

## News

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### Funding agreement paves way for £12 million homes scheme



Plans to build 46 high-quality homes for market rent in Bournemouth town centre have been boosted with an agreement on investment funding.

The £12 million Stephen's Road scheme, involving two multi-storey blocks with a mix of one, two and three-bedroom flats, is being led by the Bournemouth Development Company, a regeneration partnership between Bournemouth Council and Morgan Sindall Investments.

After granting planning permission in January 2017, councillors at Bournemouth Council have now agreed to retain ownership of the site - currently a surface car park - and purchase the completed development as a long-term investment asset.

Once built, the homes will be operated as a private-sector rental scheme via the Council's wholly owned services company Seascope Ltd under a 25-year lease.

The Council will purchase the development by taking advantage of low interest rates available through the Public Works Loan Board. The borrowing will be fully met from the rental income generated by the investment, as well as delivering a surplus that will be used to support council services.

Bill Cotton, Executive Director for Environment & Economy, said: "Securing the Council's financial stability is a top priority. Investing in the St Stephen's Road development is an excellent opportunity to provide much-needed new homes for local people in a leafy town centre location, whilst generating significant income to the Council year on year."

Duncan Johnston, Director of the Bournemouth Development Company, said: "We are proud to support the Council in providing high quality homes in what will be a beautiful town centre development."

The site has been earmarked for residential use in the Council's Area Action Plan for several years.