

<b>Project Title</b>	<b>BHF South Huddersfield</b>
<b>Main Funding Programme</b>	Brownfield Housing Fund
<b>Funding Applied for from the Combined Authority now</b>	£869,000
<b>Indicative total scheme costs</b>	Indicative costs at this stage are £15,000,000 (to be determined at full business case)

### **Scheme description**

The South Huddersfield scheme will build 79 affordable homes built to high environmental and space standards for a range of residents, including those requiring supported living. The number of homes developed will be made up of 26 two to three bedroom houses and 53 one to two bedroom flats.

The scheme will be developed by a Registered Housing Provider, experienced in the development of affordable housing in West Yorkshire.

### **Business Case Summary**

#### **Strategic Case**

This scheme presents the opportunity to redevelop a brownfield site south of Huddersfield Town Centre, and to provide 79 affordable homes. This is part of the wider Brownfield Housing Fund programme, supporting the delivery of the Mayoral Pledge to “Build 5000 sustainable homes including affordable homes”.

The scheme addresses the shortfall of homes and affordable homes as identified in Kirklees Strategic Housing Market Assessment (SHMA). The scheme mix proposes to address the housing needs of the local demographic, providing a balance of supported housing for people with special needs (learning, physical and mental) and housing for the elderly.

The SHMA for Kirklees demonstrates that 10% of all households are in housing need. For younger households a disproportionate higher number are identified as being in need of housing due to the high cost of housing. In addition, the number of people across Kirklees aged 65 or over is projected to increase by nearly 40% between 2014 and 2031. It has been identified through a commissioned review by the Council that by 2030 there will be a shortfall of extra care homes. Kirklees Specialist Accommodation Strategy 2021-2030 also identifies a significant shortfall in supported accommodation across a range of client groups.

The proposed mix of housing will provide a range of supported housing, including clients with learning and physical disabilities, and elderly residents.

By contributing to improved, quality housing, reduced inequalities, and support for the development of local economy, the scheme supports the priorities within the SEF, specifically by: Boosting Productivity; Enabling Inclusive Growth; Tackling the Climate Emergency.

#### **Economic Case**

A long list of seven options has been identified by the promoters. A preferred option was largely influenced by the outline planning consent. Five options were taken forward to the

short list of options. This included the option given previous outline consent, the option of a commercial development scheme, a lower density option, and a 'do nothing' option, alongside the 'preferred option' to develop the 79 affordable housing units.

Appraisal of the economic benefits of the scheme has been conducted using Government guidance. The preferred option demonstrates an acceptable value for money outcome with an adjusted Benefit Cost Ratio of 1.28.

### Commercial Case

The scheme responds to market demand through the Kirklees Housing Strategy 2018-23 which states that 1,730 new homes are needed every year between 2013 and 2031, with an annual net imbalance of 1,049 affordable homes over the next five years. There is a commitment by the Council to enable and facilitate the delivery of 10,000 new homes by 2023.

The number of people across Kirklees aged 65 or over is projected to increase by nearly 40% between 2014 and 2031, demonstrating a need for increased supported housing for the elderly.

The Kirklees Housing Strategy (2021-23) identified a need for more specialist and supported housing for older and other vulnerable groups of people.

The Registered Housing Provider will be utilising their own procurement strategy and applying the Public Contracts Regulations. For sub-threshold contracts a suitable number of quotations will be sought, and for above threshold contracts PCRs will be abided by.

Construction services will be procured via a Design and Build Contract and risk of cost increases will sit with the contractor.

### Financial Case

The contribution being sought from the Brownfield Housing Fund is £869,000. Indicative total scheme costs at this stage are £15,000,000 (to be determined at full business case).

### Management Case

This scheme will be delivered by a Registered Housing Provider with a track record in the delivery of affordable homes in West Yorkshire. Delivery is based on the application of professional project management principles and is regularly monitored via compliance audit by Homes England.

The owner of all risks is the developer and they will seek to transfer risks as appropriate via the use of a Design and Build contract.