



Homes
England



CITY DEAL
Preston, South Ribble & Lancashire

Making homes happen

CITY DEAL EXECUTIVE & STEWARDSHIP BOARD 7th February 2023

Homes England Quarterly Monitoring Progress Update Report

Quarter 2 and Quarter 3 of 2022 / 23

OFFICIAL

1. Report Overview

- 1.1. This report provides an update on the progress that has been made in relation to Homes England sites that form part of the Preston, South Ribble and Lancashire City Deal. The update relates to activity that has taken place during the second and third quarters of the 2022 / 23 financial year, between 1st July and 31st December 2022.
- 1.2. The report focuses on key delivery milestones, finances invested, and outputs generated, and provides a breakdown of the key risks and any emerging issues relevant across the portfolio of Homes England City Deal sites.

2. Recommendation

- 2.1. Homes England recommends that the City Deal Executive and Stewardship Board:

Note the content of this report and the progress made by Homes England during the second and third quarters of the 2022 / 23 financial year.

3. Homes England Site Highlights

- 3.1. A summary of delivery across Homes England’s City Deal sites throughout the second and third quarters of 2022 / 23 is set out in the table below:

Phase / Plot	Status	Completions/ Total Units	Completions (July – Dec)	Finance (July – Dec)	Summary
1. Cottam Hall					
Phase 1	Build out completed by Barratt Homes	104 / 104 (100%)	n/a	n/a	Build-out of site complete
Phase 2	Story Homes on-site	212 / 294 (72%)	28	n/a	Build out of the site ongoing. 28 completions achieved Q2 & Q3 of 2022 / 23. Total number of units has increase from 284 to 294 following amendments to the scheme.
Phase 3	Morris Homes on-site	79 / 119 (66%)	6	n/a	Build out of the site ongoing. 6 completions achieved Q2 & Q3 of 2022 / 23.
Phase 4	Rowland Homes on-site	62 / 141 (44%)	13	n/a	Build out of the site ongoing. 13 completions achieved Q2 & Q3 of 2022 / 23.

Phase 5	Barratt David Wilson Homes reserved matters application approved October 2021	0 / 215 (0%)	n/a	n/a	Barratt David Wilson Homes selected as preferred developer partner in March 2021. Reserved matters application approved October 2021. Start on site anticipated 2022 / 23.
Phase 6 (Plot 14)	Build out of site completed Q4 2021 / 22	68 / 68 (100%)	n/a	n/a	Site build-out completed Q4 of 2021 / 22.
Phase 6 (Plot 15)	Start on site commenced Q1 2022 / 23	42 / 124 (34%)	41	n/a	Build out of the site ongoing. 41 completions achieved Q2 & Q3 of 2022 / 23.
Local Centre	Build out completed October 2021	n/a	n/a	n/a	Build out of site completed Q3 2021 / 22.
2. Cottam Brickworks					
Access agreement	Commercial discussions ongoing	0 / 260 (0%)	n/a	n/a	Commercial discussions ongoing
3. Land at Eastway					
Residential Plot	Story Homes on-site completing build out	182 / 329 (55%)	13	n/a	Build out of site on-going. 13 completions achieved Q2 & Q3 of 2022 / 23.
Commercial Plot	Build-out of commercial plot ongoing.	n/a	n/a	n/a	Build-out of commercial plot ongoing.

4. Whittingham Hospital						
Phase 1	Taylor Wimpey has completed Phase 1	150 / 150 (100%)	n/a	n/a		Taylor Wimpey has completed build out of Phase 1.
Phase 2	Preferred bidder Barratt David Wilson	5 / 248 (2%)	5	n/a		Build out of site on-going. 5 completions achieved Q2 & Q3 of 2022 / 23.
Phase 3 (A,B and C)	De-risking of asset ongoing prior to disposal (forecast in 3 phases)	0 / 238 (0%)	n/a	n/a		De-risking of asset ongoing prior to disposal (forecast in 3 phases). Phase A at conditional stage with reserved matters application approved October 2021. Phase B marketed Q3 2021 / 22.
Phase 4	De-risking of asset ongoing prior to disposal	0 / 273 (0%)	n/a	n/a		Agreement for Lease entered in March 2022 with Barratt David Wilson. Currently in conditional contract period. Completion of the building lease anticipated Q2 2023 / 24.
5. Preston East						
Expansion Area	Finalising HoT with preferred bidder.	c.62,500 sq m employment floorspace	n/a	n/a		Homes England finalising heads of terms with preferred bidder.
Sector D	Build-out of site complete.	n/a	n/a	n/a		Build-out of site complete.
6. Pickerings Farm						
n/a	Outline planning application resubmitted	0 / 275 (0%) Relates to Homes England land only	n/a	n/a		Revised outline planning application submitted Q2 2021 / 22. Application(s) and masterplan rejected at committee November 2021. Planning Appeal held in August 2022 awaiting decision from SoS following call-in.

