

**To:** Cabinet  
**Date:** 18 March 2026  
**Report of:** Director of Economy, Regeneration and Sustainability  
**Title of Report:** Project approval and delegations for the Harebell Road affordable housing development

<b>Summary and recommendations</b>	
<b>Decision being taken:</b>	The report seeks project approval and delegations in relation to the affordable housing scheme at the former garage site on Harebell Road. The report seeks approval to commence the appropriation of land from the current purpose of garages to a planning purpose, within the General Fund. The report also notes the future intent to appropriate land from the General Fund (“GF”) to the Housing Revenue Account (“HRA”) where necessary, prior to completion of the scheme.
<b>Key decision:</b>	Yes  <a href="#">Issue details - Project Approval and Delegations for the Harebell Road affordable housing scheme   Oxford City Council</a>
<b>Cabinet Member:</b>	Councillor Linda Smith, Cabinet Member for Housing
<b>Corporate Priority:</b>	More Affordable Housing
<b>Policy Framework:</b>	Housing and Homelessness Strategy 2023 to 2028

<b>Recommendation(s):</b> That Cabinet resolves to:	
1.	<b>Grant project approval</b> noting Full Council allocation of the £863,000 budget for this scheme within the Housing Revenue Account Capital Programme as part of its budget setting in February 2026, to develop this scheme, as set out in this report, within the allocated Housing Revenue Account capital budget and business plan, for the purpose of delivering more affordable housing in Oxford on the Harebell Road former garage site;
2.	<b>Delegate authority</b> to the Deputy Chief Executive - City and Citizens' Services in consultation with the Cabinet Member for Housing; the Group Finance Director/Section 151 Officer; and the Council's Monitoring Officer, to enter into design and build contracts and any other necessary agreements to facilitate the

delivery of the scheme within the identified budget, except where there is an existing officer delegation within the Council's Constitution;

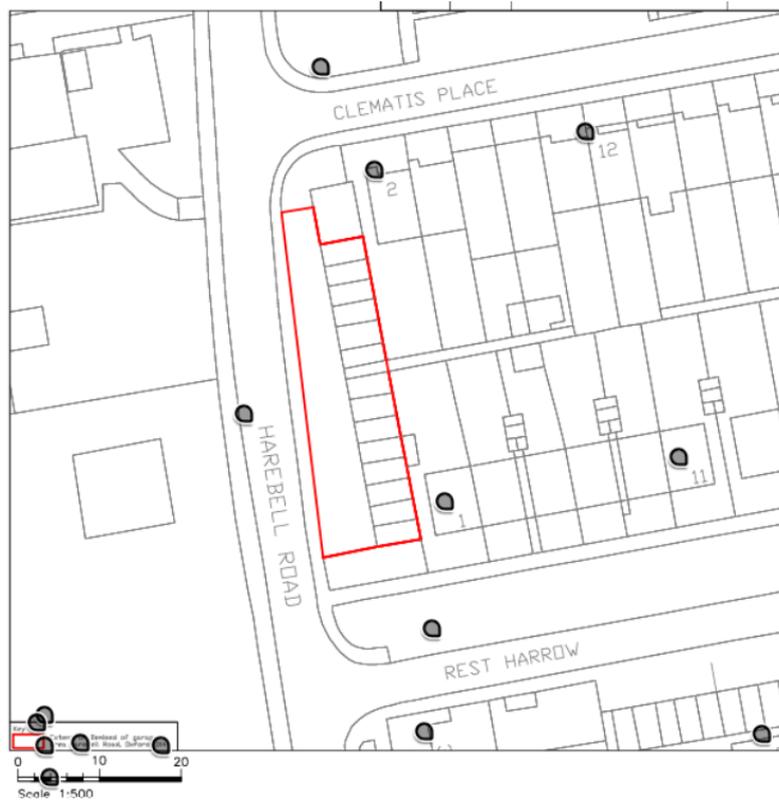
3. **Agree** to commence the process for the appropriation of this site (as per the red line shown at para 5) to a planning purpose;
4. **Note** the intent to take a report to the Full Council to approve the appropriation of land from the General Fund (GF) to the Housing Revenue Account (HRA) at a later date (prior to scheme completion).

