

Report of the Deputy Chief Executive

HOUSING DELIVERY PLAN – PROPOSED INCREASE IN HOUSING FEASIBILITY BUDGET FOR 2021/221. Purpose of report

To seek approval to allocate an additional £400,000 in the 2021/22 capital programme to the new build housing feasibility costs budget to accelerate the delivery of sites.

2. Background and detail

The Housing Delivery Plan was approved by Housing Committee on 5 June 2019 and initial capital budgets in support of this approved by the Finance and Resources Committee on 11 July 2019. Providing new build housing is a key component of the delivery plan to help ensure a minimum of 230 new rented homes are provided over the next ten years.

Three sites have been progressed to date at Willoughby Street, Beeston, Oakfield Road, Stapleford and Ilkeston Road, Bramcote. A further 30 homes are planned on six Housing Revenue Account (HRA) owned garage sites and neighbouring land (both HRA and privately owned) in the Borough between 2021/22 and 2022/23. In addition, the Council is working with a local house builder to build up to 34 new rented homes and 17 shared ownership units on an allocated housing site at Bramcote.

The current new build housing feasibility costs budget for 2021/22 is £200,000. A separate report on this agenda includes a request to increase this by £16,700 by carrying forward the unspent 2020/21 new build housing feasibility costs budget.

In order to progress the above schemes in 2021/22 (submission of planning applications and the progression of tenders and building contracts) it is proposed that a further £400,000 be allocated for new build housing feasibility costs in the 2021/22 capital programme. A list of the work required is provided in the appendix.

Due to a lack of internal resources and the specialist nature of these tasks, the Council has commissioned this work through an existing OJEU compliant Construction Framework. All appointments will be compliant with the Council's constitution.

3. Financial Implications

It is proposed that the additional £400,000 of anticipated costs, as set out in the report be financed, like the £200,000 budget previously allocated, from available HRA capital receipts. Should insufficient HRA capital receipts be available to finance this scheme in full, consideration will be given to utilising other sources of finance including direct revenue contributions and borrowing.

Recommendation

The Committee is asked to RESOLVE that a further £400,000 be included in the 2021/22 capital programme for the new build housing feasibility costs.

Background papers: Nil

APPENDIX

Table 1 - Feasibility consultancy work required to submit planning applications and progress tenders/building contracts on the Housing Delivery Plan approved sites,

1) Architects/Principle Designers
2) Planning consultants and fees
3) Employer's Agents/Project Managers
4) Quantity Surveyors/Cost Consultants
5) Legal work – due diligence/land purchase/building contracts
6) Legal Search fees
7) Utility Reports
8) Valuation work for land values, rents and shared ownership properties
9) Structural/Civil Engineering work
10) Environmental consultants: Ground condition/site investigation work
11) Costs associated with becoming an investment partner of Homes England,
12) Site Surveys <ul style="list-style-type: none"> • Asbestos surveys, • Tree surveys, • Ecology surveys, • Topographical surveys, • Utility CAT scans, • Archaeological/Heritage surveys, • Flood Risk Assessments, • Traffic surveys, • Building surveys, • Drainage surveys.