



Cambridge City Council
Housing Scrutiny Committee
Third Circulation

Date: Wednesday, 17 January 2018

Time: 5.30 pm

Venue: Committee Room 1 & 2, The Guildhall, Market Square, Cambridge, CB2 3QJ

Contact: democratic.services@cambridge.gov.uk, tel:01223 457013

Agenda

- 6 Repairs Standards and Recharging Report deferred

Part 2: To be taken by the Chair of the Committee

- 9 Housing Portfolio Revenue and Capital Budget Proposals for 2018/19 to 2022/23 (Pages 3 - 12)
- 10 New Social Housing on Markham Close Garage Site (Pages 13 - 28)
- 11 New Social Housing on Gunhild Way Garage Site (Pages 29 - 44)
- 12 Community-Led Housing (Pages 45 - 50)
- 13 Review of the Empty Homes Policy (Pages 51 - 76)
- 14 New Build Affordable Housing Update (Pages 77 - 90)

Housing Scrutiny Committee Members: Todd-Jones (Chair), Bird (Vice-Chair), Baigent, Cantrill, Gawthrop, Holland, Page-Croft, Sheil, Agate, Best, Harris, Marais, Minns, Powell-Hardy and Price (Executive Councillor)

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Item

Housing - General Fund Portfolio

Revenue and Capital Budget Proposals for 2017/18 to 2022/23

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Chief Executive, Strategic Directors, Head of Finance

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

Revenue and Capital Budgets

- 1.1 The following report details the budget proposals relating to this portfolio that are included in the Budget-Setting Report (BSR) 2018/19 which will be considered at the following meetings:

Date	Committee	Comments
22 January 2018	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
25 January 2018	The Executive	Budget amendment may be presented
12 February 2018	Strategy & Resources	Consider any further amendments including opposition proposals
22 February 2018	Council	Approves General Fund Budget and sets Council Tax

- 1.2 The report also includes a recommendation concerning the review of charges for this portfolio.

2. Recommendations

The Executive Councillor is recommended to:

Review of Charges:

- a) Approve the proposed charges for this portfolio's services and facilities, as shown in Appendix A to this report.

Revenue:

- b) Consider the revenue budget proposals as shown in Appendix B.

Capital:

- c) Note that there are no capital bids or savings presented for this portfolio.

3. Background

- 3.1 At its meeting on 19 October 2017, Council gave initial consideration to the budget prospects for the General Fund for 2018/19 and future years in the Medium-Term Financial Strategy (MTFS) 2017.
- 3.2 The overall BSR to Strategy & Resources Scrutiny Committee on 22 January 2018 will include a review of all the factors relating to the overall financial strategy that were included in the MTFS.
- 3.3 The report to The Executive on 25 January 2018 may include details of the Government's Final Settlement for 2018/19. The announcement is likely to be made shortly after the conclusion of the consultation period in January 2018.
- 3.4 Further work may be required on detailed budgets, so delegation to the Head of Finance will be sought from Council for authority to finalise changes relating, for example, to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Budget 2018/19 - Overall Revenue Budget Position

- 3.5 The budget proposals for this portfolio, as summarised in table 1, will be considered by The Executive at its meeting on 25 January 2018.

Table 1: Overall Revenue Proposals (see Appendix B)

Savings and Bids	2018/19 Budget £	2019/20 Forecast £
Savings:		
Increased Income	-	-
Savings	(74,500)	(74,500)
Total	(74,500)	(74,500)
Bids:		
Unavoidable Revenue Pressures	-	-
Reduced Income	-	-
Bids	143,300	26,500
Total	143,300	26,500
Net (savings)/bids	68,800	(48,000)

External Bids	214,900	214,900
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Non-Cash Limit Items	-	-
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Capital

- 3.6 The majority of capital bids address the on-going renewal, updating and major repairs of the council's buildings and operational assets. As such they support income generation (car parks, commercial property), and the delivery of services (vehicles, building repairs, etc). There are no new capital proposals for this portfolio.

Public Consultation

- 3.7 The Council has carried out a budget consultation exercise annually since 2002.
- 3.8 This year the Council chose to focus its budget consultations on finding out what a representative sample of local people think about approaches to finding savings that the Council is either currently following or considering. As a part of this participants were also invited to offer any other additional saving ideas that the Council could investigate. This approach was followed this year because it was felt, based on previous experience, wider residents' views about services or the Council were unlikely to have changed since 2016, when a broader residents' survey was carried out.

3.9 The budget consultation was undertaken by an independent market research company during September 2017, with 445 randomly selected households participating. In addition two workshops were held with people from low income households to get their perspective. Local businesses were also invited to participate in the consultation and 74 returned completed questionnaires.

3.10 The results of the consultation can be found on the council's website at: <https://www.cambridge.gov.uk/budget-consultation>

4. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

Financial implications of budget proposals are summarised in the General Fund BSR 2018/19.

(b) Staffing Implications

Staffing implications of budget proposals are also summarised in the General Fund BSR 2018/19.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the budget proposals is included in the BSR, reporting separately to Strategy and Resources Scrutiny Committee. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

A local poverty rating (using the classifications outlined in the BSR) has been included in each budget proposal to assist with assessment.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals which are annotated as follows:

- +H / +M / +L: to indicate that the proposal has a high, medium or low positive impact.
- Nil: to indicate that the proposal has no climate change impact.
- -H / -M / -L: to indicate that the proposal has a high, medium or low negative impact.

(e) Procurement Implications

Any procurement implications will be outlined in the BSR 2018/19.

(f) Community Safety Implications

Any Community Safety Implications will be outlined in the BSR 2018/19.

5. Consultation and communication considerations

As outlined in 3 above, budget proposals are based on the requirements of statutory and discretionary service provision. Public consultations are undertaken throughout the year and can be seen at:

cambridge.gov.uk/current-consultations

6. Background papers

These background papers were used in the preparation of this report:

- Budget-Setting Report 2018/19
- Medium-Term Financial Strategy October 2017
- Individual Equality Impact Assessments

7. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Review of Fees & Charges	✓
B	Revenue Budget Proposals for this portfolio	✓
C	Capital Budget Proposals for this portfolio	N/A

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Appendix A

Review of Charges

Charge Type and Description	Charges 2017/18	Charges 2018/19	% Increase
Licences:			
HMO's with up to and including 9 Rooms			
HMO Licences - New Applications	£562	£580	3.2%
HMO Licence - Renewals	£452	£470	4.0%
HMO's with 10 or more rooms			
HMO Licences - New Applications	£625	£640	2.4%
HMO Licence Renewals	£515	£530	2.9%
Assisted application	Cost	Cost	N/A
Enforcement Activity			
Penalty for non compliance (not belonging to one of the approved Property Redress schemes) £5,000 maximum charge	£945	£970 *	2.6%
* Monthly Local Housing Allowance rate for four bed self-contained property			
Subsequent offences	Penalty Charge up to a maximum of £5,000	Penalty Charge up to a maximum of £5,000	N/A
Penalty for non compliance with the Smoke and Carbon Monoxide Regulations	Double the Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Double the Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	N/A
Civil Penalty for non-compliance under the Housing and Planning Act 2016	Case by case basis using agreed matrix, maximum of £30,000 per offence	Case by case basis using agreed matrix, maximum of £30,000 per offence	N/A
Charge for the service of an Improvement Notice under the Housing Act 2004	£314	£330	5.1%
Charge for the service of a Prohibition Order under the Housing Act 2004	£292	£300	2.7%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	£271	£280	3.3%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	£98	£100	2.0%
Charge for the service of a Hazard Awareness Notice	£0	£0	N/A
Training and other services			
Delivering training and other discretionary services for landlords and agents	Cost (including development) **	Cost (including development) **	N/A
** Including development, promotion, and associated costs			
Landlord training	N/A	£100 per delegate	N/A
Immigration inspections	£133	£140	5.3%

2018/19 Budget - Revenue Proposals

Page 1 of 3

Reference	Item Description	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	Contact	Climate Effect & Poverty Ratings
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Bids

Housing - General Fund

B4013	Funding for an additional Assessment and Support Officer	0	26,500	26,500	26,500	26,500	David Greening	Nil
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To facilitate an improvement to the housing register verification process, a bid for an additional full time Assessment and Support Officer (City Pay Band 3) is proposed. This post will allow for verification of applications at the point of application as opposed to delaying until the point of offer, which should positively impact void performance for the Council and housing association partners. None

B4014	Funding to support the Housing Development Agency (HDA)	0	116,800	0	0	0	Cath Conlan	Nil
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The HDA, in conjunction with the newly created Cambridge Investment Partnership (CIP), are driving forward delivery of the 500 new Council homes over the next four years. This bid is for additional resourcing of the staff team which needs to be at full capacity in 2018/19 to ensure delivery from 2019/20 onwards. None

Total Bids in Housing - General Fund

0	143,300	26,500	26,500	26,500
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Total Bids

0	143,300	26,500	26,500	26,500
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2018/19 Budget - Revenue Proposals

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Reference	Item Description	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	Contact	Climate Effect & Poverty Ratings
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External Bids

Housing - General Fund

X4081	Increase staffing capacity in response to Homelessness Reduction Act	0	214,900	214,900	0	0	David Greening	Nil
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As a result of the Homelessness Reduction Act, there is an increased statutory responsibility in respect of homeless applications which will result in an increased administrative burden for the authority. This bid is for 6 FTE additional staff, with the expectation that the first two years of costs will be met from the Flexible Homeless Support Grant. The plan is for an increase in staffing which will be externally funded for at least the first two years. Staffing will be reviewed once the new legislation has been in place for 12 months, as part of a service review, and to consider future external funding availability. High

Total External Bids in Housing - General Fund

0	214,900	214,900	0	0
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Total External Bids

0	214,900	214,900	0	0
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2018/19 Budget - Revenue Proposals

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Reference	Item Description	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	Contact	Climate Effect & Poverty Ratings
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Savings

Housing - General Fund

S4016	Saving in inflationary element of grants to Housing Agencies	0	(10,900)	(10,900)	(10,900)	(10,900)	David Greening	Nil
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The 2018/19 grants to housing agencies were approved in principle at Housing Scrutiny Committee in None September 2017. The total programme did not fully commit the inflationary element of the budget for the coming year, and as a result a saving is proposed.

S4019	Savings in operational costs across the General Fund	0	(5,300)	(5,300)	(5,300)	(5,300)	Julia Hovells	Nil
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This saving is anticipated due to reduced operational expenditure such as publicity, IT and travel costs across None Housing Advice, Town Hall Lettings, Choice Based Lettings and Housing Strategy.

S4021	Savings in salary costs due to staff turnover and retention	0	(16,800)	(16,800)	(16,800)	(16,800)	Julia Hovells	Nil
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This saving is delivered due to new staff being appointed at lower points on the scale, and retained staff at None top of scale not being in receipt of incremental progression.

S4054	Deletion of Property Accreditation Scheme and associated post within Environmental Health (EH)	0	(41,500)	(41,500)	(41,500)	(41,500)	Yvonne O'Donnell	Nil
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The Property Accreditation Post oversees the Property Accreditation Scheme and has been in existence for None 11 years where it has supported the good landlords by inspecting and advising them on how to improve their properties. It also provides forums and newsletters to ensure that the landlords are kept up to date with new legislations and guidance. However it has been recognised that resources need to be put into tackling the poor standards of private rented sector therefore members through Housing Scrutiny Committee agreed that the Property Accreditation Scheme and associated post should be deleted, and the Residential Team should focus more on private rented sector enforcement.

Total Savings in Housing - General Fund		0	(74,500)	(74,500)	(74,500)	(74,500)		
Total Savings		0	(74,500)	(74,500)	(74,500)	(74,500)		
Report Total		0	283,700	166,900	(48,000)	(48,000)		

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Housing Scrutiny Committee 17 January 2018



NEW SOCIAL HOUSING ON MARKHAM CLOSE GARAGE SITE

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Nicola Hillier, Assistant Managing Director of Housing Development Agency

Tel: 01223 - 457923 Email: nicola.hillier@cambridge.gov.uk

Wards affected:

Queen Edith's

Key Decision

1. Executive Summary

- 1.1 A core objective for Cambridge City Council is increasing the supply of affordable housing in Cambridge.
- 1.2 The City Council has agreed a devolution deal with government to deliver 500 new Council homes over 5 years. These will be delivered as rented housing, let in accordance with the Council rent policy (where rent and service charges together do not exceed Local Housing Allowance levels). Homes will be owned and managed by Cambridge City Council and let on Cambridge City Council tenancies.
- 1.3 In 2016 the Strategy and Resources Scrutiny Committee approved the setting up of the Cambridge Investment Partnership (CIP) as a

mechanism for the Council to bring forward assets for development to provide sites for the delivery of new homes. This partnership brings with it the advantage of the experience and resources of the development partners and was established in January 2017.

