

**Name of meeting: Chief Finance Officer Delegated Decision**

**Date: 12 May 2020**

**Title of report: Authority for the Council to enter into a grant funding agreement with Homes England for the residential development of the land off Soothill Lane Batley**

**Purpose of report: The report seeks authority for the Council to enter into a Grant Agreement with Homes England in respect of the Accelerated Construction Programme**

<b>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	<b>Yes</b>
<b>Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u></b>	<b>Key Decision - Yes</b>
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	<b>Yes</b>
<b>Date signed off by Chief Finance Officer</b>	Eamonn Croston – 30 April 2020
<b>Is it also signed off by the Strategic Director Economy and Infrastructure</b>	Karl Battersby – 30 April 2020
<b>Is it also signed off by the Service Director for Legal Governance and Commissioning</b>	Julie Muscroft – 30 April 2020
<b>Cabinet member <a href="#">portfolio</a></b>	

**Electoral wards affected: Batley East**

**Ward councillors consulted:** Consulted prior to and during planning pre applications

**Public or private:** The following report is Public

**Has GDPR been considered?** Yes - GDPR not applicable

## 1. Summary and Information Required to Make a Decision

- 1.1 The ambition is for 10,000 new homes in Kirklees by 2023 of which 1,000 will be on land currently owned by the Council. The Housing Growth activity includes the development of 41 Council owned sites through a variety of projects and programmes. The land off Soothill Lane Batley is part of this programme.
- 1.2 The Council has been allocated funding from Homes England's Accelerated Construction Programme to support the development of the Soothill site. The funding has been awarded on the basis of:
  - A minimum of 300 homes being constructed to the hybrid Modern Methods of Construction standards at a pace of 5.4 dwellings per month
  - The 300 dwellings being completed by 31/3/2025
  - Grant funded Site preparation works being completed by the 31/03/21
- 1.3 The Housing Growth and Regeneration service are undertaking a tender exercise through Homes England DPP3 framework in order to secure a developer to deliver the project. This procurement is well advanced and the evaluation process is underway.
- 1.4 In order to secure the allocated funding it is essential for the Council to now enter into a grant funding agreement with Homes England. If this does not happen the funding will be allocated elsewhere and be no longer available for the project.
- 1.5 The Council entering into the grant agreement per se will not incur any liabilities to Homes England. Draw down of funds will not take place without further authority from the Chief Finance Officer and Strategic Director. This will follow the conclusion of the procurement that is currently underway.
- 1.6 Entering into the grant funding agreement will provide an opportunity to re-negotiate the terms of the grant at a later date.

## 2. Implications for the Council

### • Working with People

The Housing Growth work covers a wide range of activity and the Council is working with partners to deliver market and affordable housing which meets local needs. There is significant benefit to Kirklees citizens in providing access to housing across a range of tenures as part of a programme of quality housing developments. The site is sizeable and will make a significant contribution to the district's housing need of 1730 units per year, delivering homes across market and affordable tenures.

### • Working with Partners

To deliver the significant number of new homes needed the Council is working with a number of partners in both the private and public sector such as Registered Providers, Homes England, West Yorkshire Combined Authority, private sector developers and investors.

### • Place Based Working

The needs of Kirklees residents and communities varies widely and by using intelligence and information we are focussing our resources in the best way possible to achieve the best outcome for residents. In preparing planning applications and tender documentation for this site, the Council has taken account of the housing needs in the area. It will deliver a mixture of homes in terms of house size and tenure, based on the needs data.

- **Climate Change and Air Quality**

Taking account of the Climate Emergency resolution we are exploring all opportunities to encourage energy efficient building methods, supporting the delivery of low carbon housing. We will continue to look at improvements to environmental standards and a future report will be brought to Cabinet outlining this in more detail. It was a tender requirement for bidders to minimise the impact of their proposals on the environment, and environmental standards are also dealt with through the planning permission e.g. homes are required to have electric vehicle charging points.

- **Improving outcomes for children**

The Housing Growth programme has been developed in conjunction with a wide cross section of the council including Children's Services. There is a clear focus on ensuring the housing environments we create give children the best start in life. Work is also underway to identify opportunities to meet the needs identified in the Children's Sufficiency Strategy which identifies the preferred model for Children's homes in the future will be provided for in small group homes of a domestic nature integrated into wider developments.

- **Other (eg Legal/Financial or Human Resources)**

The Housing Growth Board was established in September 2018 following approval of the Housing Delivery Plan by Cabinet on 29<sup>th</sup> August 2018. The remit of the Board is to provide robust governance to the Housing Growth Programme and support the Strategic Director in respect of the delegated authority. All proposed land transactions included in the Housing Growth activity set out in the Cabinet report are considered and recommended for approval (site by site) by the Board through stages. The Board includes senior Council Officers from Finance and Accountancy, Legal Services and Procurement and Commissioning.

### **3. Consultees and their opinions**

The Housing Growth Board have been consulted on the approach and are fully supportive of the proposal to now enter into the grant agreement with Homes England in respect of the Soothill project. Update reports on this and all other projects in the programme will continue to be presented to Housing Growth Board.

### **4. Next steps and timelines**

- Work is underway to enable the Council to enter into a grant agreement with Homes England in the next two weeks.
- Work is continuing to conclude the procurement process
- Further updates on the procurement will be presented to Housing Growth Board
- Draw down of funds from the Homes England grant will not take place without further authority from the Chief Finance Officer and Strategic Director

### **5. Officer recommendations and reasons**

It is recommended that the Council enter into a grant funding agreement with Homes England for the residential development of the land off Soothill Lane Batley. If this does not happen the funding will be no longer available.

### **6. Cabinet Portfolio Holder's recommendations**

The proposal supports the Council's strategic ambition for Housing Growth. Maximising funding opportunities and working with partners to drive delivery and encourage Modern Methods of Construction is an important part of the overall programme.

**7. Contact officer**

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**8. Background Papers and History of Decisions**

- Cabinet 29<sup>th</sup> August 2018
- Cabinet 20<sup>th</sup> January 2020
- Housing Growth Board 22<sup>nd</sup> April 2020

**9. Service Director responsible**

Naz Parkar  
Service Director for Housing and Growth  
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