

Item 4

REPORT TO CABINET

19TH March 2009

REPORT OF DIRECTOR OF NEIGHBOURHOOD SERVICES

Portfolio Regeneration and Housing

Redevelopment of 'The Rows', Ferryhill Station

1. SUMMARY

- 1.1 The former area of Chapel Row, Ferryhill Station was released for new housing development to Three Rivers Housing Group through a joint venture partnership agreement, see Cabinet approval on the 13th September 2007.
- 1.2 The development which is due for completion by the end of April 2009 consists of 30 mixed tenure units of accommodation comprising of 10 units for sub market rent, 10 for shared ownership and the remaining 10 units for sale. Due to the current market conditions there has been little interest shown in the units that are available for outright sale. The units could be marketed at lower value however such sales would undermine the overall financial viability of the development.
- 1.3 In order to provide a solution to the issues faced within the current economic climate and to prevent the unsold housing units remaining empty on the site Three Rivers Housing Group are requesting to move the 10 outright sale units into sub market rent. Therefore providing a total of 20 sub market rent units. To enable this an application has been made to the Homes and Communities Agency for further grant funding which has been successful.

2. RECOMMENDATIONS

- 2.1 To agree to the request of Three Rivers Housing Group to alter the tenure mix of properties.
- 2.2 To agree nominations of applicants who are being displaced through Phase 1 of the Masterplan and applicants from the Council's housing register.

3. Strategic Approach To The Redevelopment of 'The Rows', Ferryhill Station.

- 3.1 The development site is located within Ferryhill Station in an area know locally as 'The Rows' which is encompassed within Chilton Ward. Phase 1 and 2 of the site amounts to 0.40 ha (0.98 of an acre). Phase 3 amounts to 1.60 ha (3.96 acres) and is subject to future clearance of properties and relocation of residents (Appendix 1) . Ferryhill Station was strategically identified as an area requiring significant market renewal as demonstrated through the master plan for the area.
- 3.2 Following consultation with residents, a requirement to provide mixed tenure housing to assist those residents who currently occupy houses within Phase 3 to relocate to new properties in Phases 1 & 2 had been identified. With priority for the remaining social and affordable properties to be developed on the site being given to other residents affected by the master plans from Dean Bank and Chilton West.
- 3.3 A partnership based approach was undertaken through creation of a Joint Venture Agreement with Three Rivers Housing Group the Registered Social Landlord who have significant ownership of property within Phase 3 of the site. The agreement included the development of 30 dwellings on Phase 1 & 2 of the site comprising of 10 units for sub market rent, 10 for shared ownership and the remaining 10 units for sale. Construction of these units has included:-
- Eco homes very good standard
 - Design to Scheme Design Standards (SDS) and Secured By Design (SBD)
 - Housing unit sizes exceeding market levels
 - Investment in the external appearance and finishings
- 3.4 The disposal of Phases 1 & 2 to Three Rivers Housing Group has seen the development take place and has supported the wider strategic regeneration of the Durham Coalfields Housing Renewal Programme which has been set within the sub regional housing strategy. Due to current market conditions there has been little interest shown in the units that are available for outright sale. Three Rivers Housing Group have advised that the units could be marketed at lower value however such sales would undermine the overall financial viability of the development.
- 3.5 In order to provide a solution to the issues faced within the current economic climate and to prevent the unsold housing units remaining empty on the site Three Rivers Housing Group have been supported through further grant funding from the Homes and Communities Agency and are now requesting the Council to consider the proposal to move the 10 outright sale units into sub market rent.

- 3.6 Three Rivers Housing Group as part of the partnership will be able to assist further current applicants who are registered for rehousing with the Council. And where required those residents being displaced from Phase 1 of the Masterplan.

4. RESOURCE IMPLICATIONS

- 4.1 There are no further source implications.

5. CONSULTATIONS

The redevelopment of 'The Rows' has included extensive consultation with local residents and stakeholders. This consultation has been maintained during the delivery phases to ensure effective community support.

6. OTHER MATERIAL CONSIDERATIONS

6.1 Links to Corporate Ambitions/Values

The Community Strategy outcomes include a Borough with Strong Communities where residents can access a good choice of high quality housing. The Council's ambitions, which are linked, to the Community Strategy outcomes are articulated through the Corporate Plan and the Medium Term Financial Plan. The Borough Councils ambitions mirror the Community Strategy's outcomes and the development of 'The Rows' has made a direct contribution to this outcome through the provision of social, shared ownership and older persons accommodation.

6.2 Risk Management

The request put forward by Three Rivers Housing Group has been supported by the Homes and Communities Agency with the receipt of grant funding. This has assisted with maintaining the financial viability of the development.

6.3 Health and Safety

There are no additional implications over and above for existing staff of the Borough.

6.4 Equality & Diversity

Full account will be taken of the Borough Council's obligation to promote equality and diversity.

6.5 Sustainability

One of the objectives of the Masterplan proposals is to improve the housing choices available to meet current and future demand and to support economic growth by providing modern attractive homes in sustainable neighbourhoods, which has contributed to the delivery of sustainable communities throughout the Borough.