- 1.4 At the Strategy & Resources Scrutiny Committee held on 9th October 2017 a mechanism for the development and delivery of sites with CIP was agreed and is being adopted for a number of sites.
- 1.5 The City Council has alternative procurement and delivery options which it is currently exploring and utilising for the delivery of affordable housing on sites in the City.
- 1.6 This report provides details of the indicative capacity of the site at 1-12 Garages, Markham Close. Originally highlighted on the Development Rolling Programme (updated HSC June 2017) it was estimated that this site has the potential to deliver 2 affordable homes. Following a more detailed inspection this has now been revised to 4 No. 1 bedroom flats.
- 1.7 The site is to be brought forward in the Council's New Housing Development programme and will be included in the Housing Revenue Account (HRA). It is recommended the site is delivered with CIP as the Council's development partner (following the decision flow process as agreed by Strategy and Resources Committee in October 2017) as part of the overarching housing Investment Programme which includes the delivery of the 500 new homes under the devolution deal.
- 1.8 The report seeks approval of a capital budget for the HRA based on the indicative capacity study which has been undertaken for the site and the outline appraisals referenced in this report.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Note the indicative mix of the proposed scheme
- 2.2 Approve the indicative capital budget of £855,190 to cover all construction costs, professional fees and associated fees to deliver a scheme that meets an identified housing need in Cambridge City. This sum has been allocated in the most recent publication of the Budget Setting Report (January 2018).

- 2.3 Approve that the site is offered to CIP to progress for development to deliver a scheme which will meet the strategic aims of the Council in the delivery of new social housing. The scheme will be developed in accordance with the CIP process which was approved at S&R Committee on 9th October 2017.
- 2.4 Note that the Executive Councillor has a delegated authority to approve the transfer of land to CIP for the redevelopment of the site at a later date. This will be subject to CIP demonstrating that its development proposal meets the Council's strategic aims for the site and the development and delivery milestones are in accordance with the CIP Approvals Process agreed at S+R Committee on 9th October 2017.

3. Background

- 3.1. Tackling the City's housing crisis is a corporate objective. As the main provider of social and affordable housing in Cambridge, the Council has established a new build programme to:
- a) Provide additional social housing to meet housing needs in Cambridge and to replace social housing sold through the Right to Buy.
 - b) Replace some of the Council's existing social housing that no longer meets current day housing expectations and is becoming less popular with residents due to size and often being hard to heat (increasing the impact of fuel poverty)..
 - c) Build new house types that will better meet the overall mix of Affordable Housing needed in the future.
 - d) Improve the energy efficiency of the Council's housing.
- 3.2 As part of the Cambridgeshire and Peterborough Combined Authority devolution deal, the Council now has funding to deliver 500 Council rented homes. Some of these homes will be delivered on sites which already include existing Council housing or garages, whilst others will be delivered on larger mixed-use sites, including homes for private sale and commercial premises.

Officers have identified potential sites which could be developed to provide social housing and have categorised new schemes opportunities in terms of land ownership as follows;

- a. Housing Revenue Account (HRA) land with existing housing
- b. HRA garage and small in-fill sites
- c. General Fund sites
- d. Sites owned by other public sector bodies
- e. Sites in private ownership

As part of the devolution deal Cambridge City Council has committed to providing 500 new homes over 5 years; developing the site at Markham Close will deliver affordable housing which will contribute to reaching the target. The site is identified in the 3 Year Rolling Programme under category b) above. The new social housing which it is proposed will be delivered on the site has been assessed as being for rent at Affordable Rents set at rent no greater than the Local Housing Allowance levels.

- 3.3 The site at Markham Close has been identified as suitable for development due to long term garage voids. If the garages are not let and are not generating any rental income, the ongoing repairs and maintenance costs will be treated as a sunk cost and cannot be offset against rental income. In recent years garages in older blocks have become less popular for the storage of vehicles due to the smaller sizes of these garages which makes them less suited to larger, modern vehicles. Development on this site does not require any redevelopment of existing housing.

The site consists of 12 No. garages, all of which are available for rent from the Council; currently 7 No. are vacant and 5 No. are let to residents within 1km of the site. Vacant possession of garage sites can be achieved relatively quickly with a notice period of 2 weeks minimum required.

Appendix 1 provides a location plan of the site.

- 3.4 Local Housing Need

- The 0.07 hectare site contains garages along the southern boundary with the remainder of the site providing hardstanding and additional parking.
- To the north, beyond the site boundary is a footpath and large commercial unit.
- The site is otherwise surrounded by existing houses and flats. Those hatched purple on the above plan are in CCC ownership and those hatched green are privately owned.
- The existing access is narrow but has been functioning as an access to the garages.

4.2 The following surveys and investigations have been undertaken as part of the feasibility work for investigating the viability of the site for development:

Asbestos
Flood Risk
Contamination
Ecology
Party Wall matters
Ground Contamination

The key issue identified from these investigations confirm the need for further invasive ground and soil investigations (previous experience on garage site developments has shown evidence of soil contamination). Following early identification of this issue there are strategies in place to manage and mitigate the impact on timescales and costs.

4.3 Planning Feedback

Early advice was sought from planning consultants in relation to the planning opportunities and constraints on this site including, but not limited to flood risk, highways, residential amenity and heritage considerations.

Issues arising from the planning appraisal undertaken are noted below:

- Proximity to adjacent properties to avoid overlooking issues and shadowing
- Existing access use that serves neighbouring properties
- Impact of narrow access to be considered and taking account of existing access points

It is concluded that overall, through considerate design it would be possible to address the planning concerns and achieve a deliverable scheme in this location.

Following Pre-app meetings held between the HDA team and the planners the following feedback has been received:

- Layout of indicative capacity scheme is acceptable
- Consideration needed for existing access road and possibility of increased width

The HDA team is working with County Council Highways officers to explore the issues and options available for the access road and will negotiate with City Homes for additional garden land to accommodate greater width or a passing space, if required.

4.4 Site Options

As part of the feasibility study and options analysis work undertaken in assessing the viability of delivering affordable housing on the site, a number of options were considered which are set out below.

4.4.1 Retain existing garages

- Low demand can be attributed in part to the small size of garages that are not suitable for large modern cars.
- Located in a secluded area with limited overlooking and natural surveillance that often leads to increased risks of anti-social behaviour.
- Continuing management challenges and rising maintenance costs would not be commercially viable with the limited rental receipts, therefore making retention a less financially attractive option.

4.4.2 Demolish and leave for parking

- Secluded location with limited natural surveillance is likely to lead to limited use for parking by local residents.

- Risk of anti-social behaviour and fly-tipping would bring additional costs.
- There will be no rental receipt to support this expenditure.

4.4.3 Disposal for capital receipt without planning permission

- Agreeing a valuation for the site and a potential capital receipt which could be achieved by the City Council if it were to dispose of the site for development without planning consent will require the procurement of further professional advice with associated costs and timescales.
- Capital receipt will be lower without a planning permission.
- Receipt from land sale will not deliver 4 new affordable homes that could otherwise be delivered on this site.

4.4.4 Disposal for capital receipt with planning permission

- Agreeing a valuation for the site and a potential capital receipt that could be generated if the City Council were to obtain planning consent prior to disposal will require the procurement of further professional advice with associated costs and timescales.
- Capital receipt will be higher on a site with planning permission; however there are no guarantees on sale timescales and this route will not deliver 4 new affordable homes.
- Consideration needs to be given to the costs and timescales of achieving planning and a sale receipt.

4.4.5 Develop for HRA housing

- Addresses the housing need identified in an area of existing housing stock, delivering units which will contribute towards the devolution funded new build programme with the delivery of 4 No. 1 bed new affordable homes.
- Increased housing stock and rental receipts provides a financial platform to support future development opportunities for the City Council's HRA stock.
- The HDA team's development work is ongoing with design and planning matters progressing, realistically a start on site could be achieved in Summer 2018 subject to the current programme milestones being maintained.

From the options considered in this section, option 4.4.5 is the most viable and supportable and responds directly to the corporate objective of tackling the city's housing crisis and delivering our planning objectives.

4.5 Design and Sustainability

An affordable housing scheme would be based on the Council's adopted design standards and the Cambridge Sustainability Housing Design Guide (link [here](#)). CIP has adopted these design requirements as its minimum standard.

5. Financial Implications Developing for HRA Housing

5.1 Development and Delivery Options

As part of the scheme viability appraisal, consideration has been given to the alternative options available to the HRA in order to achieve the delivery of new affordable housing as identified in 4.4.5 above.

5.1.1 Procurement of a contractor through a traditional tender process to be employed on a JCT Design and Build Contract

In accordance with Cambridge City Council's procurement requirements, a tender process would be conducted through Due North.

- It is anticipated that this will take in the region of 6 months from receipt of a planning approval until a contractor is identified and appointed.
- The milestones and costs associated with obtaining a planning approval will need to be allowed for.
- Planning Permission is expected to take a minimum of 3 months from submission and validation. It is unlikely that work will start on site for a further 4- 6 weeks after the appointment of the contractor, to allow for the discharge of pre-commencement planning conditions and contractor's mobilisation.
- Assuming a planning submission was made in January 2018 and factoring in the timescales referred to above a realistic start on site would be November/December 2018.

5.1.2 Procurement of a contractor using the South Cambridgeshire District Council Framework

SCDC have a framework in place of approved contractors that could be approached to tender for this development opportunity. However, timescales are likely to be similar to procuring through Due North.

5.1.3 In-house construction by Estates and Facilities

Estates and Facilities are currently constructing 2 No. 2 bed houses on a site at Uphall Road. The scheme is nearing completion and is expected to be handed over early in 2018. An additional site at Kendal Way has been identified and works are expected to start at this scheme in spring 2018.

Utilising this delivery mechanism for the site at Markham Close would have the following advantages:

- Using in house staff retains skills and provides opportunities for personal development.
- Expectation of a reduced lead in time over traditional procurement, however detailed design and specification documentation is still required.

However;

- The process of achieving planning permission would still be up to 3 months and would be managed by the with professional input and associated additional professional fees.
- Assuming a planning application was made in January 2018 a start on site could possibly be achieved in September 2018.
- This delivery option is not considered to be appropriate for the Markham Close site due to the existing commitments of the Estates & Facilities team on other HRA developments at this time. This is a lightly larger scheme than the projects currently being undertaken. In addition an independent professional review is required for the pilot projects to assess costs and programme delivery against a matrix of criteria to ensure value for money and timely delivery. Consideration will also need to be given to

assessing the future resourcing capacity and capability of the team in undertaking additional projects.

5.1.4 Offer the site to CIP for development

In accordance with the CIP Process approved at S+R Committee on 9th October 2017, sites can be considered for development with the Council's Investment Partner, subject to Executive Councillor approval. The benefits of this process are highlighted below.

- It is anticipated economies of scale will be achieved when multiple sites are developed in succession/concurrently and delivered as a bundle of sites with a phased delivery. CIP is currently working on the development of 5 other HRA sites, adding this site to the delivery programme will contribute to a reduction in overheads and prelims costs across the programme.
- There are programme benefits to be considered as schemes developed with CIP will utilise existing supply chains and reduce delivery timescales.
- Developing schemes with CIP shares risk and creates an opportunity to progress detailed design whilst a scheme is still in the planning system.
- A target date for the submission of a planning application for the site is January 2018. Based on a planning determination period of 8 weeks from validation it is likely that a start on site can be achieved in August 2018. However; subject to the progression of the 5 sites in the CIP delivery programme through the planning process there is scope for this scheme to be on site earlier in the summer.
- Time constraints and the need to expend both Right to Buy receipts and progress with Devolution funded development create significant programme and delivery challenges. Working with CIP to deliver the scheme provides a development and delivery vehicle which will mitigate potential programme risks and expedite the financial spend.

