

Part I Briefing Report
Land Release Funding for
Land at Kings Tamerton



Background

The site has been allocated for housing for many years. It was marketed under Plan for Homes in 2013 but there was no interest from the market due to the topography and the high cost of infrastructure required to get onto the site which is in a low value area.

In January 2017 we received a proposal from Land Developments (SW) Ltd who were prepared to cover the upfront cost of the access infrastructure in return for being given part of the site for market housing. They submitted a planning application in November 2019 but had to withdraw the application due to lack of funds to complete legal work and went into Receivership in January 2021.

PCC had already been in talks with PEC Homes about a community led scheme on part of the site and following the withdrawal of Land Developments, PEC Homes agreed to take the lead on re-planning the site and submitting an outline application for the whole site.

Land Release Fund

The Housing Delivery Team were successful in a bid for Land Release Funding for this site. £600,000 was awarded by MHCLG to cover the cost of works to make the site viable for release for the delivery of housing. To meet the conditions of funding the site must be 'released' by 31 March 2023. We intend to transfer the freehold of the site to PEC Homes by this date to meet one of the definitions of 'release'.

Recommendations

Approve the Business Case

Allocate £600,000 for the project into the Capital Programme funded by LRF

In the event that the Council decides that it will procure the works itself:

- Authorise the procurement process
- Delegate the award of the contract to the Service Director for Strategic Planning and Infrastructure

Reasons for Recommendation

That the works be added to the Capital Programme to enable the spend of the grant and that a grant agreement be entered into with PEC Homes in order that the necessary works can be included in the procurement of a contractor for the wider housing development.

If the works are not added to the Capital Programme the funding will need to be returned. Entering into a grant agreement with PEC Homes will result in the works and associated project management being carried out for a lower cost than if the works were to be procured separately by the council.

If the Council decides not to enter into the grant agreement with PEC Homes then it may itself procure the works.

Alternative Options

1. Return the funding to MHCLG
2. Procure the works separately – this would result in higher capital and revenue costs as it would not benefit from the economies of scale involved in being tendered as part of a larger development and would require significant Officer time and a Project Manager. This could mean insufficient works are able to be carried out to make the housing development viable.