

## Appendix C

### Quarter 3 Update – Affordable Housing Provision and Council Housing Building Programme

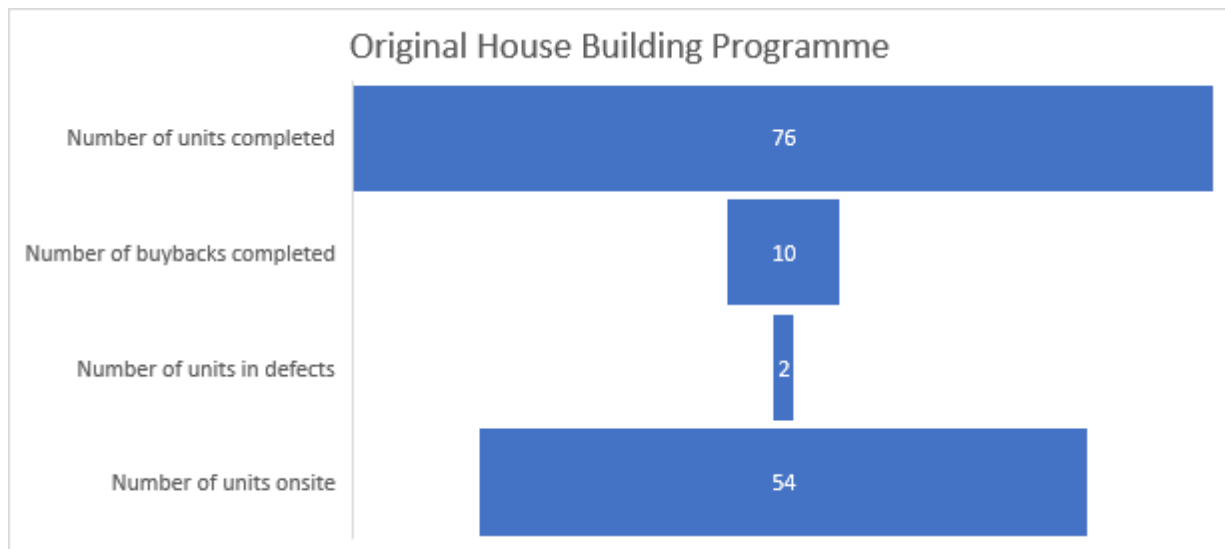
This update provides members with the Qtr3 position in relation to the Council’s House Building programme and affordable housing development by housing associations. The report includes the current position where more up to date information is available.

#### Council House building (CHB) programme

##### 1. Original Council House Building Programme

The original council house building programme commenced in 2015 and consisted of 142 units. There have been 86 completions to date including 10 buybacks. There are 4 remaining schemes onsite. Two units completed in December (Foxacre) and a further nine (Rochester Gardens and Uplands) are due to complete before year end.

Annual Targets								
	2023/24				2024/25			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Completions			2	9	19		26	
Schemes onsite (56)			Foxacre (2)	Uplands (4) Rochester (5)	Windmill (3) Auckland (3) Uplands (13)		Bronzeoak (26)	



##### 1.1 Uplands

Work has recommenced at Uplands with a new contractor in place to complete the remaining 17 units. Additional firestopping works requested by building control resulted in some de-construction of work to date. This

has caused further delay to handover with the 4 houses now expected to complete in Mid March and the flats in April.

### 1.2 Bronzeoak

A Construction Management Company (CMC) is in the process of being appointed to manage the completion of the scheme. Their role will be to manage the site and the Council’s trade contractors with the Council making direct payments to suppliers and trade contractors for the work that is done, based on monthly valuations. This approach will allow the Council the benefit of existing contractor warranties for work already completed and is the most efficient route to re-start work in terms of costs and time. At its meeting in January 2024 Housing Committee approved an increased budget for the scheme of £13.2m. Work is anticipated to recommence in earnest in Qtr 1 of 2024/25 with completion estimated approx. December 2024.