5.2 Budget

The indicative capital budget of £855,190 is allocated for the development of the site at Markham Close in the most recent publication of the BSR (January 2018).

In addition to the construction costs this sum includes pre and post statutory planning fees, professional consultant fees, survey and site investigation costs and other associated costs, including HDA fees and SDLT.

The Housing Revenue Account Mid-Term Financial Review captures the funding available for the ongoing social housing programme. It is proposed the budget for this scheme will utilise funding of £256.557 (30% of the total indicative scheme costs) from Right to Buy receipts, which must be expended to prevent them from being lost. It is then proposed to utilise devolution grant to fund the remaining 70% of the total indicative scheme costs.

5.3 Value for Money / CIP Programme Delivery

The cost plan produced for the scheme by CIP has been reviewed and analysed by an independent cost consultant as part of an exercise to review and assess the costs for the CIP delivery programme of sites. The costs have been benchmarked against current market conditions to assess whether delivery with CIP will demonstrate value for money.

This review was high level, the following points were noted:

- Inflation and contingency costs could be challenged – however, it was accepted that the scheme is at an early stage in the design process which is reflected in the risk pricing for elements of the cost plan. As the detailed design for the scheme is progressed certain categories of costs may reduce as design risks are either mitigated or designed out
- CIP overheads and prelim costs for delivering the scheme as part of a programme of sites are in line with industry norms. In the event that further schemes are added to the programme there is the possibility of achieving further efficiencies as overhead and prelim costs are spread across a greater number of developments. There are future schemes in the pipeline that if added to the programme could contribute to achieving further economies of scale.

There is an overriding focus on achieving an effective and timely spend on both the devolution funding and RTB receipts. The offer of this site

to the CIP delivery programme will provide the opportunity to manage development with an established team to contribute to the overall target of 500 new homes.

6. Implications

(a) Staffing Implications

The schemes will initially be managed by the Housing Development Agency following liaison with City Homes; the Estates and Facilities Service and the Legal Services Team.

Subject to approval and in accordance with the principles for developing a site through the CIP process which are set out in earlier sections of the report; all matters relating to the development of this scheme are managed by CIP including the provision of staff. The costs associated with this are managed as part of the CIP business. Staff from both investment partners (CCC and Hill Investment Partnership) work collaboratively to achieve successful outcomes for the partners. A benefit of the Investment Partnership is the provision of experienced professional resources from both partners to support delivery and meet the partners' objectives.

There are no other significant staff implications.

(b) Equality and Poverty Implications

A series of EQIAs have been undertaken for the Council House Programme, the Housing Development Service and for individual schemes. The EQIAs mainly highlight the benefits of the Council retaining direct control of new housing development itself to ensure a focus on the delivery of housing that meets a diverse range of housing needs. Part of the assessment underlines the need for Affordable Housing to help those most likely to suffer poverty as well as ways in which new Affordable Housing will directly save money for tenants, such as energy saving measures.

(c) Environmental Implications

The social housing will be built in accordance with the Cambridge Sustainable Housing Design Guide, which equates to the equivalent of code Level 4 for sustainable homes.

(d) Procurement Implications

It is proposed that the site will be offered to Cambridge Investment Partnership for development in accordance with the agreed process. This

provides an opportunity to achieve delivery in a timely manner using a programme approach to manage spend of devolution and RTB monies in accordance with prescribed timescales.

(e) Community Safety Implications

There are no recognised implications on Community Safety with the proposed developments.

6. Consultation and communication considerations

This scheme does not involve the redevelopment of existing residential accommodation. However, neighbouring residents whose homes adjoin the site have been made aware that the Council is considering the site for redevelopment. The Council will propose to work closely with neighbouring residents to ensure they are well informed of the development proposals.

Internal communication will be structured around the established groups that meet every Committee cycle and oversee the Council's social housing programme, namely; an officer group; a residents consultative group; and the Members Steering Group.

7. Background papers

None

8. Appendices

Appendix 1 – Site Location plan and red line of proposed transfer

9. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Nicola Hillier, Assistant Managing Director - Housing Development Agency, tel: 01223 - 457923, email: nicola.hillier@cambridge.gov.uk.

Appendix 1 – Site location



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Housing Scrutiny Report 17 January 2018

NEW SOCIAL HOUSING ON GUNHILD WAY GARAGE SITE

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Nicola Hillier, Assistant Managing Director of Housing Development
Agency

Tel: 01223 - 457923 Email: nicola.hillier@cambridge.gov.uk

Wards affected:

Queen Edith's

Key Decision

1. Executive Summary

- 1.1 A core objective for Cambridge City Council is increasing the supply of affordable housing in Cambridge.
- 1.2 The City Council has agreed a devolution deal with government to deliver 500 new Council homes over 5 years. These will be delivered as rented housing, let in accordance with the Council rent policy (where rent and service charges together do not exceed Local Housing Allowance levels). Homes will be owned and managed by Cambridge City Council and let on Cambridge City Council tenancies.
- 1.3 In 2016 the Strategy and Resources Scrutiny Committee approved the setting up of the Cambridge Investment Partnership (CIP) as a mechanism for the Council to bring forward assets for development to

provide sites for the delivery of new homes. This partnership brings with it the advantage of the experience and resources of the development partners and was established in January 2017.

- 1.4 At the Strategy & Resources Scrutiny Committee held on 9th October 2017 a mechanism for the development and delivery of sites with CIP was agreed and is being adopted for a number of sites.
- 1.5 The City Council has alternative procurement and delivery options which it is currently exploring and utilising for the delivery of affordable housing on sites in the City.
- 1.6 This report provides details of the indicative capacity of the site at 1-12 Garages, Gunhild Way. Originally highlighted on the Development Rolling Programme (updated HSC June 2017) it was estimated that this site has the potential to deliver 2 new family homes.
- 1.7 The site is to be brought forward in the Council's New Housing Development programme and will be included in the Housing Revenue Account (HRA). It is recommended the site is delivered with CIP as the Council's development partner (following the decision flow process as agreed by Strategy and Resources Committee in October 2017) as part of the overarching housing Investment Programme which includes the delivery of the 500 new homes under the devolution deal.
- 1.8 The report seeks approval of a capital budget for the HRA based on the indicative capacity study which has been undertaken for the site and the outline appraisals referenced in this report.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Note the indicative mix of the proposed scheme
- 2.2 Approve the indicative capital budget of £585,720 to cover all construction costs, professional fees and associated fees to deliver a scheme that meets an identified housing need in Cambridge City. This sum has been allocated in the most recent publication of the Budget Setting Report (January 2018).

- 2.3 Approve that the site is offered to CIP to progress for development to deliver a scheme which will meet the strategic aims of the Council in the delivery of new social housing. The scheme will be developed in accordance with the CIP process which was approved at S&R Committee on 9th October 2017.
- 2.4 Note that the Executive Councillor has a delegated authority to approve the transfer of land to CIP for the redevelopment of the site at a later date. This will be subject to CIP demonstrating that its development proposal meets the Council's strategic aims for the site and the development and delivery milestones are in accordance with the CIP Approvals Process agreed at S+R Committee on 9th October 2017.

3. Background

- 3.1. Tackling the City's housing crisis is a corporate objective. As the main provider of social and affordable housing in Cambridge, the Council has established a new build programme to:
- a) Provide additional social housing to meet housing needs in Cambridge and to replace social housing sold through the Right to Buy.
 - b) Replace some of the Council's existing social housing that no longer meets current day housing expectations and is becoming less popular with residents due to size and often being hard to heat (increasing the impact of fuel poverty)..
 - c) Build new house types that will better meet the overall mix of Affordable Housing needed in the future.
 - d) Improve the energy efficiency of the Council's housing.
- 3.2 As part of the Cambridgeshire and Peterborough Combined Authority devolution deal, the Council now has funding to deliver 500 Council rented homes. Some of these homes will be delivered on sites which already include existing Council housing or garages, whilst others will be delivered on larger mixed-use sites, including homes for private sale and commercial premises.

Officers have identified potential sites which could be developed to provide social housing and have categorised new schemes opportunities in terms of land ownership as follows;

- a. Housing Revenue Account (HRA) land with existing housing
- b. HRA garage and small in-fill sites
- c. General Fund sites
- d. Sites owned by other public sector bodies
- e. Sites in private ownership

As part of the devolution deal Cambridge City Council has committed to providing 500 new homes over 5 years; developing the site at Gunhild Way will deliver affordable housing which will contribute to reaching the target.

The site at Gunhild Way is identified in the 3 Year Rolling Programme under category b) above. The new social housing which it is proposed will be delivered on the site has been assessed as being for rent at Affordable Rents set at rent no greater than the Local Housing Allowance levels.

- 3.3 The site at Gunhild Way has been identified as suitable for development due to long term garage voids. If the garages are not let and are not generating any rental income, the ongoing repairs and maintenance costs will be treated as a sunk cost and cannot be offset against rental income. In recent years garages in older blocks have become less popular for the storage of vehicles due to the smaller sizes of these garages which makes them less suited to larger, modern vehicles. Development on this site does not require any redevelopment of existing housing.

The site consists of 12 No. garages, all of which are available for rent from the Council; currently 8 No. are vacant and 4 No. are let to residents within 1km of the site. Vacant possession of garage sites can be achieved relatively quickly with a notice period of 2 weeks minimum required.

Appendix 1 provides a location plan of the site.

- 3.4 Local Housing Need

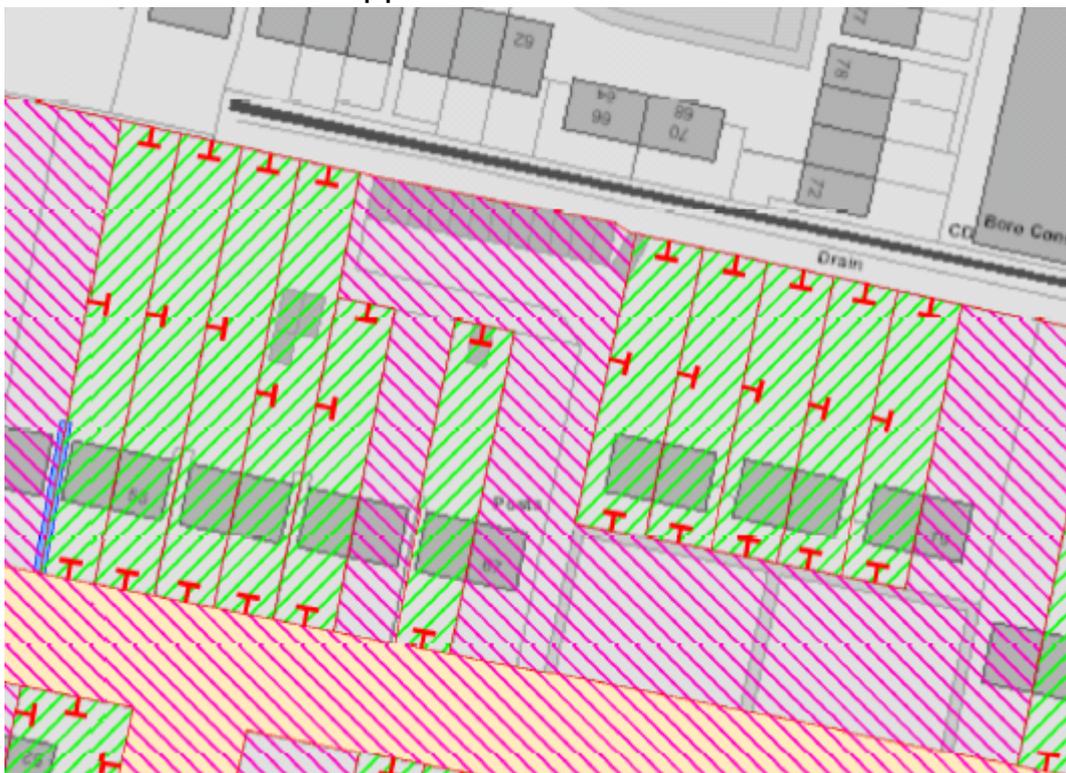
There is a recognised need for more affordable housing across the city. The table below demonstrates the number of households on the Housing Needs Register as of October 2017. There are currently 736 households in need of a 2 bedroom property, progressing this scheme will help in meeting the needs of those on the waiting list.

