

Overview and Scrutiny Management Board Agenda



Date: Monday, 12 February 2024

Time: 2.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

Distribution:

Councillors: Tony Dyer (Chair), Mark Bradshaw (Vice-Chair), Geoff Gollop, Brenda Massey, David Wilcox, Martin Fodor, Steve Smith, Christine Townsend, Andrew Brown and Steve Pearce

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Date: Friday, 2 February 2024



Agenda

11. Bristol Holding Limited Group Company Business Plans 2024/25

Containing the 2024-25 Business Plans of

(Pages 3 - 20)

- Bristol Holding Limited
- Goram Homes Limited
- Bristol Waste Limited



Goram Homes

Business Plan 2024/25

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Andrew Martyn-Johns, Board member and Chair of Audit and Risk Committee
Stephen Baker, Managing Director
Chris Arnold, Chief Finance Officer
Christiana Makariou, Development Director



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Introduction

- The need to build new homes with high levels of affordable housing remains a national priority.
- Which is why I am privileged to be part of the Goram Homes Board and a team that is finding innovative ways to keep building for Bristol.

Goram Homes is best placed to respond to the housing challenges our city faces

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The Business Plan shows our strategy for doing that, including:

- building around half our homes for council housing and shared ownership
 - prioritising council housing across our sites, so they're ready to move into first
 - investing in training for those who need it most, through our Skills Academy
 - continuing a sustainable funding model through our partnerships with national homebuilders.
- The plan highlights where we're building, and plan to build. Including the largest development in a generation at Hengrove Park. 1400 homes, 700 for council housing and shared ownership.

Our objectives



1. Move at pace to increase the supply of new homes built each year across Bristol including high levels of affordable housing provision.



2. Build sustainable homes that have a net positive effect on the environment and increase biodiversity.



3. Build homes and spaces that create inclusive communities where people can thrive.



4. Provide a commercial return to our shareholder and meet the highest standards of social and environmental accountability.

Objective One: building at pace

- Pipeline of around 3,000 homes
- Half to be council housing and shared ownership homes
- In 2024/25, 660 homes will be on site and in progress
- We completed our first homes at One Lockleaze in December
- This 2024/25 financial year we will complete around 100 affordable homes on this site

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Where we will build

This map shows where we are building or will be building in 2024/25

It highlights the sites we aim to submit a planning application for during the 2024/25 financial year

