

SUBJECT: HERMIT STREET REGENERATION

DIRECTORATE: HOUSING AND INVESTMENT

REPORT AUTHOR: TRACEY FOOTSOY – HOUSING STRATEGY OFFICER

1. Purpose of Report

- 1.1 This report is to provide an update on progress made with the Hermit Street Regeneration project and to request authority to progress the project to RIBA stage 4 and budget approval to enable this.

2. Background

- 2.1 As part of the Council's ongoing intervention at Sincil Bank, approval has previously been granted for feasibility work to take place under a framework, to carry out works to RIBA stage 2 to redesign an area of the estate, Hermit Street.
- 2.2 Originally an older persons' housing scheme, but in recent years allocated as general needs housing, Hermit Street comprises 127 dwellings, 21 of which have been sold through the Right to Buy. Of the dwellings remaining in Council ownership, the mix comprises 88% one-bedroom flats and 11% two-bedroom flats.
- 2.3 However, due to its location, design, and composition the estate has suffered from anti-social behaviour and criminal activity over several years. This has included several high-profile incidents including drug related deaths. It is also evident that the current scheme is failing to meet local housing need¹, there is low demand for flats in this area resulting in those that move in do so out of desperation rather than choice.
- 2.4 As part of the wider Sincil Bank intervention and regeneration scheme in October 2019 architects were appointed by the Council to undertake a community-led concept plan re-design of the Hermit Street estate, to result in a scheme which better met local housing need and reduced anti-social behaviour. The re-design seeks to provide both new build and to remodel several one-bedroom flats to provide greater numbers of two-bedroom accommodation and provide three-bedroom accommodation to better meet local housing need. In addition, the concept plan seeks to design out crime and anti-social behaviour by "opening up" much of the communal space and to prevent unauthorised access into communal stairwells by providing single access points.

¹ The 2019 Housing Needs Survey suggests that affordable new build general need schemes have a mix of circa 14% one-bedroom dwellings; 40% two-bedroom dwellings; 40% three-bedroom dwellings; and 6% four-bedroom dwellings.

- 2.5 Concept plans were produced which were presented to members, followed by a public consultation on 17 February 2020. This resulted in a number of ideas being put forward including the redesign of some of the units to create more family units. Taking the feedback from the local community in to account it was proposed to develop the plans further to ensure these were embedded in future plans. However, this process was delayed due to the Covid –19 response
- 2.6 As restrictions were eased the design and community consultation for the scheme was moved from the concept stage to RIBA stage 2. A procurement exercise also took place to engage a contractor via a framework.
- 2.7 In October 2021, an initial report was provided which detailed a concept design, associated costs, a delivery timeline for a scheme whilst maintaining the core aspirations of the local community.
- 2.8 Within that report three phases were identified, one of which was, 8 no new build units and two phases of refurbishment / regeneration work to existing the existing flats.
- 2.9 During the course of this feasibility work, essentially between Oct and Dec 2021, additional works were identified as required to finalise the design and the project phasing. This included further site visits with the Architects, contractor and officers representing planning and waste collection which identified additional physical constraints to the site which required considerable design amendments to be made. This was specifically in relation to site lay out, waste collection issues.

The site visit also afforded the opportunity to explore further potential green amenity opportunities, specifically in the area connecting Monson Street and Hermit Street. Consequently, the feasibility work undertaken by the contractor identified further, more creative options to increase the number of homes and enhance the scheme. The updated feasibility report and revised design options were received in December 2021.

- 2.10 A revised and enhanced range of options are set out below. These are considered to make best use of the site land available and to assist in maximising potential funding sources. This work identified 3 options as part of a two-phased project: -
- Phase One, Option 1, would deliver 9 new build homes
 - Phase One, Option 2, would deliver 10 new build homes
 - Phase One, Option 3, would deliver 11 new build homes
 - Phase Two would be to remodel existing flats at Hermit Street.
- 2.11 Within the process of designing the scheme to RIBA stage 4 opportunities can be taken to further enhance the design standards without compromising the core principle of the design as agreed with the community. This could include: -
1. Green space opportunities, including potential for tree planting especially in the area connecting Monson Street and Hermit Street.

2. Further opportunities to create changes to the façade of the existing buildings at Hermit Street, especially the linking stairwells, which would create a safe but contemporary look.
3. Whilst the concept specification includes ground source heat pumps for the new build properties further consideration will be required for exploration of potential renewable energy installations to the phase 2 refurbishment properties to create sustainable energy for the use of all residents, e.g., Photo Voltaic electricity for lighting in stairwells and communal gardens.

2.12 Options Considered

To date the contractor has, under a framework, overseen this work alongside Core Architects due to their involvement in the development of the initial concept designs. Site investigation work has been completed and reviewed, along with concept design work. This has provided high level budget costings and a programme for the project. It has also included a range of options for Executive to consider, these are detailed below

2.13 Revised Phase 1

Three options have been created to deliver Phase one of the scheme for consideration. Each scheme would deliver the new build housing, including the demolition and remodelling necessary to enable it, formation of a new layby & access road, utilities, external works, excluding footpaths, driveways and fencing and landscaping.

2.14 Phase 1, Option 1 – 8 no new build 2/3 bed units

This proposal will see two storey only with wider and reduced depth footprints and more traditional elevations.