Cambridge City	1bed	2 bed	3 bed	4 bed
	1639	736	216	58

This site is situated adjacent to existing housing in City Council ownership and provides an opportunity for the Council to deliver smaller family homes in an area of high need where there is already a high proportion of existing 3 bed houses.

4. Site Details

4.1 Site Constraints and Opportunities



- The site is 0.05 hectares in size (500m²) – excluding the access road.

- There is a drainage ditch to the north, with properties on Bullen Close beyond (neither in CCC ownership)
- The site is surrounded by existing dwellings. Those hatched purple on the above plan are in CCC ownership and those hatched green are privately owned.
- Title Reports do not give specific access rights over the garage site to any neighbouring properties. A detailed Report on Title has been commissioned a review of which will determine the extent of Cambridge City Council and other third party titles.
- The existing access is narrow but has been functioning as an access to the garages.

4.2 The following surveys and investigations have been undertaken as part of the feasibility work for investigating the viability of the site for development:

Asbestos
 Drainage (CCTV)
 Flood Risk
 Ecology
 Flood Risk
 Noise
 Party Wall matters
 Ground Contamination
 Utilities & Services

The key issues identified from these investigations confirm the need for further invasive ground and soil investigations (previous experience on garage site developments has shown evidence of soil contamination) and the likelihood of there being additional costs for the utilities and services, Following early identification of the issues there are strategies in place to manage and mitigate the impact on timescales and costs.

4.3 Planning Feedback

Early advice was sought from planning consultants in relation to the planning opportunities and constraints on this site including, but not limited to flood risk, highways, residential amenity and heritage considerations.

Issues arising from the planning appraisal undertaken are noted below:

- Proximity to adjacent properties to avoid overlooking issues and shadowing
- Impact of narrow access to be considered and taking account of existing access points

It is concluded that overall, through considerate design it would be possible to address the planning concerns and achieve a deliverable scheme in this location.

Following Pre-app meetings held between the HDA team and the planners the following feedback has been received:

- Layout of indicative capacity scheme is acceptable
- Consideration needed for existing access road and possibility of increased width

The HDA team is working with County Council Highways officers to explore the issues and options available for the access road and will negotiate with City Homes for additional garden land to accommodate greater width or a passing space, if required.

4.4 Site Options

As part of the feasibility study and options analysis work undertaken in assessing the viability of delivering affordable housing on the site, a number of options were considered which are set out below.

4.4.1 Retain existing garages

- Currently 8 No. voids and only 4 occupied.
- Low demand can be attributed in part to the small size of garages that are not suitable for large modern cars.
- Located in a secluded area with limited overlooking and natural surveillance that often leads to increased risks of anti-social behaviour.
- Continuing management challenges and rising maintenance costs would not be commercially viable with the limited rental receipts, therefore making retention a less financially attractive option.

4.4.2 Demolish and leave for parking

- Secluded location and lack of surveillance is likely to lead to limited use for parking by local residents.
- Risk of anti-social behaviour and fly-tipping would bring additional costs.
- There will be no rental receipt to support this expenditure.

4.4.3 Disposal for capital receipt without planning permission

- Agreeing a valuation for the site and a potential capital receipt which could be achieved by the City Council if it were to dispose of the site for development without planning consent will require the procurement of further professional advice with associated costs and timescales.
- Capital receipt will be lower without a planning permission.
- Receipt from land sale will not deliver 2 new affordable homes that could otherwise be delivered on this site.
- The sale value will be negatively impacted by the costs of the site specific abnormal costs as highlighted in 5.1 below.

4.4.4 Disposal for capital receipt with planning permission

- Agreeing a valuation for the site and a potential capital receipt that could be generated if the City Council were to obtain planning consent prior to disposal will require the procurement of further professional advice with associated costs and timescales.
- Capital receipt will be higher on a site with planning permission; however there are no guarantees on sale timescales and this route will not deliver 2 new affordable homes.
- The sale value would be negatively impacted by the site specific abnormal costs as highlighted in 5.1 below.
- Consideration needs to be given to the costs and timescales of achieving planning and a sale receipt.

4.4.5 Develop for HRA housing

- Addresses the housing need identified in an area of existing housing stock, delivering units which will contribute towards

the devolution funded new build programme with the delivery of 2 No. 2 bed new affordable homes.

- Increased housing stock and rental receipts provides a financial platform to support future development opportunities for the City Council's HRA stock.
- The HDA team's development work is ongoing with design and planning matters progressing, realistically a start on site could be achieved in Summer 2018 subject to the current programme milestones being maintained.

From the options considered in this section, option 4.4.5 is the most viable and supportable and responds directly to the corporate objective of tackling the city's housing crisis and delivering our planning objectives.

4.5 Design and Sustainability

An affordable housing scheme would be based on the Council's adopted design standards and the Cambridge Sustainability Housing Design Guide (link [here](#)). CIP has adopted these design requirements as its minimum standard.

5. Financial Implications

Developing for HRA Housing

5.1 Site Abnormal Costs

There are some site specific abnormal costs which need to be considered:

- The site is located at the end of an access drive which is approx. 40 meters in length. The additional cost of providing drainage and services along the access road is estimated to be **c£40,000**.
- The cost for the provision of off-street parking for those residents that currently access parking directly from the garage site; this is estimated to be a further **c£15,000**.

It should be noted that these costs would need to be considered for all development options, and will impact on the land value in the options considered in section 4 above.

5.2 Development and Delivery Options

As part of the scheme viability appraisal, consideration has been given to the alternative options available to the HRA in order to achieve the delivery of new affordable housing as identified in 4.4.5 above.

5.2.1 Procurement of a contractor through a traditional tender process to be employed on a JCT Design and Build Contract

In accordance with Cambridge City Council's procurement requirements, a tender process would be conducted through Due North.

- It is anticipated that this will take in the region of 6 months from receipt of a planning approval until a contractor is identified and appointed.
- The milestones and costs associated with obtaining a planning approval will need to be allowed for.
- Planning Permission is expected to take a minimum of 3 months from submission and validation. It is unlikely that work will start on site for a further 4- 6 weeks after the appointment of the contractor, to allow for the discharge of pre-commencement planning conditions and contractor's mobilisation.
- Assuming a planning submission was made in January 2018 and factoring in the timescales referred to above a realistic start on site would be November/December 2018.

5.2.2 Procurement of a contractor using the South Cambridgeshire District Council Framework

SCDC have a framework in place of approved contractors that could be approached to tender for this development opportunity. However, timescales are likely to be similar to procuring through Due North.

5.2.3 In-house construction by Estates and Facilities

Estates and Facilities are currently constructing 2 No. 2 bed houses on a site at Uphall Road. The scheme is nearing completion and is expected to be handed over early in 2018. An additional site at Kendal Way has been identified and works are expected to start at this scheme in spring 2018.

Utilising this delivery mechanism for the site at Gunhild Way would have the following advantages:

- Using in house staff retains skills and provides opportunities for personal development.
- Expectation of a reduced lead in time over traditional procurement, however detailed design and specification documentation is still required.

However;

- The process of achieving planning permission would still be up to 3 months and would be managed by the with professional input and associated additional professional fees.
- Assuming a planning application was made in January 2018 a start on site could possibly be achieved in September 2018.
- This delivery option is not considered to be appropriate for the Gunhild Way site due to the existing commitments of the Estates & Facilities team on other HRA developments at this time. In addition an independent professional review is required for the pilot projects already agreed to assess costs and programme delivery against a matrix of criteria to ensure value for money and timely delivery. Consideration will also need to be given to assessing the future resourcing capacity and capability of the team in undertaking additional projects.

5.2.4 Offer the site to CIP for development

In accordance with the CIP Process approved at S+R Committee on 9th October 2017, sites can be considered for development with the Council's Investment Partner, subject to Executive Councillor approval. The benefits of this process are highlighted below.

- It is anticipated economies of scale will be achieved when multiple sites are developed in succession/concurrently and delivered as a bundle of sites with a phased delivery. CIP is currently working on the development of 5 other HRA sites, adding this site to the delivery programme will contribute to a reduction in overheads and prelims costs across the programme.

- There are programme benefits to be considered as schemes developed with CIP will utilise existing supply chains and reduce delivery timescales.
- Developing schemes with CIP shares risk and creates an opportunity to progress detailed design whilst a scheme is still in the planning system.
- A target date for the submission of a planning application for the site is January 2018. Based on a planning determination period of 8 weeks from validation it is likely that a start on site can be achieved in August 2018. However; subject to the progression of the 5 sites in the CIP delivery programme through the planning process there is scope for this scheme to be on site earlier in the summer.
- Time constraints and the need to expend both Right to Buy receipts and progress with Devolution funded development create significant programme and delivery challenges. Working with CIP to deliver the scheme provides a development and delivery vehicle which will mitigate potential programme risks and expedite the financial spend.,

5.3 Budget

The indicative capital budget of £585,720 is allocated for the development of the site at Gunhild Way in the most recent publication of the BSR (January 2018).

In addition to the construction costs this sum includes pre and post statutory planning fees, professional consultant fees, survey and site investigation costs and other associated costs, including HDA fees and SDLT. Allowance has also been made for additional costs of site specific abnormalities (total £55,000) mentioned above in 5.1.

The Housing Revenue Account Mid-Term Financial Review captures the funding available for the ongoing social housing programme. It is proposed the budget for this scheme will utilise funding of £175,716.14 (30% of the total indicative scheme costs) from Right to Buy receipts, which must be expended to prevent them from being lost. It is then proposed to utilise devolution grant to fund the remaining 70% of the total indicative scheme costs.

5.4 Value for Money / CIP Programme Delivery

The cost plan produced for the scheme by CIP has been reviewed and analysed by an independent cost consultant as part of an exercise to review and assess the costs for the CIP delivery programme of sites. The costs have been benchmarked against current market conditions to assess whether delivery with CIP will demonstrate value for money.

This review was high level, the following points were noted:

- Inflation and contingency costs could be challenged – however, it was accepted that the scheme is at an early stage in the design process which is reflected in the risk pricing for elements of the cost plan. As the detailed design for the scheme is progressed certain categories of costs may reduce as design risks are either mitigated or designed out
- CIP overheads and prelim costs for delivering the scheme as part of a programme of sites are in line with industry norms. In the event that further schemes are added to the programme there is the possibility of achieving further efficiencies as overhead and prelim costs are spread across a greater number of developments. There are future schemes in the pipeline that if added to the programme could contribute to achieving further economies of scale.

There is an overriding focus on achieving an effective and timely spend on both the devolution funding and RTB receipts. The offer of this site to the CIP delivery programme will provide the opportunity to manage development with an established team to contribute to the overall target of 500 new homes.

6. Implications

(a) Staffing Implications

The schemes will initially be managed by the Housing Development Agency following liaison with City Homes; the Estates and Facilities Service and the Legal Services Team.

Subject to approval, and in accordance with the principles for developing a site through the CIP process which are set out in earlier sections of the report; all matters relating to the development of this scheme are managed by

CIP including the provision of staff. The costs associated with this are managed as part of the CIP business. Staff from both investment partners (CCC and Hill Investment Partnership) work collaboratively to achieve successful outcomes for the partners. A benefit of the Investment Partnership is the provision of experienced professional resources from both partners to support delivery and meet the partners' objectives.

There are no other significant staff implications.

(b) Equality and Poverty Implications

A series of EQIAs have been undertaken for the Council House Programme, the Housing Development Service and for individual schemes. The EQIAs mainly highlight the benefits of the Council retaining direct control of new housing development itself to ensure a focus on the delivery of housing that meets a diverse range of housing needs. Part of the assessment underlines the need for Affordable Housing to help those most likely to suffer poverty as well as ways in which new Affordable Housing will directly save money for tenants, such as energy saving measures.

(c) Environmental Implications

The social housing will be built in accordance with the Cambridge Sustainable Housing Design Guide, which equates to the equivalent of code Level 4 for sustainable homes.

(d) Procurement Implications

It is proposed that the site will be offered to Cambridge Investment Partnership for development in accordance with the agreed process. This provides an opportunity to achieve delivery in a timely manner using a programme approach to manage spend of devolution and RTB monies in accordance with prescribed timescales.

(e) Community Safety Implications

There are no recognised implications on Community Safety with the proposed developments.

6. Consultation and communication considerations

This scheme does not involve the redevelopment of existing residential accommodation. However, neighbouring residents whose homes adjoin the site have been made aware that the Council is considering the site for redevelopment. The Council will propose to work closely with neighbouring residents to ensure they are well informed of the development proposals.

