

Agenda Item No: 2.2

Replacement of Bretton Court for Allison Homes and Paston

To:

Housing and Communities Committee

- Meeting Date: 14 November 2022.
- Public report: This report contains appendices which are exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.
- Lead Member: Councillor Lewis Herbert, Lead Member for Housing & Chair of Housing Committee
- From: Roger Thompson Director of Housing & Development

Key decision: Yes

Forward Plan ref: 2022/069

- Recommendations: The Housing and Communities Committee is recommended to:
 - a) Note the previous Affordable Housing programme 2017-2021, whereby grant was awarded to Bretton Court, Peterborough, has failed to proceed due to the planning permission expiring. The CPCA has been informed that the project would not fully start with construction and completion in the given time noted in the GFA.
 - b) Approve the use of the balance of the funds of £1,477,500 (from £1,687,500 funding from Bretton Court) remaining plus additional clawback for the substitution of units at Allison Homes site and Keepmoat site Paston, to acquire 46 shared ownership

homes, covering HDC, PCC and FDC, with our partner organization of Heylo. The total grant request is £1,656,000.

Voting arrangements: A simple majority of all Members present and voting

1. Purpose

- 1.1 Medesham Homes requested a grant in November 2019 to redevelop Bretton Court, Peterborough. The scheme was awarded £1,687,500 and commenced in September 2020 after a COVID lockdown. The site has since remained empty pending further discussions to proceed, and many objections were raised from members of the public. The planning permission was for a permitted development that was for the start and completion of the site within a 3-year period which has now expired in July 2022. Medesham Homes have now informed CPCA that they are no longer proceeding with this site.
- 1.2 CPCA was approached by one of its partner organizations to provide 46 units at different sites with current housebuilders, Allison Homes (previously of Larkfleet) and Keepmoat, who are across the CPCA region. This would utilise the remaining grant and some additional clawback received within the affordable housing programme to provide a further 46 units to raise the final total of the Affordable housing Programme to 1457 units.

2. Background

- 2.1 After Medesham Homes advised CPCA they could no longer proceed with the project, CPCA went about contacting our partners for possible alternative opportunities. Heylo approached with many units already acquired with Allison Homes and Keepmoat sites – Paston to take up any remaining units for a shared ownership opportunity.
- 2.2 Heylo have provided further units, in HDC, FDC and PCC, as a shared ownership opportunity. They have been working with Allison Homes (previously called Larkfleet) and Keepmoat on the Paston site, for the last two years.
- 2.3 The units are of varying sizes to accommodate families who wish to join the property ladder, in the first instance, through shared ownership, with the opportunity to increase shares and buy outright in the long term.
- 2.4. The units are within the NDSS standards, and not lower the Homes England NDSS rates.

Description/ Type of unit	Number of Units	Size (sqm) range	NDSS Standard (sqm)	Meets NDSS	¹ % of NDSS
Roman Fields					
18 x 2b/3p	18	63-68	70	N	90-99%
12 x 3b/4p	12	71-79	84	Ν	85-94%

¹ Numbers are rounded up in some instances.

Whittlesey Green					
3 x 3b/4p	3	83-85	84	Y	99-101%
2 x 3b/5p	2	87-91	93	Ν	94-98%
Harriers Rest					
6 x 3b/4p	6	74-85	84	Y	88-101%
2 x 3b/5p	2	87-91	93	Ν	94-98%
Cromwell Fields,					
3 x 3b/5p	3	87	93	Ν	94%
Total	46				

- 2.5 These units will replace the 39 units lost from Bretton Court, Bretton Centre, Peterborough with shared ownership, or rented accommodation offers were had. It is imperative to achieve a replacement, so the monies would not be at risk of being lost to the programme.
- 2.6 Heylo have agreed an average grant rate of £36,158 for each unit, within the parameters of the grant rate achieved on Bretton Court. Heylo will sell 50% shares on these shared ownership units.
- 2.7 The Enabling Officer for Huntingdonshire District Council, supports the units coming forward in his area, for shared ownership.
- 2.8 The Enabling Officer for Peterborough City Council and Fenland District Council are supportive of these units coming forward. There are a large number of units in Peterborough on the Paston site already delivered and achieved. Fenland District Council are happy to receive the proposed affordable housing form of a shared ownership opportunity.

