



## Cambridge City Council Housing Scrutiny Committee

**Date:** Thursday, 22 September 2022

**Time:** 5.30 pm

**Venue:** Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ

**Contact:** [democratic.services@cambridge.gov.uk](mailto:democratic.services@cambridge.gov.uk), tel:01223 457000

### Agenda

- 1 Apologies
- 2 Declarations of Interest
- 3 Minutes (Pages 7 - 20)
- 4 Public Questions

### **Part 1: To be chaired by Vice Chair (Tenant/Leaseholder Representative)**

#### **Decisions for the Executive Councillor for Housing**

- 5 E&F Compliance Update (Pages 21 - 28)
- 6 Future of Tenant's Contents Insurance Scheme (Pages 29 - 36)
- 7 Tenancy Audit Visits (Pages 37 - 60)
- 8 Accommodation for Ukrainian Refugees (Pages 61 - 66)

A key decision by the Executive Councillor for Housing is required which has not been on the Forward Plan giving 28 days' notice of that decision. Under the Constitution, Part 4B-Access to Information Procedure Rules, this decision can still be taken if a notice is given setting out the reasons why compliance with the publicity requirement is impractical.

Officers have been working on a homelessness prevention plan for Ukrainian households and some of the data informing this plan only became available after publication of the forward plan. Consideration of this issue at the next committee in January would risk missing the October/November peak of host arrangements ending as highlighted in the report.

- 9 Housing Revenue Account (HRA) Medium Term (Pages 67 -

Financial Strategy 170)

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

**Decisions for the Executive Councillor for Housing**

- |    |   |                   |
|----|---|-------------------|
| 10 | Cambridge City Minimum Energy Efficiency Standards Enforcement & Fee Policy | (Pages 171 - 198) |
| 11 | Update on New Build Council Housing Delivery                                | (Pages 199 - 238) |
| 12 | Report on Proposed Development - East Barnwell                              | (Pages 239 - 300) |

**Housing Scrutiny Committee Members:** Thittala Varkey (Chair), Robertson (Vice-Chair), S. Baigent, Gawthrop Wood, Holloway, Howard, Lee, Porrer and Pounds

**Alternates:** Bennett, Carling, Herbert, Nethsingha and Page-Croft

**Tenants and Leaseholders:** Lulu Agate (Tenant Representative), Christabella Amiteye (Tenant Representative), Diane Best (Leaseholder Representative), Mandy Powell-Hardy (Tenant Representative), Diana Minns (Tenant Representative) and Colin Stevens (Tenant Representative)

**Executive Councillors:** Bird (Executive Councillor for Housing)

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### Housing Scrutiny Committee

#### Terms of Reference

**A. Overview and scrutiny of the strategic and other housing functions for**

<p>which the Executive Councillor for Housing is responsible, including responsibility for the development of housing strategies and policies, tackling homelessness, the Council’s housing responsibilities with regard to the private rented sector, bringing vacant homes back into use, the development of new homes and partnership working with other housing providers.</p>
<p><b>B.</b> Overview and scrutiny of functions relating to the management of the Council’s housing stock.</p>
<p><b>C.</b> To be the main discussion forum between the Council, its tenants and its leaseholders for all matters relating to the landlord function of Cambridge City Council.</p>
<p><b>Membership</b></p>
<p>City Councillors (Such number as shall be decided by the Council from time to time)</p>
<p>Six elected tenants and leaseholders of Cambridge City Council of whom at least five shall be tenants of Cambridge City Council.</p>
<p><b>Appointment of tenant and leaseholder members</b></p>
<p>Tenant and leaseholder members shall be co-opted by the Scrutiny Committee following the procedure for election set out in the Overview and Scrutiny Procedure Rules in Part 4E.</p>
<p><b>Voting</b></p>
<p>Tenant and leaseholder members are voting members in respect of matters concerning the management of the Council’s housing stock (Part 1 of the agenda.) Tenant and leaseholder members may contribute to discussion of other matters (Part 2 of the agenda) but shall not have a vote.</p>
<p><b>Appointment of Chair</b></p>
<p>The Chair of the Scrutiny Committee shall be appointed by the Council and be a councillor and shall chair Part 2. The Vice-chair shall be nominated by the elected tenants and leaseholders and shall chair Part 1 if present. If the Chair or Vice-chair is not present, a councillor shall be appointed as the Vice-chair for that meeting.</p>
<p><b>Other matters relating to elected tenants and leaseholders</b></p>
<p>These are set out in the Overview and Scrutiny Procedure Rules in Part 4E. They include information about the roles, responsibilities and training of tenant and leaseholder representatives, expenses and allowances,</p>



and the circumstances in which they may cease to be members of the Committee.

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**HOUSING SCRUTINY COMMITTEE**

21 June 2022

5.36 - 9.25 pm

**Present:** Councillors Thittala Varkey (Chair), Robertson (Vice-Chair), S. Baigent, Gawthrope Wood, Holloway, Howard, Lee, Porrer and Herbert

Executive Councillor: Bird (Executive Councillor for Housing)

**Tenant/Leaseholder Representatives:** Diana Minns (Vice Chair), Lulu Agate, Christabella Amiteye, Diane Best, Mandy Powell-Hardy and Colin Stevens

**Officers present:**

Director of Enterprise and Sustainable Development: Fiona Bryant

Committee Manager: Sarah Steed

Meeting Producer: Boris Herzog

**Officers present virtually:**

Assistant Head of Finance and Business Manager: Julia Hovells

Head of Housing: David Greening

Head of Housing Maintenance and Assets: Lynn Bradley

Head of Housing Development Agency: Claire Flowers

Corporate Energy Manager: Juliet Nicholas

Housing Services Manager: James McWilliams

Housing Service Manager (Supported Housing): Laura Adcock

Senior Development Manager: Ben Binns

**FOR THE INFORMATION OF THE COUNCIL****22/22/HSC Apologies**

Apologies were received from Councillor Pounds, Councillor Herbert attended as alternate.

**22/23/HSC Declarations of Interest**

<b>Name</b>	<b>Item</b>	<b>Interest</b>
Councillor Gawthrope Wood	22/33/HSC	Personal: Mother in Law had a community alarm.
Councillor S.Baigent	All	Personal: Was a member of the Women's Homeless Action Group.
Councillor Robertson	22/30/HSC	Personal: Was a trustee of

		Cambridge Cyrenians who was a partner of the Housing First project.
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### **22/24/HSC Minutes**

The minutes of the meeting held on 15 March 2022 were approved as a correct record and signed by the Chair.

### **22/25/HSC Appointment of Vice-Chair (Tenant/Leaseholder Rep) for 2022/23 and introduction of Tenant and Leaseholder Representatives**

Diana Minns was appointed Vice-Chair Tenant Representative for Municipal Year 2022/23.

### **22/26/HSC Public Questions**

There were no public questions.

### **22/27/HSC Estates & Facilities Compliance Update**

This item was chaired by Diana Minns (Vice Chair)

#### **Matter for Decision**

The report provided an update on the compliance related activities delivered within the Estates and Facilities Team, including a summary on gas servicing, electrical testing and fire safety work.

#### **Decision of Executive Councillor for Housing**

- i. Noted the current position of the Council regarding Compliance and the progress of ongoing associated works.

#### **Reason for the Decision**

As set out in the Officer's report.

#### **Any Alternative Options Considered and Rejected**

Not applicable.

#### **Scrutiny Considerations**

The Committee received a report from the Property Compliance and Risk Manager.

The Property Compliance and Risk Manager and the Head of Housing Maintenance and Assets said the following in response to Members' questions:

- i. Cadent are the supplier for the gas assets (meters) at Kingsway, Princess and Hanover Courts. Inspections had been carried out where meters had not yet been removed.
- ii. Electrical testing should be carried out every 5 years. Thought there would be an 18-month time lag to be up to date with testing due to the pandemic and delays experienced in gaining access to properties to be able to carry out testing / inspections. There were a number of work streams which would feed into this report for example kitchen upgrades and wholesale electrical improvements. Confirmed that officers were still seeking to ensure that gas and electrical testing was done at the same time as gas checks were currently at 100% compliance, whereas electrical testing had a slightly lower compliance rate. Also confirmed that the letter process for electrical checks would be changed to be more in line with gas letters.
- iii. The compliance rate for the electrical testing 10-year programme stood at over 85% as access to undertake checks had been difficult as a result of the pandemic.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **22/28/HSC Procurement of Contractor(s) to Deliver Energy Efficiency and Associated Works to Council Housing – 2022-24**

This item was chaired by Diana Minns (Vice Chair)

#### **Matter for Decision**

As part of a programme of energy efficiency improvements to the Council's existing housing stock it was planned to procure contractor(s) to install various measures including external wall insulation, cavity wall insulation, ventilation upgrades and solar PV panels to Council properties in various locations.

#### **Decision of Executive Councillor for Housing**

- i. Approved the issue of tenders and authorised the Director of Neighbourhoods and Communities to award a contract(s) to a contractor(s) to deliver energy efficiency and associated works to Council housing from 2022 -2024, with an option to extend for one or more periods up to a maximum of two years.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Corporate Energy Manager.

The Corporate Energy Manager said the following in response to Members' questions:

- i. External wall insulation had been installed on 150 properties in 2020/21 and it was hoped that it would be installed in 80-90 properties this year.
- ii. The contract would be awarded following a formal procurement process and bidders would be assessed against certain criteria including value for money. There was an option included in the recommendation for the contract to be extended for up to 2 years subject to satisfactory performance by the contractor.
- iii. Noted that some of the council housing stock did have 'E' energy ratings but these were being reviewed and prioritised for retrofit works where possible.
- iv. Noted that retrofit improvements to properties could include solar panels, new windows / doors and insulation.
- v. New energy efficient improvements would be considered for example underfloor insulation and air source heat pumps had been installed in a couple of council owned properties.
- vi. Noted that delays in the implementation of the MRI Asset Management ICT system was due to a national issue.
- vii. Council Tenants could contact the Council to check if their property had loft insulation. Whether a property had loft insulation would be checked when the housing stock condition survey was carried out.
- viii. The Council is planning to submit a bid to the 'Social Housing Decarbonisation Fund wave 2' later this year which if successful would be used to undertake additional improvements in terms of energy efficiency of council homes.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **22/29/HSC HRA Outturn Report 2021/22**

Recommendation i was chaired by Diana Minns (Vice Chair) and recommendation ii was chaired by Councillor Thittala Varkey.