Internal communication will be structured around the established groups that meet every Committee cycle and oversee the Council's social housing programme, namely; an officer group; a residents consultative group; and the Members Steering Group.

7. Background papers

None

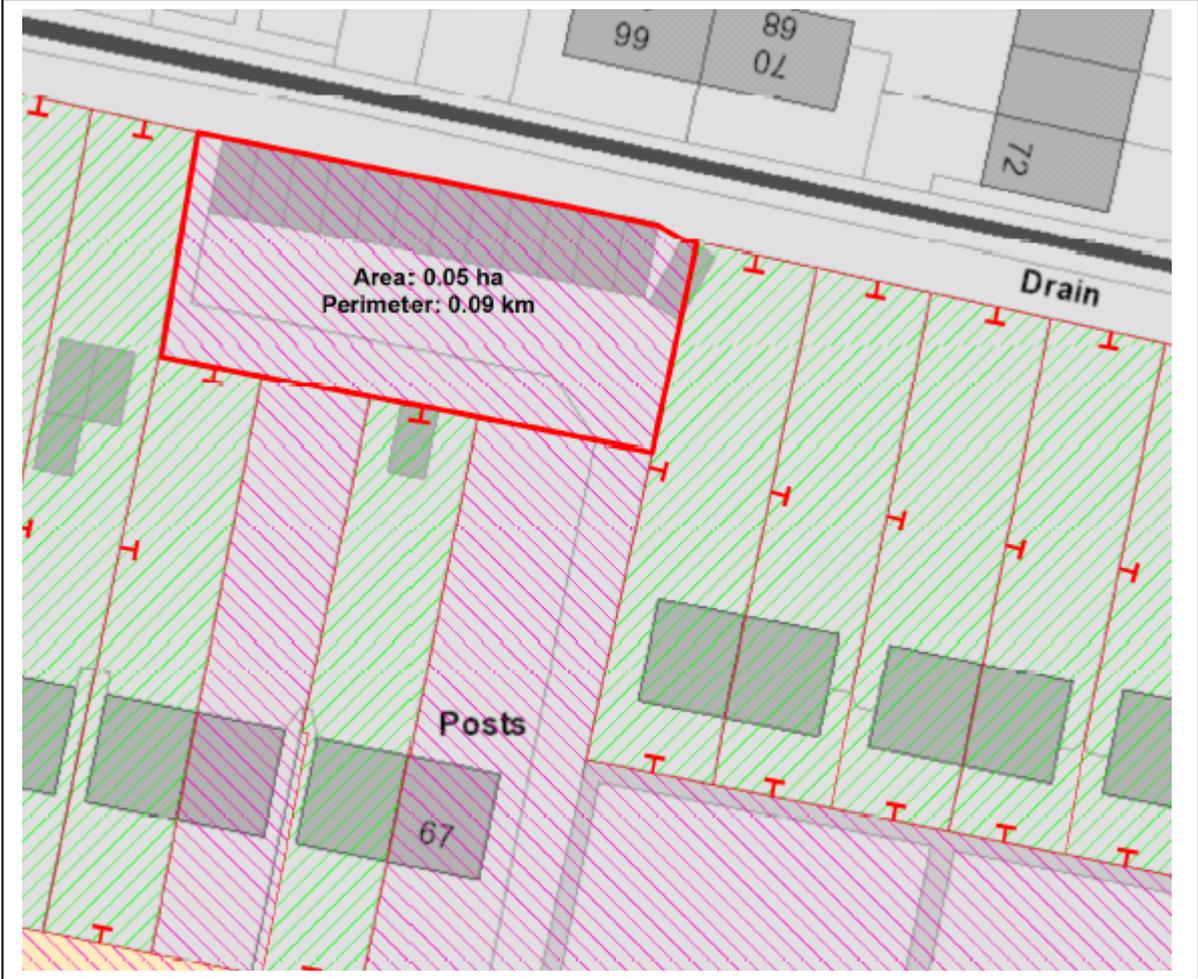
8. Appendices

Appendix 1 – Site Location plan and red line of proposed transfer

9. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Nicola Hillier, Assistant Managing Director - Housing Development Agency, tel: 01223 - 457923, email: nicola.hillier@cambridge.gov.uk.

Appendix 1 – Site location





Housing Scrutiny Committee 17 October 2018 COMMUNITY-LED HOUSING

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Julian Adams, Suzanne Hemingway

Tel: 01223 457461. Email: suzanne.hemingway@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Not a Key Decision

1. Executive Summary

- 1.1 The award of grant by the Department for Communities and Local Government's (DCLG) Community Housing Fund to local authorities to promote community-led housing, has led to a new initiative being proposed by South Cambridgeshire District Council and Cambridge City Council. It is designed to help community groups deliver housing schemes on land identified by the community; help make sure designs are right for the local area and meet the needs of people in need of affordable housing.
- 1.2 The scheme would allow interested groups each to bid for up to £4,500 to scope a project in their area as well as explore and develop capacity to take approved schemes forward. The project is being run in conjunction with Community Land Trust (CLT) East who have helped deliver community-led housing in East Cambridgeshire. The grants

available could be used to pursue any model of community-led development for the provision of affordable housing, including Community Land Trusts, Cohousing and groups who want to self-build.

- 1.3 Before applying for funding, groups also have free help and advice from a CLT East technical adviser, who will complete a report of findings and recommendations for the group. These recommendations will be reported to a board of Council officers from Cambridge City and South Cambridgeshire who will oversee the administration of the grant award process once agreed.
- 1.4 1.4 This report seeks delegated authority for awarding grants to such groups.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 To give delegated authority to a Strategic Director to award grants of up to £4,500 each to community groups, to assist them to develop proposals for community-led affordable housing through such models as Co-housing, Community Land Trusts or self-build schemes.

3. Background

- 3.1. The £60m Community Housing Fund was announced by DCLG on December 23rd 2016 to help Local Authorities in areas where, in their view, the impact of second homes is particularly acute, and where housing is unaffordable for local people, to support community-led development.
- 3.2. As with Local Authorities across the country, South Cambridgeshire District Council and Cambridge City Council were both unexpectedly awarded funding. The Councils received their first tranche of funding in December 2016. The councils bid for a second tranche in April 2017. There are no conditions imposed by DCLG attached to the award of funding, although both councils expect there to be some sort of monitoring of expenditure and outcomes. The total amount received by each Council is as follows:

- South Cambridgeshire District Council awarded £50,329
- Cambridge City Council awarded £52,342

The Councils have decided to pool their funding together in order to create a more effective and coherent plan for community-led development in the area.

- Total pooled funding of £102,671.

3.3 CLT East has been appointed to undertake the detailed work with community groups and to work with staff and councillors within the two Local Authorities to help develop their approach to community-led housing.

3.4. CLT East are undertaking a scoping exercise to identify likely existing groups that might benefit from the advice and grants. This will be complemented via publicity in Council publications and web-sites to attract other groups, including those who may not, at present, be formally constituted. Work with the City Council's Community Development team will identify further community networks and communication methods to widen the publicity.

3.5 Prior to any grant being offered, the applicants will meet CLT officers to take initial advice and assess the best way in which the group can progress, either with or without the grant.

3.6 Grants are aimed at helping groups to building knowledge and capacity to take affordable housing schemes forward, including support in: formulating ideas; setting up business plans; researching sites; engaging with partners; setting up legal frameworks; entering into landowner or developer negotiations and overcoming barriers to bringing particular sites forward.

3.7 £42,000 of the DCLG grant has been set aside to fund grants to community groups.

3.7 The project and grant applications will be overseen by a Joint Project Board, members of which will be made up of officers from Cambridge City Council, South Cambridgeshire District Council and CLT East. The Board will develop a process for awarding grants, including clear grant eligibility criteria, and will monitor expenditure and outcomes.

4. Implications

(a) Financial Implications

Groups with an interest in developing their own affordable housing for the community can apply for up to £4,500 in grant funding to cover all their start-up costs. The total amount available for grant is £42,000. The scheme will be funded through grant awarded to the council through the DCLG's Community Housing Fund.

(b) Staffing Implications

There are no direct staffing implications from this report. Co-ordination of work will be undertaken with existing resources.

(c) Equality and Poverty Implications

No. An Equality Impact Assessment will be undertaken for the overall scheme with colleagues from South Cambridgeshire District Council.

(d) Environmental Implications

There are no direct environmental implications from this report.

(e) Procurement Implications

There are no procurement implications from this report.

(f) Community Safety Implications

There are no direct community safety implications from this report.

5. Consultation and communication considerations

Work to identify and contact new and existing groups, is being undertaken. Publicity including an article for Cambridge Matters, spring edition, is being developed at present and an initial press release was published in September outlining the award.

6. Background papers

No background papers were used in the preparation of this report.

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Julian Adams, Growth Projects Officer, tel: 01223 457617, email: julian.adams@cambridge.gov.uk.

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Housing Scrutiny Committee

17 January 2018

Item

REVIEW OF EMPTY HOMES POLICY

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Yvonne O'Donnell, Environmental Services Manager

Tel: 01223 - 458050 Email: Yvonne.ODonnell@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Not a Key Decision

1. Executive Summary

- 1.1 The Empty Homes Policy 2012 is in need of revision following operational changes and the introduction of the Empty Homes Loan (2017).
- 1.2 The review of the existing Empty Homes Policy has resulted in the policy remaining largely unchanged but with amendments to wording, context updated and operational changes added within the following sections:
 - Section 1 Introduction.
 - Section 8 National perspective.
 - Section 9 Local perspective.

- Section 11 Enforcement options open to the council that can be used.

1.3 Additional information has been included in:

- Section 10 what can the Council do to bring an empty home back into use.

1.4 The amendments have not affected the application or principals of the policy.

2. Recommendations

2.1 The Executive Councilor is recommended to: consider the proposed changes and adopt the revised Empty Homes Policy 2017 attached as Appendix1

3. Background

Page: 2

3.1 The Empty Homes policy was adopted by members in 2012; it forms the basis of how the City Council takes action in relation to empty homes in the City. Since the policy was introduced, a full time empty homes officer was recruited in 2015. Cambridge City Council has continually met its targets in bringing over 30 previously long-term empty properties back into use each year, (2015-2016 50 properties brought back into use, 2016-2017 39 properties brought back into use).

3.2 The empty homes officer has worked with owners of empty properties and the Town Hall Lettings service to facilitate once empty homes being re-occupied by tenants. Two previously empty properties have been let through Town Hall Lettings at an affordable rent level.

3.3 The policy is essential to provide clarity to residents in the way we act, as well as providing clarity around both formal and informal options I may pursue in order to bring the property back into occupation. It is important the policy is kept up to date to ensure that it both follows operational changes within the Council and legislative changes that may have come into force. The policy must remain robust and able to stand up to scrutiny in the case that a member of the public or business makes a complaint relating to the way we have handled their case.

Sections 1, 8 and 9 have been reviewed and updated to provide current data and operational changes.

- 3.4 Section 10.4 now includes information about the 2017 Empty Homes Loan Policy. This is an interest free loan of up to £25,000 is available to eligible owners of long-term empty homes to facilitate renovations of their properties and occupation via a not for profit social letting agency.
- 3.5 Section 11 has been updated to ensure that the enforcement options have continued to be inline with relevant legislation
- 3.6 Sections 10 and 11 have be revised to ensure that there is clear distinction between the assistance and enforcement options available to Cambridge City Council

4. Implications

(a) Financial Implications

This policy revision has no financial implications to the City Council.

(b) Staffing Implications

There are no staff implications other than communicating the change and ensuring any work with the owners of empty homes is taken in accordance with the policy.

(c) Equality and Poverty Implications

An Equality impacts assessment has been completed (Appendix2)

(d) Environmental Implications

Low

(e) Procurement Implications

There will be no procurement implications.

(f) Community Safety Implications

The Policy is used to guide the way we enforce appropriate legislation that regulates the environment

5. Consultation and communication considerations

We have consulted with Council Tax & Leasehold Services.
We will communicate using the Council website.

