



Homes England Quarterly Monitoring Progress Update – Q1 2019/20
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Private and Confidential: NO
(Appendix '1' refers)

1.0 Report Overview

- 1.1 This report provides an update on the progress made on the delivery of Homes England City Deal sites from 01.04.19 to 30.06.19. It focuses on the key delivery milestones, finances invested, outputs and draws out key risks and emerging issues.

2.0 Recommendation

- 2.1 The Stewardship Board and Executive are recommended to:

2.1.1 Note the content of the report and the progress made.

3.0 Homes England Site Highlights – Q1 2019/20 (01.04.19 to 30.06.19)

- 3.1 Between the period 01.04.19 and 30.06.19, good progress continues to be made on a number of Homes England sites. Key highlights for this quarter including forecast milestones for the next quarter can be found in the table below:

Site	Project	Status	Completion s / total units	Completions (Apr-June)	Finance (Apr-Jun)	Summary	Milestones for next quarter (Jul-Sept)
1	Cottam Hall Phase 1 (Site K)	Barratt completed on site	104/104 (100%)	N/A	N/A	This site has now completed build out.	N/A

Site	Project	Status	Completion s / total units	Completions (Apr-June)	Finance (Apr-Jun)	Summary	Milestones for next quarter (Jul-Sept)
	Cottam Hall Phase 2	Story Homes on site.	95/283 (34%)	7	N/A	Story Homes building out well, with 7 completions claimed within this reporting period.	Ongoing build out
	Cottam Hall Phase 3	Unconditional deal with Morris Homes in place	0/119 (0%)	N/A	N/A	There have been ongoing ecology issues related to newt trapping however there was a formal start on site made by Morris Homes in January 2019. No completions have yet been recorded on this site but are expected during Q2 2019/20.	Ongoing build out
	Cottam Hall Phase 4	Conditional deal with Rowland Homes in place	0/135	N/A	N/A	<p>Reserved Matters Application for 135 homes was submitted on 29th January 2019. Conditional contract with Rowland Homes was entered in to on 29th March 2019.</p> <p>Delays are currently being experienced with Natural England for the relevant licence(s) due to staff shortages. These are required before it can go Unconditional.</p>	<p>Reserved Matters Application was approved on 11th July 2019.</p> <p>Due to the Natural England delays it is Likely to go Unconditional during late 2019</p>
	Cottam Hall Phase 5 and 6	Legals are progressing in respect of the disposal for part of Phase 6 (known as Plot 14)	<p>Phase 6 (two parcels) – 0/176</p> <p>Phase 5 – 0/233</p>	N/A	N/A	<p>Market testing across the Cottam sites shows a variety of activity – both current and pipeline opportunities. On that basis a decision was made to bring forward Phase 6 ahead of Phase 5.</p> <p>Survey work was undertaken on Phase 6 with abnormals relating to drainage. A decision was made to be split phase 6 into two parcels and marketed.</p> <p>A preferred bidder has since been identified for the western part of Phase 6 with Legals</p>	Disposal of part of Phase 6 is expected to Complete by October 2019

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						currently being progressed. Strategy on the remaining 124 units is currently being considered. This is likely to be marketed on a similar basis.	
2	Cottam Brickworks	Recommended negotiations with land owner and LCC	0/206 (0%)	N/A	N/A	<p>Meetings and negotiations have continued to take place (meetings held in January and June 2019) with Homes England, LCC, PCC and BXB.</p> <p>BXB are currently finalising their planning application on this site with submission anticipated during September 2019.</p>	C&W appointed and further meetings to be held between Homes England, LCC and the landowner's representatives to consider/agree new access agreement
3	Land at Eastway (resi)	Story Homes on site.	82/300 (27%)	8	N/A	<p>Story Homes building out well with 8 completions this reporting period.</p> <p>All site works commenced in April with Phase 2 of the Highways works underway and works to the Link Road commencing in May 2019.</p>	Section 1 of the works at D'Urton Lane are expected to complete in October 2019 with the Link Road Completing in February 2020
	Land at Eastway (commercial)	Conditional contracts exchanged with HBS Healthcare Ltd – not yet on site.	N/A (commercial)	N/A	N/A	Contracts were exchanged with HBS Healthcare Ltd in May 2018 on a conditional basis. To which the first phases of the required highway works are currently underway (as per above comments).	Disposal to HBS Healthcare is likely to go Unconditional once the Stage 3 works have completed, a start on site is expected during Autumn 2019 to facilitate this
4	Whittingham	Taylor Wimpey on site (phase 1 only)	Phase 1 - 133/150 (89%)	5	N/A	<p>Good progress on Phase 1 with 5 completions in this reporting period.</p> <p>An Outline Planning Application for up to 750</p>	Monitoring of application through to determination including continued