### **Matter for Decision**

The report presented for the Housing Revenue Account (HRA)

- A summary of actual income and expenditure compared to the final budget for 2021/22 (outturn position).
- Revenue and capital budget variances with explanations
- Specific requests to carry forward funding available from both revenue and capital budget underspends into 2022/23
- A summary of housing debt which was written off during 2021/22.

### **Decision of Executive Councillor for Housing**

- i. Approved carry forward requests totalling £12,561,760 in revenue funding from 2021/22 into 2022/23 as detailed in appendix C of the officer's report.
- ii. Recommends to Council to approve carry forward requests of £22,055,000 in HRA and General Fund Housing capital budgets and associated resources from 2021/22 into 2022/23 and beyond to fund re-phased net capital spending, as detailed in appendix D of the officer's report and the associated notes to the appendix.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Assistant Head of finance and Business Manager.

The Assistant Head of Finance and Business Manager and Head of Maintenance and Assets said the following in response to Members' questions:

- i. Carry forward requests detailed in appendix C of the officer report, had been submitted to ensure there was financial resource to enable required cyclical maintenance works to be carried out.
- ii. Officers were exploring a number of different ways to improve access to council properties so that essential maintenance works and checks could be carried out. This included offering later appointment times. Also confirmed that the Responsive Repair Team would always make appointments with tenants and confirm an appointment by letter; officers would not attend a property without prior notice / appointment. Tenants would be contacted three times before the property would be classified as a 'no access'. Also noted (as per agenda item 22/27/HSC) that officers were exploring aligning gas / electrical safety checks to try and ensure all necessary safety checks could be done in one visit.
- iii. Noted that tenants were within their rights to refuse to have works done to their property provided that there was no detriment to the property or health and safety risk.
- iv. Contractors were also being asked to explain whether a 'no access' was due to a tenant refusing works or if it was due to no response from the tenant.
- v. Noted comments about better and realistic communication with tenants if there were delays in carrying out maintenance works. Would speak with Tenant Representatives outside of the meeting about their ideas for better communication what more could be done.
- vi. Confirmed that the profiling of spend would be revisited as part of the Medium Term Financial Strategy (MTFS) in September, so the position would be reviewed at that point to see what progress had been made and if there was any residual impact of the challenges over the last two years that needed to be adjusted for.
- vii. Confirmed that the average time period to turn over a void property was 6 weeks. Noted that there were a significant number of void properties which were being returned back to the Council in poor condition which increased the period of time it took to bring them back into use. There were a variety of reasons why a property was being returned in a poor condition this included long standing tenants who had declined planned maintenance works and also a few tenants who had caused damage to properties. Different teams within the Housing Department were working together to share information on property condition when visits were made to properties.



- viii. Confirmed that the fire door contract was terminated due to poor performance by the contractor. The Council had since reprocured the contact and a new contractor was now in place.
- ix. The term 'debt reinstated' meant that a debt which had previously been written off could be reinstated if a person re-presented themselves to the city council for housing. Some debts were 'statute barred', which meant the council were unable to pursue the debt after a 6 year period with no interaction had passed. Some debts were written off due to 'special circumstances' this could include mental health concerns or if someone had been subject to domestic violence.
- x. Noted that the Decent Homes Budget was being carried into 2023/24 but would still be subject to labour and materials availability.

The Committee resolved by 12 votes to 0 to endorse the recommendation i.

The Committee resolved by 6 votes to 0 to endorse the recommendation ii.

The Executive Councillor approved the recommendations i and ii.

## **22/30/HSC Housing First Interim Review**

This item was chaired by Councillor Thittala Varkey (Chair)

### **Matter for Decision**

Housing First is an approach to helping rough sleepers to leave the streets which differs from other, longer-established approaches in a number of respects.

Cambridge City Council, in partnership with the County Council, agreed to set up and jointly fund a Housing First pilot in the city. The pilot would be assessed in two stages: an interim report carried out at a mid-point in the scheme and a later independent report once the scheme had been running for a sufficient length of time to allow a full appraisal. This is the mid-point report.

### **Decision of Executive Councillor for Housing**

- i. Noted the report and the interim findings and noted the recommendations for further examination, the most important of which were set out paragraph 3.4 of the officer report.

### **Reason for the Decision**

As set out in the Officer's report.

## **Any Alternative Options Considered and Rejected**

Not applicable.

## **Scrutiny Considerations**

The Committee received a report from the Housing Services Manager (Housing Advice).

The Housing Services Manager (Housing Advice) said the following in response to Members' questions:

- i. Any decision to bring the Housing First Service in-house would need to consider several variables including consultation with the County Council (as a partner in the project with the City Council) and Housing First employees. Commented that if the service was brought in house this could facilitate better integration with other services for rough sleepers.
- ii. The comments made by support workers within the report would be a consideration in the future review of the service. Noted that there needed to be better integration of the Housing First service within the broad spectrum of housing services for rough sleepers. There needed to be a balance between the needs of individuals and other people who may be vulnerable (neighbours / tenants etc).
- iii. Stated that the County Council would always be involved as a partner with the Housing First project, the question which was raised in the report was whether Housing First would sit better within the City Council in terms of this being the best fit for Cambridge.
- iv. Noted concerns raised about Housing First 2 and the good neighbour role but felt there was still not enough information about this at the moment to draw conclusions as there were currently only two.
- v. Confirmed that there would be a review of the modular homes project but there was insufficient information at the moment to do a like for like comparison to Housing First.
- vi. Six modular home units at Newmarket Road were funded completely independently of the council. Officers were currently in discussions about funding for further units. Housing First was a good fit for some people but was not appropriate for everyone. Needed to get more Housing Association involvement in the project.
- vii. There were a number of considerations / eligibility criteria taken into account as to whether Housing First was appropriate for a particular individual. Housing First may be appropriate where other housing options had failed.
- viii. Acknowledged that the case studies in the report were from males but female clients did not come forward to take part.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **22/31/HSC Report on proposed development Scheme at Fanshawe Road**

This item was chaired by Councillor Thittala Varkey (Chair)

#### **Matter for Decision**

The report sought budget and approval to proceed with the redevelopment of Fanshawe Road flats, adjacent houses, and garages to provide 93 new highly sustainable, affordable homes on the site, with enhanced open space, as well as improvements to the community pavilion on neighbouring Coleridge recreation ground.

#### **Decision of Executive Councillor for Housing**

- i. Approved that the scheme be brought forward and included in the Housing Capital Programme, with an indicative capital budget of £27,937,291.53 to cover all site assembly, construction costs, professional fees and further associated fees, to deliver a 100% affordable housing scheme which meets the identified need in Cambridge City. Budget would be drawn down from the sum already earmarked and approved for investment in new homes.
- ii. Authorised the Strategic Director in consultation with the Executive Councillor for Housing to approve variations to the scheme including the number of units and mix of property types, sizes and tenure as outlined in the officer's report.
- iii. Authorised the Strategic Director in consultation with the Executive Councillor for Housing to adopt option b; to deliver a minimum of 44 (approx. 47%) affordable homes for Council rent and the balance as market homes for private sale, should grant not be available once the scheme is at a deliverable point, subject to continued financial viability.
- iv. Approved that delegated authority be given to the Executive Councillor for Housing in conjunction with the Strategic Director to enable the site to be developed through Cambridge Investment Partnership (CIP) subject

to a value for money assessment to be carried out on behalf of the Council.

- v. Delegated authority to the Strategic Director to commence Compulsory Purchase Order (CPO) proceedings on leasehold properties to be demolished to enable the development, should these be required.
- vi. Delegated authority to the Strategic Director to serve initial Demolition Notices under the Housing Act 1985.
- vii. Delegated Authority to the Head of Housing to amend the local lettings plan for Cromwell Road to allow for the proposed decant from Fanshawe Road to be accommodated.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Senior Development Manager.

The Senior Development Manager, Director of Enterprise and Sustainable Development and Head of the Housing Development Agency said the following in response to Members' questions:

- i. If the redevelopment went ahead residents would be offered alternative housing at the Cromwell Road development but acknowledged that this may not be appropriate for everyone and that there was also alternative housing stock elsewhere in the ward which could be explored. Pre-application advice had been sought from the Planning Department some homes would be 2 storeys others estimate 3-4 storeys in the middle of the development.
- ii. All properties would need to be compliant with M42 standards and 5% of the properties (approximately 4-5 properties) would need to be fully adapted for wheelchair users. The ability to deliver passivhaus properties had been explored however the orientation of properties was crucial as they would need to be south facing and the early indication of the development layout was that the properties would be east/west facing. The scheme would include Passivhaus principles. Acknowledged that there would be a trade-off between competing interests. The important factor is the output achieved in terms of carbon emissions, fuel bills for residents and low maintenance costs and not just the passivhaus badge.

- The Council is involved with including passivhaus pilots with learning to be fed back.
- iii. The amount of bike storage proposed would accommodate the number of bedrooms/occupants who would be on the site.
  - iv. Officers regularly checked the housing register to see how many people needed a fully accessible home.
  - v. Advised that the council sought to build mixed and balanced communities when sites were redeveloped. The inclusion of market homes within a development meant that more affordable housing could be built. The council had to be careful when selling properties not to act or apply a policy which was discriminatory.

The Committee resolved by 6 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

## **22/32/HSC Update on New Build Council Housing Delivery**

This item was chaired by Councillor Thittala Varkey (Chair)

### **Matter for Decision**

The report provided an update on the housing development programme.

