



Report to: Portfolio Holder for Housing
 Decision Date: 16 December 2025
 Portfolio Holder: Councillor Lee Braizer
 Director Lead: Suzanne Shead, Housing Health & Wellbeing
 Lead Officer: Cara Clarkson, Business Manager - Healthy Places

Report Summary	
Type of Report	Open report - non-key decision.
Report Title	Purchase of eight S106 properties at Station Road Collingham
Purpose of Report	To request approval to increase offer for eight S106 Affordable Housing Units at Collingham, Newark by £50,000.
Recommendations	That the increase of £50,000 is approved to allow the delivery of high quality affordable housing in Collingham.
Alternative Options Considered	The alternative options, to not increase the purchase price is considered in section.
Reason for Recommendation	The increase in purchase price is recommended in line with the councils Community Plan Ambition 2, "To increase the supply of housing..."
Decision Taken	Detail the final decision agreed by the Portfolio Holder (which could state 'as per the recommendations'. Complete at the time of decision.

1.0 **Background**

- 1.1 On 23 July 2024, Cabinet approved the acquisition of eight S106 homes at Collingham, Newark, utilising budget from Phase 6 of the council Housing Revenue Account.
- 1.2 An offer of £720,000 was made to Gusto Construction Limited. This value was determined through negotiation and represented 50% of market value for the properties (£1,440,000).
- 1.3 Prior to making an offer, the Council required evidence from the developer of their inability to secure a registered provider of social housing, willing to purchase the properties.

- 1.4 The issue of developers being unable to secure a registered provider to take on the S106 units within a development is becoming more and more prevalent across the sector nationally as RP's withdraw from the S106 market in favour of direct build/ acquisition which is classed as additionality and therefore can attract grant funding. It is therefore becoming more likely that local authorities will have to step in to ensure that sites do not stall.

Proposal/Options Considered

- 2.1 Sixteen months after the original agreement, as the properties reach practical completion, both the market values and costs to deliver these have risen. It is therefore requested that an additional £50,000 is added to the Council's offer of £720,000 to secure the units.
- 2.2 A purchase price of £770,000 continues to represent excellent value to the local authority at 53.47% of the original market value (£1,440,000 as reported July 2024) and 50.35% of a projected value of £1,529,280 when applying the UK House Price Index increase of 6.2% across Newark & Sherwood for the 12 months to September 2025 (latest available published data) [UK House Price Index England: September 2025 - GOV.UK](https://www.gov.uk/government/statistics/uk-house-price-index)

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Implications Considered			
Yes – relevant and included / NA – not applicable			
Financial	Yes	Equality & Diversity	NA
Human Resources	NA	Human Rights	NA
Legal	Yes	Data Protection	NA
Digital & Cyber Security	NA	Safeguarding	NA
Sustainability	NA	Crime & Disorder	NA
LGR	NA	Tenant Consultation	NA

Financial Implications (FIN25-26/3059)

- 3.1 The overall budget for Phase 6 is £11.150m. The budget available for this cluster is £721,000. The additional £50,000 needed to increase to £771,000 will be covered through reallocations between clusters within the phase, as contracts are now being awarded on other sites and costs are becoming more certain for sites already underway.
- 3.2 As a result, the current budget remains sufficient, ensuring there are no further implications for the HRA Business Plan.
- 3.3 Due to this being delivered by the developer as an onsite S106 contribution, in this instance the Council is acting as a housing provider, and it would not be appropriate

to use S106 money to purchase the properties, therefore alternative resources will be used for financing.

Legal Implications (LEG2526/1862)

3.2 The Portfolio Holder is the correct person to consider the contents of this report

Any transfer of affordable homes will need to be completed following the completion of a s106 agreement to acknowledge the delivery of affordable housing on the new site in lieu of delivery on the alternative site.

Legal will need to be instructed in relation to transfer of the units.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Housing Revenue Account Development Programme - Update – Cabinet 23rd July 2024

<https://democracy.newark-sherwooddc.gov.uk/documents/s20398/Item%2019%20-%20HRA%20Development%20Programme%20Update.pdf>