

Blackpool Coastal Housing

Housing renewal in Blackpool

John Donnellon 16th March 2016

Why is renewal important to Blackpool?

- Blackpool is a low wage low skill economy with multiple deprivation – we lead the class on most indicators
- Our business is tourism and the town is our business
- To prosper we have to create opportunity and remove the drivers of deprivation
- Jobs and skills plus stable communities and we can make the rest follow



What is our starting point?

- A doughnut with a rotten core
 - Failing holiday accommodation = poor quality rented sector
 - Easy access and happy memories = a destination to fail into
 - An unbalanced but lucrative market
 - Transient population = unstable communities
- A Council that wants to make a difference and will take a risk
 - Pushing the boundaries with enforcement
 - Setting up a private sector housing company
 - We bought a Tower and the Winter Gardens
 - We build new social housing



QUEENS PARK

Before





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QUEENS PARK BEFORE

- 6 Tower Blocks in their day the height of modern living
- By 2000 well past their sell by date
 - Poor construction meant they were cold and expensive
 - Frequent M&E failures
 - Increasing security costs
 - High levels of crime and ASB
 - Large and never ending repair bill
- We had created a Council owned and managed HMO with a projected repair bill of £11m +



QUEENS PARK AFTER







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QUEENS PARK AFTER

- Phase 1 of 90 properties completed all owned by the Council and managed by BCH
- A mix of family properties and two blocks of flats predominantly 2 bed units
- Long term residents who wanted to stay have been given new properties
- Targeting of those in work and training to mix the community
- Rigorous tenancy management
- Phase 2 contract let with remaining demolitions in May
- Project fully complete by 2018



COST AND FUNDING

- Build costs of £22.5m nil land value
- Tendered on design and build but with really strong emphasis on quality of design
- Phase 2 conditional on successful phase 1 and an ability to hold price
- Funded by mix of HRA and BCH reserves and borrowing based on vastly reduced future maintenance costs
- We have got a new community that is mixed and aspirational
- Less units but a better fit for our housing market
- Could we do it again....in the current climate almost certainly not



- Edge of centre site home of the Mecca dance hall
- Site originally earmarked for a new college building until the funding agency got their sums wrong
- Investment in creating a cleared site by the Council and the RDA
- Complicated legal and financial challenge to switch to housing
- Brief for the site envisaged a new edge of town centre neighbourhood that offered family accommodation for sale with a small amount of social rented provision to be indistinguishable from the private sector stock







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- A new neighbourhood is now on site
- The first 90 homes are built with some early sales off plan
- Over the next 10 years there will be 400 built out
- We will have removed problematic HMO's and poor quality private stock using a derelict and contaminated site the private sector would not have gone near without a public sector lead
- We committed £7m of new homes bonus and a site with sunk costs of £2-3m
- The RDA/HCA wrote off acquisition and demolition costs from previous grant regimes



- Could we do it again.....almost certainly not given the funding gap
- It has delivered affordable family accommodation for sale in an area previously dominated by poor quality private rented stock that fuelled transience
- The right strategic answer for our market and our strategy



KEY POINTS

- We have a clear view changing the housing market is vital to the towns future
- We have taken risks and applied our resources to get long term change
- We have had good support in the past
- We can't see how we replicate these schemes with the current dynamic around cuts
- Social housing should be part of a mixed housing economy but we are being pushed to be the provider of last resort – "Pay to Stay" says it all
- Councils and the social housing sector can deliver but it is being made harder with every policy announcement





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