Agenda Item 7



To:Cabinet – 24 January 2024
Council – 29 January 2024Report of:Executive Director (Development)Title of Report:Project approvals, budget and delegations to develop
five small sites for affordable housing, using spend
from the Brownfield Land Release Fund

Summary and Recommendations		
Purpose of report:	This report seeks project and contract approvals and delegations, budget and delegations in relation to affordable housing schemes across five small/ garage sites. All sites have been allocated initial funding through the Brownfield Land Release Fund ("BLRF2") following a successful bid. The report seeks approval for appropriation from General Fund ("GF") to Housing Revenue Fund, and to a planning purpose, where necessary; approval for the disposal of land as required; approval for the demolition of garages held in the GF and approval for demolition of vacant units currently held within the Housing Revenue Account ("HRA").	
Key decision:	Yes	
Cabinet Member:	Councillor Linda Smith, Cabinet Member for Housing	
	Councillor Ed Turner, Deputy Leader (Statutory) - Finance and Asset Management	
Corporate Priority:	More Affordable Housing and Meeting Housing Needs	
Policy Framework:	Housing and Homelessness Strategy 2023 to 2028	

Recommendations: That Cabinet resolves to:

- 1. **Note** the Council's participation in the Brownfield Land Release Fund (BLRF2) in order to undertake demolitions and groundworks and prepare five Council-owned sites to deliver affordable housing. The sites are at:
 - a) Underhill Circus (referenced in paragraphs 26 35 of this report)
 - b) Leiden Road (referenced in paragraphs 36 44 of this report)
 - c) Balfour Road (referenced in paragraphs 49 54 of this report)

d) Harebell Road (referenced in paragraphs 55 - 64 of this report)

- e) Pegasus Road (referenced in paragraphs 65 74 of this report);
- 2. **Grant project approval** to undertake the works on the basis of which BLRF 2 grant has been made available and for which budgetary provision is detailed below;
- 3. **Recommend to Council** the allocation of a £340,213 capital budget (which will be funded entirely by the BLRF2 grant) to carry out the demolition/ enabling works on each site as detailed within the BLRF2 application (see table, paragraph 14);
- 4. **Delegate authority** to the Executive Director (Development) in consultation with the Cabinet Member for Housing; the Head of Financial Services/Section 151 Officer; and the Head of Law and Governance/Monitoring Officer, to enter into agreements and contracts to facilitate the works specified within the BLRF2 application, within the allocated capital budget;
- 5. **Grant project approval** to the proposals to enter into contracts and any other necessary agreements or contracts and incur associated development cost spends, as set out in this report, and within the allocated Housing Revenue Account capital budget and business plan, for the purpose of delivering more affordable housing in Oxford for the sites of Underhill Circus and Leiden Road conditional on the Council approving the budget for these sites;
- 6. **Delegate authority** to the Executive Director (Development) in consultation with the Cabinet Member for Housing; the Head of Financial Services/Section 151 Officer; and the Head of Law and Governance/Monitoring Officer, to enter into build contracts and any other necessary agreements or contracts for the purpose of delivering more affordable housing in Oxford in relation to the sites at Underhill Circus and Leiden Road and within the allocated Housing Revenue Account capital budget and business plan and to apply to the Secretary of State for consent (insofar as required) to the appropriations and disposals under section 19 of Housing Act 1985;
- 7. **Delegate authority** to the Executive Director (Development) in consultation with the Cabinet Member for Housing; the Head of Financial Services/Section 151 Officer; and the Head of Law and Governance/Monitoring Officer, to agree the final terms and enter into the agreement with Oxfordshire Community Land Trust (OCLT) to dispose of the land via a long lease; along with any licences, party wall agreements, grant agreement, or other necessary agreements to enable delivery of the affordable housing at the former garage/ garage sites at Balfour Road; Harebell Road and Pegasus Road for the purpose of enabling the delivery affordable housing subject to compliance with the legal requirements of S123 of the Local Government Act 1972;
- 8. **Approve** the appropriation of land at Underhill Circus from the General Fund (GF) to the Housing Revenue Account (HRA); and **agree** to commence appropriation to a planning purpose for the purpose of

developing affordable housing noting the intent to take a full report to Council;