### **Decision of Executive Councillor for Housing**

- i. Noted the continued progress on the delivery of the approved housing programme.
- ii. Noted forthcoming work on consultation with residents.
- iii. Agreed the adoption of a blended rent policy (to include more social rent but some higher rents at 80% of median market rents inclusive of Service Charge) across the new 1,000 homes programme, as required, when delivering homes with grant above the minimum planning requirement of 40% of units on any site.
- iv. Delegated authority to the Strategic Director to update the HRA Rent Setting Policy in accordance with recommendation iii above.
- v. Approved the start on site of currently approved schemes that have planning permission at risk in relation to grant, to mitigate the risk of build cost increase.
- vi. Approved the rent level changes to the specific schemes outlined in this report, including the addition of 45 homes at L2, with 30 homes to be let at Social Rent and 45 homes to be let at 80% of market rent.

- vii. Approved a budget of £11,520,000.00 for the purchase as a package deal of the private sale units at L2 Orchard Park into the Council's HRA stock, to be let at 80% of median market rent.
- viii. Approved changes to the Budgets for Fen Road, Ditton Walk and Borrowdale as outlined in part 8.5.3, with the revised budgets to be incorporated as part of the HRA MTFs in September 2022.
- ix. Authorised the Section 151 Officer to enter into a Grant Agreement with Homes England for the 21-26 Homes England Affordable Homes Programme for Continuous Market Engagement.
- x. Approved the principle that units to be let at 80% of market rent be targeted at key workers OR the intermediate rental market, (ie those who are assessed as being on incomes sufficient to be able to afford 80% of market rent), and governed by local lettings plans.
- xi. Approved that as part of our Housing Strategy development work the Head of Housing has delegated authority to agree (subject to consultation with the Executive Councillor) a definition of key worker.
- xii. Agreed that the Council works with South Cambridgeshire DC to try and jointly agree the definition of key worker.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Head of the Housing Development Agency. An updated table to that detailed in paragraph 8.2.4 of the report had been circulated to members at the meeting, a copy was also published on the meeting webpage after the meeting.

The Committee made the following comments in response to the report:

- i. Welcomed a 'key worker' definition in relation to housing policies.
- ii. Expressed disappointment with a loose commitment regarding passivhaus development.

The Executive Councillor welcomed homes for key workers.

The Head of Housing said that City Council Officers would work with colleagues from South Cambridgeshire District Council to try and agree a definition of 'key worker'.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **22/33/HSC Community Alarms Service Review**

This item was chaired by Councillor Thittala Varkey (Chair)

#### **Matter for Decision**

Cambridge City Council's Community Alarms service has been in operation in the City for over 20 years and currently serves around 440 customers. It has built a solid reputation and provided a valuable service over this time. However, for the last 5 years the service has been experiencing a decline in customer numbers and has, therefore, not achieved its income targets, resulting in the service no longer recovering its full cost inclusive of all overheads.

A review of the options for the service has been conducted and the report recommends the termination of the service by the City Council and the transfer of customers to the equivalent service by Cambridgeshire County Council.

#### **Decision of Executive Councillor for Housing**

- i. Agreed the termination of the Community Alarm Service.

#### **Reason for the Decision**

As set out in the Officer's report.

#### **Any Alternative Options Considered and Rejected**

Not applicable.

#### **Scrutiny Considerations**

The Committee received a report from the Housing Service Manager (Supported Housing).

The Housing Services Manager (Supported Housing) said the following in response to Members' questions:

- i. Advised that the officer whose job was affected by the proposals had been involved with the drafting of the report and developing the recommendation.
- ii. Noted in relation to concerns expressed regarding paragraph 1.3 of the officer's report that discussions which had taken place with the County Council in 2019 were before the County Council had set up their own independent service.
- iii. Agreed to share information regarding pricing with members and would report back on discussions with the County Council.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

**Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

**22/34/HSC To Note Decision Taken by the Executive Councillor for Housing**

**13a** Funding for the Demolition of East Road Garages  
The decision was noted.

The meeting ended at 9.25 pm

**CHAIR**





Item

### Compliance Update

**To:**

Housing Scrutiny Committee

22 September 2022

**Report by:**

Renier Barnard – Property Compliance and Risk Manager

Tel: 01223 457485 Email: [renier.barnard@cambridge.gov.uk](mailto:renier.barnard@cambridge.gov.uk)

**Wards affected:**

All Wards

This report is for information and not for decision.

#### 1. Executive Summary

The report provides an update on the compliance related activities delivered within the Estates & Facilities Team, including a summary on gas servicing, electrical testing, and fire safety work.

#### 2. Recommendations

The Executive Councillor is asked to note the contents of this report and that the update information in this report will in future be published on the Council website, rather than in committee papers. These updates will be in an accessible format and published at a similar frequency as reports currently presented to this committee. This change is in line with best practice in the sector and will make the information more widely accessible to the public as well as to all Councillors. Members of this committee will be alerted when updates are published on the Council's website [and will be able to raise questions about them directly with officers or at committee meetings].

### 3. Compliance Update

All vacancies have now been appointed with the Mechanical and Electrical Surveyor to start on the 1<sup>st</sup> of October 2022.

The key compliance areas are Gas Safety, Fire Safety, Asbestos Management, Legionella & Water Hygiene, Passenger & Specialist Lifting Equipment and Electrical Safety.

#### 3.1 Gas Safety

1 property went out of compliance for a brief period since the last update due to an unauthorized occupation. This has now been resolved. MEARS continue to deliver a good service although first time access is down from 85% to 67% but we still currently maintain a 100% compliance rate. MEARS contract will come to an end on the 22<sup>nd</sup> of November 2022. The successful contractor will be appointed in early September 2022.

#### 3.2 Fire Safety

The following table is the current planned and on-going fire safety works:

<b>Task</b>	<b>Progress</b>	<b>Target Completion</b>
Fire Door Inspection Program and Improvements to Maisonette's above 4.5 meters	Fire Door inspections has been completed in all Sheltered, Temporary Accommodation. General Needs Flat inspections has started and tenants to receive letters requesting appointment to access to view/inspect doors.	October 2023
Compartmentation Works - Kingsway	Project Manager has been appointed. The work has now started.	March 2023
Fire Alarm - Kingsway	Project Manager has been appointed. The work has now started.	March 2023
Fire Risk Assessments Program	Good progress and on target for review to be completed on target.	October 2022

#### 3.3 Legionella & Water Hygiene

No issues have been identified regarding the Councils ongoing management of Legionella Risks.

### 3.4 Electrical Safety

Mechanical and Electrical surveyor to take up post in October. Electrical Compliance figures improved since the last report, and we anticipate that the trend is slowly reversing to demonstrate the progress being made.

### 3.5 Passenger Lifts & Specialist Lifting Equipment

No current issues to report and all the Council's lifts are being serviced and inspected regularly.

### 3.6 Asbestos Management

The team is currently working with the Orchard project team in implementing the asbestos module within Orchard (MRI Asset). This work is still ongoing. and it is anticipated that information will be available on the tenant's portal soon after this implementation.

## 4. Hanover Court, Princess Court & Kingsway

This work is ongoing. Meters are still to be removed. Cadent is to remove their assets and we are in conversation with the service providers.

## 5. Compliance Dashboard

The Compliance Dashboard is attached Appendix A.

## **6. Implications**

### **6.1 Financial Implications**

There are no new financial implications directly relating to the content of this report.

### **6.2 Staffing Implications**

There are no new staffing implications directly relating to this report.

### **6.3 Equality & Poverty Implications**

There are no new equality and poverty implications associated with this report. An EQIA has been developed for the service restructure and is included within the formal implementation papers.

### **6.4 Environmental Implications**

There are no new environmental implications directly relating to the content of this report.

### **6.5 Procurement Implications**

There are no procurement implications directly relating to the content of this report. A new gas servicing and maintenance contractor will be appointed from an Eastern Procurement Framework following a mini competition. This process has now concluded, and a new contractor will be appointed shortly.

### **6.6 Consultation and Communication**

Following the appointment of the new gas servicing and maintenance contractor communications will be published introducing the contractor including any information to changes to the current procedures and processes.

### **6.7 Community Safety**

There are no new Community Safety implications directly relating to the content of this report.

## **7. Background Papers**

If you have a query on the report, please contact Renier Barnard – Property Compliance and Risk Manager, Tel: 01223 457485, email: [renier.barnard@cambridge.gov.uk](mailto:renier.barnard@cambridge.gov.uk)

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Compliance Area	No. of Properties Affected	No. Complying	Percentage Compliance	Percentage Compliance last reported	Trend since previous report	Servicing Frequency	Responsible	Comments
GAS								
Gas Safety Domestic	6851	6851	100.00%	100.00%	↔	Annually		
Gas Safety Communal	51	51	100.00%	100.00%	↔	Bi-annually		
ELECTRICAL								
	<b>No. of Properties Affected Including Communal Areas</b>							
Electrical Certification Domestic	7740	4352	56.28%	51.60%	↑	5-yearly		575 Communal (93 Compliant; Out of Compliance 493)  7165 Domestic (4259 Compliant; 2906 Out of Compliance)  The programme has recently changed in 2021/22 from a 10-year programme to a 5-year programme and as such the compliance figure is low until catchup programme is complete.
FIRE SAFETY								
	<b>Properties / Actions</b>							
Fire Risk Assessments (Communal)	432	432	100.00%	100.00%	↔			All communal areas have been assessed. Covid19 delayed planned reviews. Reviews has started 01/04/2022 – Planned completion date December 2022

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Item

## **CESSATION OF TENANTS CONTENTS INSURANCE SCHEME**

**To:**

Councillor Gerri Bird, Executive Councillor for Housing

**Report by:**

Julia Hovells, Assistant Head of Finance and Business Manager

Tel: 01223 - 457248

Email: [julia.hovells@cambridge.gov.uk](mailto:julia.hovells@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

### **Key Decision**

#### **1. Executive Summary**

- 1.1 This report reviews the future provision of the weekly paid, 'with rent' Tenants Contents Insurance Scheme, which has been provided by the Council since 1996, according to the records available.
- 1.2 Recognising the declining number of tenants taking up the scheme, an inability to demonstrate true value for money for tenants, the hugely increased administrative burden and the risks associated with Council staff 'selling' insurance if you are not set up for this as your business, it is proposed to terminate the scheme, from the beginning of April 2023.
- 1.3 An alternative 'arm's length' insurance option may be available but is currently subject to further exploration.