All options retain two integrated parking spaces per dwelling.



2.15 Phase 1, Option 2 – 10 no new build 2/3 bed units

This proposal will see a mix of two and three storey contemporary units, detached and with carports and terraces.



2.16 Phase 1, Option 3 – 11 no new build 2/3 bed units

This proposal will see a mix of two and three storey, semi-detached units with more traditional features and no carports or terraces.



2.17 **Preferred Option**

Having reviewed the options in detail alongside the original scheme objectives, it is felt that Option 3 provides the best opportunity to meet those objectives. Additionally, costs associated with Option 3 are broadly in line with the costs outlined in the original 3 phases of work which would deliver 8 new build units compared to the 11 now proposed.

2.18 **Site Complexities for Consideration**

A number of site-specific constraints have been identified which require further investigation in order to progress to RIBA stage 4 prior to a planning application being made. These include existing and proposed car parking, refuse collection, green amenity spaces and gardens, access, and security.

3. **Moving Forward**

3.1 If approval to proceed is granted, the Lincoln Project Management Model (LPMM) will be followed. It is anticipated that Housing will retain a client role, whilst DMD complete the contracting delivery.

3.2 Authority is now sought from Executive to agree to progress the phased project as set out in 2.16 and a feasibility budget to progress to RIBA stage 4.

3.3 This will allow for further development of the design and costs, along with a planning application and resolution of other factors as outlined in the LPMM as key milestones.

3.4 A governance structure will be established to ensure the success of the project as follows:

- Hermit Street Regeneration Board
- Construction Delivery Working Group
- Tenancy and Allocations Working Group
- Marketing and Communications Working Group
- Finance Working Group

Each group will have heads of terms and a work plan. All working groups will meet monthly and feed into the Board, which will be chaired by the project sponsor.

4. **Strategic Priorities**

4.1 **Let's drive inclusive economic growth**

Support for this strategic priority can be achieved at Hermit Street through use of local contractors and consultants.

4.2 Let's reduce inequality

Hermit Street Regeneration will reduce inequality by providing much needed affordable family accommodation within the city centre.

4.3 Let's deliver quality housing

The delivery of 11 new build homes in phase one, built with quality in mind. The homes will exceed the nationally described space standards and we aspire to include energy renewables.

The refurbishment of the existing flat accommodation in phase two, to a high standard, including environmental works in the communal garden spaces, external works to the outside façade of the building, improvements to communal lighting (including low level lighting) and the aspiration to include energy renewables increase the quality of the housing offer.

4.4 Let's enhance our remarkable place

By using community led design and place shaping principals, we will enhance this community, creating a sense of belonging and pride in the local area.

4.5 Let's address the challenge of climate change

By aspiring to include renewables within the new build phase one and the aspiration to retrofit renewables to the apartments will help the challenge of climate change. With the use of renewables in both phases of this project, we can address the challenge of climate change and fuel poverty.

By introducing more family accommodation into the city centre, we will encourage sustainable modes of transport with a live/walk/work ethos.

5. Organisational Impacts

5.1 Finance

So that a more detailed specification and build cost can be produced, a further budget allocation of £150,000 is required. This will be allocated from the New Build Scheme Budget, already provided for within the Housing Investment Programme. Expenditure for this is expected within the 2022/23 financial year.

5.2 Legal Implications including Procurement Rules

There are a number of legal implications surrounding the Hermit Street Regeneration project. These will be outlined in the LPMM documentation but briefly comprise of:

- Construction contract for Main Contractor
- Contracts for professional services required

This will require extensive support from Legal Services.

Support will also be required from the Procurement Manager to undertake the following in order to ensure compliance with the Council's Contract Procedure Rules and ultimately, Public Contract Regulations (2015)

- Procurement of a Main Contractor to deliver the building work outlined within the proposal
- Procurement of professional services required to support the client delivery team

5.3 **Equality, Diversity and Human Rights**

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

As part of this project, an equality impact assessment will be required.

5.4 **Human Resources**

None anticipated.

5.5 **Land, Property and Accommodation**

All dwellings will form part of the Council's Housing Revenue Account (HRA).

5.6 **Significant Community Impact**

There will be significant community impact associated with this project.

Long term, the community impact will be positive as we will be creating a sustainable community.

6. **Risk Implications**

6.1 (i) Options Explored

Alternative masterplan options have been explored, including a full demolition and rebuild of the existing area to a very scaled back scheme which included a "light touch" on the existing flats and some new build units.

Our preferred option is somewhere in the middle – to introduce some larger family accommodation to create a sustainable community and also a new build element of 11 houses.

- 6.2 (ii) Key Risks Associated with the Preferred Approach
Delivery time and costs associated with the legal implications outlined in 5.2.

7. Recommendation

- 7.1 For Executive to provide approval for Option 3 to be progressed to RIBA Stage 4 for the provision of technical design information to achieve planning and building regulations in preparation for progressing the scheme to start on site.
- 7.2 To agree a further budget allocation of £150,000 to progress the feasibility of the scheme, to be included in the Housing Investment Programme.

Is this a key decision? No

Do the exempt information categories apply? No

How many appendices does the report contain? None

List of Background Papers: None

Lead Officer: Tracey Footsoy, Housing Strategy Officer
(Development Enabling)
Telephone (01522) 873880