



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



## Housing Overview and Scrutiny Committee

21 March 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Does the report contain any exempt or confidential information not for publication?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 Alison Hall-Wright, Deputy Director (Finance & ICT) and Deputy 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:**

### ***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 2024-2027 clearly sets out how South Kesteven District Council intends to meet the mission “to ensure that all residents can access housing which is safe, good quality, sustainable and suitable for their needs and future generations.”
- 2.3 The Corporate Plan, Priority 4 identifies ‘Housing’ as a key priority with high quality housing essential for all, and the council is committed to working with partners to provide this by:
- Facilitating a range of appropriate and sustainable housing and community facilities for future generations and the emerging needs of all our communities.
  - Delivering exemplary and high-quality services for housing and homelessness.
  - Increasing the supply of sustainable and high-quality Council-provided housing.
  - Working with developers and private landlords to ensure sustainable, affordable, and high-quality housing is facilitated.
- 2.4 There are many schemes within the district that are at various stages of the pipeline, an update on each one is as follows:-

### **Swinegate, Grantham**

- 2.5 Lindum is in the process of building 20 apartments through a direct award on the Scape Framework. This scheme is extremely complex due to being in a conservation area.
- 2.6 The enabling works to amend access to Watergate car park were completed before Christmas. The entrance to the car park has been widened with new height restriction barriers in place. 5 additional car parking spaces have been returned back to the Council for members of the public to use.
- 2.7 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.
- 2.8 Historic England objected to the demolition of No.20 Swinegate and requested a CARE (Conservation Accreditation Register for Engineers) structural engineer report in order to reconsider their position. The planning application for No.20 was amended following the objection and the façade was due to be retained as agreed by the Planning Committee in February 2024.
- 2.9 A condition was placed on No. 20 Swinegate that the method statement for demolition was to be submitted for approval by the Planning Committee detailing how the rest of the site could be demolished whilst still retaining the façade. Lindums have met with three structural engineers (including the same CARE engineer) on

site to discuss how the demolition could be safely achieved. All engineers noted that there had been significant deterioration in the building since visiting in December 23 and have advised that there would be safety concerns. Building Control (EMBC) have visited the site and advised that the building is not in immediate risk of collapse and advised the Council to submit a new planning application to demolish the façade and rebuild it in keeping with the original using reclaimed bricks. A new planning application has been submitted (7<sup>th</sup> March 2024) with the hope that a decision will be made by the Planning Committee at their meeting in either April or May. These delays have impacted on programme by at least four months as development cannot commence until the planning application for No. 20 Swinegate has been approved.

2.10 Members of this committee will be updated at the next meeting.

### **Elizabeth Rd, Stamford**

2.11 Cabinet approved the award for the £665,000 scheme to D Brown Construction Ltd and work commenced in January 2024.

2.12 Works are progressing in accordance with the project plan and the 4 one bedroom units are due to be handed over to the Council in August 2024.

2.13 A site photograph with Members and representatives from D Brown Construction Ltd took place last month.



### **Larch Close, Grantham**

- 2.14 The 21-unit scheme was granted permission at the Planning Committee meeting on 8<sup>th</sup> November 2023.
- 2.15 The procurement process has commenced with four contractors showing an initial expression of interest. The formal tender period will commence for 8 weeks on the 11<sup>th</sup> March 2024. Following the evaluation process it is hoped that a contract can be awarded in June 24.
- 2.16 This scheme was included in the HRA budget setting process for 2024/25 therefore sufficient budget is available and the current estimated start date is July 2024.

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

- 2.17 There are outline plans for a 14-unit scheme in this location that had received pre-application advice from the Local Planning Authority in 2021.
- 2.18 Early engagement with the Scout Hut representatives has commenced to understand their car parking drop off/collection requirements. Following a small traffic survey on Friday 1<sup>st</sup> March 2024 amendments to the initial design and layout have been requested by the Council to the architects.
- 2.19 There will be continued engagement with the local residents and representatives from the Scout Hut with a pre-application submitted to the Local Planning Authority by the end of March 24.
- 2.20 It is hoped that procurement and the planning process can be twin tracked and that an award of contract could be made in September 2024 with the successful contractor starting as soon as possible.

### **Gorse Rise, Grantham**

- 2.21 This is a former garage site that was demolished in February 2020.
- 2.22 A pre-application has been submitted to the Local Planning Authority for 6 units on the parcel of land.
- 2.23 It is hoped that this site could be explored to provide more sustainable housing with modular or Passivhaus standards being explored. Passivhaus is a performance-based set of design criteria for very low energy buildings, which can help create buildings which use around 90% less energy than standard UK buildings.
- 2.24 It is hoped that the construction can commence in January 2025 following planning and procurement.

## **Kesteven Road, Stamford**

- 2.25 The site consists of an irregular parcel of land of approximately 1.3 acres in size and includes a combination of a garage block, car parking area and open space. Feasibility has begun to identify the best option and layout for the site with an approximate 15-18 unit scheme being explored due to the biodiversity net gain requirements.
- 2.26 Early pre- application advice will be sought on this site due to the loss of public open space to see if the whole site can be utilised or if a smaller scheme is required.

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

- 2.27 Due to structural issues within the timber frame and thermally poor performance there are opportunities on this estate to demolish some of the existing stock and rebuild with more units due to large plot sizes.
- 2.28 William Saunders have provided options for 6 or 8 1 bedroom apartments on the land where 2 void properties are currently situated. This would be phase 1 of the proposed redevelopments with phase 2 being the two properties next door once vacated. A third potential site is opposite and would follow later as phase 3 as the plot is larger and could include more units.
- 2.29 A pre-application for phases 1 and 2 is due to be submitted imminently.

## **3. Key Considerations**

3.1 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. The Council is at a stage of agreeing Heads of Terms for the acquisition of 36 affordable units which will be delivered between 2024-2028 with exchange of contracts expected by the end of March 24 for phases 1-3.

### **3.2 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');

3.3 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)

3.4 To date we have completed on 20 properties, with the remaining plot with legal services Lincolnshire to complete as soon as practicably possible.

3.5 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.

New build properties are being sought for this allocation and the committee will be updated on the acquisitions.

3.6 The Council will not be seeking funding from LAHF3 due to meeting all of the local demand for the properties.

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

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