

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



APPENDIX A

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.

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.



INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



Completed Homes

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



Completed Homes

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.

INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME

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.



INVEST EAST LINDSEY LTD HOUSING DEVELOPMENT PROGRAMME



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.