

Public Report with Exempt Appendices
Cabinet

Committee Name and Date of Committee Meeting

Cabinet – 19 January 2026

Report Title

Council Homes Housing Delivery Programme Report January 2026

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Executive Director Approving Submission of the Report

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Ward(s) Affected

Borough-wide

Report Summary

This report provides the regular six-monthly update to Cabinet, setting out the latest developments and plans for the Council's Housing Delivery Programme. This report also seeks Cabinet approval to ensure the continued delivery of this programme which, in mid-December, reached the major milestone of 750 new Council homes since 2018 (having reached 742 at the data point of 30th November used throughout the report). This significant achievement has been reached through a mixed programme of delivery across four workstreams, an approach that is vital to managing risk, securing delivery certainty and achieving a balanced and affordable programme.

Contained within the report are proposed changes to the programme, which are designed to manage overall costs and secure the delivery of 1,000 new Council homes by Summer 2027. Also contained is information on risks to delivery and timescales, and the mitigations in place to manage these risks.

It is proposed that Housing Delivery Programme update reports continue to be presented to Cabinet on a six-monthly basis.

Recommendations

That Cabinet:

1. Notes the continued progress made in delivering the Council's Housing Delivery Programme, including the delivery of 55 new homes in the period covered by this report, and the ongoing work to deliver 1,000 new Council homes by Summer 2027.
2. Approves the delivery and purchase of homes from any of the schemes identified in Exempt Appendices 1 and 2b, subject to affordability and alignment with current and future programme objectives and the Council's capital approval processes.
3. Approves the programme changes outlined in this report to facilitate the delivery of 1,000 new homes 'on time' (by Summer 2027) and 'on budget' (within the financial resources allocated to the Programme from the Housing Revenue Account). This includes the removal and addition of specific schemes as outlined in Table 3, paragraph 2.4.
4. Approves the appropriation of 18 St Edmunds Avenue (see Appendix 4) into the Housing Revenue Account (subject to Secretary of State approval if required), and work to convert the property into four 1-bedroom flats for use as Council homes via the Market Acquisitions workstream (see paragraphs 2.11 and 2.12).
5. Approves the appropriation of land at Canklow (see plan attached at Appendix 5) into the Housing Revenue Account to enable the delivery of two Council homes as part of the housing delivery programme (see paragraph 2.7).
6. Agrees the intention to undertake initial feasibility work and technical due diligence on up to 18 Council-owned sites (Appendix 6) to assess their development potential for the future delivery of new social and affordable homes, and to inform any subsequent decision to develop or dispose of the land (see paragraph 2.16).
7. Agrees to delegate authority to the Service Director of Housing, in consultation with the Cabinet Member for Housing, to make any necessary substitutions or changes to the agreed site list (Recommendation 6) to ensure that the programme of feasibility work and technical due diligence remains deliverable and aligned with strategic priorities.
8. Agrees to delegate authority to the Service Director of Housing, in consultation with the Cabinet Member for Housing, to appoint appropriate consultants to carry out this work following the Council's procurement process.
9. Agrees to delegate authority to the Service Director of Housing, in consultation with the Section 151 Officer and Service Director of Legal Services, to enter into a Grant Funding Agreement with the Homes and

Communities Agency (trading as 'Homes England') in relation to the Social and Affordable Homes Programme 2026 – 2036 (see paragraph 2.37).

10. Agrees to continue to receive an update on the Housing Development Programme every six months.

List of Appendices Included

- Appendix 1 Exempt Housing Delivery Programme
- Appendix 2a Homes for Private Sale
- Appendix 2b Exempt Pipeline Opportunities
- Appendix 3 Photographic Summary of Delivery and Tenant Feedback
- Appendix 4 18 St Edmunds Avenue
- Appendix 5 Plan of Land at Canklow
- Appendix 6 CHSF Proposed Site List
- Appendix 7 Initial Equalities Screening (Part A)
- Appendix 8 Equality Analysis (Part B)
- Appendix 9 Climate Impact Assessment

Background Papers

- [Rotherham Housing Strategy 2022-25](#)
- [Cabinet Report - Housing Delivery Programme 2024/25 update](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Improving Places Select Committee (via annual updates on the Housing Strategy)

Council Approval Required

No

Exempt from the Press and Public

Yes – Exempt Appendix 1 Housing delivery Programme and Exempt Appendix 2b (Pipeline Opportunities)

An exemption for Appendices 1 and 2b under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is sought, as this part of the report contains commercially sensitive information.

When purchasing homes, either as Section 106 acquisitions, Market Acquisitions or via the Small Sites Homebuilding Initiative (see paragraphs 2.8 to 2.12 for further information), the Council may be in competition with others. Exempt Appendices 1 and 2a include information which may be subject to a commercial negotiation. Publishing this information would therefore put the Council at a competitive disadvantage. It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information.

