



DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	COUNCIL	16 OCTOBER 2017	8
FULLY FUNDED ADDITION TO CAPITAL PROGRAMME IN 2017-18 REFURBISHMENT OF 93 ST ALBANS ROAD, ST ANNES			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

A report was considered by the Environment, Health and Housing Committee on 5th September 2017 on a proposed project for the refurbishment of 93 St Albans Road, funded from S106 developer contributions to transform the property from a single dwelling over three floors to two self-contained affordable housing units. The report updated Committee on the work to source another Registered Provider to work with the Council, on a jointly funded venture, following the withdrawal of Progress Housing from the scheme and there being sufficient S106 funds available. The Committee agreed to recommend to the Finance and Democracy Committee approval to an addition to the Capital Programme in 2017/18 in the sum of £147,890 in respect of the St Albans Road scheme. However due to the additional requirement to secure the necessary authorisation for the transfer of the Order Land of 93 St Albans to For Viva Housing Association this report is presented before Council rather than the Finance and Democracy Committee.

RECOMMENDATION

The Council is requested:

1. To approve For Viva Housing Association as the Registered Provider that the Council will transfer the Order Land of 93 St Albans to, for conversion into 2 or 3 self-contained flats, which For Viva Housing Association will operate; and
2. To approve an addition to the Capital Programme in 2017/18 in the sum of £147,890 in respect of the St Albans Road scheme, to be met from S106 developer contributions held by the Council for affordable housing in the sum of £112,794 and a contribution from For Viva Housing Association of £35,096.

SUMMARY OF PREVIOUS DECISIONS

[Environment, Health and Housing Committee, held on 5th September 2017:](#)

Following a brief discussion it was unanimously RESOLVED:

1. To note the current position with regard to the proposed development at 93 St Albans Road, St Annes and the revised structure of the proposed scheme;
2. To recommend to the Finance and Democracy Committee approval for an addition to the Capital Programme in 2017/18 in the sum of £147,890 in respect of the St Albans Road scheme, to be met from S106 developer contributions held by the Council for affordable housing in the sum of £112,794 and a contribution from For Viva Housing Association of £35,096.

SUMMARY OF PREVIOUS DECISIONS

On **4th July 2012**, the Portfolio Holder for Finance and Resources in consultation with the Portfolio Holder for Planning and Development approved the following:

1. The portfolio holder agrees to the request from New Fylde Housing for s106 affordable housing monies to support the purchase of 93 St Albans Rd St Annes as phase one of a comprehensive scheme of improvement to the property.

2. The portfolio holder approves a revenue budget increase for 2012-13 of £85,000 to fund the payment to New Fylde Housing fully funded from the s106 affordable housing monies held by the council.

Cabinet, **25 June 2014**:

1. Seek further to engage with the property owner with a view to acquiring the property voluntarily as mandated by previous decisions

2. If a voluntary sale is not achieved within a reasonable time, make a compulsory purchase order to acquire 93 St Albans Road, St Annes for the purposes of part II of the Housing Act 1985 for redevelopment to deliver 2/3 affordable housing units.

Environment, Health and Housing Committee, **5 January 2016**:

1) Recommend to the Finance & Democracy Committee a fully funded addition of £105,000 to the Council's 2015/16 Capital Programme for the compulsory purchase of 93 St Albans Road to be met from a Section 106 contribution (Agreement Ref: 03/0157 – Queen Mary School Development) held by the council paid under planning obligations for affordable housing of the same amount.

2) Approve, subject to the Finance and Democracy Committee having accepted recommendation 1), the making of a general vesting declaration in respect of the property and the onward transfer of 93 St Albans Road to New Fylde Housing Ltd (or another company in the Progress Housing group) for nil consideration.

Finance and Democracy Committee, **25th January 2016**:

1) The Committee RESOLVED to approve a fully funded addition of £105,000 to the Council's 2015/16 Capital Programme for the compulsory purchase of 93 St Albans Road to be met from a Section 106 contribution (agreement ref:03/0157 – Queen Mary Development) held by the Council paid under planning obligations for affordable housing of the same amount.

Environment Health and Housing **21st February 2017**:

Following detailed consideration of this matter it was RESOLVED:

1. To instruct officers to approach Registered Providers of Affordable Housing within Fylde, with a view to a possible jointly funded venture for the scheme being sought, with respect to the refurbishment of 93 St Albans Road, St Annes;

2. To authorise an addition to the Capital Programme in the sum of £147,890 - "Affordable Housing Scheme at 93 St Albans Road" for 2017/18 to be met from a portion of the balance of S106 developer contributions for affordable housing currently held by the Council for this purpose (totalling £75,950 from Agreement Ref: 03/0157 Queen Mary School Development, and a further £71,940 when funds become available) to deliver 2 units for affordable rent at 93 St Albans Road, St Annes to a Registered Provider of Affordable Housing;

3. To authorise expenditure in a sum not exceeding £147,890 (includes a 5% contingency allowance of £7,040) to a Registered Provider of Affordable Housing in relation to the scheme as described within the report after due regard and in compliance with the financial regulations as covered within the body of the report; and

4. To agree to the scheme proceeding in line with the above subject to sufficient Section 106 funding being in place to deliver the scheme.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. The Council acquired the property at 93 St Alban's Road through a compulsory purchase order (CPO) on the 2nd June 2016. The Statement of Reasons that supported the CPO proposed that the Council would transfer the property to New Progress Housing Association for development as affordable housing units. New Progress have now withdrawn from that arrangement.
2. Officers were instructed to approach Registered Providers of Affordable Housing with a view to a possible jointly-funded venture, subject to sufficient Section 106 funding being available. Such an arrangement has been achieved and there is a revised structure to the scheme which is now to be delivered through a jointly-funded venture with For Viva Housing Association, resulting in a reduced requirement for S106 funding by Fylde Council, and a corresponding contribution from the Registered Provider, such that the overall scheme cost remains the same at £147,890.
3. Progress Housing Association estimated the cost of the scheme to be £211,750 and Officers obtained a comparison costing from another registered provider, For Viva Housing Association, of £147,890. Both costings are broken down in table 1, rounded to the nearest pound.
4. For Viva Housing Association have confirmed that they would be willing to jointly fund the venture and deliver the scheme based on the lower cost estimate of £147,890. They would be willing to fund up to 25% of total scheme costs.
5. It is recommended the remaining funds from 03/0157 Queen Mary School Development of £1,303 and 14/0327 Orchid Court 35-37 South Promenade, Lytham St Annes of £111,491 be used to fund the scheme. Totalling £112,794 with a contribution of £35,096 from For Viva Housing Association provides the full scheme costs of £147,890.
6. There are no additional revenue implications to this proposal as the units on completion will be owned and managed by a Registered Provider.
7. It is proposed that the capital contributions will be paid in two stages; 50% when the scheme is on site and 50% on practical completion.
8. The risks associated with letting and managing the properties will be the responsibility of the Registered Provider.
9. An agreement for the payment of a capital contribution will be entered into to protect Fylde Council's investment and ensure the properties remain as Affordable Housing in perpetuity.

IMPLICATIONS	
Finance	This report requests an addition to the Capital Programme in 2017/18 in the sum of £147,890 in respect of the St Albans Road scheme as described within the report, to be met from S106 developer contributions held by the Council for affordable housing in the sum of £112,794 and a contribution from For Viva Housing Association of £35,096.
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Report & Minutes from EH&H Committee	5/9/17	Refurbishment of 93 St Albans Road, St Annes - Update