



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



## Housing Overview and Scrutiny Committee

22 January 2024

Report of Councillor Phil Dilks, Cabinet Member for Housing and Planning

# Building and Acquisitions Update

This report provides an update on the Housing Revenue Account New Build programme including acquisitions.

### Report Author

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### Recommendations

**It is recommended Members of the Housing Overview and Scrutiny Committee note this report to inform and support their ongoing work programme.**

### Decision Information

Does the report contain any exempt or confidential information not for publication? No

What are the relevant corporate priorities? High Performing Council

Which wards are impacted? All

## **1. Implications**

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 The Capital Programme for 2023/24 Housing Development investment has been established at £5.5m and will be utilised to fund strategic acquisitions, Swinegate Grantham and Elizabeth Road Stamford new build schemes. It is important that the HRA has a continual housing growth strategy that incorporates a range of interventions including acquiring properties directly from developers, new build and acquiring former Right to Buy properties that specifically meet the housing needs. The formation of the capital programme for the HRA needs to ensure that affordable funding is included to enable the progression of the strategy.

**Completed by Richard Wyles, Deputy Chief Executive and S151 Officer**

### ***Legal and Governance***

- 1.2 Regular reporting on agreed actions and measures is to be welcomed from a governance point of view, as it provides a transparent mechanism for reporting on performance.

**Completed by: Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer**

### ***Risk and Mitigation***

- 1.3 No significant risks have been identified.

### ***Climate Change***

- 1.4 The contents of this report do not have a direct impact on the Council's carbon emissions or the carbon emissions of the wider district. More detailed information on carbon impact of individual projects is outlined within the relevant project documentation.

## **2. Background to the Report**

- 2.1 The purpose of this report is to provide the Committee with an update regarding the new build housing pipeline and purchases using the Local Authority Housing Fund (LAHF1&2).

- 2.2 The approved Corporate Plan 2020-23 clearly sets out how South Kesteven District Council intends to meet our vision to “be the best district in which to live, work, and visit.”
- 2.3 The Corporate Plan identifies ‘Housing that Meets the Needs of Residents’ as a key priority with the following: -
- High quality housing is essential for all, and the council is committed to working with partners to provide this by:
- Offering the new homes that people need, at a price they can afford.
  - Ensuring new developments are in keeping with the character of South Kesteven and benefit the people who already live here.
  - Providing high quality homes and services to those who rent property from the council.
- 2.4 There are several schemes under consideration on HRA owned land. In the south of the district, we are focusing on examining opportunities within garage sites with a view to packaging these into several lots for future development. Most garage sites can accommodate a maximum of four units per site. A report on the garage sites will come to the next meeting of the Committee once all of the sites have been appraised.
- 2.5 The Council has a new build pipeline for delivery of new build units and an update for each of these is below: -

### **Swinegate, Grantham**

- 2.6 Lindum is in the process of building 20 apartments through a direct award on the Scape Framework. The project has received planning consent, and the planning authority has approved non-material amendments and the discharge of planning conditions.
- 2.7 The enabling works to amend access to Watergate car park have now been completed. The entrance to the car park has been widened with new height restriction barriers in place.
- 2.8 Following a site visit from the conservation officer, planning officer and structural engineer an application to demolish and rebuild No.20 Swinegate was submitted on 6th October 2023.
- 2.9 Historic England could not agree to the above No.20 Swinegate demolition and requested a CARE (Conservation Accreditation Register for Engineers) structural engineer report in order to reconsider their position. This has now been completed and the team are awaiting confirmation from Historic England on how best to proceed and organising a site visit to that Historic England can view the building.

- 2.10 The application for No.20 will likely be taken to the Planning Committee in early February 2024. This will currently not impact on the programme on site as other works will continue during this period.
- 2.11 The site is extremely complex to deliver due to the existing car park, services, party wall notices and the fact that it is in a conservation area, but the design team have worked closely to mitigate any disturbance and to deliver the scheme. A photo between SKDC representatives and Lindum's was taken in December 2023 to celebrate the commencement of the scheme and mark the milestone.
- 2.12 Based on the current timetable is it anticipated the construction of the development will be completed by February 2025.

### **Elizabeth Rd, Stamford**

- 2.13 The Cabinet approved the award for the £665,000 scheme and revised drawings/Non-Material Amendments were submitted to the Planning Committee on 01 November 2023.
- 2.14 The Non-Material Amendments are due for consultation in January 2024. Once approved, works will commence on site. The contractors have set up on site as of January 4th, 2024, with the works expected to take approximately 30 weeks.
- 2.15 A photo between representatives from SKDC and D Browns will be arranged to mark the milestone of works commencing on site in February 2024.

### **Larch Close, Grantham**

- 2.16 The 21-unit scheme was granted permission at the Planning Committee meeting on 8<sup>th</sup> November 2023.
- 2.17 The procurement process has commenced and the results of the second expression of interest across two frameworks were received on the 10<sup>th</sup> January 2024. Four contractors have expressed an interest, the formal procurement will now be undertaken.
- 2.18 The current estimated start on site date is June 2024. The funding allocation for 2024/25 is anticipated to be used for delivering this scheme but will require additional money due to increased build costs/inflation which has been requested as part of the budget setting process.
- 2.19 The section 106 agreement is still being finalised before full permission can be granted. During this period Michael Dyson Associates are preparing all of the pre-construction information with Atkins Realis likely to be engaged to provide stage 4 quantity surveying services throughout the procurement process.