Council Homes Housing Delivery Programme Report January 2026

1. Background

- 1.1 In 2018, the Council embarked on a Housing Delivery Programme. Since this time, the Council has established a strong track-record of delivery and achieved success in using its own land and resources to build and acquire new Council homes. It has delivered 742 new Council homes to the end of November 2025, including 606 homes for Council Rent (82%) and 138 homes for Shared Ownership (18%). In addition, 125 homes have been delivered for Market Sale that do not contribute towards the 1,000 new homes target, see Appendix 2a.
- 1.2 The programme remains on track to deliver 1,000 new Council homes by Summer 2027. There are risks to any programme of this scale and complexity, and information on the extent and potential impact of these risks is included in paragraphs 2.17 to 2.35 of this report. Also included is information on how these risks are being monitored and the mitigations in place to manage them.
- 1.3 Delivery to date has been achieved through a mixed programme of activity, with delivery across four workstreams:
 - New build homes on council-owned sites.
 - Delivery by Small and Medium-Sized Enterprises (SME) developers through the Council's innovative Small Sites Homebuilding Initiative.
 - Section 106 acquisitions from developers as part of their planning obligations.
 - The acquisition of homes from the open market ('market acquisitions').
- 1.4 Specifically, in the period from 1st June 2025 to 30th November 2025, the programme has delivered a total of 55 new homes. This has been achieved through 10 new build homes on Council owned sites, 27 Section 106 Acquisitions and 18 Market Acquisitions.
- 1.5 In the same period work has continued to bring forward future schemes in the Council's new-build programme. Construction has started on 45 new Council homes across three sites in Maltby, planning permission was granted for 4 homes on one site in Wath and a planning application was submitted for 20 homes at Tenter Street, Thornhill.
- 1.6 Two SME schemes started on site in this period, with a total of 15 new homes under construction at the former Albert Club site in West Melton and Clement Street in Kimberworth. A further scheme of 6 units is newly included in the programme at invitation to submit proposal stage. The developer will submit a full proposal to the Council which will be evaluated in line with the requirements of the delivery programme and a strategic needs assessment.
- 1.7 An updated photographic summary of delivery from 1st June 2025 to 30th November 2025, along with a selection of quotes from tenants, is provided at Appendix 3.

1.8 The Housing Development Programme has been nationally recognised this year with two schemes being nominated for a total of four awards:

- Infirmary Road Parkgate:
 - MJ Award for Innovation in Housing.
- East Herringthorpe:
 - MJ award in Innovation in Delivering Sustainability and Social Value.
 - Unlock Net Zero award for New Build Development of the Year (North and Scotland).
 - Northern Housing Award for the Best Affordable Housing Development (up to £5m).

1.9 The East Herringthorpe scheme won the Northern Housing Award for the Best Affordable Housing Development (up to £5m), with judges saying that “The development had a great impact for such a modest investment. The range of house sizes and types was impressive with a clear sustainable element to make this scheme stand out from the rest of the projects entered for this award”.

1.10 In line with the Council’s Social Value policy, the programme includes social value as a contractual commitment which is delivered as an integral part of the procured contracts which form part of the programme. Social value delivery from these contracts includes:

- £353k of equivalent social value delivered across Council build projects at East Herringthorpe, West Melton and Swinton (each project exceeded the contractual commitments).
- £37k of equivalent social value commitments delivered to date on 3 Council build schemes at design stage. Further social value commitments will be delivered as part of the subsequent construction phase contracts.
- £1.3m of equivalent social value delivered to date on the joint Adult Social Care/Housing development at Canklow.
- £1.46m of equivalent social value committed on the construction contract to deliver Council build homes at Maltby.

1.11 The need for the continued delivery programme is evidenced by the more than 7,000 households on the Council’s housing register. The Council’s ability to meet this demand continues to be eroded by the Right to Buy, which has seen 1,245 council homes sold between the beginning of January 2018 and the end of November 2025. Changes to Government policy resulted in a spike of applications in November 2024 which may contribute to larger numbers of properties lost to Right to Buy by the end of 2025/26. While expected further changes to Right to Buy legislation are likely to see a reduction in sold properties in the longer term, it is anticipated that the loss of Council housing stock to Right to Buy will continue.

2. Key Issues

Programme Changes and Project Delivery

2.1 On 7 July 2025, Cabinet approved programme changes outlined in the previous Housing Delivery Programme Report to facilitate the delivery of 1,000 new homes 'on time' (by Summer 2027) and 'on budget' (within the financial resources allocated to the Programme from the Housing Revenue Account). This programme position is summarised in Table 1 below.

