



Thursday, 14 November 2024

Report of Councillor Virginia Moran,
Cabinet Member for Housing

New Build and Acquisition Update

Report Author

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Purpose of Report

To provide the Committee with an update on the new build and acquisition pipeline.

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Does the report contain any exempt or confidential information not for publication?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? Housing

Which wards are impacted? All Wards

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 2024/25 HRA Capital Programme includes a £9.099m budget for Housing Development investment, this budget will also be utilised to fund strategic acquisitions.
- 1.2 It is important that the HRA has a continual housing growth strategy, which is designed to offset the rental loss from properties sold through to Right to Buy. Without new rental streams offsetting those lost, the sustainability of the HRA would be eroded.

Completed by: Paul Sutton Interim Head of Finance (Deputy s151)

Legal and Governance

- 1.3 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: Mandy Braithwaite, Legal Executive

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 (LAHF 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 The scheme is progressing well and is on target for completion by July 2025.

2.6 Monthly contract meetings are held with Lindums and the wider project team and updates will continue be provided to the committee regarding the progress of the scheme.

2.7 The progress photographs below show that brickwork is progressing, the roof works are planned to commence at the end of November which will make the building watertight.



Figure 1- progress pictures from 16.10.24

Larch Close, Grantham

2.8 The 21-unit scheme was granted planning permission on 8th November 2023.

- 2.9 On 9 July 2024 Cabinet approved the contract award to Mercer Building Solutions to build 19 units at Larch Close. The original scheme also included 2 x 4 bedroom houses but due to the higher build costs and rental income associated with these properties the decision was made to submit a variation to the application to replace these houses with a two bedroom fully adapted bungalow and a three bedroom fully adapted bungalow to meet the need for adapted properties for applicants on the Council's Housing Register.
- 2.10 Mercer Building Solutions are currently working on discharging the planning conditions and will be submitting a planning application in November 2024 for the change of properties.
- 2.11 Work on site is planned to commence in January due to the design process and submission of the planning documentation.

Wellington Way, Market Deeping

- 2.12 Following feedback from the public consultation the proposed scheme has been reduced from 14 units to 11 units.
- 2.13 The planning application has been delayed as the Council are waiting for a biodiversity net gain report for the site so the planning application will be submitted in November 2024.
- 2.14 The procurement documents are being drafted which will enable the procurement of a developer to commence whilst the planning application is being considered. The contract will not be awarded until the outcome of the planning application has been determined.

Gorse Rise, Grantham

- 2.15 This is a former garage site that was demolished in February 2020.
- 2.16 Following pre-application advice the designs have been amended and the planning application is due to be submitted in November 2024.

Kesteven Road, Stamford

- 2.17 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.
- 2.18 Feasibility has been ongoing for some time but has now identified the best option and layout for the site with an 11 unit scheme being explored due to the biodiversity net gain requirements. This has been reduced from 18 units to enable more green space to be retained.

2.19 Early engagement with ward members has commenced and a pre-planning application has been submitted.

Bourne End Road Estate, Colsterworth

2.20 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.

2.21 Pre-Application feedback has been received and a full application will be submitted in November 2024, once the biodiversity net gain report has been received.

3. Key Considerations

3.1 In order to achieve the numbers of houses 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) and also purchasing properties offered back to the Council via the Right to Buy scheme. The first phase of the affordable housing units acquired in Corby Glen is progressing well and visits to the site to check progress have been undertaken with 4 x 3 bedroom properties due to be handed over before the end of March 2025.

3.2 The Council is seeking to acquire 12 one-bedroom apartments in Grantham subject to searches, surveys and legal enquiries. Information regarding this acquisition will be made available once completed.

3.3 Local Authority Housing Fund 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.

3.4 The Council has met this 8-unit need with all houses being on various new build schemes in and around the Bourne area. These were all offered by the deadline of the funding and are progressing with legal services currently.

3.5 The Council placed a bid on a property in Grantham that could have been converted to 4 x temporary accommodation units but was unfortunately unsuccessful. The team are seeking opportunities to purchase other accommodation that could be converted into temporary accommodation for the future. Any updates will be provided to the Committee on this.

4. Other Options Considered

4.1 The Council needs to have a hybrid approach to purchasing and building its affordable housing to meet the needs of our residents.

5. Reasons for the Recommendations

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

6. Consultation

- 6.1. Consultation with ward members for individual schemes is undertaken with the Cabinet Member for Housing for affordable housing schemes prior to submission of a planning application.