- 1.4 Tenants will be communicated to following any decision and will be advised to find an alternative insurance provider, but officers will not be able to signpost to a particular provider or provide any opinion.

## **2. Recommendations**

The Executive Councillor, is recommended, following scrutiny and debate at Housing Scrutiny Committee, to:

- a) Approve that the Council ceases to directly offer Tenants Contents Insurance with immediate effect and terminates the existing contract on 31<sup>st</sup> March 2023, notifying all existing customers of this in the intervening period.
- b) Approve a delegation to the Strategic Director, in consultation with the Executive Councillor, Chair, Vice Chair and Opposition Spokespersons, to determine whether an 'arm's length' scheme could be offered to council tenants as an alternative, implementing this if due diligence confirms it is viable.

## **3. Background**

- 3.1 Cambridge City Council have for many years, offered a weekly paid Contents Insurance scheme for tenants, with premiums charged alongside rent.
- 3.2 The Housing Service currently has a contract with Thistle for the provision of the tenant's contents insurance scheme. The scheme sees Thistle act as broker, with Ageas providing the insurance cover.
- 3.3 The contract came into force on 1<sup>st</sup> February 2019 for an initial period ending on 31<sup>st</sup> March 2023 with the option to extend for a further 1 year.
- 3.4 The scheme provides home contents insurance to approximately 378 tenants currently, with total premiums in the region of £20,000 per annum. The Council currently earns commission, which purports to cover the staff time associated with administering the scheme at a rate of 15% of net premiums to cover the costs of administering the scheme which generated the council an income of £2,661.90 for 2021/22.

- 3.5 The current contract was tendered in 2018 but has in recent years seen uptake of the scheme decrease as more and more people choose not to insure or to procure their home contents insurance product elsewhere potentially taking advantage of comparison websites online.
- 3.6 We had over 700 residents on the scheme in 2009, reducing to 514 by 2017, and now only 378 on the scheme as of May 2022 with this being 338 residents in general needs housing and 40 residents in sheltered accommodation.
- 3.7 The procurement process market tests prices against other 'with rent' tenants contents insurance schemes, procured through a broker, but does not allow comparison to what is on offer more broadly in the marketplace for tenants as individual households.
- 3.8 One of the great benefits of the scheme when it was first introduced was the ability for tenants to pay weekly alongside their rent, when many were paid on a weekly basis. However, as time has gone on, most employers pay their staff monthly and Universal Credit is paid monthly, meaning that more tenants pay their rent monthly.
- 3.9 One of the disadvantages of the scheme is that the authority has to determine the level of insurance cover attached to each of the insured perils, and to specify what is, and isn't covered under the bulk scheme. If a tenant were to arrange their own insurance, they could create a bespoke policy which could meet their needs more appropriately.
- 3.10 The 15% commission that the Council earns is ostensibly to cover the costs of administering the scheme, but unfortunately the scheme has become very labour intensive to run over the last year, with a reduced commission due to dwindling numbers on the scheme.
- 3.11 The tasks covered by the Council include:
- Marketing the scheme.
  - Providing an explanation of the scheme at tenancy sign up.
  - Checking uptake as part of our Tenancy Audit.
  - Administration of any new applications or cancellations each month – liaising with insurer for acceptance in some cases where a criminal record or claims history exists.
  - Issuing welcome letters and sending out policy documentation.
  - Issuing letters where applications are declined by the broker / insurer.

- Monitoring tenancies and chasing insurance arrears.
- Issuing letters for insurance cancellations if over 6 weeks in arrears.
- Maintaining the website with accurate content and prices all checked and validated by insurer.
- Producing and sending out annual notification of price changes together with issuing new certificates of sums insured to residents.
- Monthly bordereau reporting that takes a few hours per month to complete, which was a new burden introduced in April 2021 detailing all addresses, names, start dates, terminations dates and cover levels that needs to be reconciled to an income return.
- Monthly payment of premiums to insurer once return is accepted
- Providing up to date account verification to insurer in the event of claims being made to ensure premiums have been paid.
- Training to ensure that all new staff are aware of the insurance administration process.

3.12 In 2022/23, we have also been made aware of a new requirement for all staff in any way involved in the above processes to undertake Financial Services Authority (FSA) on-line compliance training. The training is modular, would be expected to take approximately 10 hours per person, and would need to be repeated annually.

3.13 This training would need to be undertaken by finance, lettings and income management staff, housing officers and assistant housing officers, which equates to approximately 20 staff across the service.

3.14 The new Tenancy Auditor function has been used to provide a follow up on the sign-up information provided and whether tenants have decided to take up the council's insurance having been given an application pack. The first few month's results are that 30 tenants indicated an interest in taking up insurance when the staff member was in the home, but only 1 tenant has actually applied to do so. This application however had to be rejected as they were in rent arrears and accounts have to be brought up to date before we are able to accept them onto the scheme.

3.15 As this is a discretionary service, with numbers diminishing, and the amount of staff time required to administer the scheme going forward will exceed the commission received to fund it, the service would need to be subsidised by the HRA more widely if it were to continue in its current guise.

3.16 Recognising our inability to demonstrate that the scheme we have offers true value for money in the marketplace, the inherent risks associated

with staff who were not employed to sell financial products effectively selling insurance, (particularly in light of the new FSA guidelines), the need for all staff who might speak to someone about it to be trained and a requirement for the authority to confirm annually that this is the case, it is recommended that the scheme is terminated at the end of the current contract period at the end of March 2023.

- 3.17 However, having alerted the broker that we were intending to present this report to Housing Scrutiny Committee for decisions, they have made officers aware of an alternative option that we could explore.
- 3.18 The broker has indicated that they could offer an ‘arm’s length’ option which would see the Council merely signpost tenants to the scheme. Once signposted, tenants would sign up to the scheme directly with the broker, and would pay their premium to them, and liaise over any claims with them, directly. This would remove the administrative burden on the Council, would avoid the need for council staff to undertake FSA training and would remove the financial risk associated with non-payment of premiums, which currently resides with the Council. This type of scheme may be expected to carry higher premiums, as the broker would not subsidise the administrative costs as the HRA is doing currently. It would be for tenants to make their own decision about whether to move to such a scheme or to seek insurance themselves directly in the market
- 3.19 Officers need to explore this alternative option in more detail, to confirm that it would meet the need, and would also have to confirm whether a formal procurement process would be required to secure such an arrangement.
- 3.20 As a result, this report recommends cessation of the contract for the existing scheme from 31<sup>st</sup> March 2023 but requests a delegation to fully explore the alternative option, taking this forward only if it is deemed appropriate.
- 3.21 If a decision is taken to terminate the existing scheme in September 2022, officers will have 6 months to be able to provide very early warning to the 378 tenants affected, allowing them ample time to seek alternative contents insurance or to consider the alternative scheme if it can be offered. To ensure that we are FSA compliant, we will need to ensure that we don’t signpost residents to any particular insurer in the wider market place or any comparison website, but simply suggest that they explore the market themselves. We can however, support tenants who are digitally excluded, offering the use of access to the internet and

assistance with using the technology to allow them to self-serve. If the alternative 'arm's length' option is concluded to be appropriate, this can be offered to tenants.

3.22 Having looked at what South Cambridgeshire District Council does as a comparison, here is an extract from their website:

*'Contents insurance*

*South Cambridgeshire District Council does not insure the contents of your home. We are only responsible for insuring the structure and exterior of your home.*

*We strongly advise you to arrange enough insurance cover for the contents of your home such as furniture, carpets, clothing, cooker, fridge, TV, decorations, and include any outbuilding. The Council cannot be held responsible for any uninsured loss where we are not shown to have been negligent. You should also ensure that, as occupier of the premises, you have adequate insurance to meet claims against you by other people.*

*We would recommend comparing quotation prices from a few different providers to make sure that you are getting the best value for money; we would also advise on getting cover for things such as accidental damage'.*

## **4. Implications**

### **(a) Financial Implications**

The financial implications associated with this decision would be the loss of approximately £2,660 per annum, but savings in staff time that more than offset this and would allow staff to divert their attention to our core landlord functions, such as tenancy management, tenancy audits, rent collection and rent arrears recovery. A decision to continue to offer the service would carry a greater cost burden in the form of the additional staff time required to allow for the FSA training, estimated to be in the region of £4,800 per annum extra.

### **(b) Staffing Implications**

The impact on staff involved in activity associated with administering the Tenants Contents Insurance Scheme will be a reduction in the time spent

currently facilitating the scheme and will mitigate the need for staff to significantly increase their input in order to undertake 10 hours of mandatory FSA training each per annum.

### **(c) Equality and Poverty Implications**

An Equalities Impact Assessment has been undertaken in respect of the proposal to terminate the offer of Tenants Contents Insurance and is attached at Appendix A to this report.

### **(d) Environmental Implications**

There are no direct environmental implications associated with this report.

### **(e) Procurement Implications**

There are no direct procurement implications associated with this report. If approved, the current contract will simply not be extended or re-procured, and notice will be given to the incumbent supplier of the Council's intention to end the contract after completion of the current contract term.

### **(f) Consultation and Communication**

Consultation with tenant and leaseholder representatives is an integral part of the Housing Scrutiny Committee process.

### **(g) Community Safety**

There are no direct community safety implications associated with this report.

## **5. Background papers**

Background papers used in the preparation of this report:

There were no specific background papers used in the preparation of this report.

## **6. Appendices**

The Equalities Impact Assessment associated with the decision in this report is attached at Appendix A.

## **7. Inspection of papers**

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

Julia Hovells, Assistant Head of Finance and Business Manager

Telephone: 01223 – 457248 or email: [julia.hovells@cambridge.gov.uk](mailto:julia.hovells@cambridge.gov.uk).





