

## SWHI Best Practice Scheme – Toghill Lane redevelopment, Doynton



This rural scheme by Orbit HA was to replace 17 defective PRC houses with a mix of 11 brand new affordable homes and 10 houses for sale on the open market. The Council had an obligation to provide homes for existing tenants and had to buy back two ex-Council houses that had been sold under the RTB, to facilitate the project. The scheme was funded by an innovative use of cross-subsidy from the private sale homes, with the Council contributing the land at nil consideration and a small amount of social housing grant from the Housing Corporation.

The planning process was lengthy and complicated. The whole site lies within the Green Belt, a Conservation Area and an Area of Outstanding Natural Beauty, all of which imposed constraints on the options available for redevelopment. The Secretary of State's consent was required for the departure from Green Belt policies. The scheme would produce more houses than before and would not follow the original footprint, thus constituting a departure.

The scheme layout and design was determined after extensive consultation with Planning and Conservation officers. Tenants had been consulted several times over many years as opportunities came and went. However, the early consultation had established that the tenants were determined to stay together and not be 'peppercotted' with the housing for sale, in order to preserve their sense of community.

Although the affordable housing and the housing for sale were, in effect, separate but adjacent sites, a single planning application was required to justify the departure from Green Belt policies. In the absence of funding, the cross-subsidy arrangements were seen as essential to providing the necessary finance for the affordable housing but could not produce any more surplus than could be considered a contingency sum.

The tendering was complicated by competing interests. A tri-partite development agreement bound the Council, Orbit HA and the selected development partner. In the event, the selected partner, Halsall Construction Ltd., provided the best value in contract costs and the lowest contribution from Orbit, despite the lowest land value and no surplus to the Council.

In view of the restrictions on development in the area, it was necessary to negotiate a complex mechanism for financing the proposal. Put simply, this involved:

- The site is split into two phases: the first earmarked for affordable housing; and the second to be developed and sold as private housing;
- South Gloucestershire Council transfers the affordable housing site to Orbit Housing Association at nil value;
- South Gloucestershire Council exchanges contracts for transfer of the private housing site with the development partner, but does not complete the sale. The Council continues to own and manage the existing dwellings on the site;
- OHA appoint a development partner to build affordable homes on the part of the site set aside for social housing;
- Once the affordable housing has been completed, the remaining Council tenants will take up new tenancies with OHA in the new dwellings;
- The development partner then takes possession of the vacated dwellings and associated land, as payment for building the new affordable homes for OHA;
- Finally, the development partner demolishes the buildings on the vacated site and replaces them with 10 new houses, for sale on the open market.

Particular points to note, resulting from these arrangements, are:

- Contracts were exchanged on the phase 2 site to give Halsall sufficient interest in the site to be a signatory to the S106 agreement;
- In order to assure Halsall of possession of the phase 2 site when the phase 1 contract had been completed, tenants were served with Court orders for possession, suspended until their new homes were ready to move into. The orders were granted under Ground 10A, which requires detailed consultation with tenants and the Secretary of State's consent.

The complex nature of this redevelopment needed a well co-ordinated approach. A project team was set up at the beginning of the scheme, with core members from SGC Housing Enabling leading and project managing, Property Services providing financial and valuation expertise and Legal Services for legal and contractual advice. Orbit's development manager and consultants made up the team. Regular pre-application meetings were held with Development Control and Conservation. Regular contact and consultation with tenants and other residents, the Parish Council and local members also contributed to the success of the scheme.

The affordable housing was handed over in May 2005 and Halsalls are currently on site with the housing for sale.

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