

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 14 December 2021

TITLE	Disposal of Land (We Can Make)		
Ward(s)	Filwood and Knowle		
Author: Bryony Stevens	Job title: Enabling Manager		
Cabinet lead: Cllr Tom Renhard, Cabinet Members for Housing Delivery and Homes	Executive Director lead: Stephen Peacock, Executive Director Growth and Regeneration		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member Decision forum: Cabinet			
Purpose of Report: For Cabinet to approve:- <ol style="list-style-type: none"> The disposal of Bristol City Council (BCC) under-utilised garden micro-sites for the roll out of a further 14 We Can Make homes at less than market valuation. To delegate the decision as to specific disposals of micro-sites to the Executive Director Growth and Regeneration in consultation with the Section 151 Officer and the Cabinet Member for Housing Delivery and Homes. 			
Evidence Base: <ol style="list-style-type: none"> We Can Make (WCM) aims to empower people in low-density high disadvantage estates to deliver their own affordable homes at 'point of need'. The project has been developed in Knowle West as the pilot neighbourhood by Knowle West Media Centre (KWMC). Knowle West Media Centre has incorporated a not-for-profit entity 'We Can Make' Community Interest Company (CIC), to facilitate this. BCC has been supportive of the We Can Make initiative thus far and agreed in principle to work with We Can Make on a pilot scheme of 16 units, for which We Can Make secured initial funding for pre-development work. EDM agreed in Jan 2021 that work could continue on the first two micro sites pending Secretary of State permission for the disposals, which was subsequently granted. The Project is unique in that it creates additional opportunities for development of affordable housing by engaging with existing BCC tenants and creating micro sites on land that was previously part of the back gardens of Council tenanted homes. This has been achieved through a long process of research and community engagement with local people in Knowle West by the community anchor organisation Knowle West Media Centre. Without the community engagement and intervention by We Can Make the sites would not come forward for development. The scheme responds to the specific housing issues arising in the area and the lack of diversity in the types of housing stock available-for example the lack of smaller units for people to downsize or for smaller households. The additional affordable homes developed on the micro-sites provide opportunities for households to secure more appropriate housing and relieve overcrowding while enabling support networks to remain in place. The valuation report undertaken to support the application to the Secretary of State valued an example plot 			

at £23,500 but concluded that the development of affordable housing on micro units in back gardens in Knowle West is unlikely to happen without the sale of land at a discount. In practice it is only through the scheme itself that the Council is able to obtain vacant possession of gardens for affordable housing development at scale. The report concluded that as the properties and gardens involved will be broadly similar in type, location, size and value, similar sums can be expected at today's values where the scheme is rolled out more widely, albeit individual valuations will be required in due course. On this basis the pilot scheme of 16 properties could reasonably be expected to equate to a disposal at a discount in the region of £320,000.

4. The initiative offers social value by creating additional affordable homes and empowering the local community to be involved in meeting housing needs and providing community support. The Council Tenant has the first nomination right over the newly built micro home in accordance with BCC HomeChoice allocations scheme. All applicants for the first and subsequent lettings to the micro homes will be made according to the BCC allocation criteria, within the framework of a Local Lettings Plan to ensure that the scheme both benefits local people and does not allow for discrimination. The front garden of the Council's property (the host home) is also improved. The new home is built using factory produced prefabricated panels that will be manufactured in Knowle West, so creating employment opportunities locally, as well as modern sustainable homes. It is intended that the approach can also be applied on void properties, by dividing off the land for the micro-plot prior to reletting by BCC. The proposed development of a WCM home in the garden will be made clear when the void is advertised on HomeChoice.
5. The Council will dispose of the micro plots to WCM on a long lease at an under valuation, in order to enable delivery of new affordable homes. The completed new build affordable housing units will be held and managed by the We Can Make CIC to ensure affordable homes in perpetuity.
6. BCC applied to the Secretary of State for permission for the principle of the scheme and to clarify that land currently included within an existing tenanted property could legally be disposed of in this way. See Appendix A. Secretary of State permission has now been granted.
7. The sites for development for further roll out of the project are not yet selected. WCM will identify potential sites through community engagement and they are then considered through the decision-taking framework agreed between BCC and WCM. BCC will approve the host tenant and the site's suitability for the scheme.
8. We Can Make will seek BCC Affordable Housing grant to subsidise delivery of these homes. The approvals being sought in this report do not negate the need for WCM to bid for funding in accordance with BCC AHFP policy and do not pre-empt the decision making on funding allocation.
9. Planning permission has been granted on the first two WCM plots namely in the rear gardens of Council tenanted properties at 139 Novers Lane and 2 Belstone Walk and the land transfer has been completed. Works have commenced on these first two sites and completions are expected early in 2022.
10. The 16 unit pilot will be reviewed prior to any further roll out of the scheme on BCC land. This will comprise:
 - a. Interviews with host BCC tenants and WCM tenants to assess satisfaction with the scheme;
 - b. Findings of WCM consultation with neighbours/local community following roll out of 14 units to gauge satisfaction/support for the initiative;
 - c. Review of EQIA and assessment of equalities impacts to be carried out jointly by BCC and WCM;
 - d. BCC Assessment of value for money/social value and sustainability of the scheme.
11. Following the review of the 16 unit pilot the decision as to whether there should be any further disposals of BCC sites for the We Can Make scheme should be taken by Executive Director, Growth and Regeneration in consultation with the Section 151 Officer and the Cabinet Member for Housing Delivery and Homes.