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						homes was submitted during March 2019 with determination of this application expected during (September / October 2019).	negotiations around the s.106 and viability
5	Preston East EA	Site not yet marketed	N/A (commercial)	N/A	N/A	There is a range of interest in the site. Homes England's internal approval for the required investment into the site, and the proposed disposal strategy, is required, and following this, site investigations and de-risking works will commence.	Homes England's internal approval for the required investment into the de-risking works to commence
	Preston East – Sector D	Deal completed with Inchcape Estates – now on site	N/A	N/A	N/A	Inchcape Estates are site and construction is underway.	Ongoing build out
6	Pickerings Farm	Masterplan and outline application preparation	0/345 (0%)	N/A	N/A	Finalisation of Masterplan and technical studies for submission as part of the outline planning application preparation. Ongoing detailed discussions and dialogue with SRBC and the Steering Group throughout the process.	Finalisation of Masterplan with an Outline Planning Application to be submitted, for 1,350 homes in September 2019
7	Altcar Lane	Reserved Matters application approved	0/200 (0%)	N/A	N/A	Since entering in to an Unconditional Sale, Lovell has commenced development on-site during February 2019. They are ahead of programme with 38 starts recorded and first completions expected during Q2 2019/20.	Ongoing build out and first completions
8	Croston Road North	Preferred Bidder identified	0/400 (0%)	N/A	N/A	Formal ITT was issued during March 2019 and bids were returned on 19 th June.	Evaluation of Bids now complete with Homes England seeking internal approval (at the end of August) to identify

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							the Preferred Bidder. Conditional Contracts expected to be entered in to by the end of Q3 19/20.
9	Croston Road South	Miller on site.	Phase 1 - 77/96 (80%) Phase 2 – 36 / 79 (46%)	0 13	N/A	Miller on site and building out – 0 completions during this reporting period. 13 completions have been recorded on Phase 2 of this site during this period.	Ongoing build out
10	Brindle Road	Complete	46/46 (100%)	N/A	N/A	All units completed and all finances paid.	N/A
11	Walton Park Link	Morris on site	0/350 (0%)	N/A	N/A	Morris commenced early site clearance works on site in September. Remediation work and construction of link road means that the first housing completions are likely to be in Q2 2019/20.	Ongoing site works

4.0 Finance

- 4.1 Homes England is currently on track to pay the majority of £37.5m grant by 2023/24; this position has recently been reviewed as part of the BDP Refresh (2019-2022). So far in 2019/20, no grant or loan payments have been made to LCC. However Q2 will see Loan Payments made in relation to Eastway and Phase 4 Cottam Hall and part of Phase 6 Cottam Hall (known and Plot 14).

5.0 Risks

- 5.1 There are two large sites in Homes England's ownership (Pickering's Farm and Whittingham Hospital) where unforeseen challenges have presented themselves due to a complicated mix of land ownerships and detailed technical matters. Very good progress is being made on both. An outline planning application has been submitted for Whittingham (during March 2019) and an application on Pickering's Farm is due for submission during Autumn 2019. There has previously been reported a risk on Land at Eastway (Commercial) due to delays to the highway access works but these works are soon to commence to allow this site to be brought forward in due course.

6.0 Summary of Delivery

- 6.1 Overall, across the portfolio, good progress is being made on site delivery and there are a number of payments forecast for the 2019/20 Financial Year. During Q1 delivery successes included:
- Delivery is progressing well within a number of phases at Cottam Hall particularly Phase 2 delivering well during Q1;
 - In Q1 a preferred bidder was identified at Cottam Phase 6 (Plot 14) with Completion of the Freehold Disposal expected during Q2 2019/20;
 - Continued housing delivery at Eastway with progress being made in relation to delivery of infrastructure required to unlock further phases too;
 - Delivery at Altcar Lane is underway with 38 starts having been recorded ahead of schedule, completions are expected to be recorded during Q2 / Q3 2019/20; and
 - Consideration of the Whittingham Hospital application is ongoing, with viability being a key matter of discussion
 - Cottam Brickworks – Recommended discussions with landowner's representatives in regards to the site access agreement and the submission of the related planning application (for Phase 2) is imminent. Good progress is being made on Phase 1 with a start on site expected later this year.