

Portfolio Holder for Corporate Governance, Housing and Public Protection



County Hall
Llandrindod Wells
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31 August 2018

For further information please contact

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NOTICE OF INTENDED PORTFOLIO HOLDER DELEGATED DECISION

The Portfolio Holder has received the following report for a decision to be taken under delegated authority. The decision will be taken on **6 September 2018** (i.e. 3 clear days after the date of this note). The decision will be published on the Council's website but will not be implemented until 5 clear days after the date of publication of the decision) to comply with the call-in process set out in Rule 7.37 of the Constitution.

1.	DECLARATION OF 5 CONWAY STREET, BRECON AS SURPLUS TO REQUIREMENTS
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CYNGOR SIR POWYS COUNTY COUNCIL**REPORT FOR DELEGATED DECISION****By****County Councillor James Evans****Portfolio Holder for Corporate Governance, Housing and Public Protection
Date****REPORT AUTHOR: Head of Housing****SUBJECT: Declaration of 5 Conway Street, Brecon as surplus to requirements**

REPORT FOR: Decision

1. Summary

- 1.1. This report seeks approval to declare 5 Conway Street, Brecon as surplus to requirements, to enable the property to be disposed of on the open market.

2. Proposal

- 2.1. The property, known as 5 Conway Street is a reasonably large house built around 1900, which is owned by the Housing Revenue Account (HRA) and was previously converted into four bedsits. The property has been used to house single occupants and fulfilled a significant need in the local housing market.
- 2.2. However, and following a structural survey, the property was deemed as being in significant disrepair to both the external envelope (structural movement to front elevation) and to the interior. The property would not be able to be refurbished to meet WHQS standard. The accommodation it provides is small and cramped and no longer suitable for our needs. The level of disrepair is such that none of the units were suitable for letting.
- 2.3. On the 11th January 2017, the Portfolio Holder for Property, Buildings and Housing took the decision to close Conway Street, enabling the Housing Service to rehouse and compensate the two secure tenants who were living in the property at the time and to demolish the property, enabling the site to be redeveloped (see appendix 1). However and since that date, no demolition or redevelopment occurred and the 4 units have been vacant for a total of 491 weeks, the most recent property becoming vacant in May 2017, the earliest becoming void in March 2015. Total rent loss for the four units equates to £33,118.
- 2.4. It became apparent that the site was too small and constrained to make redevelopment a straightforward proposition and the property is located on a narrow street making access to the site difficult. In addition, the property is in a conservation area, planning consent for its demolition will also not be a straightforward matter. It is therefore proposed that the property is declared surplus to requirements to enable it to be disposed of on the open market.

2.5 The Housing Service has subsequently been offered a similar sized site by the Church in Wales in Brecon which would have better access and opportunity. Any proceeds from the sale of Conway Street could be used to purchase this site, subject to feasibility study demonstrating future prospects for development.

3 **Vision 2025**

3.3 This initiative will help us to develop a vibrant economy by enabling the private sector to redevelop the property into good quality accommodation.

4 **Options Considered/Available**

4.1 Alternative options are:

4.2 **Refurbishment/Redevelopment** – This option is prohibitively expensive and we will not improve the size of the small bedsit accommodation currently provided.

4.3 **Disposal** – We could receive a one-off capital receipt from the sale of the property.

5 **Preferred Choice and Reasons**

5.1 That the property is declared surplus to requirements and disposed of.

6 **Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc**

6.1 The provision of better housing in Brecon will support sustainability and environmental issues.

7 **Children and Young People's Impact Statement - Safeguarding and Wellbeing**

7.1 There are no issues in respect of safeguarding children in regards to this proposal.

8 **Local Member(s)**

8.1 The local member for Brecon has been fully briefed on our proposals and is in full support of the proposed approach.

9 **Other Front Line Services**

9.1 This matter will not have an effect on other frontline Services

10 **Support Services (Legal, Finance, HR, ICT, BPU)**

- 10.1 Legal: Professional Lead for Legal supports the recommendation and can confirm that legal services will support the Housing service in any subsequent disposal of the property.
- 10.2 Finance: The Finance Business Partner notes the content of the report to declare 5 Conway Street surplus to requirements in order that it can be disposed of. The rental income loss for the four units is £33,118 per annum. The loss of this income or the costs of refurbishment, if the property were to be retained, need to be adjusted and accommodated within the Housing Revenue Account Business Plan. If sold the Capital receipt will support the HRA Capital Programme. The property is included in the Asset Register at a value of £42,668. Any loss or surplus on disposal will be adjusted within the unusable reserves.

11 Local Service Board/Partnerships/Stakeholders etc

- 11.1 This is a specific Housing Management matter.

12 Communications

- 12.1 The Housing Service has already consulted with the County Councillor.

13 Statutory Officers

- 13.1 The Deputy Monitoring Officer notes the contents of the report and has nothing further to add.
- 13.2 The Head of Financial Services (Deputy S151 Officer) notes the comments of the Finance Business Partner.

14 Members' Interests

- 14.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If the Portfolio Holder has an interest he should declare it, complete the relevant notification form and refer the matter to the cabinet for decision.