6. Background papers

Background papers used in the preparation of this report:

Empty Homes Policy 2012 <https://www.cambridge.gov.uk/sites/default/files/.../empty-homes-policy-2012.pdf>

Empty Homes Briefing paper June 2017

<http://researchbriefings.files.parliament.uk/documents/SN03012/SN03012.pdf>

The Housing (Empty Dwelling Management Orders) (Prescribed Period of Time and Additional Prescribed Requirements) (England) (Amendment) Order 2012 <http://www.legislation.gov.uk/uksi/2012/2625/made>

The Empty Homes Loan Policy

<https://democracy.cambridge.gov.uk/documents/s38062/Appendix%20A%20Empty%20Homes%20Loan%20Policy%202017.pdf>

7. Appendices

Appendix One - Empty Homes Policy 2017

Appendix Two - EQIA

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact

Danae Evans, Empty Homes Officer,

tel: 01223 - 457622,

email: danae.evans@cambridge.gov.uk.

Empty Homes Policy

2017

Contents

1. Introduction
2. Definition of an empty home.
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7. Objectives.
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9. Local Perspective.
10. Options that can be used to bring an empty home back in to use.
11. Enforcement options open to the council that can be used.
12. Review of Empty Homes Policy.

1.0 Introduction

- 1.1 Making best use of existing homes is a key objective in Cambridge City Council's Housing Strategy. There is a shortage of residential accommodation available in the City as housing demand outstrips housing supply quite significantly.
- 1.2 Empty homes are a wasted resource and can have a detrimental impact on neighbourhoods and the environment, as they can become an eyesore that may also cause problems for neighbours. Empty homes can quickly fall into disrepair and become magnets for antisocial behaviour and vandalism.
- 1.3 With housing and land in short supply in Cambridge it is necessary to ensure that empty homes do not remain empty unnecessarily and fall into misuse and dereliction.

In light of this it is important that all homes in Cambridge are occupied as soon as possible, in order to do this, Cambridge City Council are dedicated to providing support and assistance to empty home owners in order to help them bring their property back in to use, and in some cases consideration will be given to using enforcement action to bring the properties in to use.

The Council is continually thinking of new ways to approach empty homes. In 2014 Cambridge City Council employed an Empty Homes Officer and in 2017 Cambridge City Council formally introduced an Empty Homes Loan Policy.

2.0 What is the definition of an empty home?

- 2.1 A long-term empty home is a residential dwelling that has been unoccupied for 6 months or more. This can include single-family dwellings, HMOs, flats, and accommodation located above commercial premises.
- 2.2 Empty homes that come to the Council's attention will be assessed and validated before any advice or action is commenced. This will include sending correspondence to the registered owner of the property, consulting with other Council departments, the neighbours in the immediate area, and any other relevant parties.

3.0 Reasons why properties remain empty.

In most cases this is because the owners need assistance, support, information, or encouragement to help return empty homes to use. Although there are numerous other reasons that properties remain empty including:

- Financial implications.
- Reluctance to let/sell.
- Repossession or abandonment.
- Health issues, long term care or hospitalisation.
- Requires renovation and/or building work.
- Probate, estate or legal ownership issues.
- Inaction of owners or unable to let/sell.
- Lack of awareness of support options.

This list is not exhaustive, and the reasons can vary in severity. It is important, therefore, that Cambridge City Council is able to give the appropriate level of support to those who need it on a case by case basis.

4.0 The impact an empty home can have.

Empty homes represent a wasted resource and can cause a number of problems for the owner and the surrounding neighbourhood. If left empty properties can:

- Fall into disrepair, and/or become ruinous or dilapidated.
- Become an eyesore in neighbourhood.
- Attract vandalism, anti-social behaviour and crime.
- Cause damage to adjacent properties, and possibly health issues for neighbours through lack of maintenance.
- Reduce the value of the surrounding area as well as themselves
- Become costly to maintain, and a loss of potential income.

Again this list is not exhaustive.

5.0 The benefits of bringing empty homes back into use.

There are significant advantages for everyone in the area by bringing empty homes back into use, these include:

- Providing accommodation for others to use.
- For the owners – It unlocks potential capital if the property is sold; it will produce rental income if the property is let and there is the potential for an increase in property value.
- Leaving a home empty increases the risk of vandalism and crime, making the property more costly to insure empty, if it can be insured at all.
- For local residents it reduces the opportunities for vandalism, fly tipping and antisocial behaviour in all its forms.
- For the local economy – bringing an empty home back into use can contribute to the regeneration of an area, increasing spending in the local economy and helping to protect the value of surrounding properties.
- Unsightly properties can often deter investment in an area, which can lead to decline.
- For the wider community returning properties back into use may reduce demands on services such as the Police, Fire and the Council to deal with the associated problems.

6.0 Aims

The aims of this Empty Homes Policy are to introduce measures that will:

- Return long-term empty homes back into use.
- Make positive improvements to housing conditions and to the local environment.

7.0 Objectives

The objectives of this Empty Homes Policy are to:

- Return a target number of empty homes to use annually.
- Raise public awareness of the Council's approach to empty homes and the importance of reporting them to the Council.
- Provide positive support and assistance to owners and people within the city affected by empty homes.
- Be proactive through enforcement action where owners are unable or unwilling to return property to use, in line with the City Councils enforcement policy.
- Maximise the potential of empty homes.
- Increasing the availability of affordable housing.

The Council will treat empty homes owned by the Registered Providers of Affordable Housing in the same way as other Private Sector Landlords.

Empty Homes that are owned by the Council fall out of the scope of this Policy.

8.0 National Perspective.

8.1 According to the Department of Communities and Local Government (DCLG) there were 589,766 empty homes in England in October 2016. Of these, 200,145 were classed as long-term empty properties (empty for longer than six months).

8.2 The New Homes Bonus commenced in April 2011 which included a financial incentive to the Council for returning empty homes to use. Local authorities and their communities will have the freedom to spend New Homes Bonus revenues To meet locally agreed priorities.

9.0 Local Perspective.

9.1 Part of the council's vision states that Cambridge is 'a city which strives to ensure that all local households can secure a suitable, affordable local home, close to jobs and neighborhood facilities'.(updated).

9.2 The City Councils annual statement 2017 outlines how we wish to achieve this vision by tackling the city's housing crisis.

9.3 According to the Cambridge Sub-Regional Strategic Housing Market Assessment (SHMA) 2013 and CCC Strategic Housing Key Facts September 2017.

- The population of Cambridge in 2015 was 132,130, a 6.3% growth since 2011.
- It is predicted that by 2031 the population will reach 150,000. The average house price in the City is around £500,000 and the median house prices are over 11 times median earnings.
- The need for Housing in Cambridge is particularly high, the SHMA forecasts that there will be a need for 14,000 new homes in the City between 2011 and 2031. This is a 29% increase in dwellings from the existing 48,000 dwellings that existed in Cambridge in 2011.
- The Key Statistics– Strategic Housing shows that in September 2017 there were approximately 2,628 applicants on the Home-Link Needs Register. The numbers of social housing properties let in 2016-17 were 519.

This illustrates the ever-increasing pressure to provide affordable housing in the City, and for the Council to continue to pursue the best use of all existing properties within the City.

10.0 Options that can be used to bring an empty home back into use.

The Council can offer a range of services in order to give the best support and advice possible to empty homes owners and neighbours, we can offer:

10.1 Informal advice and assistance.

The Council will always seek to provide informal advice and assistance to bring empty homes back into use. Initial contact will always be informal providing written advice and information to the owner outlining the options, including establishing why the property is vacant and help the owner return it to use within a reasonable timescale.

The Empty Homes Officer follows the empty homes procedure, which is an internal process to assist them to investigate, assess and prioritise known and newly reported empty homes. The Empty Homes Officer will also make an assessment following contact with the owner as to their personal circumstances which could impact on the steps they can take in regards to their empty home.

10.2 Reduced-rating VAT for the renovation or alteration of empty homes.

If a property has been empty for at least two years immediately prior to renovations commencing, the Empty Homes Officer may be able to issue owners with a letter that will prove that they qualify for a reduced rate of VAT on renovation works through builders. This is subject to the builders offering this service, and to the renovations meeting a certain criteria.

10.3 Sign posting.

The Council will signpost owners to services such as;

- The Council's Town Hall Lettings www.cambridge.gov.uk/town-hall-lettings who can offer advice about renting out their properties.
- Local charities looking to lease empty properties.
- We can also direct to local Auction houses & estate agents who can assist with the selling of their home.
- The City Council's leasehold services if the owner wishes to sell and previously exercised their Right to Buy.

10.4 Financial Assistance.

An interest free loan of up to £25,000 was introduced in March 2017 and is available to owners of long-term empty homes: The loan will:

- Enable owners to bring empty properties up to a decent homes standard prior to re-occupation which includes ensuring there are no Category 1 hazards as per the Housing Act 2004 Part I and an EPC (Energy Performance Certificate) rating of D and above where achievable.
- The interest free loan will be subject to a management agreement with Town Hall Lettings (THL) or another not for profit housing provider for a minimum period of 2 years.
- Loans will be offered in accordance with the Empty Homes Loan Policy 2017.

11.0 Enforcement options open to the council that can be used.

In addition to the options in paragraph 10 there are also the following powers available to the Council. Generally these powers will only be used as a last resort. Wherever possible the Council want to be able to bring owners' empty homes back in to use via informal means.

11.1 Dealing with dangerous buildings.

The Building Act 1984 allows Local Authorities to deal with buildings that it considers being dangerous. The Council can apply to a Magistrates' Court for an order requiring the owner to make the building safe or demolish it. If the owner fails to comply, the Council can carry out the works in default.

11.2 Derelict and Ruinous Buildings and Structures.

Provisions contained in Section 79 of the Building Act 1984 enable the council to take action against building owners who neglect their buildings allowing them to become ruinous and dilapidated. It empowers a local authority to serve notice requiring the building owner to either execute works of repair and restoration or if the owner chooses to, demolish it.

The qualifying criteria for action to be taken on derelict buildings are that in the opinion of the local authority they are ruinous and dilapidated and detrimental to the amenities of the neighbourhood. Evidence of 'ruin and dilapidation' relates to the building's condition whilst 'detriment to amenity of the neighbourhood' is a subjective judgment relative to the detrimental impact it has on the neighbourhood usually underpinned by the number of complaints it generates.

The owner can appeal against the notice within 21 days but only on specified grounds. If works in default are undertaken a local land charge is put on the property against all titles and could lead to enforced sale in extreme circumstances

11.3 Section 215 of the Town and Country Planning Act 1990.

This legislation gives the Council a power, in certain circumstances, to take steps requiring land to be cleaned up when its condition adversely affects the amenity of the city. Action can be taken against land and buildings including empty homes.

Amenity is a broad concept and there must be sufficient evidence that the amenity of that part of the area is being suitably affected by the condition of neighbouring land and buildings to justify service of a notice. A notice must be clear, concise and unambiguous.

In the event that a notice is successfully appealed at the Magistrates' Court reasonable costs can be awarded against the council. Failure to comply with an enforcement notice may result in enforced sales procedure being undertaken.

11.4 Enforced sale.

This is the procedure that allows Local Authorities to recover charges incurred following non-compliance with a notice after they have done works in default for example failing to comply with a S.215 Planning Notice.

The power gives local authorities the right to require a house to be sold to recover the money they are owed if the owner fails to repay the charge for works in default. If the owner does not pay for the works in default the charge is secured as a local land charge. Once the charge is in place the local authority can pursue the enforced sale without further legal recourse.

11.5 Compulsory Purchase Orders (CPO).

Compulsory purchase of empty properties may be justified as a last resort in situations where there appears to be no other prospect of a suitable property being brought back into residential use.

The city council will first wish to encourage the owner to restore the property to full occupation. However, cases may arise where the property may be causing nuisance to the neighbours and the owner cannot be traced or will not engage with the city council, therefore use of compulsory purchase powers may be the only way forward.

When considering whether to confirm such an order the Secretary of State will normally wish to know: how long the property has been vacant, what steps the authority has taken to encourage the owner to bring it into acceptable use and the outcome; and what works have been carried out by the owner towards its reuse for housing purposes.

11.6 Empty Dwelling Management Orders (EDMOs).

EDMO's allow local authorities to take management control of an empty property for up to 7 years, carrying out any necessary repairs and arranging for the property to be rented out during this period.

The owner retains ownership and the right to sell the property and receives any surplus income made during this time once management costs and refurbishment costs have been reclaimed from the rental income.

