



To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart
Report by: Sabrina Walston: Enabling & Development Officer
Relevant scrutiny committee: Community Services Scrutiny Committee 16/1/2014
Wards affected: All Wards

COUNCIL NEW BUILD – ESTATE MANAGEMENT STRATEGY

Key Decision

1. Executive summary

This report outlines the options available to the Council to manage the estate on schemes where new build Affordable Housing (AH) is being delivered on Council land together with market housing. The report uses the developments at Latimer Close and the Quad development at Clay Farm as examples.

2. Recommendations

The Executive Councillor is recommended:

- To approve that in principle the Council's first choice will be to manage the entire estate on schemes where new Council Housing is being provided together with market housing on any sites the Council owns.
- To approve that delegated authority be given to the Director of Customer and Community Services following consultation with the Executive Councillor for Housing, Chair and Spokes to agree the estate management structure on individual schemes where new Council Housing is being provided together with market housing.

3. Background

The Council is beginning to take possession of the Affordable Housing on the mixed tenure, ie market and AH, schemes the Council is delivering in

partnership with developers. This has triggered the need for a decision as to how the estate on mixed tenure schemes should be managed.

Estate management in this sense is defined as the management of non-adopted external spaces and in some cases shared internal communal areas. For example there may be some external roads; footpaths; grassed and planted areas and there may be some internal shared access to flats, although this list is not exhaustive.

There are a variety of ways of delivering the estate management service to residents of these mixed tenure schemes, these options are;

- a. For the Council to manage the entire estate on each scheme irrespective of land ownership, ie for the market and the AH dwellings. In this case the Council would levy a service charge on market housing owners.
- b. To employ a management company to manage the entire scheme under a joint venture with the developer. In this case the developer would be required to retain a long term interest in the scheme.
- c. For the Council to manage the AH together with any adjacent estate whilst a management company manages the market housing dwellings.

Option b. would involve some additional cost in establishing and maintaining the joint management company and costs associated with procurement of services to maintain the estate.

It is recommended that the Council's preferred option should be option a. This allows for tenants to have one contact point for maintenance and management queries and allows the Council to retain control of the service. All management costs, including staff costs, will be re-charged to residents, therefore there will be no subsidy from the Council to deliver this service.

However, it is also recommended that delegated authority be given to the Director of Customer and Community Services to agree the way the service is delivered on a scheme by scheme basis as each site is likely to have its own idiosyncrasies.

As an example of how schemes may differ, the Latimer Close redevelopment is relatively straightforward. The market dwellings are houses that sit on their own easy to demark housing plots. There will be some non-adoptable roadway, footpaths and landscaped areas that serve both the AH and the market housing. For this scheme the Council implementing option a. is straightforward.

At the Quad development on Clay Farm, the design and layout of the scheme means that the estate management strategy is more complicated and indeed, is still the subject of discussion with the developer Hill Residential Limited (Hill). Here, as well as non-adoptable areas of estate that serve both the AH and the market housing, there are also some shared gardens within the Quads that are only shared by the residents of that Quad. There may also be one or two internal areas shared between AH residents and market housing residents. Developers often set a higher specification for planning and landscaping and also in the fitting out of internal spaces of developers in the knowledge that house buyers are prepared to pay a high service charge to maintain the areas. It is for these reasons that delegated authority to the Director of Customer and Community Services to agree the estate management approach on a scheme by scheme basis.

4. Implications

(a) Financial Implications

Any cost in managing estates will be passed on to residents.

(b) Staffing Implications

Existing staff currently account for similar estate charges and there is potential marginal additional staff workload. Any staff costs associated with the management of new estate can legitimately be passed on to residents as an on-cost in the service charge.

(c) Equal Opportunities Implications

An EQIA has been carried out for the Council new build programme as a whole.

(d) Environmental Implications

The Council new build programme is being delivered to high levels of environmental sustainability. This will include a number of new estate features such swales; purpose designed wet landscaped areas; and specification of indigenous species etc. The maintenance specification will therefore need to reflect these differences from traditional forms of landscaping.

(e) Procurement

If Option a. above is agreed, estate management services will be commissioned through the Council's Streets and Open Spaces team in the normal way.

(f) Consultation and communication

The available options have been discussed at Housing Management Team and the Resident Consultative Group and Steering Group for the Affordable Housing Development Programme.

(g) Community Safety

The schemes will all meet Secured by Design standards

5. Background papers

None

6. Appendices

None.

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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