



**Homes England Quarterly Monitoring Progress Update – Q2 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 Homes England City Deal sites from 01.07.19 to 30.09.19. 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 – Q2 2019/20 (01.07.19 to 30.09.19)**

3.1 Between the period 01.07.19 and 30.09.19, good progress has continued 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	Completions / total units	Completions (Jul-Sept )	Finance (Jul-Sept)	Summary	Milestones for next quarter (Oct-Dec)
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
	Cottam Hall Phase 2	Story Homes on site.	107/283 (38%)	12	N/A	Story Homes building out well, with 12 completions (3 Open Market, 9 Social Rent)	Ongoing build out

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						claimed within this reporting period.	
	<b>Cottam Hall Phase 3</b>	Unconditional deal with Morris Homes in place	0/119 (0%)	N/A	N/A	There have been ongoing issues with new trapping but 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 Q3 2019/20.	Ongoing build out and first completions expected
	<b>Cottam Hall Phase 4</b>	Conditional deal with Rowland Homes in place	0/135	N/A	N/A	Reserved Matters Application for 135 homes was approved on 11 <sup>th</sup> July 2019.  Delays are currently being experienced with Natural England for the relevant GCN licence due to staff shortages. This is required before it can go Unconditional.	On the basis of the Natural England delays it is likely to partially complete during October 2019 but full unconditional stage is due during December 2019, when Rowland Homes will make their first Contractual Payment to Homes England
	<b>Cottam Hall Phase 5 and 6</b>	Legals are progressing in respect of the Disposal of part of Phase 6 (known as Plot 14) with Plot 15 (second parcel of Phase 6) due to be marketed imminently	Phase 6 (two parcels) – 0/176  Phase 5 – 0/233	N/A	N/A	A Preferred Bidder has been identified for the western part of Phase 6 with completion of this parcel on an Unconditional Freehold Basis expected during October 2019.  The remainder of Phase 6 is due to be marketed through Homes England Development Partner Panel (DPP3) during Autumn 2019	Disposal of part of Phase 6 is expected to complete during October 2019

Site	Project	Status	Completions / total units	Completions (Jul-Sept )	Finance (Jul-Sept)	Summary	Milestones for next quarter (Oct-Dec)
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, June, July and September 2019) with Homes England, LCC, PCC and BXB to gather the relevant information to inform viability / valuation appraisals.</p> <p>BXB are currently finalising their planning application on this site with submission now anticipated during November / December 2019.</p>	Further information to be shared by BXB along with further meetings to be held between Homes England, LCC and the landowner's representatives to agree viability and valuation position and new access agreement
3	Land at Eastway (resi)	Story Homes on site.	97/300 (32%)	15	N/A	<p>Story Homes building out well with 15 completions during 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 - 150/150 (100%)	17	N/A	<p>Taylor Wimpey has since Completed on Phase 1 – 17 units during this quarter.</p> <p>An Outline Planning Application for up to 750 homes was submitted during March 2019 with</p>	Monitoring of application through to determination including continued negotiations around

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						determination of this application expected during November 2019.	the s.106 and viability
5	<b>Preston East EA</b>	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
	<b>Preston East – Sector D</b>	Deal completed with Inchcape Estates – now on site	N/A	N/A	N/A	Inchscape Estates are site and construction is underway.	Ongoing build out
6	<b>Pickerings Farm</b>	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 process. Ongoing detailed discussions and dialogue with SRBC	Outline Planning Application to be submitted during October 2019.
7	<b>Altcar Lane</b>	Reserved Matters application approved	0/200 (0%)	N/A	N/A	Lovell are ahead of programme with 38 starts recorded and first completions expected during Q3 2019/20.	Ongoing build out and first completions
8	<b>Croston Road North</b>	Preferred Bidder identified	0/400 (0%)	N/A	N/A	Formal ITT was issued during March 2019 and bids were returned on 19 <sup>th</sup> June. Home England approvals were obtained to proceed with a Preferred Bidder at the end of August 2019.	Conditional Contracts expected to be entered in to by the end of Q3 19/20.
9	<b>Croston Road South</b>	Miller on site.	Phase 1 - 77/96 (80%)  Phase 2 – 49 / 79 (62%)	0  13	N/A	Miller on site and building out – 0 completions during this reporting period on Phase 1.  13 completions have been recorded on Phase 2 of this site during this period.	Ongoing build out

Site	Project	Status	Completions / total units	Completions (Jul-Sept )	Finance (Jul-Sept)	Summary	Milestones for next quarter (Oct-Dec)
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 Q3 2019/20.	Ongoing site works and completions expected

#### 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 been reviewed as part of the BDP Refresh (2019-2022). So far in Q2 2019/20, no grant or loan payments have been made to LCC due technical matters (ecology and open space matters) that have caused slight delays in relation to unconditional stages of 2 deals (Cottam phase 6 (part) and Cottam phase 4). However these matters are to be finalised within Q3 which will see loan payments made in relation to Phase 4 Cottam Hall, part of Phase 6 Cottam Hall (known as Plot 14) and Eastway which is already in contract.

#### 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 however progress is being made on both. An outline planning application has been submitted for Whittingham (March 2019) and an application on Pickering's Farm is to be submitted during October 2019.

## **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 next quarters of 2019/20. During Q2 delivery successes included:

- Delivery progressing well for Phase 2 Cottam Hall, with Story Home completing 12 new homes in this reporting period;
- Completion of an Unconditional Freehold Disposal at Cottam Hall Phase 6 (Plot 14) is expected during Q3 2019/20 however the contract for this deal have been progressed and agreed predominantly during Q2 2019/20;
- Completion of Phase 1 (150 units) at Whittingham Hospital by Taylor Wimpey, which is a great success for this complex site. With the key objective now being to achieve planning permission for the remaining site in Autumn 2019 to continue the sites delivery;
- Continued housing delivery at Eastway with progress being made in relation to the delivery of infrastructure required to unlock further phases;
- Delivery at Altcar Lane is underway with a number of starts having been recorded ahead of schedule, completions are expected to be recorded during Q3 2019/20;
- 13 Completions recorded at Croston Road South (Phase 2) with over 50% of the site now complete; and
- The Pickerings Farm planning application preparation has now completed. The application is to be submitted in October 2019.