12. Where We Can Make seek to develop affordable housing on Council owned sites that are not garden micro-sites created through community engagement, the disposal will follow the Council's Community Led Housing Land Disposal Policy as agreed by Cabinet in February 2020 (Appendix A).

Cabinet Member / Officer Recommendations:

1. That Cabinet notes the decision taking framework for selection of appropriate micro-sites and host households and the review process.
2. Cabinet approves the disposal of up to 14 plots of land to We Can Make for the delivery of further WCM units with delegation of authority to the Executive Director, Growth and Regeneration in consultation with the Section 151 Officer and the Cabinet Member for Housing Delivery and Homes for the individual disposals of BCC land to WCM at less than market value.
3. Cabinet delegates authority to review the pilot scheme, decide on the merits of and approve any further disposals of micro sites for We Can Make to the Executive Director, Growth and Regeneration in consultation with the Section 151 Officer and the Cabinet Member for Housing Delivery and Homes.

Corporate Strategy alignment:

1. Support delivery of the Fair & Inclusive Key Commitment: ensuring that affordable new homes are delivered in Bristol.
2. Taking an 'asset-based community development' approach by working with communities and partners to transfer assets and power to local people so they have more involvement.
3. Support the delivery of the Empowering and Caring Key Commitments: Prioritise community development and enable people to support their community.
4. Support delivery of the Fair and Inclusive Key Commitment: Help develop balanced communities which are inclusive and avoid negative impacts from gentrification.
5. Support delivery of the Well Connected Key Commitment: Reduce social and economic isolation and help connect people to people, people to jobs and people to opportunity.

City Benefits:

The project provides a method for increasing supply of land for development of affordable housing and provides a model of housing development that has potential to be of benefit to the whole city. It provides local employment /training opportunities in manufacture of MMC units and the method of construction has benefits for tackling the climate emergency.

Consultation Details:

Knowle West Media Centre has undertaken a range of consultation events with local residents, community groups, stakeholders and members to ensure their project delivers homes that meet local need.

Background Documents:; Report to EDM Jan 2021 Appendix A; Report to Housing Delivery Board July 2021 Appendix A.

Revenue Cost	£0	Source of Revenue Funding	
Capital Cost		Source of Capital Funding	
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

There is no direct financial implication as sites have not been selected. When the sites are selected, then value of land needs to be verified by qualified surveyors to determine financial impact.

The scheme will have a financial impact on both the HRA and the General Fund. The impact on the HRA, will potentially be a reduction in the right to buy receipts, as detaching of plots from individual properties will result in a

<p>lower valuation in the remain values of those properties. Whilst the impact on the general fund will be a loss on disposal as the asset will transfer to the Community Interest Company at nominal value. This will be reflected on the balance sheet.</p> <p>Grant Application The £95,000 per home funding request from KWMC would be subject to separate BCC Affordable Housing grant application. The grant conditions need to be met and there is risk that application may not be successful.</p>		
<p>Finance Business Partner: Aisha Bapu Finance Manager 18th October 2021</p>		
<p>2. Legal Advice: Secretary of State consent has been obtained for this project on the basis that it is outside the scope of the General Disposal Consents contained in the Housing Act 1985</p>		
<p>Legal Team Leader: Andrew Jones, Team Leader, 30 September 2021</p>		
<p>3. Implications on IT: No anticipated impact on IT/Digital Services</p>		
<p>IT Team Leader: Simon Oliver, Director: Digital Transformation 29 September 2021 .</p>		
<p>4. HR Advice: There are no HR implications evident.</p>		
<p>HR Partner: Celia Williams, HR Business Partner – Growth and Regeneration 1st November 2021</p>		
EDM Sign-off	Stephen Peacock, Executive Director Growth and Regeneration	6 October 2021
Cabinet Member sign-off	Councillor Renhard, Cabinet Member Housing Delivery and Homes	11 October 2021
For Key Decisions - Mayor's Office sign-off	Mayor's Office	15 November 2021

Appendix A – Further essential background / detail on the proposal A1-Community Led Housing Land Disposal Policy; A2-Report to Housing Delivery Board on WCM Decision Pathway; A3-Report to EDM Jan 2021; A4-We Can Make Decision Taking Framework; A5-Valuation for Sec of State application	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO

Appendix K – ICT	NO
Appendix L – Procurement	NO