Table 1: Approved Programme Position – July 2025

Workstream	Completed	In Build	In contract	Pipeline	Total
Council Build	411	27	104	17	559
SME	7	0	0	26	33
S106	193	69	0	28	290
Market Acquisition	76	0	16	31	123
Total	687	96	120	102	1005

2.2 It was estimated that the programme of 1005 homes could be delivered within the financial resources allocated to the programme, whilst retaining a programme-level contingency of circa £5m. This contingency provided flexibility to cover any cost increases and mitigate risk areas.

2.3 The July Housing Delivery Programme Report noted that some movement between the final number of properties delivered per workstream was likely. This is a normal function of a programme of this type and the report indicated that any changes would be reported in future updates to Cabinet. Accordingly, there are a small number of proposed changes to the programme previously approved in July 2025. The proposed programme is summarised in Table 2 with further detail provided in Appendix 1.

Table 2: Proposed Programme Position – Recommendation 3

Workstream	Completed	In Build	In contract	Pipeline	Total
Council Build	421	62	79	7	569
SME	7	15	0	6	28
S106	220	55	0	15	290
Market Acquisition	94	0	12	17	123
Total	742	132	91	45	1010

2.4 The specific proposed programme changes are outlined in Table 3 with further detail provided in exempt Appendices 1 and 2b.

Table 3: Proposed Programme Changes – Recommendation 3

	Project	Workstream	Units	Comments
Added	Tenter Street	Build	20	Brought forward from the future programme – forecast to deliver in mid-2027
	Canklow	Build	2	Transferred from General Fund
	St James Close	SME	6	New opportunity
	Subtotal		28	

Removed	Grayson Road	Build	-12	Moved to future programme – delivery by mid-2027 not confirmed
	Hamilton Road	SME	-11	SME scheme no longer progressing
	Subtotal		-23	
	Total		5	

2.5 Set out in paragraphs 2.6 to 2.12 is an overview of the number of homes delivered to the end of November and the proposed future delivery for each workstream of the programme to achieve 1,010 new Council homes by mid-2027.

2.6 **Council new build homes:** This type of delivery, whilst the most expensive and often with viability challenges, provides the greatest degree of control over what and where housing is delivered. Delivered on Council-owned sites, it secures genuine additionality and contributes towards Local Plan housing delivery targets. To the end of November, 421 homes have been delivered through this delivery route, and it is expected to contribute a further 148 new build homes by mid-2027. This includes five new homes forecast for delivery through the conversion of the Hurley Croft Neighbourhood Centre which was approved by Cabinet on 7 July 2025.

2.7 Also included are two homes to be moved into the HRA from the General Fund. Adult Social Care support individuals needing specialist care, with the highest demand amongst older adults primarily requiring low-cost, locally delivered support. However, working-age adults with complex needs often require high-cost, out-of-borough provision due to limited specialist capacity. Transferring two homes will help meet this need by providing suitable accommodation for individuals in this cohort already on the Housing Register. The homes are larger than average and will be let as specialist accommodation to meet a specific need, reducing reliance on expensive external provision, and strengthening local specialist capacity.

2.8 **SME homes on privately owned sites through the Council's Small Sites Homebuilding Initiative:** This initiative offers the opportunity to deliver high quality, affordable housing by unlocking development opportunities for SME developers on sites they have secured within the Rotherham borough. This workstream has delivered 7 new-build homes to the end of November and the Council are in contract for a further 15 homes programmed to complete in June 2026. A further scheme has been added to the programme which is expected to deliver 6 homes by mid-2027.

2.9 **Section 106 Acquisitions:** This workstream delivers the best value for money new build homes, with homes purchased at a discount as part of developers' planning obligations. Overall, the Council expects to deliver 290 homes through this workstream, with 275 of these homes either already delivered or in contract at the end of November 2025.

2.10 **Market Acquisitions:** A total of 94 delivered homes since late 2023. A further pipeline of 29 homes, 12 of which are already in the legal process with 17 to identify from the open market. This workstream has been critical

in enabling the acquisition of homes for general needs. It has also enabled the Council to quickly increase the supply of homes available for use as Temporary Accommodation (temporary housing for households who are homeless or at risk of homelessness). Local Authority Housing Fund investment was secured in March 2024, contributing to the acquisition of 20 homes which can be used to reduce homelessness pressures (directly or indirectly). Overall, this workstream is expected to deliver a total of circa 123 homes towards the programme of 1,010 homes (including the 20 Local Authority Housing Funded properties).

2.11 The market acquisitions workstream also provides the opportunity to include 18 St Edmunds Avenue in the programme. This Council owned property controlled by the Children and Young People's Service has been declared surplus to the current operational requirements of that service. The property has been subject to feasibility work undertaken by the Council's Building Design Team, which has determined that it is suitable for residential accommodation.