Recommendation:	Reason for Recommendation:
1. That 5 Conway Street is declared surplus to requirements.	1. To allow for disposal of the property

Relevant Policy (ies):	
Within Policy:	Y
Within Budget:	Y

Relevant Local Member(s):	All members
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Person(s) To Implement Decision:	Head of Housing
Date By When Decision To Be Implemented:	

Contact Officer Name:	Tel:	Fax:	Email:
Simon Inkson			simon.inkson@powys.gov.uk

Appendix 1



Closure Demolition
and Rebuild of 5 Co

CYNGOR SIR POWYS COUNTY COUNCIL**REPORT FOR DELEGATED DECISION****By****County Councillor Rosemarie Harris
Portfolio Holder for Property, Buildings & Housing
January 2017****REPORT AUTHOR: Head of Housing****SUBJECT: Closure Demolition and Rebuild of 5 Conway Street,
Brecon**

REPORT FOR: Decision

1. Summary

- 1.1. This report seeks the approval of the Portfolio Holder for Property, Buildings and Housing to the closure of 5 Conway Street, Brecon and the payment of relevant compensatory payments to the two existing secure tenants.

2. Proposal

- 2.1. 5 Conway Street is reasonably large house built around 1900 and converted into four bedsits. The property has been used to house single person households and fulfils a significant need in the local housing market.
- 2.2. The property is in significant disrepair to both the external envelope and to the interior. The accommodation it provides is small and cramped and no longer suitable for our needs. The level of disrepair is such that two of the units are no longer lettable.
- 2.3. The property together with the garden/parking areas for a good sized plot that makes an excellent development opportunity. The Housing team have developed proposals with local architects to demolish the building and replace with a sympathetic development of four general needs flats. Conway Street is in the Brecon Beacons National Parks and pre-planning guidance has been sought and gained from that body.
- 2.4. The next stage is for the block to be cleared of residents and demolished to allow the new development to start. Before any such investment can be made, Portfolio Holder approval is required to close the block.
- 2.5. The Housing Service have engaged with both residents and explained that we will require them to move to enable the redevelopment work. Both accept the need to move. The Housing team will find them suitable alternative accommodation.
- 2.6. In moving the residents out, Powys County Council will be required to provide a compensation payment, as set out in the Land Compensation Act 1973. This compensation is made up of:
- a statutory Home Loss payment of £4,700 per household.

- a disturbance allowance to cover the cost of any expenses they may incur in the move from to their new accommodation.

2.7. There is provision in the 30 year business plan for this capital investment.

3. **One Powys Plan**

3.1. This initiative will help us to deliver Stronger Safer and Economically Viable Communities by ensuring that we provide better quality new accommodation.

4. **Options Considered/Available**

4.1. Alternative options are:

4.2. **Refurbishment** – This option is prohibitively expensive and we will not improve the size of the small bedsit accommodation currently provided.

4.3. **Sale** – We could receive a one-off capital receipt from the sale of the property. However, we will lose the ability to develop much needed good quality social housing in Brecon.

5. **Preferred Choice and Reasons**

5.1 The size and location of this site lends itself to an excellent new housing development scheme. This is our preferred option and it is affordable in our current business plan.

6. **Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc**

6.1. The provision of better housing in Brecon will support sustainability and environmental issues.

7. **Children and Young People's Impact Statement - Safeguarding and Wellbeing**

7.1. There are no issues in respect of safeguarding children in regards to this proposal.

8. **Local Member(s)**

8.1. The local member for Brecon has been fully briefed on our proposals and is in full support of the proposed approach.

9. **Other Front Line Services**

9.1. This matter will not have an effect on other frontline Services

10. Support Services (Legal, Finance, HR, ICT, BPU)

- 10.1. Legal: The Professional Lead-Legal assumes that the financial case for demolition and redevelopment stack up and on that basis confirms that the Legal services will assist where and when required to support the recommendation in this report.
- 10.2. Finance: The Finance Business Partner can confirm that the accommodation at 5 Conway Street is small and cramped and the level of disrepair is such that two of the units are no longer lettable. The Council is required under statute to provide home loss and disturbance compensation payments to the two existing secure tenants. This will be a minimum cost of £9.4k and will need to be funded from the Housing Revenue Account (HRA) maintenance budget. This will then allow for redevelopment but prior to any decisions being made further financial information will need to be gathered to ensure funding and viability of the site.

11. Local Service Board/Partnerships/Stakeholders etc

- 11.1 This is a specific Housing Management matter

12. Communications

- 12.1. The Housing Service has already consulted with the County Councillor for this area and consultation will commence with residents following portfolio holder approval. The consultation will be undertaken face to face and in letter form.

13. Statutory Officers

- 13.1 The Solicitor to the Council (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".
- 13.2 The Strategic Director Resources (S151 Officer) notes the comments made by finance.

14. Members' Interests

- 14.1. The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If the Portfolio Holder has an interest he should declare it, complete the relevant notification form and refer the matter to the cabinet for decision.

Recommendation:	Reason for Recommendation:
1. That approval is given to formally close 5 Conway Street pending demolition.	1. To allow for the redevelopment of the site.

2. That approval is given to compensate the two secure tenants who reside in the block.	2 We are required under statute to provide home loss and disturbance compensation to the existing secure tenants.
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Relevant Policy (ies):			
Within Policy:	Y	Within Budget:	Y

Relevant Local Member(s):	All members
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Person(s) To Implement Decision:	Head of Housing
Date By When Decision To Be Implemented:	30 th June 2015

Contact Officer Name:	Tel:	Fax:	Email:
Dave Roffey			david.roffey@powys.gov.uk