## Tenancy Audits

**To:**

Cllr Bird, Executive Councillor for Housing  
Housing Scrutiny Committee, 22<sup>nd</sup> September 2022

**Report by:**

Anna Hill, Housing Services Manager (City Homes)  
Tel: 01223 458312 Email: [anna.hill@cambridge.gov.uk](mailto:anna.hill@cambridge.gov.uk)

**Wards affected:**

All Wards

### Key Decision

#### 1. Executive Summary

- 1.1 This report provides a background to Tenancy Audit visits pilot to date, which commenced in April 2022, and seeks approval to permanently adopt this function within City Homes.
- 1.2 337 Tenancy Audit visits have been carried out and this report will provide details of the outcome of these visits. This highlights the value in carrying out such work to ensure that our tenants are supported in a variety of ways, that our systems are up to date with the correct household information and our properties are being looked after and used for the intended purpose.

#### 2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Note the report detailing the findings of the Tenancy Audit visits pilot to date.
- 2.2 Approve the adoption of a permanent tenancy audit function by City Homes.
- 2.3 Agree to incorporate a budget bid into the 2023/24 HRA budget process for the addition of a permanent, full time equivalent, housing officer to support this work, to be considered alongside other spending priorities.

### **3. Background**

*Page: 2*

- 3.3 Approval was given by the Housing Scrutiny Committee on the 15<sup>th</sup> January 2020 to pilot Tenancy Audit visits and fund 1 FTE fixed-term 12 month post to complete this work.
- 3.4 Tenancy Audits are necessary to:
  - Update the household information.
  - Help us to deliver quality and timely services that are tailored to individual needs.
  - Ensure the best use of resources and value for money.
  - Check the condition of the properties and take the appropriate action where necessary.
  - Help identify any customer support needs and to refer them onto specialist agencies for individual support.
  - Identify tenancy fraud and other breaches of tenancy.
  - Identify households who are under-occupying properties and provide support if they wish to move to smaller properties.
  - Identify Housing Need and signpost to the appropriate service area.
  - Ward profiling/social value to feed into the wider projects across the Council.
- 3.5 Following an internal review, a decision was made for this work to be split between the Housing Officers to ensure that the work generated because of these visits was clear to the member of staff who would be following up on the work. This would also mean that the communication with the tenant would be clear and consistent, with them knowing who their point of contact is. By taking ownership of this task for their relevant patch, the Housing Officer would be able

to plan their workload more efficiently. Therefore, five patches were created to accommodate the new fixed term post.

- 3.6 Due to the restrictions around Covid-19, this pilot was delayed. The work commenced on 13<sup>th</sup> April 2022. The data used within this report is for the work completed between 13<sup>th</sup> April and 12<sup>th</sup> August 2022.
- 3.7 It is our aim to visit at least 15% of our housing stock by the end of March 2023, and subject to approval being granted, continue beyond that so that we eventually visit all of our properties. Officers may need to review our target in this respect because, as this report outlines, tenancy audits can create a significant amount of follow-up work.
- 3.8 **Appendix B** provides a summary of the work that has been identified because of the 337 visits that have been completed to date. This is 4.79% of the Council's housing stock.
- 3.9 In total, 403 visits (5.72%) have been attempted but access has not yet been gained in 66 properties.

The outputs show that tenancy audits are a worthwhile and valuable task to complete, however, they are very resource intensive.

- Average time taken per visit – 35 minutes
- Average time taken for post visit actions (per action) – 50 minutes

Based on these averages, we can estimate that to complete the tenancy audits across the remainder of our general needs and sheltered properties (7,040 properties) will take a minimum of 9,706 hours or 1,312 days of work. This does not factor in the time taken per refused access, or for return visits, and is therefore an optimistic estimate.

If this workload is split between five Housing Officers, it will require 1,941 hours or 262 days of work each. If it is split between four Housing Officers, it will require 2,426 hours or 328 days of work each.

We did not hold accurate household information for almost half of those properties we have carried out audits for to date. These have now been updated as a direct result of the Tenancy Audit visit.

Actions required relating to tenancy/property issues or support needs have been identified in 86% of the properties that have had a tenancy audit completed. On average, there are two issues or support needs identified per property visited. At most, there have been six actions identified in one property visited.

65 households have been supported with better stock management, either upsizing, downsizing, or moving into more suitable accommodation for their needs. In 75% of the referrals made to Children's Social Care, overcrowding has been identified as an issue.

In 98 properties, repairs have been identified and reported by the Housing Officers. Warning letters have been issued in these cases to remind tenants of their obligations to report repairs within the conditions of their tenancy agreement. There are also significant numbers of unauthorised alterations, with alterations such as garden decking or partition walls identified. In cases of poor property condition, issues such as poor decorative standard, overgrown gardens and the presence of pests have been identified.

As a direct result of the Tenancy Audit visits, we have identified seven domestic abuse cases and the appropriate support has been offered to the victim. Three of the identified cases have met the threshold for a formal referral to be made for Independent Domestic Violence Advocate (IDVA) support.

18 Safeguarding referrals have been made in total and in 89% of those cases, issues with the property condition have been identified, predominantly poor property conditions and hoarding.

## **The Business Case for Tenancy Audits**

- 3.10 In addition to the value to the Council and tenants from the outputs detailed above and in Appendix B, Tenancy Audit visits should save the Council a considerable amount of money by working proactively to prevent issues escalating. For instance, by identifying and addressing property condition issues and unauthorised alterations following the Tenancy Audit, the Council should see a reduction in

void repair and time costs, as well as a reduction in the loss of rental income.

- 3.11 Housing Officers are able to identify tenancy or estate issues early, so that they are resolved before escalating into a bigger issue that will take more time and resource to resolve. The Council should in turn see a reduction in the number of complaints received. For example, during a Tenancy Audit, we identified that a tenant who had failed to engage with the Council's contractor has several disabilities that were not known to the Council. One of these is that they are not able to open and respond to letters or telephone calls, so special measures have now been put in place to communicate solely by email with this tenant, which will prevent any future missed appointments, saving the Council time and money.
- 3.12 The Tenancy Audit visits are allowing those experiencing Domestic Abuse the opportunity to seek help. Aside from the positive impact for the well-being of the individual(s) concerned, this also saves the Council time and money. The Domestic Abuse Housing Alliance (DAHA) has found that residents living with Domestic Abuse are four times more likely to have anti-social behaviour complaints made against them. They are also four times more likely to have a Notice of Seeking Possession served against them and more likely to be in rent arrears of more than £1,000. Void properties are six times more expensive to prepare to re-let.

## **4. Implications**

### **a) Financial Implications**

*Page: 5*

If approved, a bid will be made within the 2023/2024 budget setting process to fund the additional permanent 1 FTE Housing Officer. The cost for this post is £47,450.

### **b) Staffing Implications**

If the permanent 1 FTE Housing Officer is not approved, the patches would need to revert to four, meaning an increase of properties to each of the remaining 4 FTE Housing Officers. An additional implication would be that we would no longer be able to carry out Tenancy Audit visits. The

post holder of the current fixed-term Housing Officer post would return to their substantive post.

### **c) Equality and Poverty Implications**

An Equality Impact Assessment has been completed and is attached as **Appendix A**.

### **d) Net Zero Carbon, Climate Change and Environmental Implications**

The climate change tool has been completed and has concluded that this project will have a low negative rating and therefore a low impact overall. This is because there will be a slight increase in vehicle usage, but this will be mitigated by incorporating Tenancy Audits with visits already booked in and where visits are to be conducted outside of these, these will be carried out by visiting one street at a time so the Housing Officer can walk from property to property. In addition, there will be an increase in the use of paper, but this will be recycled via the confidential waste once the information has been uploaded to the system. The Council are considering mobile working IT solution options so that this process can be made paper free. There are no other impacts that have been identified from completing the tool.

### **e) Procurement Implications**

None.

### **f) Community Safety Implications**

The Tenancy Audit visits have already had a positive impact on community safety as they have helped to identify concerns that are now being addressed. It is anticipated that we will continue to identify issues that would not otherwise have been reported to the Council and we will also work towards prevention of such issues.

## **5. Consultation and communication considerations**

An article was written in the Summer addition of Open Door explaining the purpose of Tenancy Audit visits. Documents have been shared with other relevant departments within the Council.

## **6. Background papers**

The budget for the pilot was agreed at the January 2020 Housing Scrutiny Committee Meeting as part of the annual budget setting process. Item 20/9/HSC contains this report [Agenda for Housing Scrutiny Committee on Wednesday, 15th January, 2020, 5.30 pm - Cambridge Council](#)

## **7. Appendices**

Appendix A – Equalities Impact Assessment

Appendix B – Summary of Outputs

## **8. Inspection of papers**

If you have a query on the report please contact Anna Hill, Housing Services Manager (City Homes), tel: 01223 458312, email: [anna.hill@cambridge.gov.uk](mailto:anna.hill@cambridge.gov.uk) .

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# Cambridge City Council Equality Impact Assessment (EqIA)

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](mailto:equalities@cambridge.gov.uk) or phone 01223 457046.

Once you have drafted the EqIA please send this to [equalities@cambridge.gov.uk](mailto:equalities@cambridge.gov.uk) for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, ([graham.saint@cambridge.gov.uk](mailto:graham.saint@cambridge.gov.uk) or 01223 457044).

<b>1. Title of strategy, policy, plan, project, contract or major change to your service</b>
Tenancy Audits – proposal to make the pilot a permanent project
<b>2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)</b>
Link can be added once committee report is published.
<b>3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?</b>
Social housing is a valuable asset that provides security and stability to people in housing need. All local authorities have a duty to make the best use of public resources and ensure existing stock is properly managed. Tenancy Audits are necessary to: <ul style="list-style-type: none"><li>• Update the household information.</li></ul>

- Help us to deliver quality and timely services that are tailored to individual needs.
- Ensure the best use of resources and value for money.
- Check the condition of the properties and take the appropriate action where necessary.
- Help identify any customer support needs and to refer them onto specialist agencies for individual support.
- Identify tenancy fraud and other breaches of tenancy.
- Identify households who are under-occupying properties and provide support if they wish to move to smaller properties.
- Identify Housing Need and signpost to the appropriate service area.
- Ward profiling/social value to feed into the wider projects across the Council.