Key

In construction and completions due in financial year 2024/25

● One Lockleaze

In construction, or will be, in financial year 2024/25

- Hengrove Park
- Dovercourt Road
- New Fosseyway Road
- Baltic Wharf*

Sites we are prioritising for a planning submission in financial year 2024/25

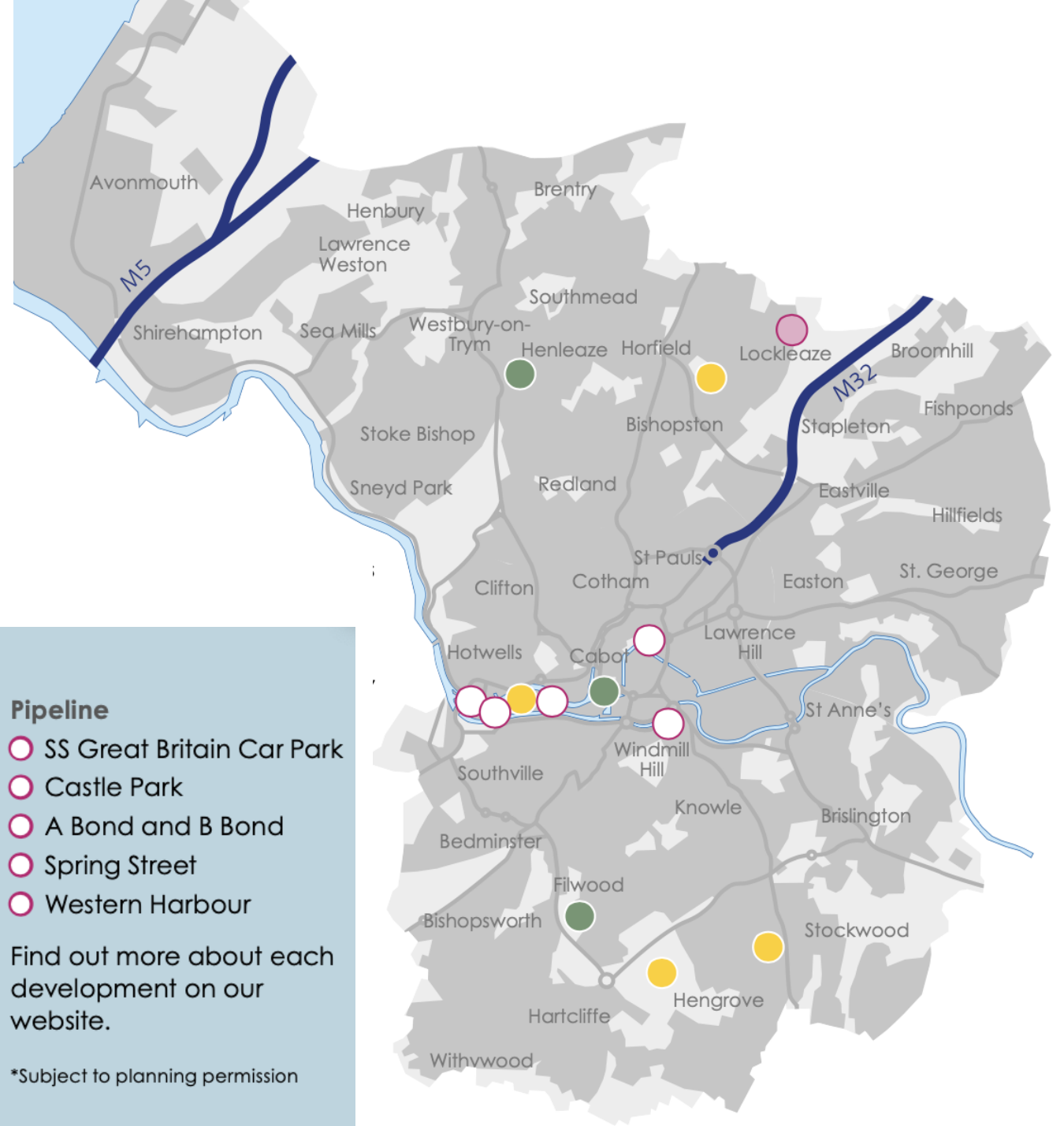
- Novers Hill
- St Ursula's
- The Grove Car Park

Pipeline

- SS Great Britain Car Park
- Castle Park
- A Bond and B Bond
- Spring Street
- Western Harbour