- 9. **Agree** to commence the appropriation to a planning purpose process on sites at Harebell Road and Pegasus Road noting the intent to take a full report to Council;
- 10. **Approve** the demolition of garages at sites on Harebell Road and Pegasus Road (held in the GF) for the purposes of delivering affordable housing; and
- 11. **Approve** the demolition of two homes at 71 and 73 Leiden Road (held in the HRA) for the purposes of delivering affordable housing.

	Appendices
Appendix 1 (Confidential)	Development scheme appraisal summary information on proposed Underhill and Leiden HRA schemes
Appendix 2 (Confidential)	Valuations of BBL schemes

Introduction and background

- 1. The Council continues to develop a supply programme to deliver more affordable housing through multiple work streams, including the delivery of homes through the Council's housing company OCHL; direct delivery by the Council; joint ventures; regeneration schemes; acquisitions; and enabling activity with Registered Providers, community-led housing groups, and other partners. The Council seeks to deliver over 1,600 affordable tenure homes across the next four years (to March 2027), with at least 850 of those at the most affordable Social Rent level.
- 2. This report seeks approvals and a budget line to progress initial work across five Council-owned small sites to support both community-led and Council-led affordable housing delivery projects. The Brownfield Land Release Fund grant funds are intended for various works across the different sites including the demolition of the garages, and further work that may be necessary such as site decontamination, relocation of services and some abnormal substructure costs.
- 3. This report further seeks to progress these five sites to secure affordable housing using two different models. Project approvals, a budget and delegations are requested for two sites to deliver up to 18 affordable homes through the HRA with OX Place providing all development services through a Development Services Agreement. In relation to these two sites the report also seeks approval to appropriate land at Underhill Circus from the General Fund (GF) to the Housing Revenue Account (HRA) as well as approval to demolish two vacant (and unsafe) bungalows. Details of the two sites and the delivery model can be found in paragraph 26 48.
- 4. In relation to the other three sites (detailed in paragraphs 49 74) these are intended to be subject to a long lease a with Oxfordshire Community Land Trust becoming the tenant. Details of the lease agreement and delivery model can be found in paragraphs 75 80. This report seeks the relevant authority to dispose of the land, by way of long lease for the purpose of delivering affordable homes.

Brownfield Land Release Fund

- 5. The BLRF is a cross-government initiative between the Department for Levelling Up, Housing and Communities (DLUHC) and One Public Estate (OPE) which is delivered in partnership by the Local Government Association and the Cabinet Office.
- 6. Grant is available to all English councils over a three-year period to support the release of council-owned brownfield land for housing.
- 7. The funding will provide up front capital to address viability issues arising from abnormal costs of the proposed development. The type of abnormal costs requiring funding may include but are not limited to:
 - site levelling, groundworks, demolition, remediation
 - provision of small-scale infrastructure
 - highways works or other access challenges
 - addressing environmental constraints
 - external works, substructure and piling
 - asbestos removal
 - sewer diversions.
- 8. The Council has been successful in securing funding for three (larger) sites in previous BLRF rounds. This application relates to BLRF round 2 which was submitted in March 2023 with confirmation of the successful bid received in August.
- 9. This report seeks the approvals to participate in the BLRF2 to deliver the works specified in the application. Cabinet is requested to delegate authority to enter into agreements and contracts to facilitate the works specified within the BLRF2 application
- 10. The funding requirements on the BLRF2 are to:
 - a. Contract for the enabling works by end of March 2024, and
 - b. Release the land for housing (defined as signing a Development Agreement/transferring the land for enabling or Start on Site for direct delivery) by end of March 2027, and
 - c. That the Local Authority update their land and property assets (exc housing) on the ePIMS Lite system by the end of the financial year.
- 11. There is a small risk regarding repayment of BLRF grant. Should the demolitions and ground works be contracted and undertaken but the March 2027 deadline of release of the land for housing is not met there is a risk that the grant may need to be reclaimed. This scenario has been discussed with the LGA and Cabinet Office and the risk is deemed to be limited. This risk will be further mitigated by extensive due diligence to ensure that there are viable and deliverable plans in place for the new affordable housing ahead of actual BLRF2 funding spend.