2.12 18 St Edmunds Avenue is located in the Thurcroft and Wickersley South Ward where there is high demand for 1-bedroom accommodation, coupled with an under supply within the Council housing stock. In line with recommendation 4, it is proposed that the property should be appropriated (transferred) to the Housing Service (subject to Secretary of State approval if required) and converted for use as General Needs (housing for households without additional support or care needs) Council homes. The works required to convert the property into four 1-bedroom flats with individual entrances and no internal communal space, will be funded from the Market Acquisitions budget.

Programme Milestones

2.13 The delivery profile to achieve 1,010 new homes includes the following forecast milestones:

- A total of 1,010 new homes 'locked in' (in contract, have started on site or are already delivered) by 31st December 2026.
- A total of 1010 new homes delivered by 31st August 2027.

Delivering a Balanced Programme

2.14 The HRA Business Plan 2026/27 (approved by Cabinet on 15th December 2025 to proceed to Council for final approval on 14 January 2026) includes provision for £214m investment to deliver the existing pipeline of projects and to ensure the continuation of the Housing Delivery Programme until 2037/38. The provision is based on existing cost assumptions when the HRA Business Plan was finalised.

2.15 The proposed programme outlined in this report recognises that the HRA Business Plan effectively sets the maximum level of investment which can be committed to the Council's Housing Delivery Programme, and balances this against the need to provide 1,000 new homes in the current programme period.

2.16 Whilst the current Programme is focused on the delivery of 1,000 new Council homes, work on building a future pipeline of sites and schemes is ongoing and information will be included in the next 6-monthly Housing Delivery Programme Cabinet Report. The Council has successfully secured £240k from the Government's Council Housebuilding Support Fund (CHSF) to support this work, with £80k of match funding from the HRA. The funding will be used to undertake initial feasibility work and technical due diligence on up to 18 Council-owned sites (Appendix 6) to confirm the development potential for the future delivery of new social and affordable homes (Recommendation 6). This work will develop at pace in accordance with the funding requirement to spend/contractually commit funds by 31 March 2026. Evaluation of procurement options is underway.

Programme Risks

2.17 The proposed programme retains sufficient flexibility to consider options within the budget allocations for both the current and future programme (from mid-2027). The retained contingency in the current programme has reduced to circa £4.4m, primarily resulting from the addition of 25 Market Acquisitions (see paragraph 2.30). In other areas, anticipated costs have reduced as cost certainty improves due to factors including construction cost estimates on Council build schemes reducing through the design stage. The contingency provides cover for any cost increases and mitigation for risk areas in the delivery of the 1000 new homes target.

2.18 There are two categories of risks to the programme covered in detail in this section, in addition to the risks outlined in section 13 of this report. The first is the risk of not delivering 1000 new homes, through individual schemes delivering fewer units than forecast or not delivering at all. The second is the risk of delivery of the 1000 new homes slipping beyond the summer of 2027 target. Now that the programme is in the latter stages, certainty around the delivery of the required number of projects has increased. As a result, the greater of the two risk categories is delivery slipping beyond the summer of 2027 target.

Risks to delivery of 1000 new homes:

2.19 **Council build scheme without full planning permission:** Within the programme there is one Council build project (20 units) where Planning permission has yet to be granted. This results in a risk to the delivery of the scheme and a risk to the number of units the scheme may deliver. The risk to delivery of the scheme is considered very low because the site is allocated for residential development in the local plan. The risk of delivering fewer units is also considered low because of the mitigation outlined in paragraph 2.34.

2.20 **Council build schemes not yet in contract for construction:** The programme includes three Council build projects (79 units, including the 20 referred to in paragraph 2.19) where the Council is in contract for the design phase but not yet for the construction phase (see Appendix 1). A two-stage design and build process is in place and usual practice is to enter into a construction contract once the design stage is completed.

There is therefore a high level of confidence around this process, and the risk is considered very low.

2.21 **Council build conversion scheme not yet in contract and without planning permission:** This Council build project (5 units) has the lowest confidence level due to it being at the earliest stage of development. The risk of it not delivering 5 units is considered medium, but the impact on the programme would be low because of the relatively small number of units. The greater risk remains that it delivers the units outside of the programme delivery target.

2.22 **SME scheme not yet in contract and without planning permission:** The Council is not yet in contract for the additional SME scheme referred to in paragraphs 1.6 and 2.8 (6 units), and the SME developer does not yet have planning permission for this development. This risk of this scheme failing to deliver is considered medium, but the overall impact on the programme remains low as it applies to only 6 units.

2.23 **Section 106 scheme not yet in contract:** There is one Section 106 scheme (15 units) included in the proposed programme where the Council is not yet in contract. The Council has agreed not to enter into contract until an outstanding planning condition is met which is currently pending. Not meeting the condition is considered a low risk with the greater risk to the programme being the timeframe for delivery.

