

THE WELLS REDEVELOPMENT

Head of Service/Contact:	Mark Shephard, Head of Property and Regeneration
Wards affected	All wards
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Confidential Appendix 1 – Budget Breakdown

Summary

This report updates Committee on the Wells site following the Council's Planning Committee on 9 July 2020. It recommends a feasibility study be undertaken to enable Committee to consider the cost and layout implications of a revised scheme.

Recommendation (s)

The Committee is asked to:

- (1) Agree to the preparation of additional feasibility work on options for a revised scheme;**
- (2) Approves a budget of up to £25,000 to cover the costs of the feasibility work, to be funded from the Corporate Projects Reserve;**
- (3) Agrees to a report being brought back to this Committee as soon as the feasibility work has been completed.**

1 Reason for Recommendation

- 1.1 The recommendations set out above, if approved, will allow the cost and layout implications of a revised scheme to be considered. This will progress the Wells redevelopment enabling the delivery of much-needed new homes.

Strategy and Resources Committee

27 October 2020

2 Background

- 2.1 Redevelopment of the Wells site presents an opportunity to realise two key Council priorities:-
- 2.2 **Affordable Housing** - the Borough has one of the smallest affordable housing supplies in the Country (in terms of actual number of homes and the ratio of affordable (social) housing to owner-occupied housing).
- 2.3 The Borough's Strategic Housing Market Assessment (SHMA) 2019 concludes that an average of just 59 affordable homes become annually available in the Borough to house those with the greatest housing need. It further states that;

“An estimated 349 households per annum could not afford to pay the market entry threshold cost and therefore needed affordable housing.”

The SHMA therefore identifies an annual need for 349 new affordable homes each year assuming the average of 59 re-lets of affordable homes continue to be made available.

- 2.4 The 59 average annual affordable re-lets cannot be guaranteed as their availability can be affected by a number of factors. These include an increase in tenant right to buy acquisitions depleting the existing supply together with new affordable housing schemes not necessarily increasing supply. For example, a new Housing Association led re-development may lead to any available affordable re-lets being used to de-cant existing tenants rather than house new ones.
- 2.5 The full extent of the impact of the Covid-19 pandemic on homelessness levels in the Borough is not yet known. However, it is expected to increase demand for homelessness prevention accommodation and settled affordable housing in the Borough as the UK's unemployment level continues to rise.
- 2.6 **Housing Numbers** – government has indicated that the Borough must deliver 579 new homes per year and recently proposed that this figure should increase to 604 new homes per annum.
- 2.7 The SHMA 2019 forms part of the key evidence base underpinning the Local Plan and concludes that the current level of housing completions in Epsom and Ewell is “*significantly below*” the calculated need.

Strategy and Resources Committee

27 October 2020

- 2.8 The latest Annual Monitoring Report for the period 1 April 2018 – 31 March 2019 (prepared by the Council’s Planning Department), demonstrates that during 2018/2019, a total of just 165 new homes were delivered. Housing delivery has been on average 248 dwellings per annum since 2006. The analysis concludes; *“This year we have achieved 28% of our identified housing need. This is the lowest level of delivery since the monitoring period began. Historic peaks in delivery during 2012/13 and 2016/17 can be explained by a number of completions on strategic housing sites on the West Park and St Ebbas (known as Hospitals cluster) sites in 2012/13 and the redevelopment of the former Linton’s Centre site between 2016/17.”*
- 2.9 A number of measures are in place to address declining housing delivery including the Borough’s Transformation Masterplan, Urban Capacity Study, Housing Delivery Action Plan and a policy statement on optimising housing delivery. Despite these, there remains an insufficient number of sites coming forward for the delivery of new homes.
- 2.10 The Wells site is therefore a prime opportunity to help meet the government’s objectively assessed housing need of 579 homes per year as well as take action to address the demand for much needed affordable housing.

Committee Approval History

- 2.11 In February 2018, Strategy & Resources Committee approved; *“the residential redevelopment of the Wells site, including the provision of a community facility of up to 1,500 sq ft (to be operated and managed by the community).”*
- 2.12 In September 2018, Committee approved a residential scheme with the community facility located along the southern boundary close to the play area adjacent to the public footpath.
- 2.13 Committee agreed that a planning application should be prepared for submission together with the establishment of a community led group to refine the community facility design and management arrangements.
- 2.14 On 9 July 2020, the Council’s Planning Committee considered the planning application (Ref: 19/00929). It was considered to be largely policy compliant by the Planning Service and on balance received a positive officer recommendation for approval.
- 2.15 The Planning Committee debate indicated that the submitted scheme of 23 flats (including 40% affordable housing), 27 parking spaces and 26 cycle spaces, a community facility of 1,625 sq ft, a new children’s play area and a retained public right of way, could not be supported and raised the following items recorded in the Minutes:

Strategy and Resources Committee

27 October 2020

- **Parking facilities:** *Members noted the number of proposed car parking spaces for the residential units, and raised concerns regarding the impact this may have on the local area. It was noted that emergency vehicles may be delayed in attending the site due to a lack of turning space to non-domestic vehicles, and that it may be a possibility to fit approved British-standard sprinkler systems in lieu of potential delays from the Fire Brigade in emergencies.*
- **Privacy to neighbouring residents:** *Members noted concerns regarding the proposed redevelopment of the community centre and the loss in private amenity space that this may cause to residents on Wells Way. Members highlighted that part of the proposal includes plans to plant trees to offer some privacy to residents on Wells.*
- **Affordable housing:** *Members noted the shortage of housing within the Borough and how the proposed development would be of benefit in fulfilling need. Members noted the number of units being offered as affordable housing and spoke about the possibility of this number being increased.*
- **Character of building:** *Members noted concerns regarding the proposed residential element of the scheme. It was noted that the materials and detailing were important factors and required careful handling.*

Planning Committee agreed to defer the matter; “to give Officers the opportunity to discuss concerns raised by the Committee. These include:

- **Highways and parking**
- **Housing mix**
- **Privacy to neighbouring residents**
- **Style and suiting of proposed development”**

2.16 Planning Committee further agreed that the application be “brought back to the Committee once all the additional information is available”.

2.17 Given the above feedback, if the site is to be developed within a reasonable timeframe it will be necessary to explore the options for bringing forward a revised scheme to address the areas of concern raised by the Planning Committee. These will need to be properly explored and costed and will require external expertise.

Strategy and Resources Committee

27 October 2020

3 Proposal

- 3.1 To address the feedback from the Planning Committee, a feasibility study is required for the revised scheme options. Affordable housing will be prioritised and it will need to be sufficiently detailed to allow initial financial viability work to be undertaken.
- 3.2 The study will consider options for a revised scheme and incorporate the following:
- An initial analysis of the residential accommodation and suitability for affordable housing, site layout, parking provision and community facilities.
 - A review of the massing and likely form of the residential building based on the optimum accommodation layout and the relationship with the adjoining buildings.
 - A set of plans will be prepared to visualise a likely scheme.
 - Traditional design and approach to both construction and pallet of materials (e.g. Surrey vernacular).
- 3.3 It is recommended that a budget of up to £25,000 be approved to cover the professional and technical costs associated with this work.
- 3.4 On completion, the feasibility study will be brought back to a future meeting of this Committee for consideration.

4 Risk Assessment

Legal or other duties

4.1 Impact Assessment

4.1.1 There are no impact assessment implications for this report.

4.2 Crime & Disorder

4.2.1 There are no crime and disorder implications from this report.

4.3 Safeguarding

4.3.1 There are no safeguarding implications for this report.

4.4 Dependencies

4.4.1 None arising from this report.

5 Financial Implications

Strategy and Resources Committee

27 October 2020

- 5.1 A cost breakdown of the proposed feasibility study is attached at confidential Part II Appendix 1. The individual figures are commercially sensitive pending procurement.
- 5.2 **Section 151 Officers comments:** *Across three tranches in 2018, a total budget of £175,000 was allocated to develop and progress the previous Wells Redevelopment proposals, to be funded from the Corporate Projects Reserve. Of this budget, £25,000 remains unspent and it is now proposed to use this remaining funding for additional feasibility work on options for a revised scheme.*

6 Legal Implications

- 6.1 None arising from the contents of this report.
- 6.2 **Monitoring Officer's comments:** *none arising from the contents of this report.*

7 Policies, Plans and Partnerships

7.1 Council's Key Priorities:

Progression of the site's development will move the Council closer to delivery of some of the key objectives set out in its 'Vision for Epsom & Ewell' and 4 year Corporate Plan; in particular:

- **Opportunity and Prosperity** – secure more affordable housing for local workers, students and families.
- **Safe and Well** – contribute to a safer environment, protecting local employment opportunities by creating affordable housing for key workers. The provision of a community available to all generations alongside a new children's play area will complement the existing community spirit.
- **Cultural and Creative** - the community facility would support the principle that enhances the 'Cultural and Creative' opportunities in the Borough "*where people work together for the benefit of the community*".

7.2 Future development will also support the Council's agreed Statement on Economy and Place:

- Maximising returns from property assets.
- Contributing to the Council's Housing Delivery Action Plan by bringing forward the development of new housing and more affordable homes for local people.
- Delivery of 'High quality, sustainable and energy efficient buildings which include new green spaces'.

Strategy and Resources Committee

27 October 2020

7.3 **Service Plans:** The matter is included within the current Service Delivery Plan.

7.4 **Climate & Environmental Impact of recommendations:** None arising from this report.

7.5 **Partnerships:** None arising from this report.

8 Background papers

8.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Minutes of the Meeting of the Planning Committee held on 9 July 2020
- Future Use of the Wells Site – report to Strategy & Resources Committee of 27 November 2018

Other papers:

- Strategic Market Housing Assessment 2019
- Annual Monitoring Report 1 April 2018 – 31 March 2019