



## Cabinet 10 February 2010

### Affordable Housing Scheme at Prospect House, Prospect Row, Bury St Edmunds (Feb10/23)

**1. Summary and Reasons for Recommendations**

1.1 Havebury Housing Partnership wishes to purchase Prospect House, Prospect Row, Bury St Edmunds. Once refurbished, the six one-bedroom flats will provide much needed affordable housing in the town centre.

**2. Recommendations**

2.1 It is **RECOMMENDED** that:-

- (1) an allocation of £45,000 from the Council's Affordable Housing capital budget be committed to enable the delivery of affordable homes at Prospect House, Prospect Row, Bury St Edmunds; and
- (2) the £45,000 allocation be subject to:-
  - (a) receiving confirmation of a grant being allocated either from the Homes and Community Agency; or
  - (b) receiving confirmation from Havebury Housing Partnership that it is in a position to fund the remainder of the scheme from recycled grant emanating from disposals, and that this grant be drawn down within six months commencing from 10 February 2010. Should this funding not be received within the specified six months, the Borough Council's allocation will be withdrawn and reallocated to another affordable housing scheme within the Borough.

**3. Corporate Objectives**

3.1 The recommendations meet the following, as contained within the Corporate Plan:-

- (a) Corporate Priority: *'To improve the safety and well being of the community';*
- (b) Cabinet Commitments: *'Managing the future development of the Borough'; and 'Rural services'; and*
- (c) Vision 2025: *St Edmundsbury will be a place which has a range of affordable housing.*

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#### **4. Key Issues**

- 4.1 Prospect House in Bury St Edmunds is a building that is immediately adjacent to the former Cattle Market site, and prior to the construction of the arc development it was part of Havebury Housing Partnership's housing stock. As the future of the property was uncertain, particularly around how the overall development may impact on its future use, it was sold to the developer Centros. The capital receipt from the sale was used to purchase the site in Kings Road which included six flats situated on this site and grant was awarded to develop a further six flats on the site. The scheme was completed in January 2009 and has been named Goodfellows.
- 4.2 Having completed the arc development, Centros has now decided to market Prospect House which remains for residential use, and Havebury Housing Partnership is negotiating with Centros to purchase it. The property provides six one-bedroom flats over three floors. The accommodation requires refurbishment work which is reflected in the proposed purchase price. Once the refurbishment is completed, the scheme will provide good standard affordable accommodation in the town centre where there is a high demand for one-bedroom properties.
- 4.3 Havebury Housing Partnership is currently concluding their negotiations with Centros and are in a position to exchange and complete subject to certain works being undertaken to protect future occupants of the flats from environmental and servicing noise which may be caused by adjacent retail outlets. It is a condition of the planning consent that the noise levels within the residential properties shall be the 'good' standard for bedrooms and living accommodation as specified in British Standard 8233:1999 '*Sound Insulation and Noise Control for Homes – Code of Practice*', or any other standard that supersedes this one. The acoustic consultants on behalf of the developer have recommended that to achieve this standard, living room and bedroom windows and all facades other than those facing Kings Road should be acoustically glazed and sealed. Mechanical ventilation will be required in those rooms with sealed units. All of the above works shall be carried out prior to the flats being occupied. Any changes to these conditions will need written agreement from the Local Planning authority. Once in a position to proceed, the work will be completed within 3 months.
- 4.4 Details of costs connected with this scheme are attached as Exempt Appendix A to this report.

#### **5. Community impact** *(including Section 17 of the Crime and Disorder Act 1998 and diversity issues)*

##### 5.1 General

The provision of affordable housing on this site will help meet a local housing need for single people in Bury St Edmunds and contribute to the overall supply of housing to meet demand.

##### 5.2 Diversity

The affordable housing will be advertised through the Home-Link Choice Based Lettings scheme which has undergone an Equalities Impact Assessment to ensure accessibility to all.

##### 5.3 Sustainability

A Sustainability Impact Assessment has been undertaken; no key issues were identified concerning this scheme. The refurbishment of Prospect House will improve energy, fuel and water efficiency of the property. The work would be carried out to current building regulations standards.

<b>6. Consultation</b>								
6.1 The property was built as residential accommodation; no change of use is being proposed. Ward Members have been advised of the proposal and have been invited to comment.								
<b>7. Resource implications</b> <i>(including asset management implications)</i>								
7.1 Havebury Housing Partnership is investing a sum from their resources to enable the affordable housing to be provided.								
7.2 Grant is also being bid for from the Homes and Communities Agency.								
7.3 It is requested the Council commits a £45,000 allocation from the Affordable Housing capital budget to assist in delivering this scheme. This budget has unallocated funds of £95,000.								
7.4 In addition to the £95,000, there are Section 106 contributions that have been earmarked for affordable housing. This consists of a sum of £96,000 previously received and a further Section 106 contribution of £424,391 relating to the redevelopment of the former Cattle Market site.								
7.5 There are no proposals at present to fund any other affordable housing development.								
7.6 Other schemes currently in the pipeline are not in a position to be brought forward within the next year.								
7.7 Prospect House will assist St Edmundsbury to meet its affordable housing completion targets.								
<b>8. Risk Assessment</b> <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>								
8.1								
<table border="1"> <thead> <tr> <th>Risk area</th> <th>Inherent level of Risk (before controls)</th> <th>Controls</th> <th>Residual Risk (after controls)</th> </tr> </thead> <tbody> <tr> <td>Provision of affordable housing</td> <td>High</td> <td>Continue to develop affordable housing</td> <td>Medium</td> </tr> </tbody> </table>	Risk area	Inherent level of Risk (before controls)	Controls	Residual Risk (after controls)	Provision of affordable housing	High	Continue to develop affordable housing	Medium
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Provision of affordable housing	High	Continue to develop affordable housing	Medium					
<b>9. Legal or policy implications</b>								
9.1 None identified								

<b>Ward affected</b>	Abbeygate Ward	<b>Portfolio Holder</b>	Haverhill and Housing
<b>Background Papers</b>		<b>Subject Area</b>	Housing