



Regeneration and Development Panel
Tuesday, 13th April, 2021 at 4.30 pm
in the Remote Meeting on Zoom and available for the
public to view on WestNorfolkBC on You Tube - Zoom
and You Tube

Reports marked to follow on the Agenda and/or Supplementary Documents

1. **Parkway and Lynnsport Presentation (Pages 2 - 26)**

To consider the report and make any appropriate recommendations to Cabinet.

Contact

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Parkway Housing Development

Dale Gagen

Borough Council of
King's Lynn &
West Norfolk







Housing Numbers

Eastern	Western	Total
159	220	379

Tenure	1 bed house	2 bed house	3 bed house	4 bed house	Total
Affordable Rent	12	18	8	2	40
Open Market		57	88	44	189
Private Rent (PRS)	26	56	47	4	133
Shared Ownership		11	6		17
Total	38	143	149	50	379



Parkway, Gaywood - King's Lynn

Character Areas

Character Area 1 - 'The Western Spine'



Character Area 2 - 'The Edges'



Character Area 3 - 'The Mews'



Character Area 4 - 'The Eastern Spine'



Current Issues / Challenges

- Low values (2B £172k to £195K, 3B £230k to £255k, 4B £295K to £330K)
- Ground Conditions (CFA Piles extra £105,000 plus £5,356,900 for substructures)
- Flood mitigation issues (Cost of £591,000)
- Environmental Issues
- Site viability (with only 15% affordable units)
- Market Absorption
- Highways Issues
- Cost of the bridge



Abnormal Costs

1	Grey Enlarged Windows	£590,000	Better design - more acceptable to planning and visually better
2	Car Charging Ports	£135,000	Environmental issue, reduce Planning risk and makes scheme best practice
3	Photovoltaic	£221,000	Environmental issue, reduce Planning risk and makes scheme best practice
4	Air Source Heat Pumps & underfloor heating	£966,000 (additional cost)	Environmental issue, reduce Planning risk and makes scheme best practice
5	Off-site Habitat Provision	£150,000	Environmental issue, reduce Planning risk and makes scheme best practice
6	Bridge	£10,000,000	Reduces impact of traffic and air pollution. Increases road permeability making access better for both Gaywood and Fairstead estates.
7	Total Additional Cost	£12,062,000	



Parkway – funding the scheme

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Project Cost	£88,771,000
Income	
Open Market Sales	£44,890,000
Private Rental Sector	£22,071,000
Affordable Units	£6,330,000
Grants	£10,113,000
Land Receipts	£5,937,000
Surplus	£570,000

Fund	Claim
Business Rates Pool - 035	£200,000
Business Rates Pool - 034	£1,878,000
Homes England - Accelerated Construction Programme	£3,035,000
Towns Investment Plan	£5,000,000

Net Cost of Options

	Without Grant	With Grant
Item	Cost	Cost
Costs	£	£
1 Housing Development Costs	71,021,000	71,021,000
2 Bridge Infrastructure Cost	10,000,000	10,000,000
3 CIL contributions - Bridge	1,000,000	1,000,000
4 BCKLWN Land	4,750,000	4,750,000
5 Contingency	2,000,000	2,000,000
6 Total Cost	88,771,000	88,771,000

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	Sales Income	Without Grant	With Grant
7	Open Market	44,890,000	44,890,000
8	PRS	22,071,000	22,071,000
9	Affordable	6,330,000	6,330,000
10	Homes England		3,035,000
11	Business Rates Pool		2,000,000
12	BCKLWN Contribution	4,750,000	4,750,000
13	NCC Payment to Join	1,187,500	1,187,500
14	Total Income	79,228,500	84,263,500
15	(Surplus) or Loss (No additional HE Income)	£9,542,500	£4,507,500



		Without Grant	With Grant
15	(Surplus) or Loss (No additional HE Income)	£9,542,500	£4,507,500
16	Towns Fund		5,000,000
17	(Surplus) or Loss	£9,542,500	(£492,500)
18	Contingency	2,000,000	2,000,000
19	Non Cash Items adjustment	3,750,000	3,750,000
20	(Surplus) or Loss	£3,792,500	(£6,242,500)



Deliverables

379 Energy efficient/green new homes

57 Affordable homes

Offsite habitat creation

The Bridge over the Railway line will create a new route into/out of King's Lynn

Connecting road between Hardwick and Gaywood Estates, improving permeability of the road network including better cycle-ways and footpaths



Risks

- Market values fall
- Market values do not increase as expected
- Unable to sell Market Properties
- Unable to let Private Rental properties
- Costs increase more than expected
- Interest rates rise higher than expected
- Unknown problems are found with the sites
- Cost of enabling works increase
- Cost of the bridge is much higher than expected



Risk Management

Sub-structure

Super-structure

Bridge



Lynnsport 1 Development

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Dale Gagen

Borough Council of
King's Lynn &
West Norfolk



Marsh Lane and Lynnsport sites

Development Context

Legend

- Development sites
- New road linking Edward Benefer Way to Greenpark Avenue
- Proposed new hockey pitches
- Proposed new tennis courts



Google earth
Trade © 2015 Getmapping plc

Image date: 2007

400 m

Borough Council of
King's Lynn &
West Norfolk





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West Norfolk



Housing Numbers

Tenure	1-bed house	2-bed house	3-bed house	4-bed house	Total
Affordable Rent	6	4			10
Open Market		13	28	22	63
Private Rent (PRS)		10	9		19
Shared Ownership		2	2		4
Total	6	29	39	22	96



Current Issues/Challenges

- Low values (2B £172k to £195K, 3B £230k to £255k, 4B £295K to £330K)
- Ground Conditions (CFA Piles extra £65,000 plus £1,395,260 for substructures)
- Flood mitigation issues
- Site viability (with only 15% affordable units)
- Market Absorption

Abnormal Costs

1	Enlarged Windows	£330,130	Better design - more acceptable to planning and visually better
2	Car Charging Ports	£40,130	Environmental issue, reduce Planning risk and makes scheme best practice
3	Photovoltaic	£58,850	Environmental issue, reduce Planning risk and makes scheme best practice
4	Air Source Heat Pumps & underfloor heating	£242,290 (additonal cost)	Environmental issue, reduce Planning risk and makes scheme best practice
5	Total Additional Cost	£671,400	

Net Cost of Options

	Costs	£
1	Housing Development Costs	17,015,000
2	Design & Promotion	405,000
3	Sales & Marketing	548,000
4	CIL/S106	624,000
5	Community Facilities	19,000
6	Finance Costs	255,000
4	Land	503,460
5	Contingency	1,175,120
6	Total Cost	20,544,580



	Sales Income	
7	Open Market	15,782,500
8	PRS	4,025,000
9	Affordable	1,393,800
10	Total Income	21,201,300
11	Net Surplus	656,720
11	Land Adjustment	503,460
12	Adjusted Surplus	£1,160,180



Deliverables

96 Energy efficient/green new homes

14 Affordable homes

This project has already helped to:

- Fund Lynnsport Way access road

- Fund improvements to Lynnsport sports and play facilities

- Fund enhancements to Salters Sanctuary

- Assist with works as part of the HLF scheme

- Fund flood risk mitigation improvements for the area



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- Cost of enabling works increase

