

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



Key Housing Drivers

- Undertake a mixed portfolio of development to address unmet housing need in the Council's administrative area.
 - To facilitate the re-use and disposal of the Council's surplus land.
 - To correct market failure in the delivery of housing and employment land.
 - Intervention on stalled sites, enabling works, etc.
 - To generate income for the Council by trading at a profit in land, buildings and services.

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Targeted Activities

- **ELDC assets – Tetney, Spilsby, coastal sites** – a mix of allocated housing & potential surplus land. Good housing potential on some sites.
- **Stalled sites** – with extant planning consents – often low viability for regional private developers. IEL could develop if accepting of lower margins. Opportunities exist – lower margins open to the impacts of economic change. e.g. low affordability of mortgages, loan rates, etc.
- **Land Acquisitions** – development sites purchased solely by IEL or as part of larger developments - opportunities exist on smaller sites but IEL in competition with larger developer's bids and sales on larger sites.

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Council Assets

- Evaluation of assets with housing potential.
 - Site capacities and financial viability
 - Initial planning consultation.
 - Strategic value (in the context of ELDC Asset Transformation programme)

Constraints identified

- Flood risk
- Financial viability
- Low sustainability – location, access to services, transportation.
- Loss of facilities – parking, etc.

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Other land:

- Opportunities explored on sites at Ingoldmells, Sutton on Sea and Chapel St Leonards.
- Chapel site evolved as more viable development and taken forward with Bowbridge

Start made on site during 2021.

- Other opportunities explored include Lindum Group on sites in Alford and Tattershall, sites in Horncastle and other locations. Land prices and building cost increases however has impacted on financial viability.

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Current Development Activity

Draycott Way – Chapel St Leonards

- Previously stalled site.
- Started by Hugh Bourne/Keir in mid 2000's.
- Existing planning approval activated with a start on site.



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Current Development Activity

Draycott Way – Chapel St Leonards

- 28-unit development Draycott way, Chapel St Leonards
- Final completion - January

Sales

Status	Value
Sales completions (14)	£2.735m
Sales STC (10)	£1.742m
Unsold stock (4)	£0.735m
Total Sales Value (forecast)	£5.212m

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Completed Homes

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Draycott Way – Chapel St Leonards

Challenges:

- Impact of Covid, Brexit, Energy costs on resources – availability of trades, materials shortages, increased build costs and contractors cashflow.
- Economic change – mortgage availability, cost of living, impact on sales.
- Market competition – greater flexibility of larger volume housebuilders to incentivise sales.
- Aftercare service – resource demanding, IEL resource availability limited.

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Draycott Way – Chapel St Leonards

Successful outcomes:

- Delivery of first ELDC built homes since before the transfer of the ELDC housing stock in 1999
- Delivery of a stalled development previously part developed by Kier.
- Sales of 24 of 28 new homes expected by the end of 2023/24 year end.
- Generation of an expected 16% profit despite price increases and delays.

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Potential Pipeline:

Humberstone Road, Tetney

- ELDC land with housing allocation in Local Plan - Potential for c35-40 homes (includes 10 affordable rent/SO)
- ELDC application for outline planning submitted – Sale to Invest East Lindsey to be considered.
- Options on delivery also to be considered given current housing market conditions.



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Potential Pipeline:

Other work currently in progress

- Review and re-appraisal of previous work completed.
- Identification of surplus assets.
- Options on delivery:
 - Acquisition and development.
 - Acquisition partial development and plot sales.
 - Sale for full development by third parties.
 - Enabling of sites for sale for third party development.
- Working with consultants and contractors to assist in costs and designs for feasibility work.