Scheme details

12. The application, and this report, relates to five small brownfield Council-owned sites. Each application is on the basis of providing 100 per cent affordable housing on the sites. In total, across all sites, there is the potential to deliver approximately 30 homes, although this estimate is subject to change dependent on feasibility works.

- 13. It is proposed that the Council should enter into contracts to deliver the specified works below in delivering the schemes according to BLRF2 conditions.
- 14. These sites are listed below along with the funding requested and allocated to each one:

Site name	Funding allocated
Underhill Circus	£53,496
Leiden Road	£74,825
Harebell Road	£75,260
Balfour Road	£44,045
Pegasus Road	£92,595
Total	£340,221

- 15. Two schemes are located in Barton and Wood Farm and will be delivered directly by the Council through the Housing Revenue Account (HRA): Underhill Circus and Leiden Road. Underhill Circus is a site with the possibility to provide up to 12 homes. The Leiden Road project could deliver up to 6 flats (replacing 2 bungalows).
- 16. Three schemes are community-led projects in the Blackbird Leys estate. These were shortlisted as potential development sites from a LGA (Local Government Association) funded feasibility project that was commissioned by the Council in 2021.
- 17. It is proposed that the Council should enter into a new lease with OCLT. Details of this agreement are in paragraph 77.
- These sites are intended to be delivered in partnership with Oxfordshire Community Land Trust (OCLT): Harebell Road (potential for four homes), Balfour Road (potential for four homes) and Pegasus Road (potential for four homes).
- 19. All three are brownfield garage sites on which Oxford City Council has been working in partnership with the Oxfordshire Community Land Trust and Transition by Design since 2020. The key focus of this work is the development of an innovative model of small community-led housing developments on some of the underused garage sites that are scattered across the city, that could then be replicated and scaled up to consider further sites in the future. The Council owns c.1,925 garages across Oxford, on approximately 200 sites. 39% of these garages are not currently let. About 305 of all garage stock is located in Blackbird Leys, and occupancy levels are far lower, with a majority of garages on most sites empty.
- 20. In 2021 a feasibility study (for all three sites) funded by the LGA Housing Advisors Programme (HAP) was conducted by the three partners. This report can be found here: <u>https://www.local.gov.uk/sites/default/files/documents/211220%20-%20HAP%20Final%20report%20-%20Oxford%20City%20Mapping%20Sites%20for%20Affordable%20Housing_0.p df</u>

- 21. The study identified key site constraints (via site visits and site searches) across the three sites and established a baseline scheme designed to estimate number of units deliverable on these sites.
- 22. Extensive community engagement took place as part of the feasibility work (public engagement event, workshops, 3,000 leaflets were distributed to local households). The residents support the development of the garage sites in principle.
- 23. The sites are at a relatively early stage of development. As such no scheme currently has planning permission (or has submitted planning permission) and details in relation to the size or specification of the units are evolving.
- 24. Broad delivery timelines are available for each site. Contracts for the demolition/ enabling works required must be signed by 31 March 2024 with land released for housing by 31 March 2027.
- 25. Further detail on each site is provided below.