The minimum time a property has to be empty is two years and Councils have to serve a three month notice on owners that they intend to apply for an interim EDMO in the first instance.

An EDMO is only applicable for properties attracting anti-social behaviour and/or having a significantly adverse effect on the community, with owners unwilling to take action. This will restrict its use to a small number of properties, but they are valuable tool for long-term empty properties having a significant impact on a neighbourhood.

11.7 Other Statutory Powers.

All empty properties undergo an external assessment by the Empty Homes Officer, if an internal inspection is carried out, it will be under the Housing Act 2004 Housing Health & Safety Rating System (HHSRS).

The Housing Act 2004 places a duty on local authorities to take action when the most serious Category 1 hazards are identified.

The authority has the option to serve Improvement Notices requiring the owner to carry out the necessary works to remedy defects, which will reduce the hazards to an acceptable level.

If the owner fails to comply with a notice, the authority can arrange for the works to be carried out in default and recover the costs from the owner. Any costs are registered as a local land charge against the property and may count in any subsequent enforced sale action

12.0 Review of Empty Homes Policy

This document was first published in March* 2012 and reviewed November 2017.

This policy document will be reviewed every 3 years or sooner should legislation change. Next review date November 2020.

For further information email ehresidential@cambridge.gov.uk or contact the Residential Team Manager on 01223 458050.

Cambridge City Council Equality Impact Assessment (EqIA)



Please fill this out on the computer as a Word document or complete the form on SurveyMonkey – find the link on the Intranet.

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:
Empty Homes Policy 2017 (Reviewed)
2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
N/A
3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
<ul style="list-style-type: none"> • Return a target number of empty homes to use annually. • Raise public awareness of the Council’s approach to empty homes and the importance of reporting them to the Council. • Provide positive support and assistance to owners and people within the city affected by empty homes. • Be proactive through enforcement action where owners are unable or unwilling to return property to use, in line with the City Councils enforcement policy. https://www.cambridge.gov.uk/enforcement-policy • Maximise the potential of empty homes. • Increasing the availability of affordable housing. • To link the Policy to the Empty Loans Policy 2017 https://democracy.cambridge.gov.uk/.../Appendix%20A%20Empty%20Homes%20Lo
4. Responsible Service
Environmental Services

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- Residents of Cambridge City
- Visitors to Cambridge City
- Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):

- People who own empty homes in Cambridge.
- Those whose homes or communities are impacted by empty homes due to statutory nuisance or anti-social behaviour.

6. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- New
- Major change
- Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- No
- Yes (Please provide details):

This is the corporate Empty Homes Policy, mentioned within the document is the planning department as they have powers to take enforcement action in regards to empty homes (and land) under S215 of the Town and Country Planning Act 1990.

The Councils leasehold services are referred to as they can potentially buy back an empty property from the owner if it had been purchased under Right To Buy.

Town Hall Lettings (THL) are involved in the delivery of this policy, as owners are referred to them if they wish to let their property, also if an I EDMO was used against an owner it would be THL that would manage the property.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

Due to go to Housing Scrutiny Committee January 2017.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

The evidence for this Policy has been based on continuing and regular communication through the Empty Homes Officer with members of the community directly impacted by or owning empty homes. We issue questionnaires to empty home owners to ensure ongoing feedback, as well as regular written correspondence.

Annually 'Empty Homes Week' brings empty homes to the public's attention and encourages them to tell us about empty homes and the impact they are having on their local community.

These actions demonstrate that we do come into contact with community members who are members of the protected characteristics.

10. Potential impacts

For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.

(a) Age - Any group of people of a particular age (e.g. 32 year-olds) , or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults

Empirical research from the Empty Homes Officer has identified that empty home owners are unlikely to be young people, in the age bracket of 16-24, therefore, the policy will have more impact on people aged over 24.

If an empty home owner was vulnerable due to age related poor health, the policy positively impacts as it is designed to offer support and assistance. For example liaising with the independent living services if they are working with an older person, referring to appropriate agencies and being confident in safeguarding referrals if appropriate.

With regards to communities affected by empty homes, these homes can pose a threat to safety, and can become a magnet for anti-social behaviour which can impact on all ages. Therefore, the policy has a positive impact on all groups by helping address disrepair and dereliction that can make areas feel unsafe.

Empty Homes being returned to use as a positive impact on the community as it can provide additional housing for all ages.

(b) Disability - A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities

Empty home owners who have a disability will be positively impacted on as the policy provides support and advice on a case by case basis. By working in this way additional needs will be swiftly identified, support and signposting will be tailored to these needs. Actions can include home visits, liaising directly with support services with owners consent when appropriate.

Those in the community with a disability could be positively impacted on by the provision of additional housing in Cambridge. Additionally, the policy can arguably prevent long-term health issues for neighbours where empty homes cause damage to their adjacent properties through lack of maintenance, particularly issues around excess cold, damp and mould.

Empty Home owners can suffer from a hoarding disorder, which can often relate to underlying mental health issues. Many people with this disorder realise they have a problem but they are reluctant to seek help because they feel ashamed, humiliated or guilty. The empty homes policy would have a positive impact on this group as the Empty Homes Officer would signpost them to support that could assist them with their hoarding disorder in a sympathetic and understanding way. Eventually the support could assist the owner to bring their property back to a standard that it could be lived in again.

(c) Sex – A man or a woman.

There is no statistical data regarding the sex of empty home owners and no impacts specific to men or women have been identified in relation to this policy. Both sexes could be positively impacted on by the provision of additional housing in Cambridge city.

(d) Transgender – A person who does not identify with the gender they were assigned to at birth (includes gender reassignment that is the process of transitioning from one gender to another)

There is no statistical data regarding the gender status of empty home owners. No impacts have been identified in relation to this policy that will impact in a specific way on people who identify themselves as Transgender.

(e) Pregnancy and maternity

The empty homes officer would offer support if an empty home owner identified their pregnancy as a barrier to bringing their empty home back into use.

Those who are pregnant could be positively impacted on by the provision of additional housing in Cambridge city.

(f) Marriage and civil partnership

There is no impact from this policy regarding marriage and civil partnership. Part of our general procedure is to establish ownership of a property and ensure that all parties they own the house are informed of the options available to them and the enforcement action we can take. Also within the Empty Home Loan policy we would not accept a sole application if the empty home was jointly owned.

(g) Race - The protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

If an empty home owner or the empty homes officer identified that language barriers could be an impediment to their bringing their home back into use, they would ensure that steps are taken such as offering translated information or an interpreter interview if required.

There is no research on 'race' related to empty home owners' nationwide or locally, only research relating to owners occupiers. <http://cambridgeshireinsight.org.uk/populationanddemographics/ethnicity>

Those in the community with the protected characteristic of 'race' could be positively impacted on by the provision of additional housing in Cambridge city.

(h) Religion or belief

The empty homes officer would ensure they offer appropriate support, considering when to make appointments, taking into account dates of religious festivals.

A possible positive impact, the Empty Homes Loan Scheme (details of which are within the policy) could be suitable for owners who follow Sharia law as it forbids usury and the empty homes loan is interest free.

(i) Sexual orientation

There is no impact from this policy regarding sexual orientation.

There is no statistical data regarding the sexual orientation of empty home owners.

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty

Though empty home owners may own a property, they could still be cash poor. Empty homes can become costly to maintain that can lead to a loss of potential income. The Empty Homes Loan is on offer to owners to assist them to renovate their homes if they cannot raise that money themselves.

Those in the community suffering inequality could be positively impacted on by the provision of additional housing in Cambridge city, especially if empty property owners utilise the Empty homes loan and allow their properties to be rented as affordable housing.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

Review policy every 3 years.

As part of ongoing case management, ensure that the Empty Homes Officer records any issues that have been identified by empty home owners that have prevented them from taking steps with their empty homes. If the barrier to bringing their home back into use relate to being from a protected characteristic, reviewing what steps were undertaken in line with the policy and what did or didn't work. Following this, if there was a recurring issue for a protected characteristic group and it was felt that the Empty Homes Policy exacerbated it, immediately undertake a review this section of the policy

Take into account any changes to demographics following Census 2021 and the impact this may have on the policy.

12. Do you have any additional comments?

Additionally, unsightly properties can often impact on their immediate neighbours and the wider community in which they are situated. Therefore, the empty homes policy can contribute to preventing degeneration.

The empty homes policy aims to help the council meet our vision of Cambridge as “a city which strives to ensure that all local households [of all equalities groups] can secure a suitable, affordable local home, close to jobs and neighbourhood facilities.”

13. Sign off

Name and job title of lead officer for this equality impact assessment:

Danae Evans – Empty Homes Officer

Names and job titles of other assessment team members and people consulted:

Philip Winter Projects Officer, Town Hall Letting & Lease Hold Services

Date of EqlA sign off: 14th December 2017

Date of next review of the equalities impact assessment:

Sent to Helen Crowther, Equality and Anti-Poverty Officer?

Yes

No

Date to be published on Cambridge City Council website (if known):



Housing Scrutiny Committee

17 January 2018

Item

NEW BUILD AFFORDABLE HOUSING UPDATE

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Fiona Bryant, Strategic Director and Cath Conlon, Interim Head of HDA

Fiona Tel: 01223 457325 Email: Fiona.bryant@cambridge.gov.uk

Cath Tel: 01223 - 457149 Email: Cath.Conlon@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Not for Key Decision

1. Executive Summary

This report provides an up-date on the sites in the Council's New Build Housing Programme – whether recently completed; under construction or being assessed in terms of feasibility and viability for development. The latter is known as the Rolling Programme.

2. Recommendations

The Executive Councillor is recommended to note the up-dated position of schemes.

3. Update on Housing Programme

3.1 Recently Completed Schemes since HSC June 2017

Table 1 provides details of the schemes which have been completed since the last Housing Scrutiny Committee in June 2017. A total of 134 Social Housing and Shared Ownership Units were completed and handed over to Cambridge City Council in the period between June and 30th November 2017.

Table 1 Schemes	Contractor	Date Completed	Social Housing / SO Units	Percentage Social Housing on Site	Comments
Water Lane (Jolley Ford Court)	Keepmoat	September 2017	14	61%	Scheme in defects period
Clay Farm (Virido)	Hills	June – October 2017	104	50%	Scheme in defects period
Ekin Road (Ekin Close)	Keepmoat	October 2017	6	100%	Scheme in defects period
TOTAL	124 new Units				

3.2 Schemes Under Construction

A number of schemes that were reported to HSC June 2017 as “schemes in progress”, remain under construction and are currently being progressed towards completion.

Table 2 provides details of these schemes which, once completed and handed over, will provide an additional 79 Social Housing and Shared Ownership Units.

Table 2 Schemes	Contractor	Expected Completion Date	Social Housing / SO Units	Percentage Social Housing on Site	Comments
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Hawkins Road	Keepmoat	February 2018	9	100%	Utility connection delays resolved
Fulbourn Road	Keepmoat	January 2018	8	100%	Preparing for handover by February 2018 based on current programme
Ditchburn Place	Cocksedge	September 2019	51 total refurbished of which 6 are replacements	100%	Refurbishment project of existing facilities and new build
TOTAL			68		

3.21 Keepmoat Programme

The sites which are part of the Keepmoat programme of delivery are expected to be completed by the end of February 2018. The HDA team is holding weekly programme review meetings with Keepmoat to review progress against Keepmoat's Completions Programme and to discuss any particularly challenging site issues. The HDA team is being supported by the team from AECOM, Cambridge City Council's appointed Cost Consultants. The team at City Homes is being updated regularly to ensure all stakeholders are receiving timely communications regarding progress.

3.22 Ditchburn Place Refurbishment Scheme

The contract for the refurbishment work is split into 5 phases with Phase 1 of the contract works tendered as a fixed price; this phase of the work started on site in April 2017 and is due to be completed in April 2018. The works which will be completed as Phase 1 works include the provision of 6 new build flats which will replace the 6 flats lost as a consequence of the remodeling and refurbishment work. The remaining Phases 2-5 have been covered by provisional sums which are yet to be formally instructed under the contract. The full scheme is due to be completed and handed over in September 2019.

A review of the project has been carried out prior to the instruction of the remaining works covered in Phases 2-5 which are covered by provisional sums under the contract and where more detailed work has identified risks regarding cost and price certainty. The purpose of the review is to endeavour to achieve price certainty for

the scope of works which the City Council requires to be delivered under the contract. It is expected a fixed price for the remaining works identified in Phases 2-5 will be negotiated early in 2018 with Cocksedge Ltd. the main contractor. A further independent review is being carried out to determine lessons learned from the project.