### **Wellington Way, Market Deeping**

- 2.20 There are outline plans for 14-unit scheme in this location that had received pre-application advice from the Local Planning Authority in 2021.
- 2.21 Work and site investigations are underway with the topographical survey and ground scanning having been completed in December 23. Michael Dyson Associates have been instructed to proceed with the arbicultural, ecological, transport, noise, archaeological and minerals resource assessments.
- 2.22 The site, if still suitable following the investigations, will then commence to the architect providing some revised drawings to meet the needs of tenants for that area which is currently a mix of 1 bed, 2 bed and 3 bed roomed accommodations.
- 2.23 Early engagement with representatives within the location will be sought at that stage and some consultation prior to any formal pre-application advice being obtained from the Local Authority.

### **Gorse Rise, Grantham**

- 2.23.1 A former garage site that was demolished in February 2020. External Consultants have been instructed to undertake a feasibility study of the site.
- 2.23.2 Two schemes have been proposed for the site with the possibility of 6 new build units being explored. External Consultants are currently working on some revised drawings that will meet the needs of our residents for that area and will be moving towards a pre-application in February 2024.

### **Former Blessed Hugh More, Grantham**

- 2.23.3 The former Blessed Hugh More site was initially considered by the Council and LCC for an extra care scheme consisting of 60 units and 35 market houses.
- 2.23.4 The scheme is now being revisited on a much smaller scale and a new feasibility study completed looking to utilise half the 5.4 acres of the original scheme with a view to build 20 – 25 units.
- 2.23.5 Early discussions with the relevant ward councillors will be undertaken this month on the potential design and location of the proposed scheme before formal consultation and pre-application advice is sought.

### **Kesteven Road, Stamford**

- 2.23.6 The site consists of an irregular parcel of land of approx. 1.3 acres in size and includes a combination of a garage block, car parking area and open space. Discussions have begun to identify the best option and layout for the site with an

approximate 18 – 21-unit scheme being explored. Further information is expected in the coming weeks.

### **Bourne End Road Estate, Colsterworth**

- 2.23.7 Due to structural issues within the timber frame and thermally poor performance the 2 properties identified by the repairs team will require a lot of work to bring them to an EPC of C and above. With a recommendation to demolish, the site offers an opportunity to increase the density on the site which has large rear gardens.
- 2.23.8 William Saunders have been instructed to run a feasibility study on the opportunity with further feedback due in the coming weeks.
- 2.23.9 There is a possibility that there could be other phases of this development brought forward given that there are other properties of similar construction on this estate.

### **Garage Sites**

- 2.24 A comprehensive review the SKDC owned garage sites is being undertaken with a handful of locations being earmarked for further investigations. A comprehensive report is expected to be completed by March 2024 and will be an agenda item at the next meeting of the Committee.
- 2.25 It is worth noting that most garage sites are small, in constrained areas of the District with utility and services passing through them therefore the recommendation that will be coming to a future meeting will be to progress with the larger, easier to deliver sites with options around demolition/sale of those sites that might be unviable financially as some of the existing garages are in a poor state.

## **3. Key Considerations**

- 3.1.1 In order to achieve the numbers of housing that the Council has a requirement to deliver each year there will be a hybrid approach to new builds to work closely with developers on planning schemes which need to include a number of affordable units, the Council will discuss purchasing these (similar to a Registered Provider). There have been discussions with house builders on two sites within the District and these discussions are progressing in a positive direction. Further information will be provided to the Committee once proposals have been developed including the financial implications supported by a housing needs assessment,

- 3.1.2 Local Authority Housing Fund (LAHF) 1 –

The Council agreed to accepting the funding at their meeting in July 2023

[Agenda for Council on Thursday, 20th July, 2023, 1.00 pm | South Kesteven District Council](#)

The Council had a requirement to secure 21 units as part of the allocated funding with a deadline of the 30<sup>th</sup> November 2023 to secure purchases. Under the MoU the Council was required to provide:-

- 19 properties for households that meet the eligibility criteria (2/3 beds)
- 2 Four+ bed properties to be allocated to households currently in bridging accommodation ('the bridging element');

3.1.3 The Council has met this 21 unit purchase with the following

- 12 properties at Langtoft,
- 4 properties at Bourne
- 1 property in Ropsley
- 4 properties in Grantham (including the 2 four bedroom properties)

3.1.4 To date we have completed on 17 properties, 4 properties are with legal services Lincolnshire to complete as soon as practicably possible.

3.1.5 LAHF 2 – the Council has accepted the second stage of the funding which is to deliver a further eight properties, seven 'main element' 2/3 bed properties and one 'bridging element' 4 bed+ property. The deadline for this funding is the end of March 2024. Two developments have been identified to deliver all of the 8 houses, one in Grantham and the second in Bourne which are being progressed.

3.1.6 The Council need to consider bidding for LAHF3 when it comes available.

## **4. Reasons for the Recommendations**

4.1 This is a regular report where Members are invited to scrutinise and comment on performance.