Underhill Circus

- 26. The Underhill Circus site is a brownfield site in the ownership of Oxford City Council (OCC). The site is located in Barton and the Council are currently securing legal possession. As such further detail about the site is provided in confidential Appendix 1.
- 27. The land is currently held in the General Fund. It is proposed that the land will need to be appropriated into the Housing Revenue Account (HRA) as well as being first appropriated to a planning purpose, to develop affordable housing on this site. Cabinet is requested to approve the appropriation of land within the General Fund relating to the purpose for which the land is held, and later to recommend to Council a further appropriation into the HRA for the purpose of delivering affordable homes.
- 28. Appropriation of the Land to a planning purpose is under section 122 of the 1972 Act. The purpose of this report is to authorise the taking of the first step of advertising the intention to appropriate. Any objections received would be considered at a future meeting of Council when the decision would be taken on whether to appropriate the land.
- 29. It is necessary to appropriate the land to for the purpose of building affordable housing before the works can be undertaken. At the time of appropriation, the council will need to balance the public benefit of delivering 12 new affordable homes against the loss of current structures.
- 30. As detailed above there is no planning consent on this site and no planning application has been made. The scheme remains at a relatively early stage of development. It is expected that the site will deliver twelve new homes at social rent although this is subject to change.
- 31. A valuation has been undertaken for the site detailing its market value.
- 32. The scheme has been approved to proceed for feasibility study and a capacity study has been undertaken. It is proposed that this site will be delivered by OX Place through the HRA (with a Development Management fee).
- 33. There have been previous schemes proposed at this site which have not been able to progress for reasons of financial viability. A strong consultation and

programme will be established with necessary contingency for additional design fees.

- 34. In line with the BLRF2 works OCC propose to contract with ODS by March 2024 to demolish the structures, conditional on the necessary consents and vacant possession.
- 35. Further details of the delivery model for this site are in paragraphs 45 48.

Leiden Road



Red line plan: Leiden Road

- 36. Leiden Road site is a brownfield site in the ownership of Oxford City Council (OCC). The site is located in Wood Farm and currently occupied by two decanted bungalows. The site sits at the edge of Magdalen woods
- 37. As above this scheme has been approved for feasibility study and a capacity study has been undertaken.
- 38. The bungalows are currently held in the HRA.
- 39. As detailed above there is no planning consent on this site and no planning application has been made. The scheme remains at a relatively early stage of development. It is expected that the site will deliver six new homes at social rent although this is subject to change.
- 40. It is proposed that this site will be delivered by OX Place through the HRA (with a Development Management fee).
- 41. Cabinet is requested to approve the demolition of these two vacant and unused homes (no longer considered safe to inhabit) for the purpose of providing new affordable housing.
- 42. In line with the BLRF2 works OCC propose to contract with ODS by March 2024 to demolish the bungalows, conditional on the necessary consents. It may be necessary to request a variation to the BLRF2 programme to allow part of contracted enabling works to delay until main build contract awarded.
- 43. Should this milestone not be achieved (and therefore the work not be in contract by this deadline) the grant will be liable to be reclaimed.
- 44. Further details of the delivery model for this site are in paragraphs 45 48.

Delivery model for sites at Underhill Circus and Leiden Road

45. The proposal is for the Council to undertake these developments directly in the HRA, contracting with OX Place for all development services through a Development Services Agreement (DSA). This approach is considered the best option for delivery of this scheme. It is low development risk – buying the completed homes on a 'turn-key' basis from the developer – and so therefore

represents the best value for money for the HRA, whilst also providing an appropriate/ risk-adjusted fee to OX Place to reflect the work undertaken to secure this opportunity and manage the development to completion.

- 46. Appendix 1 of this report provides further information on the financial appraisals (excluded from publication due to the commercial sensitively of this information). The schemes meet all the financial requirements of the HRA.
- 47. This report seeks project approval for bringing these schemes into the HRA direct delivery programme, and delegated authority to enter agreements with OCHL.
- 48. These schemes have been financially assessed through the HRA development scheme appraisal tool. The HRA financial parameters have been met, including a development and admin fee payable to OX Place.