3.3 The Devolution Delivery Programme

Table 3 provides details of the schemes which are currently in progress and form part of the Devolution Delivery Programme. The Devolution Programme was agreed as part of the Cambridgeshire and Peterborough devolution settlement in 2016/17, which included the allocation of £70 million to build 500 new affordable homes within the City of Cambridge over a five year period between April 2017 and March 2022. The overall deal included match funding with Right to Buy Receipts and other Council resources to give a total funding envelope of approximately £100 million.

During 2017-2018 progress on delivery has been focussed on identifying suitable sites and bringing them forward through committee and pre planning processes. Due consideration has been given to the appropriate procurement process for individual sites and bundles of sites to assist in identifying commercially viable procurement and delivery options that offer flexibility and value for money alternatives.

Start on site has been limited to smaller scale developments and demolitions work as illustrated in Table 3. However, significant progress has been made with design development on a number of schemes most notably the scheme proposed on the Mill Road Depot site.

The table includes the sites which are being developed in three ways, as determined by the Council decision processes. These include:

1. In-house Construction by the Estates and Facilities team, as a pilot for commercial and skills development opportunity
2. Competitively tendered as a bundle through the Due North Procurement Process
3. By the Cambridge Investment Partnership (CIP), as outlined in the Devolution Programme Business case

A number of schemes which are being developed and delivered by CIP will be submitted for planning in December 2017 with the expectation that (subject to planning permission being granted) a construction start on site will be achieved in the Spring of 2018.

Table 3 Schemes	Delivery Partner	Site Type	Status	Net additional New build Units planned /completed
In House Schemes				
Uphall Road	E&F Team	In-fill	Construction Completed and preparing for handover January 2018	2
Kendal Way	E&F Team	In fill	Planning Approved. Started on site Dec 2017	2
Kingsway Flats	E and F Team	Conversion	Pre-planning	4
TOTAL				8
Competitive Tender Schemes				
Nuns Way / Cameron Road	HDA Tender	Garage and Infill	Planning Approved. Tenders being assessed	7
Wiles Close	HDA Tender	In fill	Planning Approved. Tenders being assessed	3
Tedder Way	TBC	In fill	Awaiting Planning decision	2

TOTAL				12
CIP Schemes				
Anstey Way	CIP	Demolition and rebuild	Demolition in progress Planning Application submission December 2017	26 (54 in total)
Queens Meadow	CIP	In fill	Planning application submission target December 2017	2
Ventress Close	CIP	Existing Housing	Planning application submission target December 2017	13
Wulfstan Way	CIP	In fill	Planning application submission target January 2017	3
Colville Road Garages	CIP	Garages	Planning application submission target January 2017	3
Mill Road – HRA Units	CIP	General Fund Redevelopment	Planning application submission December 2017 (2 stage planning)	94 (plus a proposal for 20 additional units for intermediate rental)

Gunhild Way	CIP	Garages	Report to HSC January 2018 Pre-planning	2
Markham Close	CIP	Garages	Report to HSC January 2018 Pre-planning	4
Akeman Street	CIP	Existing Mixed Use	Pre-planning	14
Hills Avenue	CIP	In fill	Scheme on hold due to increased delivery costs – review pending.	1
TOTAL	201 Net Affordable			

3.31 Anstey Way

The demolitions work started on site in November 2017. This is the first site to come forward as part of the CIP Delivery Programme, the start of construction on site is expected to be in Spring 2018.

3.32 Site at Uphall Road

The scheme at Uphall Road is being delivered by Cambridge City Council's in house Estates and Facilities team. The scheme is due to complete and hand over during January 2018, and arrangements are in place for pre-handover inspections prior to formal snagging/handover. Discussions are also taking place with City Homes voids team regarding the letting of the properties.

This is a pilot project which has been driven by the City Council's wider corporate objectives in providing an opportunity for the Estates and Facilities team to explore the development of their commercial services. The pilot has also been driven by creating an opportunity to explore alternative procurements routes for delivering affordable housing on small HRA sites and to assess the outturn against best value criteria for delivery to inform the development of the future programme.

Once the scheme has complete and handed over a full analysis of the scheme costs will be undertaken by an independent cost consultant to assess the scheme against value for money benchmarks. Two further sites have been identified as potential schemes for the in-house team to deliver in 2018. These are outlined in table 3.

3.33 Mill Road Depot Development

A significant scheme which is part of the devolution programme is proposed for the Mill Rd Depot site. The scheme will deliver 94 new affordable homes on the site of the former depot; relocation of the YMCA from its existing site at Queen Anne House to new accommodation on the depot site is also proposed. A planning application for the main scheme and which includes the YMCA development in outline is targeted for submission on 15th December 2017. Subject to the planning process it is envisaged that a site start will be made in April 2018 with demolitions and a site strip.

A copy of the Report which was presented to Strategy + Resources Scrutiny Committee on 13th November 2017 and which approved the proposal is attached at Appendix 3.

3.34 Small Scale Sites

Small scale sites are often, by their nature, more expensive to develop, and some come with further capital requirements through specific complexities e.g the proposed development at Gunhild Way which has higher costs for the installation of utilities and services due to lengthy access road from the main highway.

The decision flow process agreed by S and R Committee in October 2017 includes the appropriate decision process for determination of the relevant construction route for housing development, whether in-house, via traditional procurement or via the CIP. The consideration of costs forms a vital part of this decision flow, in particular with small scale schemes. In some cases, the increased costs of an individual site development may be mitigated through preparing a bundle of schemes and delivering these together, as there is greater potential for cost savings to be made in other areas such as sharing prelims and site management overheads. This is particularly important on more complex developments where abnormal costs have been identified, such as at Gunhild Way. In this case a bundle of sites is being delivered from one site management location.

In some cases, however, the estimated costs of delivering small scale sites are too high to justify development, and the proposed scheme at Hills Avenue, for 1 unit, coming in at an estimated all-in cost (all prelim and construction costs) of in excess of £300k, is one of these. The site is therefore currently on hold and under review to determine the best option for its future management.

3.35 In addition to the sites identified in Table 3 above, there are a number of other sites some of which are not in Cambridge City Council ownership at present but which are currently in negotiation or early planning as part of the 500 additional affordable homes targets. These sites are shown in Table 4.

Table 4 Schemes	Site Type	Status	Potential Net Gain Affordable Homes
Potential Opportunity 1	Windfall site	Negotiation	146
Potential Opportunity 2	Redevelopment Opportunity	Feasibility	100
Potential Opportunity 3	Existing Housing	Early Feasibility	62
Potential Opportunity 5	Existing Housing	Early Feasibility	TBC
Colville Road – Phase 2/3	Existing Housing	Feasibility	68
TOTAL			376

In total, including those completed or due to begin construction in 2017, those which are about to be submitted for planning or in pre-planning and those potential sites coming forward, we have a total of circa 570 net affordable homes planned.

The majority of the schemes on sites currently identified as being viable for development are being taken forward by CIP. Details of the CIP, its governance and the Council's approvals process for developing schemes with CIP are set out in Appendix 1 and 2

3.5 Sites Identified in Rolling Programme and General Fund Development Programme

Table 4 provides details of sites which are currently identified for development in either the Rolling Programme or the General Fund Development Programme.

A detailed feasibility investigation will be required on a site by site basis to establish whether a site is suitable for development for the delivery of affordable housing. Considerations will include whether land assembly and development can be achieved within the timescales to meet the delivery targets for the devolution programme and whether the opportunities identified for development on these sites will deliver financially viable schemes. This will be continued pending the need to replace sites in table 4 should there be issues with delivery.

Table 5 Schemes	Existing Homes on Site	Site Type	Status	Potential New Units	Net Gain New Homes
Aylesborough Close – Phase 2	40	Existing Housing	Feasibility	60	20
Bridewell Road Land	0	In fill	Feasibility	2	2
131 Ditton Fields	1	Existing Housing	Feasibility	6	5
Flamsteed Road Garages	0	Garages	Feasibility	2	2
Hawkins Road Garages	0	Garages	Feasibility	6	6
Howard Way	0	In fill	Feasibility	1	1
Lichfield Road Infill	0	In fill	Feasibility		
Northfield Avenue Garages	0	Garages	Feasibility	2	2
Walpole Road	0	In fill	Feasibility	12	12
Woodhouse Way Garages	0	Garages	Feasibility	2	2
TOTAL	52 net affordable units.				

4. Implications

(a) Financial Implications

It is likely that the Devolution Housing Grant will be the main source of funding for schemes in the Rolling Programme that progress into development. However, scheme funding will be confirmed should a scheme be brought to the Committee for scheme specific approval.

(b) Staffing Implications

The scheme on the Rolling Programme will be project managed by the Greater Cambridge Housing Development Agency (the shared housing development agency between the City Council, South Cambridgeshire District Council and Cambridgeshire County Council) in liaison with City Homes; Estates and Facilities; and the Council's corporate support teams. Additional resource will be available through the Cambridge Investment Partnership.

(c) Equality and Poverty Implications

The development framework for new housing by the Council, approved at the March 2017 Housing Scrutiny Committee was informed by an EQIA. Each scheme specific approval will be informed by an EQIA if current residents are required to move.

(d) Environmental Implications

There are no environmental implications of this report. Each scheme specific approval will cover any environmental implications.

(e) Procurement Implications

There are no procurement implications of this report. Each scheme specific approval will cover any procurement implications, although it anticipated that the majority of schemes will be delivered through the Cambridge Investment Partnership.

(f) Consultation and communication

There are no consultation and communication implications of this report. The development framework for new housing by the Council, approved at the March 2017 Housing Scrutiny Committee sets out the Council's commitment to involve residents in new housing schemes.

(G) Community Safety

There are no community safety implications for this report. Each scheme specific approval will cover any community safety implications.

6. Background papers

Strategy and Resources Scrutiny Committee 9/10/2017 item 11: Arrangements for the Disposal Of Council Land and Payment for Social Housing to the Cambridge Investment Partnership.

Strategy and Resources Scrutiny Committee 13/11/2017 : Strategic Site Development of Mill Road Depot.

7. Appendices

Appendix 1 – The Cambridge Investment Partnership (CIP)

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Cath Conlon, Interim Head of HDA, tel: 01223 - 457149, email:

cath.conlon@cambridge.gov.uk.

Appendix 1

The Cambridge Investment Partnership (CIP)

In July 2016 Cambridge City Council Strategy and Resources Committee approved a recommendation to establish an Investment Partnership. The Leader approved setting up an Investment Partnership to optimise the use of the Council's property through investment in commercial, residential and other uses to achieve both social and financial returns.

After an assessment by a panel of external consultants and internal officers from the Council, Hill Investment Partnerships (HIP) was selected from a shortlist of companies to form the Cambridge Investment Partnership (CIP) with the City Council.

The Partnership is an equal, 50:50 Limited Liability Partnership (LLP). The investment partnership model provides an opportunity for the Council to benefit from the experience and additional resource that a development partner can bring. Each partner shares the outputs (financial and social) in proportion to the value of its input, and therefore the model allows the partners to share the development risk and the development uplift arising from a scheme.

The agreed objectives of CIP as set out in the Members Agreement are:

- Investment in the development of land to create successful new places that meet both the financial objectives (primarily a revenue return) and social objectives of the Cambridge City Council (particularly housing that is affordable and is needed locally), provided always that the individual sites may be developed to meet either financial or social objectives;
- Improve the use of Council assets and those of other Public Sector Bodies in the Cambridge, or Cambridge wide, area;
- Maximise financial return through enhanced asset value,(with reference to the first bullet above)
- Provide a return to the Investment Partners commensurate to their investment and the level of risk in respect to such investment.

The business of CIP is conducted in accordance with the governance processes and procedures which are set out in the Members Agreement. Cambridge City Council is represented on the CIP Board by Executive Councillor for Finance and Resources and the Executive Councillor for Housing, Hills Investment Partnership is represented by two Directors of Hill Investment Partnership.

The process by which schemes are identified and offered to CIP for development was approved in a Report which was presented to Strategy + Resources Scrutiny Committee on 9th October 2017. The Committee approved the process which is set out in the attached Appendix 2.