7. Altcar Lane					
n/a	Continued build-out of site by Lovell	160 / 200 (70%)	19	n/a	Build out of site ongoing. 19 completions achieved Q2 & Q3 of 2022 / 23.
8. Croston Road North					
Phase 1	Build out of site ongoing	70 / 308 (23%)	19	n/a	Build out of site ongoing with 19 completions achieved Q2 & Q3 of 2022 / 23.
Phase 2	De-risking of asset ongoing prior to disposal	0 / 212 (0%)	n/a	n/a	De-risking of asset ongoing prior to disposal
9. Croston Road South					
Phase 1	Miller Homes has completed Phase 1	96 / 96 (100%)	n/a	n/a	Miller Homes has completed build out of Phase 1.
Phase 2	Miller Homes on-site	79 / 79 (100%)	n/a	n/a	Build out of site completed Q4 2020 / 21.
10. Brindle Road					
n/a	Complete	46 / 46 (100%)	n/a	n/a	All units completed and all finances paid.
11. Walton Park Link					
n/a	Morris Homes on site	110 / 293 (38%)	4	n/a	Build out of site ongoing. 4 completions achieved Q2 & Q3 of 2022 / 23.

4. Finance

- 4.1. Homes England is forecasting to secure the majority of sale receipts related to the £37.5 million grant by 2023 / 24, however following a review of this position under the Homes England Business Disposal Plan (BDP) Refresh (2020 / 21 – 2023 / 24) some grant payments may be generated beyond this date depending on the timing of the disposal of land across Homes England's City Deal sites.
- 4.2. Whilst no loan payments were made during quarter two and three of the 2022/23 financial year, one grant payment totalling £444,053 was made in October 2022 in relation to Land at Eastway, Preston.

5. Affordable Housing Provision

- 5.1. The table below provides a break-down of the on-site affordable homes provision achieved across Homes England’s City Deal sites.
- 5.2. All sites are delivering policy compliant levels of affordable housing, either through on-site provision or off-site contributions, except for Whittingham where viability issues have led to a lower level of s106 affordable being provided.

City Deal Site		Total Units Across Site with Planning Consent		Total Units anticipated to be delivered across Homes England Land Only	Of which: Open Market Sales	Of which: Affordable / Social Rent / Shared Ownership	Of which: Percentage Affordable (on-site)	Off-site contribution made for affordable housing? (Y/N)	Completions to date across Homes England Land Only	Of which: Affordable / Social Rent / Shared Ownership
		Granted	Awaited							
1	Cottam Hall	Up to 1,100	-	1,054	692	348	30%	N	567	206
2	Cottam Brickworks*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3	Land at Eastway	329	-	329	280	49	15%	Y	182	15
4	Whittingham Hospital****	909	-	909	751	158	17%	Y	155	20
5	Preston East EA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6	Pickering’s Farm **	-	275	275	TBC				0	0
7	Altcar Lane	200	-	200	140	60	30%	N	160	56
8	Croston Road North #	400	-	399	340	59	15%	Y	70	24
9	Croston Road South***	254	-	175	149	26	15%	Y	175	26
10	Brindle Road	46	-	46	46	n/a	n/a	Y	46	0
11	Walton Park Link*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total		3,238	275	3,387	2,398	700	n/a	n/a	1,355	347

* The landowner / developers at Cottam Brickworks and Walton Park Link are responsible for obtaining planning consent for the development proposed, not Homes England.

** The 275 units at Pickering’s Farm relate to the original Homes England land forming part of the original City Deal agreement.

*** The 254 units shown as granted comprise: Phase 1 (175 units) completed by Miller Homes, and Phase 2 (79 units) currently under construction.

**** Due to viability a lower affordable housing percentage was agreed at the Whittingham site. The 15% on-site provision of affordable housing shown at Whittingham is an average taken across the site’s four development phases. Subject to local requirements, there is potential for an additional off-site contribution to be made towards affordable housing through the re-provision of an education contribution agreed for Phase 4.

