



Thursday, 15 January 2026

Report of Councillor Virginia Moran,
Cabinet Member for Housing

Contract Award - New Build Housing Scheme at Toller Court, Horbling

Report Author

Megan White, Corporate Project Officer

 megan.white@southkesteven.gov.uk

Purpose of Report

This report sets out the proposals for a new build social housing development of three units at Toller Court, Horbling, and seeks approval to award the construction contract to Gusto Construction Limited.

Recommendations

That Cabinet:

- 1. Approve the award of a contract to Gusto Construction Limited for the construction of the three housing units at Toller Court, Horbling at a cost of £544k.**
- 2. Delegates authority to the Council's Section 151 Officer, in consultation with the Leader of the Council, to allocate an additional 10% further funding if required due to unforeseen costs during the project.**

Decision Information

Is this a Key Decision? Yes

Does the report contain any exempt or confidential information not for publication?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

What are the relevant corporate priorities? Housing

Which wards are impacted? Toller

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

- 1.1 The delivery of this scheme is a key element of the new build programme for the Housing Revenue Account (HRA). The budget for this development of £550,000 was included in the 2025-2026 capital programme and is funded from the HRA Capital Receipts Reserve. The delivery of three units will provide a rental income stream to the HRA and will be built in the HRA financial business plan.

Completed by: David Scott – Assistant Director of Finance and Deputy Section 151 Officer

Procurement

- 1.2 The necessary processes have been followed in accordance with the Council's Contract Procedure Rules.

Completed by: Helen Baldwin, Procurement Lead

Legal and Governance

- 1.3 The necessary processes have been followed in accordance with the Council's Contract Procedure Rules – this decision is above the Key Decision threshold. There are no further significant legal, or governance implications not already highlighted within the body of the report.

Completed by: James Welbourn, Democratic Services Manager

Risk and Mitigation

- 1.4 A project risk register will be created in partnership with the contractor and the Council which will be subject to robust review as the project progresses. As part of the process there will be a mutual agreement of the identified risks.
- 1.5 The contractor will be responsible for insuring the building works until the properties are handed over to the Council.

Completed by: Tracey Elliott, Governance & Risk Officer

Health and Safety

- 1.6 Gusto Construction Ltd have a contract in place to provide inspections, support and guidance to ensure compliance across all sites and office locations. All documentation will be made available to the Council and joint meetings and visits will be arranged to ensure that there is a collaborative approach to health and safety. This will include provision and review of all risk assessments and safe systems of work, relevant to works on site and reporting of accidents to the Council representatives.
- 1.7 On completion of the works, there will be a full handover of all compliance information, technical data and relevant safety information. This will ensure that safe management of the asset can be implemented and required works embedded into existing programmes of compliance inspections and surveys.

Completed by: Phil Swinton, Head of Health, Safety, Compliance and Emergency Planning

Climate Change

- 1.8 The contractor has included sustainable measures as part of their submission. The building fabric of the three dwellings will be to modern standards and constructed in line with current Building Regulations, secured by design standard (bronze minimum) and SKDC Policy SB1. The dwellings will incorporate high fabric performance, water efficiency, low-carbon heating, EV-charging infrastructure and 2.4kW of Solar PV per plot.
- 1.9 These efficient technologies will help to reduce the energy consumption arising from the new properties while providing affordable energy bills for tenants.