Significant Implications

3. Financial Implications

3.1 The current grant remaining is £1,477,500, after £210,000 was given to 24 Hight Street, Wisbech. It has been proposed in collaboration with Heylo, clawback has been achieved at a total of £133,462 (below is a table outlining where the monies come from). There is also an additional clawback from Keepmoat site at Paston which has recently completed and £46,011, has been maintained. The complete balance is £1,656,000 to help support this project.

£35,400	Bayard Plaza (1 unit)
£66,438	2 units from Whittlesey Green
£12,951	Clawback from sales at All Angels Park
£11,673	Clawback from Pemberton Park, & Judith Gardens
£7,000	Alconbury Weald clawback
Total = £133,462	Clawback from Heylo sites
£46,011	Clawback from CPCA AHP (already received)
£179,473	Total clawback gained

 \pounds 1,477,500 + \pounds 178,500 = \pounds 1,656,000

3.2 Additionality case for Combined Authority Funding

The following:

• To consider using the grant funding remaining on an additionality of 46 shared ownership units for Heylo Allison Homes and Keepmoat, Paston site scheme.

Proposed Condition of Grant Approval.

- It is proposed that the grant required of £1,656,000 will help secure 46 additional affordable shared ownership units, replace lost units of 3 from a previous Heylo portfolio, and the units from the failed from Bretton Court scheme.
- After execution of the grant funding agreement 50% of the initial grant will be released, with the remaining 50% will be paid on completion. Completion of these units is expected to be between Jan Nov 23.

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Previous Schemes SOS from 2017- 21	32	695	£26,094,770.00
Total of schemes approved 21-22	8	716	£29,280,450.00
Total		1,411	
Remaining units for 2017-2021 loss - 39 + 3 (Heylo's portfolio) = 42			
PROPOSED SCHEME FOR NOVEMBER 2022 COMMITTEE APPROVAL			
Given total for 17-21 grant committed			£26,094,770.00
PROPOSED SCHEME FOR NOVEMBER 2022 COMMITTEE APPROVAL - HEYLO ALLISON HOMES & KEEPMOAT - PASTON SITE	1	46	£1,656,000.00
CURRENT TOTAL			£27,572,270.00
plus clawback additionality in budget			£179,473.00
Complete total			£27,751,743.00

REMAINING GRANT LEFT use			£1,477,500.00
required clawback used			£178,500.00
TOTAL			£26,094,770.00
Total Affordable Housing Grants if approved by Board	41	1,457	£55,375,220.00
		Affordable Housing: AVERAGE GRANT RATE PER UNIT*	£38k
TOTAL IF NOVEMBER 2022 SCHEME IS APPROVED		1,457	26,094,770

4. Legal Implications

4.1 The termination of the GFA for Bretton Court is in progress. A new GFA will be required upon a positive Housing Committee's decision, for the new additional 46 units with Heylo – Allison Homes & Keepmoat Paston sites.

5. Public Health implications

5.1 These units are new build and will benefit the health and wellbeing of the people of Peterborough whereby new opportunities of home ownership is a positive outcome for public health. Newly designed properties will have all the necessary energy efficient and insulation within a new build and will be in line with building regulations.

6. Environmental and Climate Change Implications

6.1 It has been discussed that the properties will be to an energy efficient standard, which will be in relation to building regulations. The properties will be built to energy efficient standards to help minimise waste. Building houses that are easy to warm and minimise the risk of flooding. This, therefore, brings about a positive outcome for the environmental and climate change implications.

7. Other Significant Implications

7.1 No other significant implications.

8. Appendices

8.1 Appendix 1 – Application Form, and property schedule and business plan – commercially sensitive

9. Background Papers

Combined Authority Board reports 25 November 2020