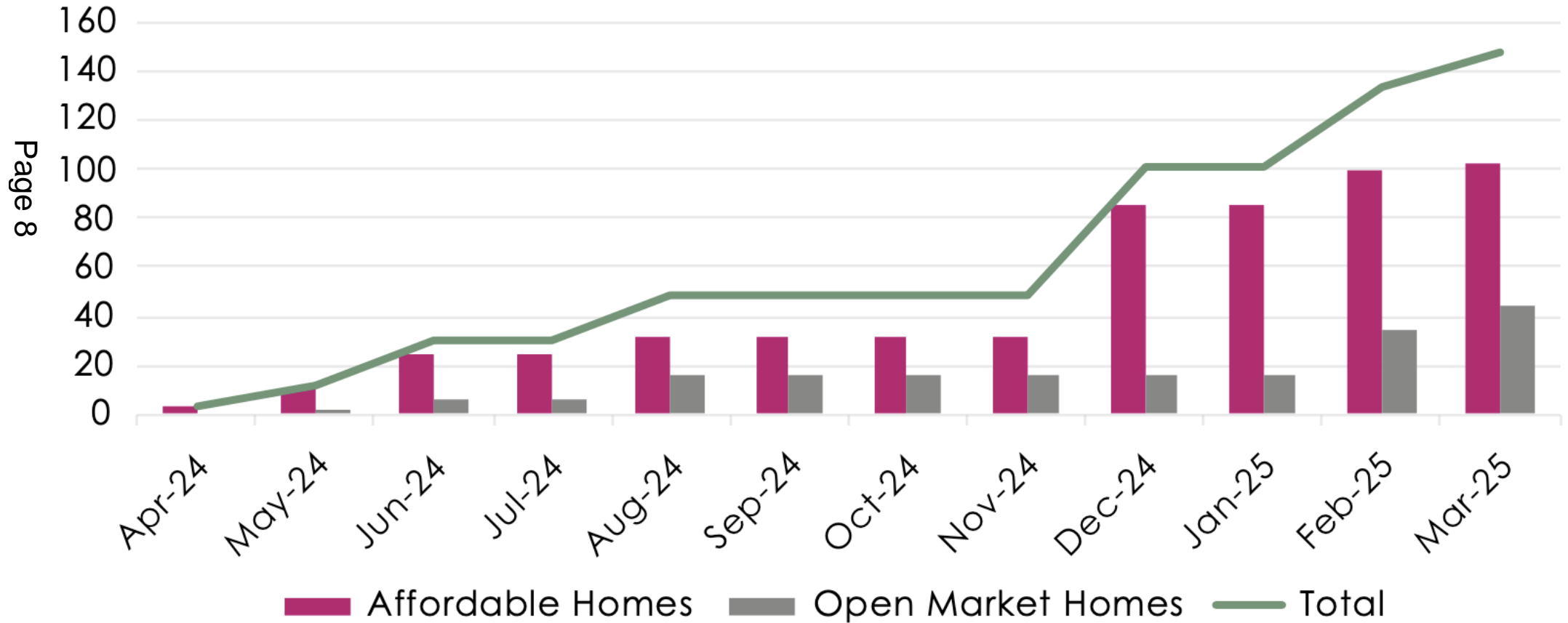
Find out more about each development on our website.