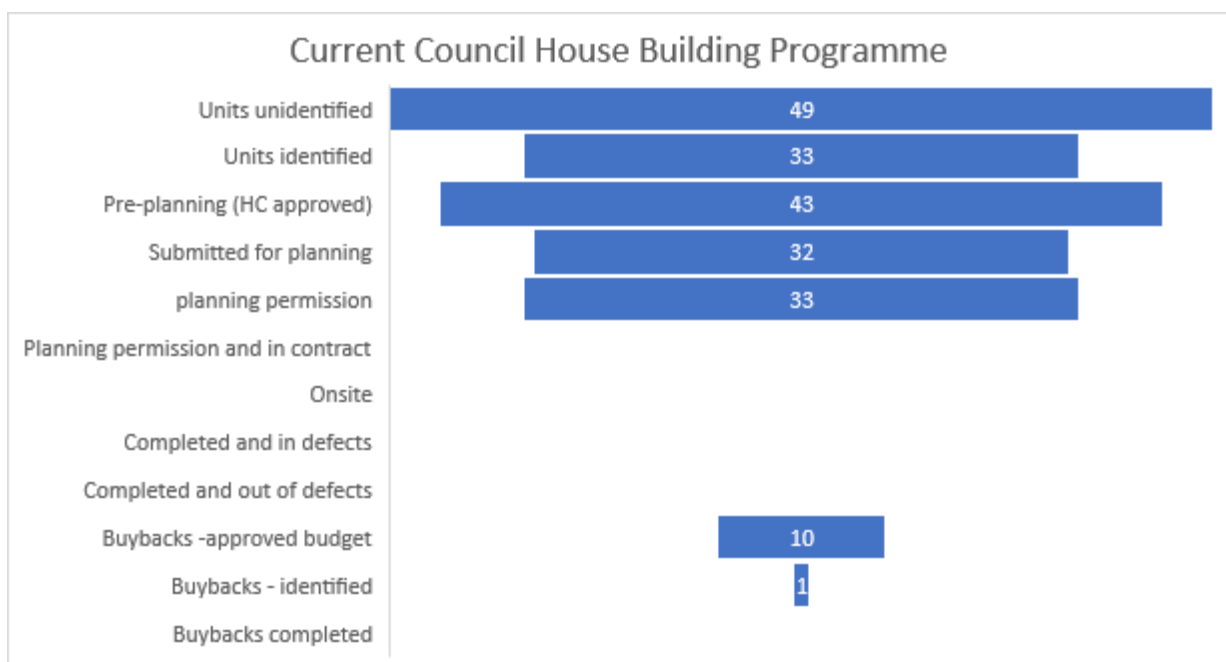
### 1.3 Rochester Gardens/Foxacre/Windmill Close/Auckland road

The two bungalows at Foxacre completed in December and are now occupied. The five properties at Rochester Gardens will be completed in March. Windmill and Auckland have been delayed to May/June.

## 2. Current Council House Building Programme (identified schemes)

Annual targets						
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Start on sites	40	40	40	40	40	
Completions		40	40	40	40	40
Current profile						
Start on sites	0	0	38	95	22	
Completions	0	1	5	37	66	54

\*Note the discrepancy in numbers is the 10 buybacks which have no start on site date but are included in completions