A recommendation is being made to the Housing Scrutiny Committee to make the pilot project a permanent project and agree to incorporate a budget bid into the 2022/24 HRA budget process for the addition of a permanent, full time equivalent Housing Officer to support this work.

Full details of the proposal can be found in the Committee report.

#### 4. Responsible service

Housing Services

#### 5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service?

**(Please tick all that apply)**

- Residents
- Visitors
- 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):

CCC Tenants and members of the household  
CCC Housing Services staff

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

- 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)**

Yes

No

**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 on the 22<sup>nd</sup> September 2022.

**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?**

At this stage, we have not consulted directly with our tenants. However, we have engaged with our elected tenant and leaseholder representatives for their input on the implementation and outcomes of the tenancy audits so far.

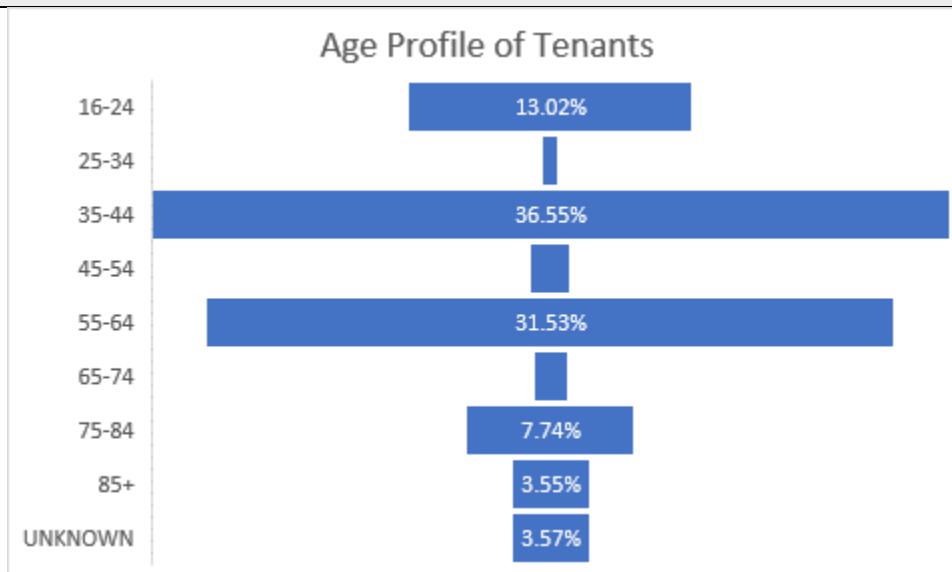
We have researched other social housing providers approaches to conducting tenancy audits in order to compare and gather good practice.

We have used the data that we currently hold about our tenants in order to assess the potential impacts on each category that we collect data on.

#### **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 - Please also consider any safeguarding issues for children and adults at risk**



The above chart shows the age profile of our tenants, most are aged 35-44, with a high proportion aged 55-64. Undertaking the tenancy audits will help us gather more accurate information on the age of our tenants as there is a proportion of 'unknown'.

We have considered the impact of tenancy audits on younger tenants, and younger members of the household, which may result in safeguarding concerns for children. Staff undertaking the audits are well trained in this and will be looking to make safeguarding referrals where appropriate.

Research suggests that young tenants are less likely to know where to go for help when they have housing problems and are less well equipped to maintain their properties. This will be factored into the audits by staff undertaking the visits.

Older tenants are more likely to find themselves residing in unsuitable homes due to health problems and are more likely to be living in homes with spare bedrooms. This will be factored into the audits by staff undertaking the visits.

**(b) Disability**

In our 2020 satisfaction survey of tenants 48% of respondents identified as having a disability, and we anticipate that the tenancy audits will reveal a larger number of tenants or members of their households that consider themselves disabled.

In addition to collecting household information, we will also be asking the tenants about any disabilities. This is to comply with our Public Sector Equality Duties and to ensure that our

communication and the support that we provide individuals through this process is suited to their individual needs. However, tenants are not obliged to answer these questions.

We will ensure support is available tenants who may have learning difficulties with understanding the process or accessing services. This includes alternative formats and languages where necessary as well as interpreting services. We will work with tenants to ensure that any changes resulting from the visits are handled carefully.

Achieving sufficient supply of suitable housing for tenants with physical mobility problems is a challenge, however the audits will help uncover tenant needs that are not currently being met and actions that can be taken to improve living arrangements.

Hidden disabilities, including mental health and other disabilities not readily visible might mean some tenants may not be registered as having a disability unless they decide to disclose it. This may alter the outcome of our services and support for some tenants, making the service less supportive for those with hidden disabilities.

Follow-up communication can take place depending on tenants' preference and needs. All staff are trained to deal with disability and have mental health training.

### **(c) Gender reassignment**

We do not collect information on gender reassignment from our tenants and so are not aware of how many tenants this affects; however given the nature of the proposal we do not anticipate that the tenancy audits will have any adverse effects on this group of individuals.

National data shows that more than a quarter of trans people (28%) in a relationship in the last year have faced domestic abuse from a partner<sup>1</sup>.

Staff are aware that tenants undergoing gender reassignment, or those living with a gender different to what they were assigned at birth are more likely to experience challenges with access to services, mental health and domestic abuse - so this will be considered as part of the visits.

### **(d) Marriage and civil partnership**

We do not collect information on marital status from our tenants and so do not have data about this on record.

The tenancy audits may present an opportunity to uncover relationship breakdown and potential cases of domestic abuse, as evidence shows that family conflict is strongly associated with domestic abuse.

Staff are trained to recognise signs of domestic abuse, identify risk factors and carry out DASH assessments to make a specialist referral.

<sup>1</sup> [LGBT in Britain – Trans Report \(2017\)](#)

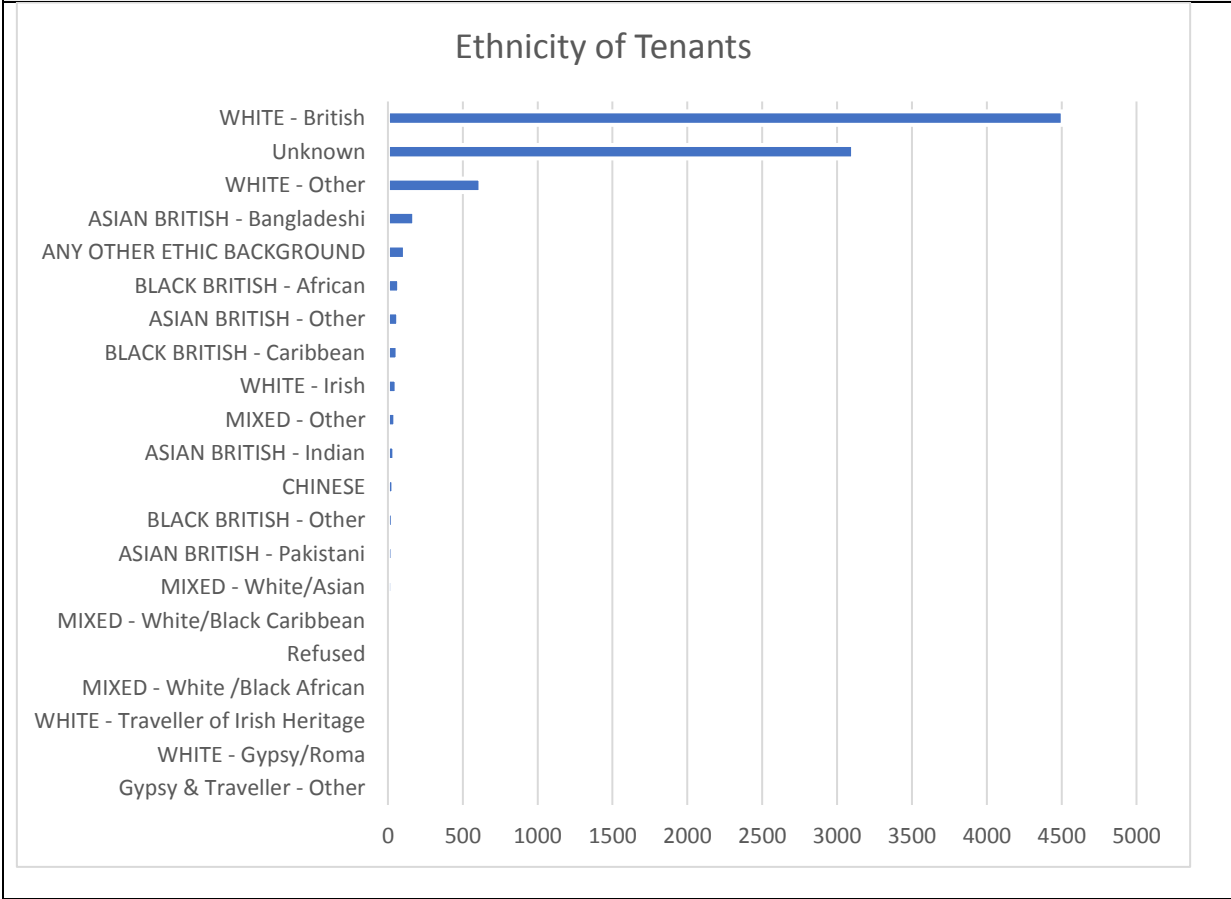


**(e) Pregnancy and maternity**

We do not collect information on pregnancy/maternity status from our tenants. However, a national report outlines that housing directly impacts on maternity care, both during pregnancy and after childbirth. In situations where women are in unstable or inappropriate accommodation without a place where they feel safe to be during labour, or confident returning to with their new-born, the care of both the mother and child is jeopardised<sup>2</sup>.