<b>Appendix No.</b>	<b>Appendix Title</b>	<b>Exempt from Publication</b>
<b>Appendix 1</b>	Financial Information for the Harebell Road development	This information is exempted from publication under Schedule 12A to the Local Government Act 1972 on the following basis: <b>Commercial Sensitivity</b>
<b>Appendix 2</b>	Risk Register	No

## **Introduction and background**

1. The Council is progressing a comprehensive supply programme to deliver additional affordable housing through multiple workstreams, including development via the Council's housing company, Oxford City Housing (Development) Limited (OCH(D)L), direct Council delivery, joint ventures and regeneration schemes, strategic acquisitions enabling activity with Registered Providers, community-led housing groups and other partners.
2. Across the four-year period from April 2025 to March 2029, the Council's Affordable Housing Supply Programme aims to deliver over 1,600 new affordable tenure homes with at least 850 of these at the most affordable Social Rent level.
3. The garage site at Harebell Road forms part of a portfolio of garage sites in the Blackbird Leys ward, where a significant proportion of garages are vacant due to their inability to accommodate modern vehicles. Most are used solely for storage, representing underutilised brownfield land, often attracting anti-social behaviour, with strong potential to unlock much needed housing in Oxford.
4. The Council owns approximately 1,925 garages across 200 sites citywide, with 39% currently unlet. In Blackbird Leys alone, around 305 garages exist, with occupancy levels substantially lower, most sites have a majority of garages standing empty.
5. The Harebell Road site formerly contained 14 garages and shares its northern boundary with two Oxford City Council properties and a SSEN substation. The garages were constructed directly against the substation, with a party wall forming the shared boundary between the two structures.

**Figure 1: Red Line Plan**



6. This site benefits from Brownfield Land Release Fund (BLRF) support, which has enabled the demolition of the garages, paving the way for housing development.

**Brownfield Land Release Funding for site enabling works**

7. The Brownfield Land Release Fund (BLRF) is a cross-government programme led by the Ministry of Housing, Communities and Local Government (MHCLG) and the One Public Estate (OPE) partnership, delivered jointly with the Local Government Association and the Cabinet Office. The scheme provides grant funding to support the release of council-owned brownfield land for housing development.
8. The Council successfully secured funding of £340,221 for five sites in August 2023. £75,260 relates specifically to Harebell Road. The bid was submitted under BLRF Round 2. Funding conditions require the Council to:
9. Complete contract-enabling works by the end of March 2024; and
10. Release the land for housing by the end of March 2027 (defined as signing a Development Agreement, transferring land for enabling works, or achieving Start on Site for direct delivery); and
11. Update non-housing land and property assets on the ePIMS Lite system by the end of the financial year.
12. There is a limited risk of grant repayment if demolition and groundworks are completed but the Council is unable to meet the March 2027 land-release deadline. This risk has been discussed with the Local government Association (LGA) and Cabinet Office and is considered minimal. It is further mitigated through robust due diligence to ensure that viable and deliverable housing proposals are in place prior to full expenditure of BLRF2 funds.

13. The first funding condition has been met, with the Council contracting ODS to undertake enabling works in March 2024. The garages were demolished in August 2025, and the site is hoarded and prepared for development.

### **Oxfordshire Community Land Trust (OCLT) Partnership**

14. Cabinet granted approval in January 2024 for the Council to enter into a lease with the Oxford Community Land Trust (OCLT).

15. This site, together with Balfour Road and Pegasus Road, forms part of a wider group of brownfield garage sites where the Council has been working in partnership with OCLT and Transition by Design (TbD) since 2020. The purpose of this collaboration has been to develop an innovative model for small-scale, community-led housing schemes on underused garage sites, with the intention that the approach could be replicated and scaled across additional sites in the future.

16. A feasibility study covering all three sites was undertaken in 2021, funded through the Local Government Association's Housing Advisors Programme (HAP).

17. The original proposal envisaged the Council granting OCLT a long lease (likely 125 years) to enable redevelopment. OCLT would deliver the affordable homes with nomination rights to the Council (entering into the Oxford Register for Affordable Housing (ORAH) agreement). OCLT commenced early design development with Transition by Design and held a first pre-application meeting with the Local Planning Authority in May 2025.

18. While OCLT will continue to progress Balfour Road and Pegasus Road, feedback from the initial pre-application stage indicated that the Harebell Road site is unlikely to support four units as originally anticipated. With the reduction of one (and potentially two) units, combined with existing financial constraints, OCLT has determined that delivery of homes at Harebell Road is not viable and has withdrawn from involvement in this site. OCLT also has limited pre-development funding, which restricts their ability to progress a third site in parallel with the other two within the BLRF delivery timescales.

### **Development Programme and Strategy**

19. Following the decision that OCLT will no longer deliver homes on this site, and in light of the attached BLRF funding conditions, the Council must commence works and achieve start on site by March 2027 in order to meet funding requirements and avoid risk of grant repayment.

20. It is therefore proposed that the Council takes forward the development of homes on this site. OCLT has agreed that the Council may utilise the design work developed to date with Transition by Design, helping to minimise additional costs and support an accelerated route to planning submission.