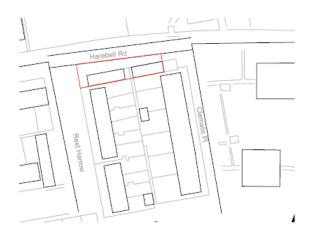
Balfour Road



Red line plan: Balfour Road

- 49. Balfour Road is a brownfield site in the ownership of Oxford City Council (OCC). The site is located in Blackbird Leys. It is a former garage site with the garages fully demolished and the site clear. The site is an empty underused plot with hard standing remaining from the garage arrangements.
- 50. The land is currently held in the General Fund as a development site.
- 51. A valuation has been undertaken showing freehold disposal or leasehold values (at 125 years).
- 52. This site is subject to an agreement with OCLT whereby OCLT can acquire the site on a long lease at the valuation rate. Detail of the agreement and subsequent development model are in paragraphs 75 80.
- 53. As detailed above there is no planning consent on this site and no planning application has been made. The scheme remains at a relatively early stage of development. It is expected that the site will deliver four new homes at Social Rent although this is subject to change.
- 54. In line with the BLRF2 funding OCC propose to grant fund OCLT to undertake any enabling works to this site, with that agreement in place by March 2024.

Harebell Road

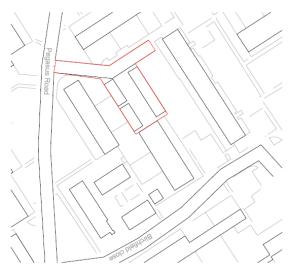


Red line plan: Harebell Road

- 55. Harebell Road is a brownfield site in the ownership of Oxford City Council (OCC). The site is located in Blackbird Leys estate and currently occupied by 14 garages.
- 56. The garages are currently held in the General Fund as garages.
- 57. The Land is currently held by the Council as a garage site. Appropriation of the Land to a planning purpose is under section 122 of the 1972 Act. The purpose of this report is to authorise the taking of the first step of advertising the intention to appropriate. Any objections received would be considered at a future meeting of Council when the decision would be taken on whether to appropriate the land.
- 58. It is necessary to appropriate the land to the purpose of building affordable housing before the works can be undertaken. At the time of appropriation, the council will need to balance the public benefit of delivering four new affordable homes against the demolishing of the garages.
- 59. A valuation has been undertaken showing freehold disposal or leasehold values (at 125 years).
- 60. This site will be subject to an agreement with OCLT whereby OCLT can acquire the site on a long lease at the valuation price. Details of the lease agreement and subsequent development model are in paragraphs 62 67.
- 61. Seven of the garages are in use/let and are mainly used as storage units due to their restrictive small size. Tenants will be offered an alternative local garage or require one-week's notice to end the agreement.
- 62. Cabinet is requested to approve the demolition of the garages on this site for the purpose of providing new affordable housing.
- 63. As detailed above there is no planning consent on this site and no planning application has been made. The scheme remains at a relatively early stage of development. It is expected that the site will deliver four new homes at Social Rent although this is subject to change.
- 64. In line with the BLRF2 works OCC propose to contract with ODS by March 2024 to demolish the garages, conditional on the necessary consents, and propose to

enter into a grant agreement with the OCLT to undertake other 'enabling works' using the BLRF2 by March 2024.

Pegasus Road



Red line plan: Pegasus Road

- 65. Pegasus Road is a brownfield site in the ownership of Oxford City Council (OCC). The site is located in Blackbird Leys estate and currently occupied by 20 garages.
- 66. The garages are currently held in the General Fund as garages.
- 67. The Land is currently held by the Council as a garage site. Appropriation of the Land to a planning purpose is under section 122 of the 1972 Act. The purpose of this report is to authorise the taking of the first step of advertising the intention to appropriate. Any objections received would be considered at a future meeting of Council when the decision would be taken on whether to appropriate the land.
- 68. It is necessary to appropriate the land to the purpose of building affordable housing before the works can be undertaken. At the time of appropriation, the council will need to balance the public benefit of delivering four new affordable homes against the demolishing of the garages.
- 69. A valuation has been undertaken showing freehold disposal or leasehold values (at 125 years).
- 70. This site will be subject to an agreement with OCLT whereby OCLT can acquire the site on a long lease at the valuation price. Details of the lease agreement and subsequent development model are in paragraph 77 80.
- 71. Nine of the garages are in use/let and are mainly used as storage units due to their restrictive small size. Tenants will be offered an alternative local garage or require one-week's notice to end the agreement.
- 72. Cabinet is requested to approve the demolition of the garages on this site for the purpose of providing new affordable housing.
- 73. As detailed above there is no planning consent on this site and no planning application has been made. The scheme remains at a relatively early stage of development. It is expected that the site will deliver four new homes at Social Rent although this is subject to change.