*Subject to planning permission



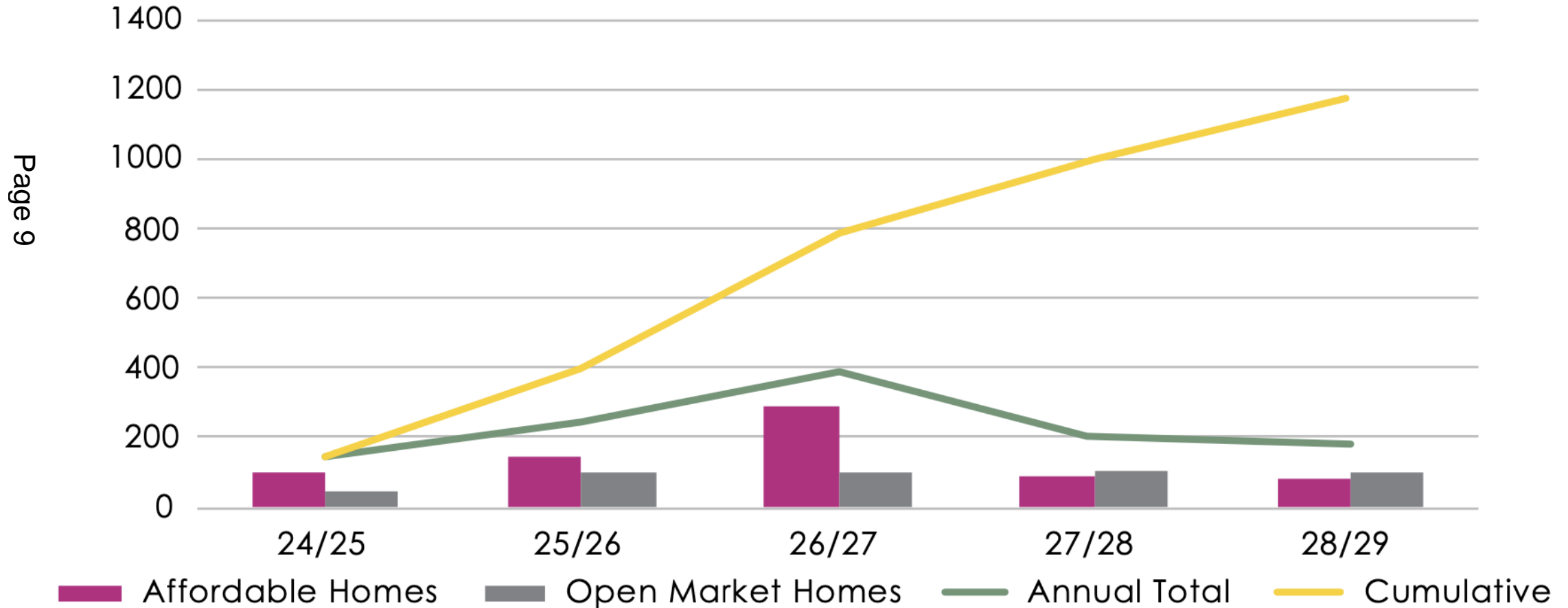
Building at pace: targets

Business Plan 2024/25 Cumulative Completions



Building at pace: targets

2024/25 – 2028/29 Forecast Completions



Building at pace: risk management

- We operate in a commercial market and work in partnership with homebuilders to prioritise commercial return.
- We manage market risk with national commercial intelligence and procurement gains from these partners.
- Our plans are highly dependent on timely progress through the planning system.
- We've based our 2024/25 Business Plan forecasts on statutory planning timelines and will continue to support Bristol City Council to meet these targets.

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Objective two:

build sustainable homes that have a net positive effect on the environment and increase biodiversity

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The climate and ecological emergencies demand urgent action and leadership from across the construction industry.

Goram Homes is meeting this challenge head on, exceeding industry standards, to create places that benefit people and the environment around us.



Sustainable homes: targets

Homes to be submitted for planning permission in 2024/25, to achieve:

carbon net zero

an EPC rating of A

a biodiversity net gain over and above local and national policy, which is 10%

'Building with Nature' standards

'RIBA 2030 Climate Challenge' targets.

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Sustainable homes: risk management

We only select partners who can meet these standards.

The requirement to deliver is entrenched in the legal agreements we make.

We monitor progress regularly to ensure all our homes are built to the high environmental standards we set.



Objective three:

Build homes and spaces that create inclusive communities where people can thrive

Targets:

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- Customer satisfaction: At least 90% of respondents would recommend Goram Homes/the homebuilder partner to their friends
- £30k social value will be generated per completed home.
- All new projects to meet at least 10 out of 12 categories in the Building for a Healthy Life assessment.



Inclusive communities: risk management

- We work closely with our joint venture partners to ensure homes are built to high standards and we monitor progress regularly.

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The requirements to deliver social value outcomes and high placemaking standards are specified within our partner selection process.

- Our partnership governance structures ensure these standards are delivered.



Objective four: provide a commercial return to our shareholder and meet the highest standards of social and environmental accountability

- Our number one objective is to build homes at pace to meet Bristol's pressing housing needs.

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We will continue to work with Bristol City Council to balance profits with the need to build affordable homes.

- Our procurement status being outside of public procurement rules means we can secure innovative deals to support our delivery at pace objective.
- Developments are principally structured through joint venture partnerships with homebuilders, and both investment and financing are shared.
- The partnership will generate profit for Goram Homes once all homes are sold on a development, and the council decides how Goram Homes' profit is utilised.

Objective four: key financial information

Our Business Plan incorporates results primarily delivered through partnership arrangements in the form of Limited Liability Partnerships (LLPs), with 50% shareholding by Goram Homes.

We have also included within the Business Plan a contract with the council for the delivery of the Bookends development at Hengrove Park.

The Business Plan assumes that the following project LLPs will be operating in the financial year 2024/25:

- **One Lockleaze**
- **Dovercourt Road**
- **New Fosseyway Road**
- **Hengrove Park**
- **Baltic Wharf**

Commercial return: targets



Profit before tax for 2024/25
of £1.2m



Cash financing at the end of
2024/25 to be at or below
£13.6m



Commercial return: risk management

- The specific risks impacting commercial return, are time, cost, and revenue.
- We manage these risks by establishing the LLP to prioritise commercial return.
- Our ability to meet our objectives is also impacted by time: time taken to gain planning, find appropriate partners, and deliver homes.
- To limit these risks, it is critical we continue to work closely with the council to align objectives and work towards joint goals.





Questions please

