1. Details of Recommendations

The Cabinet is asked to approve, subject to obtaining planning consent, the:

1. Total budget for the redevelopment of the Feltham Ex-Servicemens site for the provision of 94 units of extra care housing. To be funded as set out in the confidential appendix 1 of this report;

2. Delegation of Authority to the Director of Housing in consultation with the Cabinet Member for Corporate Strategy, Planning and Regeneration to accept the tender offer for the new build construction contract;

3. Appropriation of the Site edged red in Appendix 2 and delegation of authority to the Head of Governance to take all steps necessary for the appropriation of the land for planning purposes;

4. Delegation of authority to the Director of Finance to authorise payment of compensation where the land is appropriated for planning purposes in reliance of s237 of the Town and Country Planning Act 1990 to override any covenants if necessary.

The Cabinet is also asked to approve the:

5. Delegation of Authority to the Director of Housing in consultation with the Cabinet Member for Corporate Strategy, Planning and Regeneration to accept the tender offer for the enabling works package.
If the recommendations are adopted, how will residents benefit?

<table>
<thead>
<tr>
<th>Benefits to residents and reasons why they will benefit, link to Values</th>
<th>Dates by which they can expect to notice a difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>New affordable housing extra care units with dementia and learning disabilities specific provision</td>
<td>April 2018</td>
</tr>
<tr>
<td>Community activities and services available on site</td>
<td>April 2018</td>
</tr>
</tbody>
</table>

2. **Report Summary**

1. This report deals with a proposal to redevelop the former Ex-Servicemens site which has been declared surplus for operational needs with a 94 unit extra care development for entirely affordable housing tenure.

2. It recommends Delegating Authority to award a construction contract to complete the enabling works package before proceeding with all necessary steps to deliver the new build development subject to planning approval and the acceptance of the market tested tender offer.

3. These recommendations are being made because we aim to create 180 more extra care housing units by 2018/19. This proposal will help meet the pledge to deliver 400 new build affordable homes.

4. If adopted, the key financial implications for the Council will be the requirement of funds, as set out in the confidential appendix 1, to deliver the scheme.

5. An additional point to note is the site is designated for education purposes in the adopted allocation policy. This requires the submission of a departure application from the adopted local plan demonstrating there is an outcompeting need for housing.

3. **Reason for Decision and Options Considered**

3.1 As part of our ongoing commitment to provide 400 affordable new homes, we want to create an extra care housing scheme (known as the Blenheim extra care scheme) at the former Feltham Ex-Servicemen’s Club site.

3.2 Increasing the provision of extra care housing and promoting its uptake, will help to improve the independence and quality of life of our older and disabled residents by enabling them to live in their own home with care and support at close proximity, avoiding the need to move into a care home.

3.3 Adults’ Services aims to create 180 extra care housing units by 2018/19. Delivering this scheme will make an important contribution towards achieving this target. The scheme proposal is to demolish the existing buildings and construct a new extra care scheme which will include a range of communal facilities throughout the building, 94 residential units with associated parking and amenities (as shown in appendix 3 of this report).
3.4 This scheme forms part of the HRA New Homes Building Programme approved by Cabinet in report REG343 of October 13 October 2016. At the meeting on 5 August 2015 the Affordable Housing Committee, a formally delegated committee of Cabinet, agreed responsibility is delegated to the (former Assistant) now Director of Housing, in consultation with the Leader of the Council to take all necessary actions to proceed through stages 1 - 5 of the development process and to include the letting of a construction contract.

3.5 Willmott Partnership Homes Ltd have been appointed, using Scape Procure Major Works framework, to develop scheme proposals and submit a formal planning application. The Scape Major Works frameworks, is procured in compliance with the EU rules, uses a two-stage tendering approach to allow early appointment of a contractor, to gather all the information required to enable them to offer a fixed price.

3.6 In the first stage, a limited appointment was agreed allowing Willmott Partnership Homes to begin work. This included due diligence to remove or reduce fundamental risk factors, such as those associated with ground risks, flood and utilities. In the second stage a fixed price is procured for the construction contract, which includes the enabling works.

3.7 A 100% market tested fixed price lump sum cost based on a NEC: Engineering and Construction Contract will be submitted in August 2016. The procurement process to achieve this fixed price lump sum cost is broken down into packages of work which are competitively tender using an ‘open book approach’. So far approximately 65% of the packages have been market tested and a ‘not to exceed’ sum has been submitted following market testing of the high-value contractor-designed packages. This report recommends delegating authority to award the main construction contract to complete all necessary steps to deliver the new build development subject to planning approval.

3.8 The total scheme cost for delivery and completion of the construction phase is set out in the confidential appendix 1 of this report. This sum includes the cost of the enabling works, the new build construction and associated professional fees as well as land appropriation. This report seeks approval to fund the total scheme costs using a mixture of sources set out table 1 of the confidential appendix.