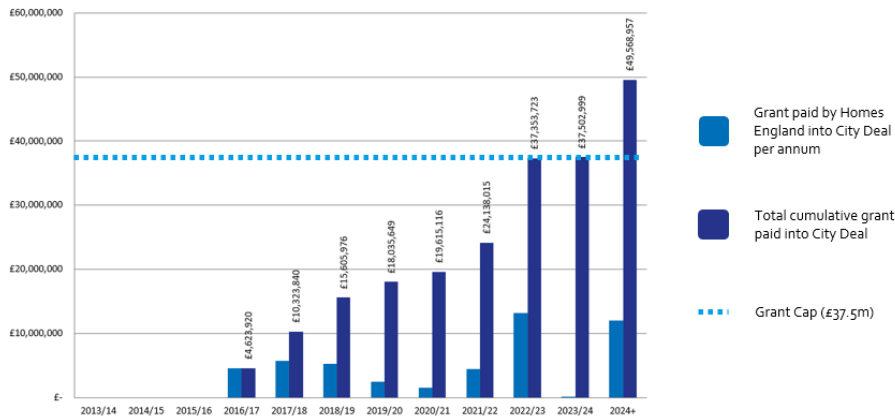
The 400 units shown at Croston Road North relate to homes anticipated to be delivered across Homes England Land only.

6. Summary of Delivery

- 6.1. Several milestones and completions have been achieved during quarter two and three of the 2022 / 23 financial year including:
 - 6.1.1. A further 88 new homes completed across phases of ongoing build out at Cottam Hall;
 - 6.1.2. 19 new homes completed at Altcar Lane;
 - 6.1.3. 19 new homes completed at Croston Road North;
 - 6.1.4. 5 new homes completed at Whittingham Hospital following the start on site made in Q1;
 - 6.1.5. 4 new homes completed at Walton Park Link; and
 - 6.1.6. 13 new homes completed on land at Eastway, with a grant payment of £444,053 paid to LCC in relation to overage secured at the site.
- 6.2. Across the total new completions on Homes England's City Deal site this quarter, 41 of these have been of affordable tenures.

APPENDIX I - DASHBOARD

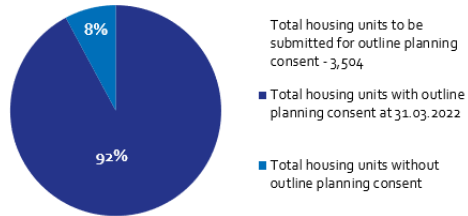
BDP Forecast Summary of Grant Payments



BDP Forecast 2022 / 23

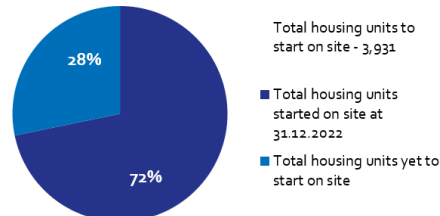
	Q1	Q2	Q3	Q4	In Year Total
Grant	£0.08m	£0.44m	£0	£0	£0.52m
Loan	£0	£0	£0	£0	£0
In year Housing Completions **	88	129	0	0	217

Planning Consents



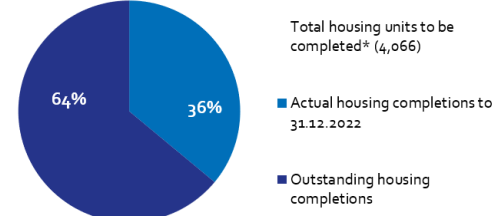
Of the Homes England residential City Deal sites, only Pickering's Farm is yet to achieve planning consent.

Starts on Site



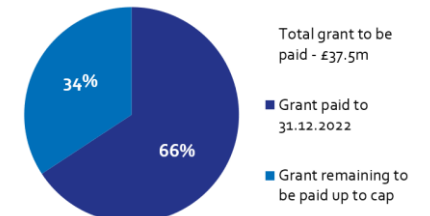
Housing starts have been claimed for 2,821 units on Homes England City Deal sites to date, out of a total 3,931 units.*

Housing Completions



There have been 1,465 housing completions to date across the 11 Homes England's City Deal sites.*

Grant Payments



To date, £24,662,237 has been paid to LCC as grant, with around £12.3 million remaining to be paid before the grant cap of £37.5million is reached.

*Figures include Walton Park Link and Cottam Brickworks sites.

** Homes England land only



Homes
England

#MakingHomesHappen

OFFICIAL