2.24 These risks apply to a total of 105 properties but spread across six different projects. Because of the level of each risk, the likelihood of materialisation on multiple schemes is minimal and the cumulative impact on delivery of the 1000 new homes is not considered significant. The likelihood of these risks resulting in 1000 new homes not being delivered is very low and mitigation to losing some units from the programme is provided by the measures outlined in paragraphs 2.30 to 2.34.

2.25 **An additional risk to the delivery of 1000 new homes is of cost escalation, particularly in terms of value for money:** Cost escalation is managed through the programme contingency (see paragraph 2.32). However, in some cases the financial viability of the project may present a more significant risk than the overall project cost. Assurance against this risk is provided by an overall balanced programme approach, which enables financially challenging schemes with strong economic and/or strategic justification to proceed as part of the wider programme.

Risks to delivery of 1000 new homes by the summer of 2027:

2.26 **Council build schemes programmed to deliver in 2027:** The programme includes four Council build projects (84 units) which are scheduled for completion in 2027. An element of contingency is built into these programmes to allow for unexpected delays which could slip the completion dates. However, there is still a risk that unforeseen delays beyond the allowed for contingency occur due to third party dependencies, such as the connection of utilities. This has recently been an issue on the Canklow project and similar challenges on other schemes would result in a

risk to delivery of the 1000 new homes by the summer of 2027. This represents a medium risk, affecting 84 units across four schemes.

2.27 **SME scheme programmed to deliver in 2027:** One SME project (6 units) is programmed to deliver in February of 2027. The same risk that applies to Council build schemes scheduled to deliver in 2027, applies to this project. If the contractor's programme slips beyond the summer of 2027, this poses a risk to meeting the new homes target on time.

2.28 **Section 106 schemes programmed to deliver in 2027:** Included in the programme are three Section 106 projects (20 units) which are forecast to deliver units in 2027. These forecasts are determined by the delivery profile of the developer building these units, with the risk that these profiles can change, and homes are delivered later outside of the control of the Council. Conversely, the profiles can change in the opposite direction with units being delivered sooner than expected. The risk of delay is considered low in this instance but delivery which is later than forecast could affect the 1000 new homes target being met on time.

2.29 The programme remains on track to deliver 1,000 new homes by the summer of 2027. Risks identified in this report are actively monitored, with specific mitigations detailed in paragraphs 2.30 to 2.34. Additional controls are embedded through programme-level and project-level risk registers, and all emerging risks will be reported to the Executive Director and Service Director through the monthly Housing Delivery Programme Board. The greater risk is to timing rather than overall delivery, where achieving 1000 new homes may extend beyond the summer of 2027 rather than not being met at all. Both timing and delivery risks are being managed, with mitigation measures in place to minimise likelihood and impact.

Programme-Level Mitigations:

2.30 **Additional market acquisitions budget allocation:** It is recognised that delivering a current programme of 1010 new homes does not provide significant scope for flexibility should some units not deliver as expected. Affordability has therefore been established through the 2026/27 Housing Revenue Account business planning process for an additional 25 market acquisitions. This is the most flexible area of the programme with the shortest lead-in time for new homes. Pending formal approval of the business plan, this provision will mitigate against both the loss of units from elsewhere in the programme, and the potential for the delivery date of some schemes to slip beyond the target date. Should these risks not materialise, the mitigation will result in the 1000 new homes target being met earlier than currently forecast.

2.31 It is recognised that the majority of market acquisitions properties are not new housing stock. However, of the current programme of 123 market acquisitions, a minimum of 18 will be newly built homes. The total programme percentage of new build homes is circa 90%. Including an additional 25 market acquisitions (assuming they were all existing housing stock) would reduce that percentage by just 2.5% to circa 87%.

2.32 **Contingency of circa £4.4m:** The Housing Revenue Account (HRA) Business Plan 2026/27 sets the maximum level of investment which can be committed to the Council's Housing Delivery Programme. Current estimates are that 1010 new homes can be delivered while retaining a contingency of circa £4.4m. This allows for the following mitigations:

- Cover any cost increases on existing schemes – mitigation against programme overspend.
- Consider any new SME opportunities made available to the Council where delivery is possible before the summer of 2027 target – mitigation for expected units not being delivered or slipping beyond the target date.
- Consider any Section 106 opportunities that are made available to the Council and deliver units before the summer of 2027 target – mitigation for expected units not being delivered or slipping beyond the target date.
- Facilitate the delivery of additional market acquisition units – mitigation for expected units not being delivered or slipping beyond the target date.

2.33 **Progress Grayson Road scheme in parallel with Tenter Street:** As shown in Table 3 at paragraph 2.4, the Council build scheme at Tenter Street (20 units) has been brought into the current programme while the scheme at Grayson Road (12 units) has been deferred to the future programme. These schemes will continue to be developed in parallel, with the potential to deliver them both in the current programme period if required. This mitigates against the loss of units elsewhere in the programme and against delays on other schemes, subject to both schemes remaining on track.