Staff are aware that pregnant women and new mothers are considered particularly vulnerable, and this will be factored into the visits undertaken and any referrals made.

**(f) Race – Note that the protected characteristic ‘race’ refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.**



<sup>2</sup> [Holding it All Together – Birthrights \(2019\)](#)

Data from August 2022 shows that 49.7% of our customers identify as White British and 16.07% identify as coming from an ethnic minority. The ethnicity of 34.42% of our tenants is unknown.

Research has demonstrated that ethnic minority groups are almost twice as likely to live in poverty compared to those who are White British; they also experience disproportionately high unemployment rates and are more likely to work in more insecure forms of employment<sup>3</sup>. This problem is compounded, as those from ethnic minorities experience significantly greater levels of housing need and homelessness, and are more likely to live in poor-quality or overcrowded accommodation. Moreover, studies have shown that ethnic minority households are more likely to be funnelled into the lowest quality and least desirable properties due to various constraints on their housing choices<sup>4</sup>.

Information on ethnicity will be collected as part of the audit process to help fill in the gaps with have with our current data and improve our information base, however these questions are optional. Gathering this data will help us to have a better understanding of our tenants and the potential impacts of services on certain groups. This will enable us to develop future policies aimed specifically at meeting the housing needs of diverse groups of tenants where there is evidence that these needs are not being adequately met.

As part of the tenancy audit visits we will ask tenants about their communication preferences and any language barriers in order to provide an effective service to them. These will be taken into account when we consult with individuals about the changes, for example by using translation services.

### **(g) Religion or belief**

Information on religion or belief will be collected as part of the audit process to help fill in the gaps with have with data, however these questions are optional.

If religion or belief has any impact on how we carry out our tenancy audits, we will ensure the support that we provide individuals through this process is suited to their individual needs.

### **(h) Sex**

Data from August 2022 shows that 58.51% of our tenants identify as female, and 41.49% identify as male.

Whilst all of our tenants will be affected by the tenancy audits, this data suggests that tenancy audits will have a higher general impact on females.

<sup>3</sup> [Healing a divided Britain: the need for a comprehensive race equality strategy – EHRC \(2016\)](#)

<sup>4</sup> [Ethnicity and Social Housing Allocation in England: An Exploratory Analysis of CORE - Kowalewska, H \(2018\)](#)

**(i) Sexual orientation**

Information on sexual orientation will be collected as part of the audit process to help fill in the gaps with have with data, however these questions are optional.

More than one in ten LGBT people (11%) have faced domestic abuse from a partner in the last year. This increases to 17% of black, Asian and minority ethnic LGBT people.<sup>5</sup>

Staff are aware that LGBTQ+ tenants are more likely to experience challenges with access to services, mental health and domestic abuse - so this will be considered as part of the visits. Given that many tenants prefer not disclose their sexual orientation, it may be a challenge to personalise our services to the specific needs of people within this protected characteristic.

**(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**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: [https://media.ed.ac.uk/media/1\\_159kt25q](https://media.ed.ac.uk/media/1_159kt25q)).**

The tenancy audits have been designed to identify tenant needs and make appropriate referrals/sign posting to relevant organisations and statutory bodies.

There is a particular focus on tenants assisting that are on low incomes and experiencing the impacts of poverty in order to support them in receiving help. This includes connecting them with other services like financial inclusion or benefits and employment advice. Additionally, staff undertaking the visits are identifying support needs and making referrals to services such as a free handyman service, decoration vouchers and food banks.

Equally, the tenancy audit will help us better identify tenants with protected characteristics so that any changes or services that may impacts these groups can be considered.

---

<sup>5</sup> [LGBT in Britain - Home and Communities \(2018\)](#)



**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.)**

If the committee report is approved in September, we will produce an action plan to take tenancy audits from pilot to permanent project after March 2023. This will include reviewing the EQIA where any new impacts will be discussed and a plan put in place to mitigate them.

**12. Do you have any additional comments?**

No.

**13. Sign off**

**Name and job title of lead officer for this equality impact assessment:** Anna Hill, Housing Services Manager (City Homes)

**Names and job titles of other assessment team members and people consulted:** Kate Grigg, Resident Engagement & Performance Manager

Date of EqIA sign off: 22/08/2022

Date of next review of the equalities impact assessment: April 2023

Date to be published on Cambridge City Council website: tbc once HSC report is published.

**All EqIAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer at [helen.crowther@cambridge.gov.uk](mailto:helen.crowther@cambridge.gov.uk).**

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## Tenancy Audits: August 2022 Analysis

First audit date: 13/04/2022      Time period for analysis: 13/04/2022 – 12/08/2022

Housing Officer	Visits Attempted	Audits Carried Out	Audits Closed	Number of Access Refusals	Number of Return Visits (exc. 1st visit)
<b>Total</b>	<b>403</b>	<b>337</b>	<b>189</b>	<b>64</b>	<b>255</b>
<b>% of stock</b>	<b>5.72%</b>	<b>4.79%</b>	<b>2.68%</b>		

Table 1

Table 1 captures the overall progress to date with tenancy audits. It displays the number of properties where visits have been attempted, the number of properties where access has been granted and audits have been undertaken, and the number of properties where actions resulting from audits have been completed and closed.

The tenancy audits are being undertaken across our general needs and sheltered housing stock, as of August 2022 this involves 6,526 general needs properties and 514 sheltered properties, totalling 7,040 properties.

Based on the below averages, we can estimate that to complete the tenancy audits across the above properties will take a minimum of 9,706 hours or 1,312 days of work. This does not factor in the time taken for refused access, or for return visits, or for multiple post-visit actions and is therefore a very optimistic estimate.

- Average time taken to complete the initial visit - 35 mins
- Average time taken to complete each post-visit action - 50 mins

If this workload is split between five Housing Officers (HOs) it will require 1,941 hours or 262 days of work each. If it is split between four HOs it will require 2,426 hours or 328 days of work each.

These figures reflect only the time dedicated to carrying out work related to tenancy audits, and does not include the rest of the substantive work of the HO.

## Analysis

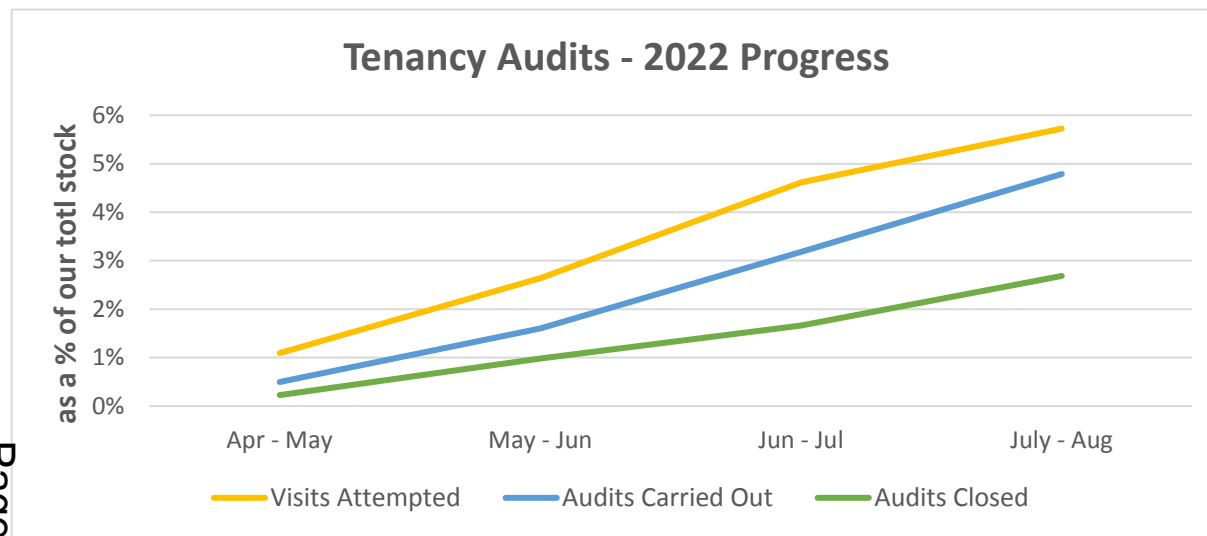


Figure 1 plots the data in table 1 over time, from the initiation of the pilot project on the 13<sup>th</sup> April 2022 until the 12<sup>th</sup> August 2022.

Figure 2 uses the data generated by the four months of progress so far to produce a forecast of expected housing stock completion by the end of the pilot stage in April 2023.

Whilst figure 2 helps provide a useful indication, it over-simplifies the practical undertaking of the tenancy audits by assuming a linear relationship among the variables.

