



Housing Overview and Scrutiny Committee

Thursday, 5 February 2026

Report of Councillor Virginia Moran
Cabinet Member for Housing

New Build and Acquisitions Update

Report Author

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Purpose of Report

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

Recommendations

The Committee is recommended to note the content of this report.

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Does the report contain any exempt or confidential information not for publication?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 HRA Capital Programme includes a New Build dedicated budget and the schemes outlined in this report are being delivered against that budget. Regular monitoring is undertaken to review progress against the spend projections and it is anticipated that budget carry forwards will be required as the majority of the schemes will not be delivered before 31 March 2026.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.2 This is an update report for noting, there are no governance implications.

Completed by: James Welbourn, Democratic Services Manager

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 Right to Buy capital receipts.
- 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 several pipeline schemes within the district that are at various stages of development, an update on each one is as follows:

2.5. Larch Close, Grantham

- The Larch Close scheme comprises the construction of 21 affordable dwellings and is currently in the construction phase. The scheme is being delivered by Mercer Building Solutions.
- Construction works are progressing well on site. Substructure works are substantially complete across all plots and superstructure brickwork is well underway.
- Internal roads and drainage works are advancing with sections of the road now tarmacked with attenuation tanks and acoustic bund construction ongoing.
- There has been a minor, manageable delay of approximately two weeks arising from a temporary pause in works due to issues associated with a sewer diversion. This matter has now been resolved and formally agreed under the contract, with mitigation measures implemented to minimise the overall impact on the programme.
- The revised completion date is set for 18th December 2026.

2.6. Wellington Way, Market Deeping

- Cabinet approved the award of the construction contract to Lindum Group at its meeting on 9 September 2025, at a contract value of £1.926m, for the delivery of 11 new council homes at Wellington Way, Market Deeping.
- Following Cabinet approval, the scheme progressed into the pre-construction phase, including detailed design development and standard technical reviews with all but one of the pre-commencement planning conditions submitted for discharge.
- As part of the detailed design development, a detailed ground investigation was instructed in September 2025 to confirm site conditions and inform final construction design ahead of works commencing on site.
- The investigation identified a number of unforeseen ground conditions, associated with the site's historic use as a former RAF base, which require additional

remediation and construction measures. These matters could not reasonably have been identified or fully priced at tender stage without intrusive, site-specific investigation data.

- The additional works are necessary to ensure the development complies with planning, environmental health, building control and health and safety requirements, and to appropriately manage construction and long-term asset risk.
- A report is being progressed through the Council's governance process to seek approval for the additional budget associated with the increase in contract value of £192k.

2.7. Toller Court, Horbling

- The Toller Court scheme will provide three terraced bungalows comprising two two-bedroom units and one one-bedroom unit, all with associated parking and landscaping.
- Cabinet approved the contract award to Gusto Construction at their meeting on 15 January 2026 for the construction of three units at the value of £544,000, with a delegation to the Council's Section 151 Officer, in consultation with the Leader of the Council to allocate an additional 10% in further funding if required due to unforeseen costs during the project.
- The three dwellings will incorporate low-carbon heating, EV-charging infrastructure and Solar PV to target an EPC A rating. As well as featuring open-plan living areas and fully accessible wet rooms to support adaptable living.
- A pre-start meeting is scheduled for Officers and representatives from Gusto Construction for early February 2026.
- Officers are working closely with Legal Services Lincolnshire to prepare the main contract for the construction works and once agreed and signed, works will commence with a mobilisation period.

2.8. Housing – Homes England Funding

- The Council has been successful in securing external funding from Homes England to support its housing delivery ambitions. The Ministry of Housing, Communities and Local Government (MHCLG) is expected to publish external communications by the end of January confirming the award of grant funding. The Committee will be provided with further information at the meeting.
- The funding will be used to finance the review of the Council's garage sites and to undertake feasibility work to bring forward potential housing schemes.

- This will help accelerate future engagement with national affordable housing programmes and support the delivery of additional affordable homes within the district. Further details will be reported at a future Housing Overview and Scrutiny Committee meeting once work has progressed further.

2.9. Kesteven Road, Stamford

- Following a resident consultation held in November 2025, Officers are working closely with architects to finalise the designs for this scheme, taking into account the feedback received.
- Once the design work is complete, a full planning application will be prepared and submitted. This scheme could see the construction of thirteen units in Stamford, comprising bungalows, terraced houses and apartments.

2.10. Bourne Road, Colsterworth

- Due to structural issues within the existing timber frame properties and their poor thermal performance, there are opportunities on this estate to demolish and redevelop certain dwellings.
- The large plot sizes present potential to increase the number of new homes delivered on the site.
- A successful pre-application has already been completed, and residents impacted by Stage 1 of this scheme have been personally approached by the Housing Team to explain the proposals and provide support throughout the process.
- Wider community engagement will follow, with a public consultation planned in the coming months to gather feedback from local residents, which will inform the formal planning application.

2.11. Other Schemes

- In addition to the schemes already reported, the Council is exploring a range of further housing opportunities across the district. These initiatives are at an early stage of consideration and are subject to feasibility, funding, planning and governance processes. As such, it is not appropriate to provide further detail at this time; however, Members will be kept informed as proposals develop and are brought forward for decision in accordance with the Council's established procedures.

3. Key Considerations

- 3.1. As part of the Council's hybrid approach to the housing pipeline several properties in the district are currently being valued and inspected with a potential to acquire them.

4. Property Disposals

- 4.1 The Council continues to progress the disposal of 12 vacant properties at Lumby's Terrace, Stamford. All units are now under offer, legal proceedings are ongoing, and the first completions are anticipated in February 2026.
- 4.2 The income from the sales will be reinvested into replacement affordable housing.

5. Reasons for the Recommendations

- 5.1. The Council needs to have a hybrid approach to purchasing and building its affordable housing to meet the needs of our residents
- 5.2. This regular report is to provide an update on the pipeline for the committee to scrutinise.

6. Consultation

- 6.1. Discussions are held with the relevant ward members prior to any new build schemes being submitted for planning and as part of the planning determination process there is consultation with wider public including any town/parish councils alongside statutory consultees.
- 6.2. The Cabinet Member for Housing is kept informed on the progress of the pipeline.