2.34 **Planning application for Council build scheme:** Informal pre-application discussions have been held with the Planning Department regarding the scheme at Tenter Street, in which no concerns were raised in respect of the scheme density. There is therefore a degree of certainty that the scheme will deliver the 20 units expected, which means that the potential to lose units from the programme is very low risk.

2.35 These mitigations manage both main categories of risks to the programme; not delivering 1000 units or delivering these units outside of the summer of 2027 target date, as well as the risk of cost escalation on current and future schemes. Having the means to bring in additional units to the programme facilitates the flexibility required to continue to manage any programme changes and act accordingly to support delivery of 1000 new homes on time and on budget.

External Funding

2.36 To complete the current Housing Delivery Programme, it is estimated that a minimum of circa £22m of non-HRA funding from a range of sources (some of which are already held by the Council) is required to invest alongside the Council's own HRA resources. The main source of this external grant funding is from the Government, with funding currently available via the Affordable Homes Programme (AHP).

2.37 In July 2025 a 10-year £39 billion Social and Affordable Homes Programme (SAHP) was announced. This provides a long-term, 10-year programme prioritising social rented homes. Once released, the Council will be required to enter into the SAHP grant funding agreement with the Homes and Communities Agency (trading as 'Homes England'). This report seeks approval for delegated authority for the Service Director of Housing, in consultation with the Section 151 Officer and Service Director of Legal Services, to enter into the grant funding agreement (Recommendation 9). The recommendation is only for the grant funding agreement; funding bids for individual projects will be subject to the Council's grant authorisation and capital approval processes.

2.38 Of the £39 billion SAHP funding, £27.3 billion is available to cover capital costs for developing affordable housing outside London. The main goals are to deliver social and affordable homes, with at least 60% for Social Rent, and support the government's target of 1.5 million homes this parliament. SAHP also prioritises council housebuilding, specialist and supported housing, and community-led or rural housing, requiring partners to demonstrate how their proposals align with these objectives.

2.39 The South Yorkshire Mayoral Combined Authority (SYMCA) can set the strategic direction of the SAHP in its area. This direction is included in the SAHP funding guidance, incorporating overall ambitions for the delivery of new and affordable homes. When seeking SAHP funding, Rotherham will need to demonstrate alignment with both SYMCA and national priorities. Homes England retains final funding decisions but will collaborate with SYMCA through a Strategic Place Partnership to support regional goals, while also requiring partners to address local housing needs at the authority level.

2.40 The total amount of AHP funding secured by the Council since January 2024 is circa £9.6m. When including additional external funding sources, the total secured is circa £11.8m (including £432k Brownfield Housing Fund (BHF), £432k One Public Estate and £1.366m Local Authority Housing Fund).

2.41 An additional bid for £1.9m has been submitted to the BHF and further bids totalling circa £10.5m will be made to the remaining AHP funding and future SAHP funding, subject to the approval of Recommendation 9 of this report (and the Council's grant authorisation and capital approval processes). If successful, this funding will support the delivery of the remaining Council build and SME schemes in the programme.

3. Options considered and recommended proposal

- 3.1 Option 1: Maintain the existing programme without the changes outlined in Section 2 of this report and summarised in Table 3.
- 3.2 Some movement between the final number of properties delivered per workstream is a normal function of a programme of this scale and complexity. Housing delivery is reliant on a range of factors and the changes proposed in this report are in response to changing circumstances on individual projects. The sequencing of two Council build schemes has been changed between the current and future programme. Two new opportunities have been added to the programme and one scheme which is no longer viable has been removed. All proposed changes support delivery of 1000 new homes by the summer of 2027.
- 3.3 Not approving these changes would result in a significant risk to delivery of 1000 new homes in the current programme. This option is not therefore recommended.
- 3.4 Option 2: To support achievement of the delivery target of 1000 new homes within the budget provision set out in the HRA Business Plan 2025/26, approve proposed programme changes in line with recommendation 3 to take forward the revised programme of an anticipated 1010 new homes by the Summer of 2027 (including to appropriate 18 St Edmunds Avenue as part of this programme as per recommendation 4 and to appropriate land at Canklow to enable the delivery of two new Council homes as part of this programme as per recommendation 5)
- 3.5 To manage risk and maximise delivery of the programme within the desired timescales, there is a need to monitor and manage changing factors that occur over time and retain a degree of delivery flexibility. As the deliverability of such a programme clarifies over time, it is necessary to determine which schemes are required to contribute to the 1000 new homes target. The proposed programme position has retained the degree of flexibility needed and responds with the changes required to support the delivery of 1000 new homes by the summer of 2027.
- 3.6 This option is recommended.

