

## Cabinet (Resources) Panel

23 March 2022

<b>Report title</b>	Former Parkfields Housing Office – Future Use Options.	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Bhupinder Gakhal City Assets and Housing	
<b>Key decision</b>	No	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	Ettingshall	
<b>Accountable Director</b>	John Roseblade – Director of City Housing and Environment	
<b>Originating service</b>	Housing	
<b>Accountable employee</b>	Karen Beasley	Interim Service Manager – Housing Strategy & Policy
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<b>Report to be/has been considered by</b>	City Assets Leadership Team	23 February 2022
	City Housing and Environment Leadership Team	22 February 2022
	Cabinet Member Briefing – City Assets and Housing	9 March 2022

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### Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Declare the former Parkfields Housing Office building surplus to requirements and approve option six (demolish the building and re-develop the land for Housing Revenue Account affordable housing).
2. Receive a further report on the development options for the site, once the building is demolished and site cleared as part of a future phase of the Small Sites Housing Development Programme.

## **1.0 Purpose**

- 1.1 To provide an update on the previous use of the former Parkfields Housing Office.
- 1.2 To consider the options on the future use of the building as listed in paragraph 3.
- 1.3 To declare the former Parkfields Housing Office surplus to requirements.
- 1.4 To recommend option six as detailed in paragraph 3.6 and demolish to building and re-develop the site for affordable housing.

## **2.0 Background**

- 2.1 The Parkfields Housing Office was constructed in 1990's and opened as a housing office to deliver local housing services such as rent collection, repair reporting, allocations and other housing management functions, delivered by a team of housing repairs officers.
- 2.2 Wolverhampton Homes' Local Repairs Team were re-located to the building in 2002 to deliver a local repairs service for housing stock in the area. In 2019 the team moved to Tarmac Road and the building has been vacant since that date.
- 2.3 Wolverhampton Homes have confirmed they have no further use for the building.
- 2.4 The building is a housing revenue account (HRA) asset, and the property is managed by Wolverhampton Homes on behalf of the Council. Whilst the asset has been vacant, the property is monitored each week with security patrols, but it continues to be subjected to anti-social behaviour such as vandalism, attempted break-ins, damage to roof tiles and fly-tipping.
- 2.5 Since 2019, the potential use of the building has been explored by a number of Council led services such as Education Library Services, Licensing and Children's Services but has been deemed the building/location is not suitable for their use.
- 2.6 In October 2021, Housing carried out consultation to obtain views/comments on a number of options as listed in paragraph 3 below. Comments were received and a conclusion drawn to consider option six as the most viable option for this building.

## **3.0 Options to consider.**

### **3.1 Option One – Do nothing.**

This option would mean the property remains vacant and within the management of the HRA with ongoing maintenance, security, and repair liability.

### **3.2 Option Two – Declare surplus and consider use by another Service area.**

It is possible to carry out a further internal consultation period to seek any other Service area interest in using this building for delivery of their services.

**3.3 Option Three – Declare surplus and consider short-term market lease.**

In discussions with Corporate Landlord, it is possible to consider a short-term lease for the building which could attract an annual rental income of circa £15,000. It would be advisable to offer a rent-free period to allow for refurbishment/alterations to be undertaken. This will provide annual rental income to the Housing Revenue Account, bring an empty commercial premise back into use and reduce the Council's maintenance liability.

**3.4 Option Four – Declare surplus and convert into residential accommodation.**

The building would be declared surplus as a commercial building and would potentially lend itself to converting into two, level access one-bedroom bungalows, using the existing car parking area for outside garden space/parking.

**3.5 Option Five - Declare surplus, demolish the building, and dispose of land on open market for development.**

The building would be declared surplus, demolished and the land would be marketed for sale for residential development. This would attract a capital receipt for the sale of the land which could be used to fund other council projects.

**3.6 Option Six - Declare surplus, demolish the building and re-develop the land for HRA affordable housing.**

As with option five, the building would be declared surplus, demolished but the land retained and developed for affordable housing and included in the Council Small Sites Housing Development Programme. This would bring much needed, modern, thermal efficient properties into the Council's stock for allocation to residents in housing need.