- 2.1 Some completion dates have been pushed back into following years to take account of delays in planning. The programme has also been pushed out due to the delays at Uplands and Bronzeoak where both sites were held up during Covid and then have suffered the administration of the main contractors. This has impacted on the capacity of the team to progress new sites and the delay at Bronzeoak has prevented the decant from Pelham House.
- 2.2 Risks to the CHB programme are:
- Biodiversity Net Gain – this will have a significant impact on some schemes within our programme leading to either the loss of units or additional cost associated with purchasing credits where 10% BNG cannot be achieved on site. The introduction of a policy of achieving 20% BNG on developments, including 100% affordable housing schemes, will have a significant impact on the Council’s ability to deliver the programme.
  - Tender returns higher than budget – the increase in build costs is likely to result in higher than anticipated tender returns for schemes going forward. Where this is the case, a value engineering exercise will be undertaken with the highest ranked tenderers to see if the costs can be brought back within budget. Where this is not possible and where the contingency is not sufficient to cover the increased costs, revised budgets will need to be sought from committee.
- 2.3 **Wolfs Wood, Hurst Green**  
Wolfs Wood (12 units) received planning consent in June 2023. Tenders have been received and are in the region of £4,000/sqm in contrast with £2500/sqm when the project was originally budgeted. A budget increase was approved by this committee. A contractor has been identified and contract negotiations are ongoing.
- 2.4 **Featherstone, Blindley Heath**  
Featherstone (16 units) received planning approval on 2nd November and the construction contract will go out to tender shortly.
- 2.5 **Hollow Lane, Dormansland**  
The original scheme was for 7 units but was deferred by planning committee due to concerns about the height of the building. A revised scheme for 5 units received approval on 2<sup>nd</sup> November and the construction contract will go out to tender shortly.
- 2.6 **The Depot, Warren Lane**  
A public consultation was held in December 2023. The planning application was submitted in February and is currently being validated.
- 2.7 **Sea Cadets, Caterham**  
The Council has now appointed an Employers Agent, architect and other consultants and pre-planning work is underway for 16 units. A bid for

£250,000 of funding from the Brownfield land Release Fund was submitted in February. If successful this will cover the costs of demolition and remediation.

#### 2.8 **Pelham House**

The planning application has been submitted for 10 units. Most of the existing residents will be moving to Wadey Court (Bronzeoak) upon completion.

#### 2.9 **Stanstead Road**

Residents of the existing scheme have been prioritised for re-housing following this committee's approval to proceed with preparing a planning pre app for the demolition of the site to provide 4 x 3 bed houses.

#### 2.10 **Kentwyns Rise**

Residents of the existing scheme have been prioritised for re-housing. A S105 Housing Act consultation has concluded and a report has been drafted for CEO approval. The report recommends that the Committee's 'in principle' decision to approve the preparation of plans for the proposed redevelopment of the scheme proceeds.

#### 2.11 **Buyback programme**

Approval was given by this committee to buy-back a further 10 ex Right to Buy properties before the end of 2024/25. None have completed so far as priority has been given to the LAHF programme which has strict deadlines in order to receive the grant from DLUHC. One has been identified and the acquisition is expected to complete before the end of the financial year.

### 3.0 **Local Authority Housing Fund**

In addition to the current house building programme work is ongoing to acquire homes under the LAHF scheme. 7 purchases under the LAHF round 1 were completed before 30<sup>th</sup> November 2023. Officers are now in the process of securing 6 more properties under the LAHF round 2 following this committee's approval in September. Two properties have already been purchased with 4 more identified. Members are asked to note that DLUHC have advised there will be a LAHF round 3 and an announcement with further detail is expected shortly.

### 4.0 **Housing Enabling & Housing Association Activity**

4.1 Clarion Housing Group have now completed 48 affordable rented flats at the former Rose and Young site in Caterham. The Council has 100% nominations to first lettings and tenants started moving in at the end of February 2024.

4.2 Since the last update planning approval has been granted on an application at Godstone Quarry for 150 dwellings (including 75 affordable homes) and Officers have completed the planning obligation for the Young Epilepsy site

in Lingfield which secures £500k of commuted sums for off-site delivery of affordable homes.

## **5.0 Homes England**

The Investment Partner application has been approved by Homes England.

Approved grant funding:

- £1,020,000 (Uplands)
- £280,000 (Rochester Gardens)
- £150,000 (Foxacre)

Officers will be submitting grant bids for Windmill/Auckland and Wolfswood shortly.