4. Consultation on proposal

- 4.1 Ward Members will be engaged directly through the neighbourhood working model regarding any changes to the Housing Delivery Programme which affects schemes in their respective wards.
- 4.2 As individual new build schemes are progressed through the design process, Ward Members will continue to be consulted through the neighbourhood working model at an early stage, and ahead of planning permission being sought.
- 4.3 Ongoing engagement is undertaken with developers, Registered Providers of Social Housing, and external funders through a range of communication

channels, including the Council's Strategic Housing Forum and a Housing Growth and Affordable Housing Roundtable event held by the Council in March 2025.

4.4 A new homes survey was launched in October as a pilot and will be rolled out to all residents of properties delivered via the Housing Delivery Programme from January 2026. The RMBC Strategic Housing and Development Service will use all stakeholder feedback to shape the future programme and help ensure continuous improvement in the delivery of new Council homes.

5. Timetable and Accountability for Implementing this Decision

5.1 The Service Director of Housing will have responsibility for implementing the programme. The Service Director of Legal Services will have responsibility for negotiating, approving, and completing of all applicable legal documentation necessary to deliver the scheme, including contracts.

5.2 In-line with previous programme reports, this latest report presents a rolling, continuous programme of delivery. Further reports will be presented to Cabinet on a six-monthly cycle through to Summer 2027 to keep Cabinet appraised of progress, refresh existing approvals and to seek new approvals as required.

6. Financial and Procurement Advice and Implications

6.1 The HRA Business Plan (BP) model tests the programme for affordability and budgets are in place to support the existing and future programme. The HRA BP and the budgets assume a level of grant income received from Homes England and the use of Right to Buy receipts. The revised programme will be included in the latest version of the HRA BP model.

6.2 The development of sites identified in Exempt Appendix 1 and the programme of acquisition opportunities listed in Exempt Appendix 2b will be subject to individual business cases and assessed for affordability. The changes outlined in this report balance the available budget against the need to provide 1,000 new homes in the current programme period.

6.3 External grant funding will be sought on a scheme-by-scheme basis and will be subject to the usual governance processes prior to applications being made. See paragraph 2.40 for information on grant funding secured for completed or in progress schemes since January 2024.

6.4 There will be a financial impact on the programme if funding is not secured at levels included within the HRA Business Plan. Recent grant approvals have exceeded Business Plan assumptions, assisting the programme to mitigate increased costs.

6.5 The appropriation of 18 St Edmunds Avenue will result in a change to the Capital Financing Requirement (CFR) to reflect the appropriation. The property is valued at £195k so the General Fund CFR will decrease by this amount and the HRA CFR will increase by the same amount. This will

result in the HRA paying additional annual interest of £7.8k which is charged at 4% of the increase of £195k to the CFR.

- 6.6 The appropriation of land at Canklow (see plan attached at Appendix 5) will also result in a change to the Capital Financing Requirement (CFR). The land is valued at £27k so there will be a corresponding reduction to the General Fund CFR and increase to the HRA CFR. The result will be an additional £1.08k in interest paid by the HRA.
- 6.7 Housing Services continue to engage with the Council's Procurement Team to ensure procurement activity is being undertaken in compliance with the relevant procurement legislation (Public Contracts Regulations 2015 / Procurement Act 2023, whichever is applicable dependent on the route to market), and the Council's own Financial and Procurement Procedure Rules.

7. Legal Advice and Implications

- 7.1 The recommendations contained in this report are consistent with the Council's constitution and previous Cabinet reports on this subject matter. The regular updates allow for timely and flexible decisions to be made in respect of potential housing delivery and the changes to the delegations proposed allow flexibility which has been shown to be desirable in the operation of this programme thus far.

8. Human Resources Advice and Implications

- 8.1 There are no Human Resources implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 The development programme will deliver two, three, and four, bedroom homes which will allow families with children to access high quality, affordable homes, thus contributing to improving children's health, wellbeing, and opportunity.
- 9.2 The programme is further delivering bungalows and more specialised 'disabled person units' (DPU) which will allow older and disabled people to live in safe, suitable accommodation that meets their needs and allows them to live independently for longer.

10. Equalities and Human Rights Advice and Implications

- 10.1 Through its wider development programme, the Council is adding to the local supply of high quality, affordable homes to meet a range of needs. The Council holds a wide range of data which is used to determine the different needs and influence the types of homes being acquired. For example, of Rotherham's circa 271k residents, around 26% are aged 60 years or over and nearly 10% are aged 75 years or over and the proposed acquisitions include bungalows that are suitable for older people, as well as people with disabilities.