74. In line with the BLRF2 works OCC propose to contract with ODS by March 2024 to demolish the garages, conditional on the necessary consents, and propose to enter into a grant agreement with the OCLT to undertake other 'enabling works' using the BLRF2 by March 2024.

Delivery model for sites at Balfour Road, Harebell Road and Pegasus

- 75. Partnership with the Oxfordshire Community Land Trust for the delivery of the community-led housing is responding to OCC supporting community-led housing to use the opportunities provided by small sites.
- 76. Policy H7 of the Local Plan 2036 notes that "Proposals for community-led housing will be supported because of the benefits they are expected to bring in terms of community cohesion, permanent affordability, and sustainable development. The Housing, Homelessness and Rough Sleeping Strategy (2023-28) also includes the aim of "support[ing] and identify[ing] opportunities for community-led housing developments".
- 77. It is intended that OCC will enter into a new lease agreement, likely to be for a term of 125 years with OCLT allowing them to redevelop the sites.
- 78. Each site will be subject to a 'Red Book' market valuation to ensure compliance with s123 and the figures detailed in confidential Appendix 2 are indicative and subject to a final valuation. Acquisition of the leasehold for these sites is set at the Red Book valuation..
- 79. OCLT will deliver these units at Social Rent with nominations from the Council. They will sign the Oxford Register for Affordable Housing (ORAH) agreement confirming a single application process for all affordable housing and signing up to the relevant legal and regulatory frameworks.
- 80. This report seeks delegated authority to agree the final terms and enter into the lease agreement, and other associated agreements with OCLT.

Budget information

- 81. This report recommends to Council the allocation of £340,213 capital budget to carry out the works detailed above. This allocation will be entirely met by the BLRF2 grant.
- 82. This report requests that Cabinet delegate authority to enter into agreements and contracts to facilitate the works specified within the BLRF2 application.

Financial implications

- 83. This report seeks the required delegations to further develop the programme of affordable housing supply. The Council's Medium Term Finance Plan (MTFP), approved at Council in February 2023, supports the 40-year HRA Business Plan, and makes provision for purchases of affordable housing from OCHL's 10-year development programme of 1,091 properties within an overall budget envelope of £364m (before grant and shared ownership sales).
- 84. The Consultation Budget (December 2023) proposes that the Underhill Circus and Leiden Road sites have a budget allocated in the HRA Capital Budget 2024/25 and MTFP. This proposal to develop affordable housing on these sites is dependent on this proposal being approved in the 2024/25 Budget and MTFP at Council in February 2024.

- 85. The decision to proceed with any development or buy-back will take into account the longer-term financial position of the HRA. It will also be supported by a development scheme appraisal/ financial modelling to ensure that financial parameters and requirements are met for OCHL and the HRA. These parameters have been previously agreed and for the HRA are as follows for each scheme:
 - a) a payback period of up to 70 years; and
 - b) a positive Net Present Value (NPV) over this period; and
 - c) an Internal Rate of Return (IRR) of at least 3%.
- 86. Meeting these parameters ensure that the HRA business plan remains financially robust, conversely not meeting these parameters will impact this position.
- 87. Financial information relating to the two HRA sites is detailed in Appendix 1.
- 88. There is potential for a small loss of income relating to the occupied garages in the GF. However, there are numerous alternative vacant garages close-by which will be offered to the tenants first in order to try to mitigate any loss of income.

