemes in line with Housing Market Renewal Programme and the Private Sector Housing and Regeneration Assistance Policy. This Assessment has been reviewed in light of the revised programme for 2011/12.

31.0 CARBON REDUCTION IMPLICATIONS

- 31.1 The continuation of the residual clearance programme will provide sites for housing redevelopment to at least level 3 of the Code for Sustainable Homes providing sustainable, lower carbon homes into the future.
- 31.2 The works completed in connection with the Neighbourhood Facelift Scheme incorporate energy efficiency measures and micro generation through solar thermal panel installations. These works reduce the carbon footprint of 100 year old houses into the future.

32.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 32.1 The HMRI programme has directly supported the Council's strategy for urban regeneration and the re-use of brownfield land and has supported the implementation of the Council's Interim Planning Policy for New Housing Development. The Housing Investment Programme for 2011/12 will continue to support these objectives. Relevant Planning Permission will be required for any housing redevelopment. Renewed planning permissions for the remainder of phase 1 (W/APP/10/01205, 148 dwellings approved 26th January 2011) and phase 2 of Rock Ferry (W/APP/10/01206, 78 houses and 57 apartments

approved 26th January 2011) have been granted to enable the development to be completed. Planning permission for the mixed use scheme of 100 dwellings, 55 apartments and 9 A1 retail units at Church Road in Tranmere was granted 1st April 2011(W/APP/11/00038). Applications for the redevelopment of Bray Street have been submitted but not yet determined.

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APPENDICES

Appendix 1 – Housing Investment Programme 2011/12

REFERENCE MATERIAL

(Include background information referred to or relied upon when drafting this report, together with details of where the information can be found. There is no need to refer to publicly available material: e.g. Acts of Parliament or Government guidance.)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Wirral’s Housing Market Renewal Programme 2009/10	25th June 2009
Cabinet – Wirral’s Housing Investment Programme 2010-11	27th May 2010
Cabinet – Wirral’s Revised Housing Investment Programme 2010-11	22nd July 2010
Cabinet – Wirral’s Housing Investment Programme 2010-11	14th October 2010

APPENDIX 1: HOUSING INVESTMENT PROGRAMME 2011/2012

Funding Allocation

	RHP Carry Over	Capital Programme	Growth Point	Community Fund	Primary Care Trust	Capital Receipts & Recycled Contributions	Revenue and Reserves	Total
Clearance								3,720,571
Birkenhead	665,492		648,529			481,962		1,795,983
Rock Ferry		150,000						150,000
Tranmere		310,000				574,588		884,588
Wallasey	890,000							890,000
Improvements to retained stock								1,929,143
Private Sector Facelift Scheme						1,005,342		1,005,342
Equity Renewal Loans	10,327	90,000						100,327
Home Repair Assistance	13,464	300,000						313,464
Cosy Homes Heating		250,000						250,000
Empty Property Work	30,010	125,000						155,010
Healthy Homes (Fire Safety Loans)		105,000						105,000
Staffing & Resources								883,000
				600,000	21,000	153,000	262,000	883,000