Completed by: Serena Brown, Sustainability and Climate Change Manager

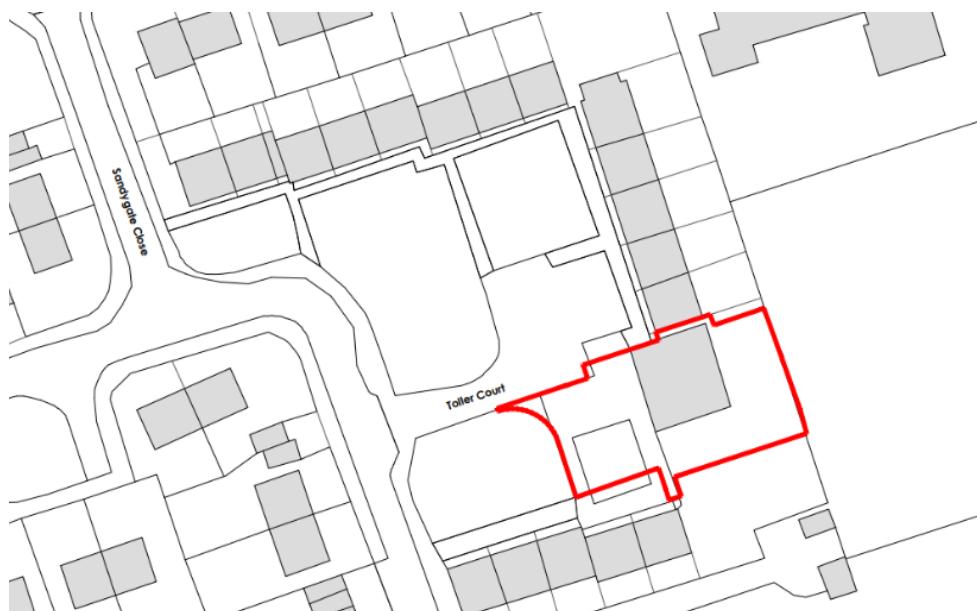
2. Background to the Report

- 2.1. The Council has a clear commitment in its Corporate Plan 2024-2027 “to ensure that all residents can access housing which is safe, good quality, sustainable and suitable for their needs and future generations”.
- 2.2. 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

2.3. To support Priority 4 of the Corporate Plan, this proposed development will deliver three affordable terraced bungalows, comprising two two-bedroom units and one one-bedroom unit, each with associated parking and landscaping. All homes will feature open-plan kitchen, living, and dining areas, along with fully accessible wet rooms to support adaptable living.

2.4. The location of the proposed development in Toller Court, Horbling is highlighted on the plan below edged red. The site is bound by residential dwellings to the north and west, a scout's hut to the east and farmland to the south.



2.5. The development site is owned by South Kesteven District Council and currently comprises a vacant community centre that is no longer fit for purpose and has been unused for five years.



Current View of the Site

- 2.6. The scheme has been approved by the Local Planning Authority on 23 October 2025, under reference 'S25/1626 - Demolition of existing vacant community facility and construction of 3 terraced bungalows'.
- 2.7. The proposed site plan is attached as Appendix 1. The cost received for constructing the three units was £544k. All dwellings are designed with a reasonable sized private garden, parking and infrastructure for electric vehicles.
- 2.8. Below are some elevations of the proposed development:



Procurement Information

- 2.9. To ensure a robust procurement exercise, the Council worked with Welland Procurement and an initial Expression of Interest (EOI) was requested on the Westworks framework.

2.10. The response to the EOI exercise was good and the Council progressed to the full procurement of the scheme. Submissions were received from four suppliers which were evaluated as follows:

Evaluation	Weighting
Price	75%
Quality	25%

2.11. Following an evaluation and moderation process, the bid that received the highest score was confirmed as Gusto Construction.

2.12. A procurement evaluation has been completed by Welland Procurement and Westworks framework will inform the unsuccessful bidders of the outcome.

2.13. The final scores awarded to the suppliers were as follows:

Rank	Bidder	Overall Score
1st	Gusto Construction Limited	92.00%
2nd	Bidder 2	89.76%
3rd	Bidder 3	87.14%
4th	Bidder 4	82.63%

2.14. It is therefore recommended that the Council enter into contract with Gusto Construction for the construction of the new build housing scheme at Toller Court, Horbling.

3. Key Considerations

3.1. Key areas for consideration are set out within the report.

4. Other Options Considered

4.1 The Council could wait to commence the scheme or not build the development, but these options have been discounted due to the high levels of housing needs in the area.

5. Reasons for the Recommendations

5.1. There is a housing need for the Council to develop the site therefore the recommendation is for the contract to be awarded so that works can commence in Spring 2026.

5.2. The procurement process is in accordance with the Council's Contract and Procurement Procedure Rules, the Procurement Act 2023 and the Public Contract Regulations 2015.

6. Consultation

6.1. Discussions were held with the relevant ward member prior to the scheme being submitted for planning and there was consultation with the wider public and statutory consultees as part of the Planning process.

6.2. The Cabinet Member for Housing and Housing Overview and Scrutiny Committee have been kept informed of the new build pipeline and this scheme.

7. Background Papers

7.1. Planning Portal for Application: [S25/1626 | Demolition of existing vacant community facility and construction of 3 terraced bungalows. | Toller Court Horbling NG34 0PW](#)

8. Appendices

8.1. Appendix 1 – Proposed Site Plan