Legal issues

- 89. The activities, as set out in this report, relate to activity for the purpose of developing homes as affordable housing. This is within the Council's statutory powers. The general power of competence under the Localism Act 2011 and the Local Authorities (Land) Act 1963 enable the Council to develop land it already owns.
- 90. Any procurement of goods and services for the purpose of developing homes must be carried out in accordance with the Council's constitution and procurement procedures, complying with The Public Contracts Regulations 2015, including ensuring that best value is achieved.
- 91. Under section 122(1) of the Local Government Act 1972 ("LGA 1972") a local authority "may appropriate for any purpose for which the council are authorised by this or any other enactment to acquire land by agreement any land which belongs to the council and is no longer required for the purpose for which it is held immediately before the appropriation". This general power of appropriation is subject to section 19(1) of the Housing Act 1985 ("HA 1985").
- 92. Appropriation from General Fund to HRA is specifically dealt with in section 19(1) HA 1985. Section 19(1) HA 1985 states that a local housing authority may appropriate for the purposes of Part II of the Housing Act 1985 any land for the time being vested in them or at their disposal and the authority have the same powers in relation to the land so appropriated as they have in relation to land acquired for the purposes of Part II.
- 93. The powers of appropriation under section 122 LGA 1972 are in conjunction with the powers of section 203 of Housing and Planning Act 2016. Section 203 of the Housing and Planning Act 2016 grants a local authority or successor in title the power to override easements and other rights affecting land such as rights of

way that would impede the development. The effect of section 203 will be that such rights still exist but are overridden and converted to a right of payment of compensation for any interference of such rights. The following four requirements must be met for use of section 203 powers: (1) there is planning consent for the building and maintenance work (2) the work is carried out on other qualifying land (3) the qualifying authority in relation to the land could acquire the land compulsorily for the purposes of the building and maintenance work; and (4) the building or maintenance work is for purposes related to the purpose for which the land was vested in, or acquired or appropriated by, the qualifying authority in relation to the land.

- 94. The Council does not require Secretary of State approval before it undertakes the demolition works. The Council will want to appropriate the land first for planning purposes in order to enable development of the sites.
- 95. Section 123 of the Local Government Act requires that subject to certain exceptions a Council may not dispose of land for a consideration that is less than best consideration reasonably obtainable. Therefore the Council will need to obtain a valuation to demonstrate that the land is being disposed of best consideration to OCLT when it grants the lease to OCLT.

Level of risk

- 96. There may be risks relating to third party rights, utilities infrastructure and access rights. A Report on Title has been instructed which legal are progressing. This will provide the advice needed on these issues including mitigation.
- 97. Risks also include the potential for party wall agreements for which advice is also being provided.
- 98. Vacant possession is required on all garage sites. As per OCC obligations in relation to the relevant sites noted above, tenants will be offered an alternative local garage or require one-week's notice to end the agreement.
- 99. With regard to the two HRA schemes the Council will undertake all necessary due diligence to confirm the viability and expected delivery of the sites in advance of budget spend.
- 100. There is a small risk regarding repayment of BLRF2 grant detailed in paragraph 11.
- 101. Any other risks inherent in this programme are already identified elsewhere, with actions to mitigate these detailed in the BLRF2 application.
- 102. It is noted that these are complex sites which have the potential to require high levels of internal resource to develop. However, the provision of affordable housing will secure a positive future use of underused sites and which deliver on key priorities for OCC.

Equalities impact

103. The removal of access to some in-use garages is noted however, there are over 700 empty OCC garages and the void rate in BBL is over 50 per cent. There are alternative empty garages within a very short distance of the sites required.

104. There are no further adverse impacts in undertaking this activity, with the potential to improve provision for persons in housing need, through the provision of more affordable and accessible housing to better meet client needs.

105. Environmental considerations

- 106. For schemes delivered within the HRA: OX Place (OCHL) and OCC aim to deliver a 40% carbon reduction (on 2022 building regulations) on all new developments. A fabric first approach and focus on renewable energy contribute to this work. The OCLT is seeks to ensure these standards as a minimum requirement, and target delivery that is as close to net-zero as they can viably achieve.
- 107. The Council and OCLT aims to deliver homes for the benefit of the wider community and as such has a commitment delivering high quality and environmentally sustainable homes.

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Background Papers:	None