- 10.2 The Council's development programme is critical to supporting families who are on the Housing Register, into high quality and affordable accommodation. Any new homes offered for rent by the Council are managed through the Council's Allocations Policy to ensure a fair and transparent approach to helping people in the greatest housing need to gain access to suitable and appropriate accommodation.
- 10.3 Surveys will be carried out with the occupants of new homes, and equality and diversity results analysed and compared with other relevant data sets such as the Housing Register. This will allow the Council to understand whether any protected characteristic groups are over or under-represented in new build homes and take appropriate action if required.
- 10.4 Both an Initial Equality Screening (Part A) and an Equality Impact Assessment (Part B) have been completed and are attached as Appendices 7 and 8.

11. Implications for CO2 Emissions and Climate Change

- 11.1 Climate change poses a significant threat to environments, individuals, communities, and economies on local, national, and international scales. Recognising this, the Council has targets for its own carbon emissions and emissions throughout the Borough of Rotherham to be net zero by 2030 and 2040, respectively. Council homes are outside the scope of the 2030 target for the Council's own emissions, but the Council's target to improve the energy performance of its housing stock to at least EPC band C by 2030 will support carbon savings at the Borough level.
- 11.2 Through its housing delivery programme, the Council can directly influence carbon emissions from domestic energy use, which in 2023 comprised more than a fifth of emissions in Rotherham, by ensuring that all new-build homes are high in quality and energy efficiency.
- 11.3 Changes to Part L of the building regulations ensure a minimum level of energy efficiency, which mitigates the carbon impact of Section 106 acquisitions from private developers. The Part L uplift came into force in June 2022, and requires a 31% cut in CO2 emissions from domestic energy use compared to 2013 standards. Opportunities to secure further carbon savings than the minimum requirements of Part L will be explored on a case-by-case basis.
- 11.4 Energy performance of all existing properties acquired as Market Acquisitions will be improved to EPC band C in the course of any refurbishment works required for them to meet the Council's lettable standard.
- 11.5 A climate impact assessment has been completed and is available at Appendix 9.

12. Implications for Partners

12.1 The Council has an existing partnership with Equans and Mears through the housing repairs and maintenance contracts and the existing contract terms allow for some housing development. As such, the delivery programme may also provide an opportunity for the partners to work with the Council on housing development schemes where this would not be at a detriment to the core repair and maintenance functions.

12.2 Housing associations continue to play an important role in delivering affordable housing in Rotherham. The Council has a successful track record of working with housing associations to bring land forward for development and maintains strong relationships with many of the largest and most reputable organisations through the Rotherham Strategic Housing Forum.

13. Risks and Mitigation

13.1 The key risks are summarised in the table below. A detailed risk assessment will be provided alongside the business case for individual schemes as they are brought forward.

13.2	Risk	Mitigation
	Continuing or increasing high levels of construction inflation resulting in challenging financial conditions.	Risks recorded and monitored for all individual schemes, advance ordering, and storage of materials where appropriate / possible. All costs remain projections as actual costs will be highly dependent on the nature of the sites, the construction method, specifications, and property types. Options to reduce costs may need to be explored and this could include switching tenure or rent type, delivering more smaller properties and amending specifications
	Site suitability - even at a late stage in the process, sites can be found to be unsuitable (for example due to severe contamination or high flood risk) or need to be restricted in terms of the type and numbers of new housing which can ultimately be achieved.	A mixed approach has been taken with regards to scheme procurement. Ground investigations were carried out at an early stage, combined with early engagement with developer partners to ensure optimal delivery within the programme timeframe. Submitted grant funding bids will also help the Council to mitigate against the cost of ground remediation.
	Delays to housing development schemes resulting from utilities connections and other statutory undertakings	Early engagement with relevant organisations and internal services, and robust project management processes in place with realistic contingencies for costs and delays

Internal staff capacity – Housing, Legal, Procurement, Asset Management etc	Ongoing dialogue between services regarding forward planning and resource requirements, and HRA contributions to staffing costs in key supporting services.	
Community opposition	Formal resident consultation takes place as part of the Planning process. Early engagement with Ward Members and the Neighbourhoods team to identify local knowledge and intelligence about the area, which is utilised to help inform site specific communication plans including any pre-planning resident engagement activity.	
Funding availability / eligibility	Continual dialogue with external funding bodies. Investment of time in robust business case preparation to ensure overall costs remain within approved HRA Business Plan affordability modelling and Capital Programme approvals. Regular meetings with Finance colleagues to monitor programme.	
Ensuring Value for Money and delivery within the overall HRA Business Plan cost assumptions	Current assumptions around financial viability are that the programme provides a balanced position overall. More challenging workstreams such as Council build are offset by others such as Section 106 acquisition. Continued successful grant funding bids are essential in supporting the delivery of the programme overall.	

14. Accountable Officers

Ian Spicer, Executive Director of Adults, Housing and Public Health

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	John Edwards	19/12/2025
Executive Director of Corporate Services (S.151 Officer)	Judith Badger	16/12/2025
Service Director of Legal Services (Monitoring Officer)	Phil Horsfield	16/12/2025

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