3.9 The site (edged red on Appendix 2) is currently allocated by the Local Plan for education uses (Site Ref: 62 - Feltham Ex-Servicemen’s Club). This document proposes the site as an appropriate location for the expansion of existing primary provision in the Feltham and Hanworth school place planning area. This means the proposed extra care scheme is a departure from the Local Plan and not in line with policy, requiring us, as the applicant, to demonstrate an outcompeting need to use the site for housing purposes. A supporting statement justifying the lack of need for the current proposed use was submitted as part of the planning application.

3.10 The scheme is anticipated to be considered at September 2016 planning committee following the formal submission of a detailed application to the Local Planning Authority. In order to maintain with the programme further design work is required to achieve a fully market tested contract sum.
Professional fees of £702k are required to reach Royal Institute of British Architects (RIBA) Stage 5 and achieve technical design to refine the proposed development. By the end of this RIBA Stage [5], all aspects of the design will be completed. This design work represents at risk costs, as there is no guarantee that planning consent would be obtained.

3.11 The land edged red in Appendix 2 shows the proposed site to be developed and appropriated. The proposed appropriation will not take place unless planning permission for the proposed development has been granted. The site includes the former Ex-Servicemens Club that has been declared surplus to requirements and is currently in the process of being vacated. The site is not considered to be part of the Council’s long term Corporate Property Strategy.

3.12 The site is currently occupied by CB Hounslow Football Club on a ‘Tenancy at Will’. Periodic meetings have been held with CB Hounslow as the development proposals will require the football club to relocate to new facilities under construction at their Green Lane site in Hounslow. CB Hounslow have been issued a termination notice to vacate the Site. At which point the Site will require securing to prevent incursion or unauthorised access and occupation. This report recommends proceeding with enabling works including site clearance, securing with hoarding and demolition of existing buildings. All of which prior to the determination of the planning application to safeguard the Site and aid scheme delivery by April 2018.

4. Key Implications

4.1 Targets and measures to be explained here using either paragraphs or table below or both.

<table>
<thead>
<tr>
<th>How is success to be measured?</th>
<th>Unmet</th>
<th>Met</th>
<th>Exceeded</th>
<th>Significantly Exceeded</th>
<th>Date they should be deliver by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined Outcomes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery within the capital budget</td>
<td>Project over budget</td>
<td>Project within budget</td>
<td>Project less than budget</td>
<td>Project significantly less than budget</td>
<td>March 2018</td>
</tr>
<tr>
<td>Achievement of Pledge to deliver 400 council homes</td>
<td>400 new homes not completed</td>
<td>400 new homes completed</td>
<td>500 new homes completed</td>
<td>600 new homes completed</td>
<td>April 2018</td>
</tr>
<tr>
<td>Achievement of Adults’ 180 extra care target</td>
<td>180 new homes not completed</td>
<td>180 new homes completed</td>
<td>200 new homes completed</td>
<td>250 new homes completed</td>
<td>April 2018</td>
</tr>
</tbody>
</table>
5. Financial Details

a) Financial Impact On The Budget (Mandatory) included in the confidential appendix 1

This is considered in confidential appendix 1.

Financial Background (optional) included in the confidential appendix 1

c) Comments of the Director – Finance and Corporate Services

This report seeks approval of the budget to redevelop the former Ex-Servicemen’s site into a 94 unit extra care dwellings for entirely affordable housing tenure. As laid out in the confidential appendix (1) the funding for this scheme has been secured from the General Fund and HRA resources. There is no additional impact on the council’s General Fund resources and the previously agreed funding from borrowing is included in the current Medium Term Financial Strategy. The estimated increase in the total scheme costs will be met from HRA resources. This will require revision of the HRA budget, and potentially re-profiling of long term investment works or new build delivery. This will be factored into the revised HRA Business Plan that will be presented to Cabinet in the autumn.

6. Legal (to be completed in conjunction with the Legal Department)

a) Legal Details

Part of the Site is subject to a lease dated 16th April 1973 for a term of 125 years from 22nd December 1972. The lease remains on the title and is in the process of being closed off. This is outlined further during the confidential appendix accompanying this report.

The freehold title to the Site is subject to restrictive covenants which if the land is not appropriated for planning purposes, could potentially inhibit the re-development of the Site. It is recommended that the land be formally appropriated for planning purposes, under Section 237 Town and Country Planning Act 1990. This would have the effect of converting third party rights (other than public rights and those belonging to statutory undertakers) into a right to compensation (see below).

The Council acquires and holds property for various statutory purposes in order to perform its functions. Section 122 of the Local Government Act 1972 enables a principal council to appropriate for any other authorised purpose any land which belongs to the Council and is no longer required for the purpose for which it was previously held. The appropriation must be by a formal resolution of an appropriate body of the Council. The report recommends that the identified land is appropriated from General Fund to planning purposes.