21. The recommendation is that the homes are delivered directly by the Council through the Affordable Housing Supply (AHS) team, working with Transition by Design to secure planning consent. Subject to planning approval, the Council would then enter into contract with a suitable contractor to complete construction.

22. The site is currently held within the General Fund and will need to be appropriated to the Housing Revenue Account (HRA) following the grant of planning permission by

Full Council. Prior to submission of the planning application, the site should also be appropriated for planning purposes to manage and suspend any residual rights that could otherwise impede delivery, thereby supporting a smoother and lower-risk development process.

23. Following the initial pre-application advice, the Council is aiming to deliver 3 one bed (two person) affordable homes at Social Rent on this site. This is the preferred delivery option and full financial details are included in Appendix 1. Further appraisals and sensitivity analysis, show if necessary, an alternative option to deliver 2 one bed (two person) homes remains a viable option. However, this would result in the loss of one unit, and the Council's preference is to maximise delivery by providing the additional home. The financial appraisal outputs can also be further improved if the tenure was switched to Affordable Rent (capped at LHA) if required.

**Table 1: Indicative programme**

Early Feb 2026	Pre-application (Pre-App)
End May 2026	Planning submission
Jul-Sept 2026	Procurement work
Oct 2026	Planning approval (target)
Oct-Dec 2026	Start procurement (post-consent)
Feb - March 2027	Start on Site (with contingency) (Backstop BLRF Mar 27)
February/March 2028	Practical Completion (PC)

### **Alternative Options Considered**

24. Consideration was given to delivering the scheme through OCH(D)L; however, due to the limited scale of the development, this option was assessed as impractical. OCH(D)L's delivery model is geared towards larger schemes where economies of scale can be realised, and the overhead costs associated with mobilising their approach would not represent good value for money on a site of this size. For these reasons, delivery via OCH(D)L was discounted in favour of a more proportionate and cost-effective route.

25. There are no viable alternatives to the proposed approach other than not progressing the scheme. Failure to proceed would prevent the delivery of much-needed affordable homes and would also place the Council at risk of having to repay the Brownfield Land Release Fund (BLRF) that has already been allocated and expended on this site.

### **Financial implications**

26. The total scheme costs are included within the approved HRA capital programme. The proposed scheme satisfies all of the required parameters – Pay Back Years, NPV, and IRR. Full details regarding the financial appraisal is included in Appendix 1.

### **Legal issues**

27. The site is currently held within the Council's General Fund and used as a garage site. It is proposed that the land be appropriated for planning purposes within the General Fund and, following the grant of planning permission, subsequently appropriated from the General Fund to the Housing Revenue Account (HRA). This will enable the delivery of affordable housing and ensure compliance with Section 122 of the Local Government Act 1972 and Section 19 of the Housing Act 1985. Appropriation for planning purposes will also enable the Council, where necessary, to rely on the statutory override of certain third-party rights under section 203 of the Housing and Planning Act 2016, with affected parties entitled to compensation.
28. Procurement of goods, services, and works for the purpose of developing homes must be carried out in accordance with the Council's Constitution, Contract Rules, procurement procedures and in compliance with the Procurement Act 2023 (or any successor legislation), where applicable, including adherence to transparency, fairness and best value principles.
29. The proposals set out in this report fall within the Council's statutory powers including its powers to provide and manage housing through the Housing Revenue Account (HRA). The general power of competence under the Localism Act 2011 and the Local Authorities (Land) Act 1963 enables the Council to develop land it already owns. These powers support the proposed direct delivery of the scheme by the Council.
30. The Council will need to enter into construction and consultancy contracts directly in connection with this development. Such agreements must be carefully structured to comply with procurement law, avoid unlawful subsidy, and protect the Council's financial and delivery interests.
31. The Council's Constitution provides that the project approval for schemes of the value of £750,000 and over falls within the remit of the Cabinet and, therefore, the Cabinet has the power to take decisions in line with the recommendations contained in this report.

### **Level of risk**

32. The overall level of risk for the Harebell Road scheme is assessed as manageable, with several critical programme and planning risks requiring ongoing oversight. The most significant relates to meeting the Brownfield Land Release Fund requirement to achieve Start on Site by March 2027, where delay could expose the Council to grant-repayment risk. This is being mitigated through a tightly managed programme, parallel procurement preparation, regular reporting, and contingency measures such as early contractor engagement. Planning risks remain material due to site constraints.
33. The risk register is included in Appendix 2.

### **Equalities impact**

34. There are no 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.

### **Carbon and Environmental Considerations**

35. All development schemes delivered by the Council are subject to high sustainability standards with the expectation that they exceed statutory (building) standards.

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