

Appendix C

Quarter 4 Update – Affordable Housing Provision and Council Housing Building Programme

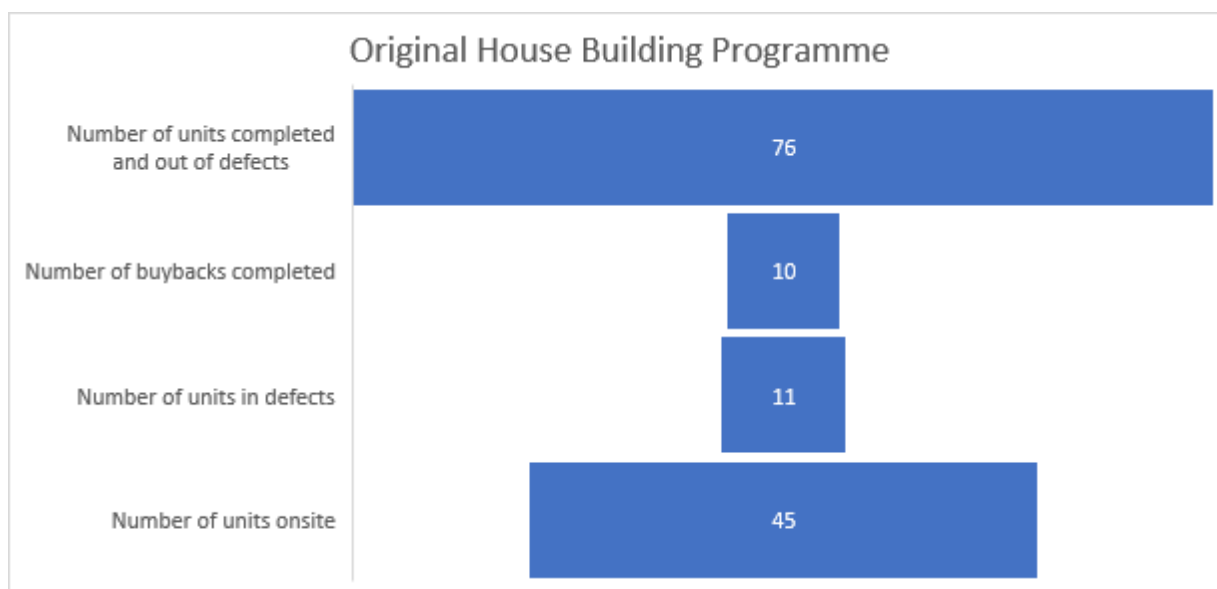
This update provides members with the Qtr3 position in relation to the Council’s House Building programme and affordable housing development by housing associations.

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. Foxacre and Rochester gardens have now completed. There are 3 remaining schemes onsite. Auckland and Windmill are due to complete in June/July.

Annual Targets								
	2023/24				2024/25			
	Q	Q	Q3	Q4	Q1	Q2	Q3	Q
Completions			2	4	8	16	26	
Schemes onsite (56)			Foxacre (2)	Uplands (4)	Rochester (5) Auckland (3)	Windmill (3) Uplands (13)	Bronzeoak (26)	



1.1 Uplands

Work recommenced at uplands after the first contractor went into administration. 4 additional houses have been handed over with 13 flats remaining to complete.

1.2 Bronzeoak

A Construction Management Company (CMC) has been 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 recommenced in May with completion estimated approx. December 2024.

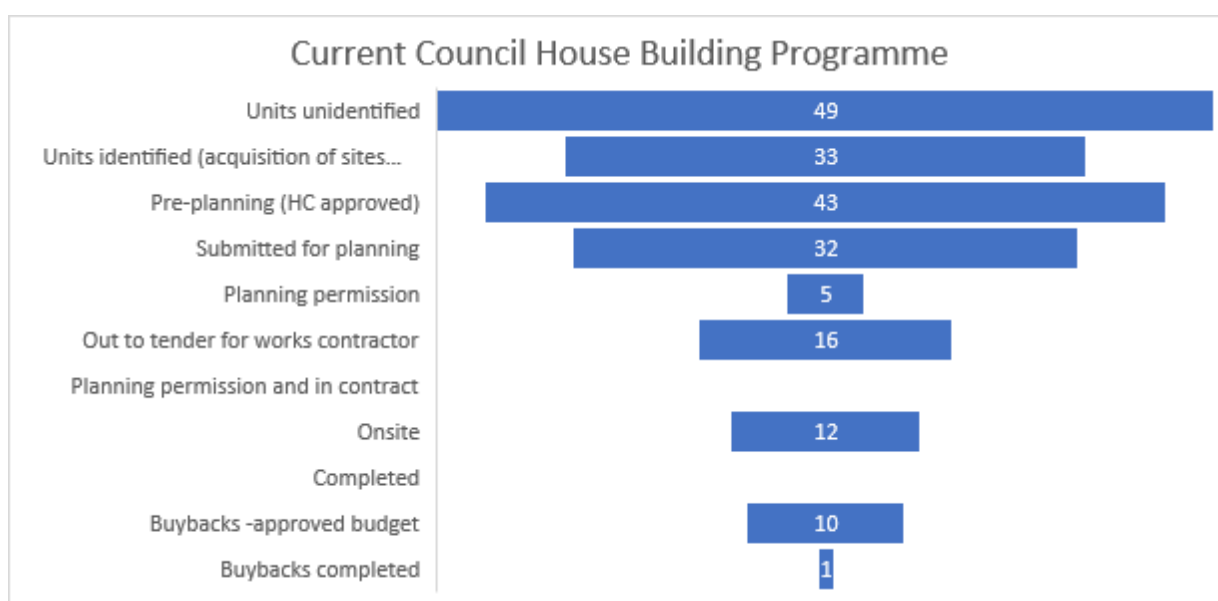
1.3 Rochester Gardens/Foxacre/Windmill Close/Auckland road

The two bungalows at Foxacre completed in December and the five properties at Rochester Gardens were handed over in May, all are now occupied.

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	33	85	22	
Completions	0	1	4	38	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 original 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. The contractor has been appointed and has taken possession of the site.

2.4 **Featherstone, Blindley Heath**

Featherstone (16 units) received planning approval on 2nd November. Tenders have been received and are currently being assessed and clarifications sought before a contractor can be appointed.

2.5 **Hollow Lane, Dormansland**

The 5 unit scheme will go out for tender shortly.

2.6 **The Depot, Warren Lane**

A public consultation was held in December 2023 and a full planning application submitted in February.

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 **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. While one completed at the end of 2023/23, priority has been given to the LAHF programme which has strict deadlines in order to receive the grant from DLUHC.

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 30th November 2023. 6 out of the 7 properties for LAHF round 2 have also completed with the remaining property identified and progressing. Officers are still awaiting confirmation of LAHF round 3.

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 units are now occupied.
- 4.2 The s106 agreement for Godstone Quarry, which includes 75 affordable homes is being negotiated and is nearly complete. Officers are working on the s106 agreement for the site at Hillbury Rd, Warlingham which includes 45 affordable units. The s106 agreement for Plough rd, Smallfield with 48 affordable homes has been completed.
- 4.3 Raven Housing Trust are now in contract to deliver the 40 affordable homes on the CALA site at land west of Limpsfield road. First Handovers are expected in early 2027

5.0 **Homes England**

TDC has Investment Partner Status with Homes England

Approved grant funding to date:

- £1,020,000 (Uplands)
- £280,000 (Rochester Gardens)
- £150,000 (Foxacre)
- £195,000 (Windmill)
- £130,000 (Auckland)

Officers will be submitting grant bids for Wolfswood shortly.