**4.0 Evaluation of alternative options**

4.1 Option One would leave an empty commercial vacant which will continue to decline with the ongoing vandalism and the cost of maintenance and security would remain with the HRA with no income being received for the use of the building. The building would remain a liability for the HRA.

4.2 Option Two has already been explored over the past two years with no suitable/feasible use identified. It is possible to re-consult but unlikely that another Service Area will consider the building as suitable, at a time when the use of commercial premises are being reviewed post Covid with working from home arrangements in place for many organisations.

4.3 Option Three could be considered but as with Option Two the demand of commercial premises is being reviewed post Covid with many organisations implementing working from home arrangements as normal practice and therefore 'office' space may not be in demand.

- 4.4 Option Four could also be considered for the conversion into level access accommodation but the building would require significant investment. Also, the location of the building, adjacent to open space, may leave any incoming elderly resident feeling vulnerable in this position with no immediate neighbouring properties.
- 4.5 Option Five would see the building demolished and land sold on the open market. Whilst this would alleviate the ongoing maintenance costs and bring in a receipt for the land, the Council would have no control over the future development of the site and the land could possibly remain undeveloped and attract fly-tipping, anti-social behaviour.

## **5.0 Reasons for decision**

- 5.1 It is recommended option six is approved as this would remove an empty commercial building and the maintenance obligations from the HRA and utilise the land for much needed affordable residential development.
- 5.2 Discussions with Planning colleagues has determined the site is a good housing site suitable for the development of a small block of two storey apartments at the front of the site facing the street with shared amenity space to the rear adjoining the park with an open railing fence would work well. The passive surveillance of the area would be increased improving security.
- 5.3 If approval given, the site could be included in a future phase of the Small Sites Housing Development programme. A further report will be presented providing details of the scheme and timescales for the future development.

## **6.0 Financial implications**

- 6.1 The former Parkfields Housing Office is a vacant HRA asset which is currently being maintained at a cost to the HRA. The re-development of the site for affordable housing will bring forward much needed homes and rental income into the HRA.
- 6.2 There is budget provision in the HRA capital programme for future new build development including the Small Sites programme. This is allocated as schemes are approved on a site by site basis.

[JM/17022022/H]

## **7.0 Legal implications**

- 7.1 There are no direct legal implications contained within the report.
- 7.2 A key strand of the Council's financial and treasury strategies is to maximise income from its assets and seek to manage risk by achieving a balanced portfolio of assets
- 7.3 Appropriate consultations have been undertaken and various options have been considered.

[TC/21022022/A]

## **8.0 Equalities implications**

- 8.1 The proposals in this report will see the demolition of a vacant council building which is attracting anti-social behaviour for nearby residents and when the site is developed will deliver high quality affordable much needed accommodation.

## **9.0 All other implications**

- 9.1 The demolition of this vacant building will improve the neighbourhood and alleviate the ongoing anti-social behaviour in the area. The site will be developed for new affordable housing delivery high quality thermal energy efficient homes build to modern day standards.
- 9.2 The human resources implications will be managed within the Housing Services Team.
- 9.3 Corporate Landlord have been consulted on the future use of this building and supported Housing in identifying a potential future use by another Service Area and when considering a short-term lease arrangement. There have been objections raised in the consideration of the other options within this paper.
- 9.4 Investment in properties to bring them to the council lettings standard will see them receive repairs and upgrades to provide good quality homes for local residents in housing need.
- 9.5 The outbreak of Coronavirus (COVID-19) declared by the World Health Organisation as a 'Global Pandemic' on 11 March 2020 brought the introduction of Government Covid restrictions, including instructing people to work from home, where possible. This has led many organisations' reviewing their commercial space requirements and will no doubt see a change in demand for office accommodation as services are delivered in new ways.

## **10.0 Schedule of background papers**

- 10.1 None.

## **11.0 Appendices**

- 11.1 Appendix 1: Site plan – Parkfields Housing Office.