Section 237 Town and Country Planning Act 1990 (as amended) (Power to override easements and other rights) states that the carrying out of building work or use of land which has been acquired or appropriated by a local authority for planning purposes is authorised if it is done in accordance with a planning permission notwithstanding that it involves interference with any third
party rights (other than rights belonging to public utilities). The power to appropriate does not remove the legitimate rights of owners or occupiers to compensation which may arise from the interference with such rights.

In order for HRA funds to be used for development of this land, it is necessary that it should be held for housing purposes under Part II Housing Act 1985. Accordingly, a further report will ask the Cabinet to resolve to appropriate the land for housing purposes so that HRA resources can be used to fund the development.

It should be noted that following the appropriation and/or development or use of the land, it is possible that there may be a need for compensation to be paid for interference with third party rights or interests or with respect to a breach of any restriction as to the user of land or any injurious affection to third party land. It is likely that any such compensation will be calculated on the statutory basis. However, if the Council receives claims for compensation, they will have to be assessed and, if valid, consideration will have to be given to the appropriate measure of compensation and its value at the time of receipt.

Rights of light will also need to be considered and a Rights of Light Surveyor has been appointed for this purpose.

The unilateral extinguishment of third party rights calls into play the First Protocol of the Human Rights Convention (no-one shall be deprived of his possession except in the public interest) and Article 8 to the Convention (the right to respect private and family life, home and correspondence). Cabinet is required by the Human Rights Act 1998 to have appropriate regard to those implications in any decision to appropriate. In this case it is not considered that the extinguishment of these third party rights will affect anyone’s enjoyment of their home and that any extinguishment of other third party rights can be adequately compensated in financial terms.

b) Comments of the Head of Governance

The Interim Head of Governance has been consulted on this report and has no comments.

7. Value For Money

The tender offer for the construction price, once received from the contractor, will be scrutinised by the Council’s cost consultants, Pick Everard. Pick Everard will produce a tender report to confirm whether or not the construction price offered represents value for money in the prevailing market conditions.

8. Sustainability Impact Appraisal

The proposed development is designed to achieve a high level of sustainability. In line with the Local Plan the scheme will meet a rating of Building Research Establishment Environment Assessment Method (BREEAM) ‘Excellent’ as minimum.
9. **Risk Management**

The following risks have been identified:
- Failure to secure planning approval
- Consents and approvals are not forthcoming or delayed
- Delay in the construction of extra care scheme

10. **Links to Council Priorities**

<table>
<thead>
<tr>
<th>Source</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour Manifesto 2014</td>
<td>Pledge 1: Secure a further 3,000 affordable homes in Hounslow, 400 of which will be new Council houses</td>
</tr>
<tr>
<td>Corporate Plan 2014/2019</td>
<td>Help and Support When you need it: Improve services and support people with learning difficulties, dementia and their carers to help people stay independent</td>
</tr>
<tr>
<td>Housing Strategy 2014 - 2018</td>
<td>Objective 3: To support our communities to live independently by promoting health and well-being</td>
</tr>
<tr>
<td>Extra Care Housing Plan 2015 – 2019</td>
<td>Action Plan Target 4: Additional 180 units of Extra Care housing including dementia specific designed provision by 2017/18</td>
</tr>
</tbody>
</table>

11. **Equalities, Human Rights and Community Cohesion**

The Council has to give due regard to its Equalities Duties, in particular with respect to general duties arising from the Equality Act 2010, section 149 and for the purposes of this report, section 20, Part 2 of the Equality Act. The latter provision creates a duty on public and private organisations to make adjustments for disabled people. Having due regard to the need to advance equality also involve, in particular, the need to remove or minimize disadvantages suffered by persons.

It is not considered that anyone with a protected characteristic: Age; Disability; Gender Reassignment; Pregnancy and maternity; Race; Religion or belief; Sex and Sexual Orientation will be adversely affected by the decisions.

There is no evidence to suggest that the proposals for the former Feltham Ex-Servicemens site will have a disproportionate adverse impact on those with protected characteristics and the proposals are consistent with the Council’s equalities duties above.

12. **Staffing/Workforce and Accommodation implications:**

N/A
13. **Property and Assets**

   This report considers the future use of the former Feltham ex-Serviceman’s site for housing purposes. This necessitates appropriating the land (edged red in Appendix 2) from one statutory function to another which has been defined as a surplus site.

14. **Any Other Implications**

   N/A

15. **Consultation**

   With this project being a significant development proposal in Feltham, pre planning public engagement was held in December 2015 and May 2016. This included staffed public exhibitions, static exhibitions and online content displayed on the Council’s website.

16. **Timetable for Implementation**

   The proposal subject to planning approval is to deliver the 94 unit extra care scheme by April 2018.

17. **Appendices**

   Confidential
   - Appendix 1 – Finance and legal matters affecting the site
   - Appendix 2 – Existing Site Plan
   - Appendix 3 – Plans and Elevations

18. **Background Information**

   REPORT ENDS