6.6 Crime & Disorder

The Council's duty under Section 17 of the Crime & Disorder Act 1998 has been taken into account considering the recommendations and should bring about sustainable change through improving the local environment.

6.7 Legal & Constitutional

Three Rivers Housing Group is requesting to alter the tenure mix of properties on the development which is a variation to the tenure mix set within the Joint Venture Agreement.

7 OVERVIEW AND SCRUTINY IMPLICATIONS

7.1 There are no Overview and Scrutiny implications of this report.

8 LIST OF APPENDICES

8.1 Appendix 1 Location Plan 'The Rows' Ferryhill Station.

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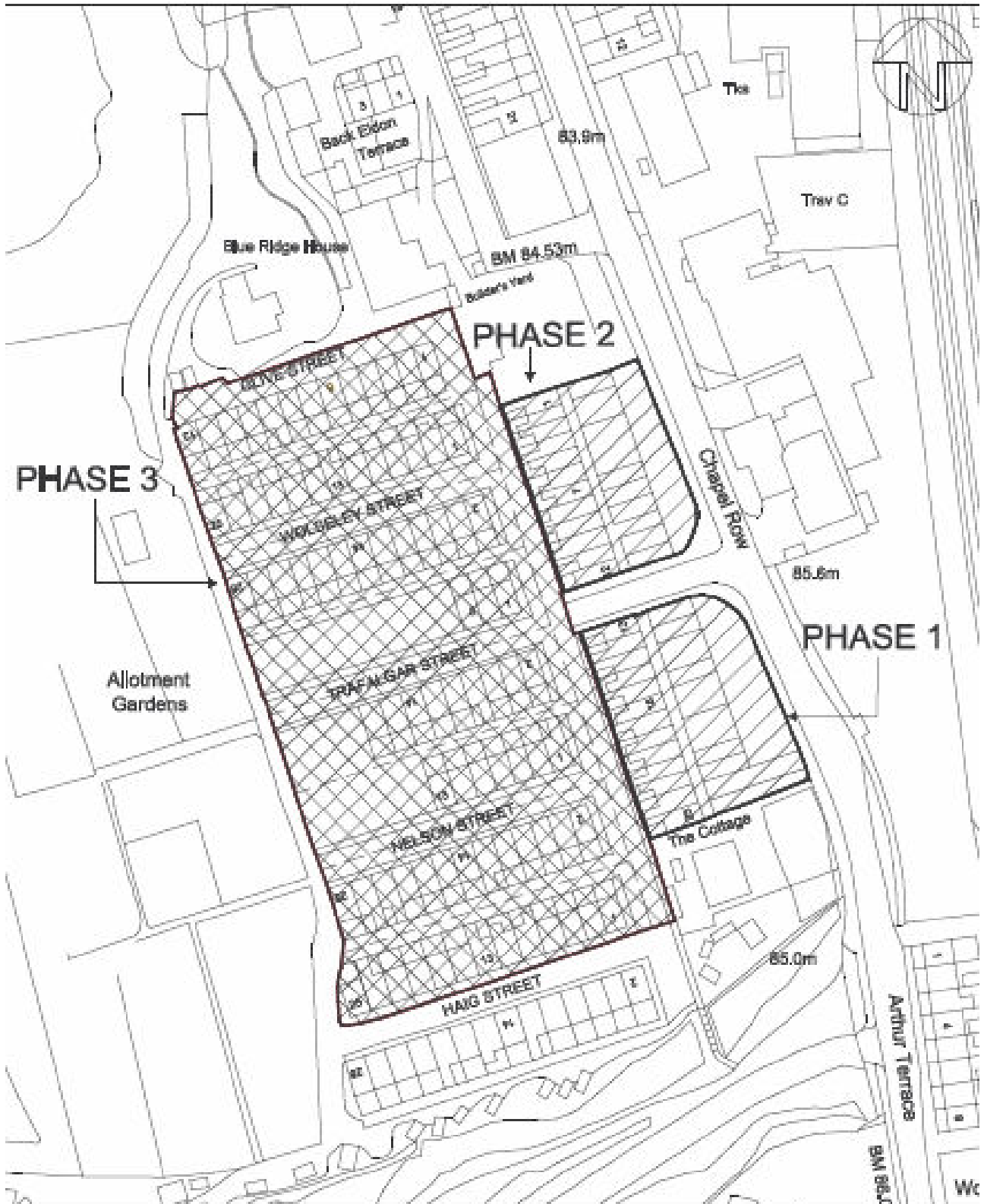
Wards: Chilton

Background Papers:

- Joint report of Director of Neighbourhood Services & Head of Strategy Regeneration Coalfield Housing Renewal – Master Planning provided to Cabinet 13th July 2006.
- Report to Cabinet Development Proposal of 'The Rows' Ferryhill Station 13th September 2007

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>



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TITLE:

**Redevelopment Proposals
The Rows
Ferryhill Station**

REF

**SCALE
1:1250**

**DATE
21/08/07**