Figure 1

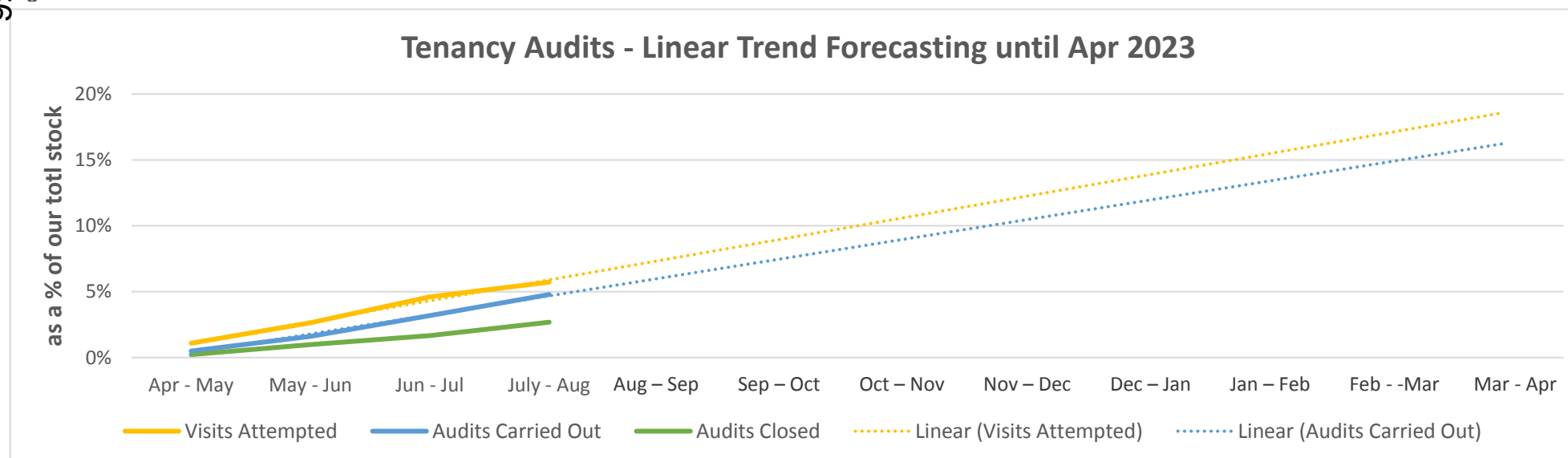


Figure 2

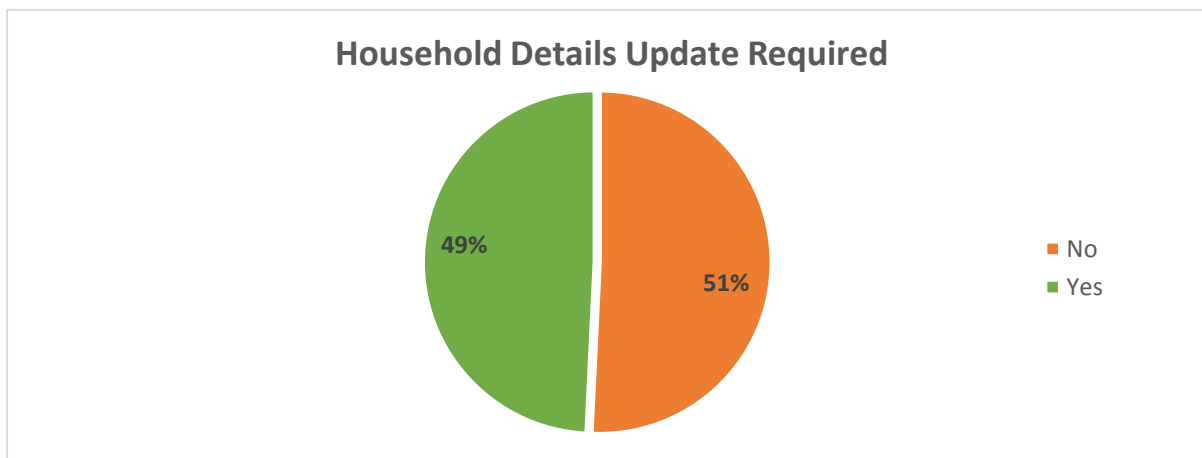


Figure 3

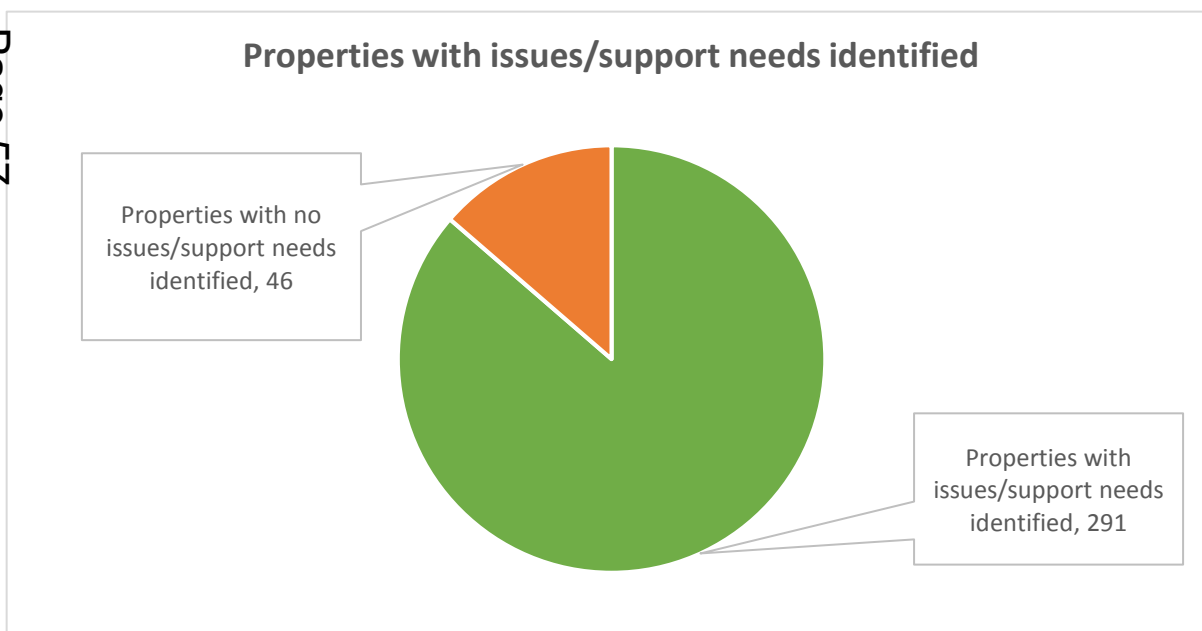


Figure 4

Figure 3 shows that in 49% of our properties it has been identified that the current household details on the housing management system (Orchard) are inaccurate or incomplete.

The quality of the data we hold about our tenants inevitably impacts our ability to make meaningful strategic decisions on housing policy and how to best support our tenants.

Figure 4 shows the total number of properties audited in which there have been issues or support needs identified (86%), and the properties in which there have been none (14%).

The data so far shows that on average there are 2 issues or support needs identified per property. At most there have been 6 actions identified, in one property this has involved:

- Rent arrears advice
- Help given to downsize
- Untidy tenancy
- Unauthorised alterations
- Neighbour dispute
- Occupational therapy

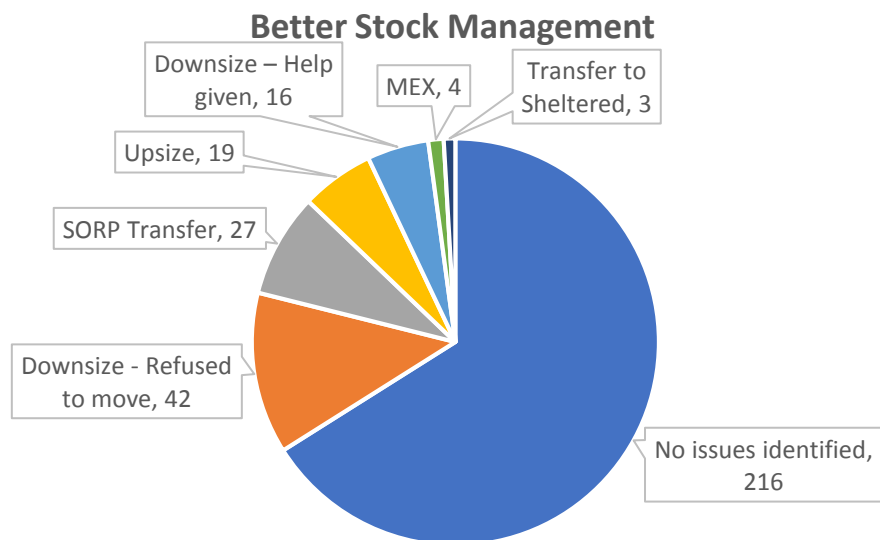


Figure 5

Figure 5 shows actions identified in properties where better stock management is required. Downsizing accounts for 58 cases in total, demonstrating that underoccupation is a significant issue across our stock which has a knock-on impact in meeting the housing need of those on the register. In 19 cases the need for upsizing has been identified showing that there are also problems of overcrowding in our stock. In 75% of the referrals made to Children's Social Care (CSC - see figure 10) overcrowding has been identified as an issue.

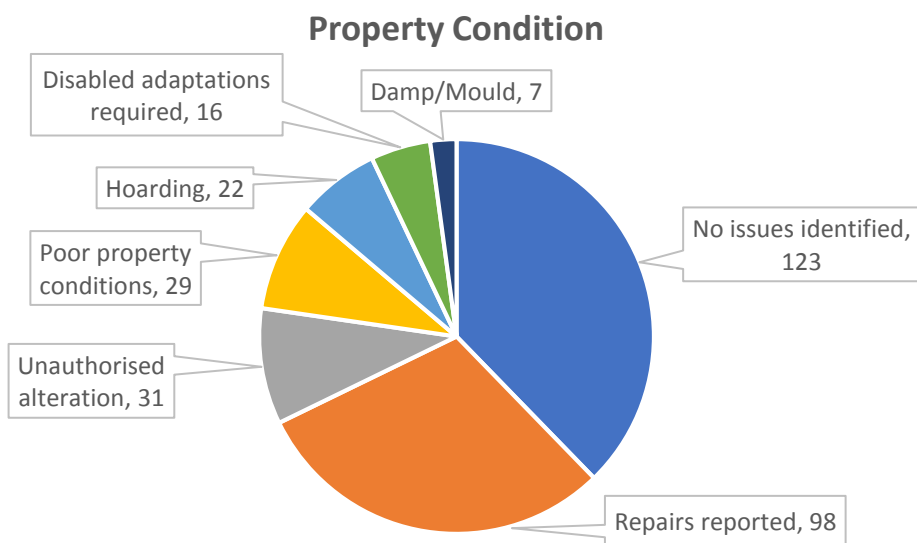


Figure 6

Figure 6 shows property condition issues identified. In 98 properties repairs have been identified and reported by HOs. There are also significant numbers of unauthorised alterations, with alterations such as garden decking or partition walls identified. In cases of poor property condition, issues such as poor decorative standard, overgrown gardens and the presence of pests have been identified. In 75% of drug use/dealing cases (see figure 8), poor property conditions have been identified. In 37.5% of properties where disabled adaptations are required, occupational therapy has been identified as a support need (see figure 9).

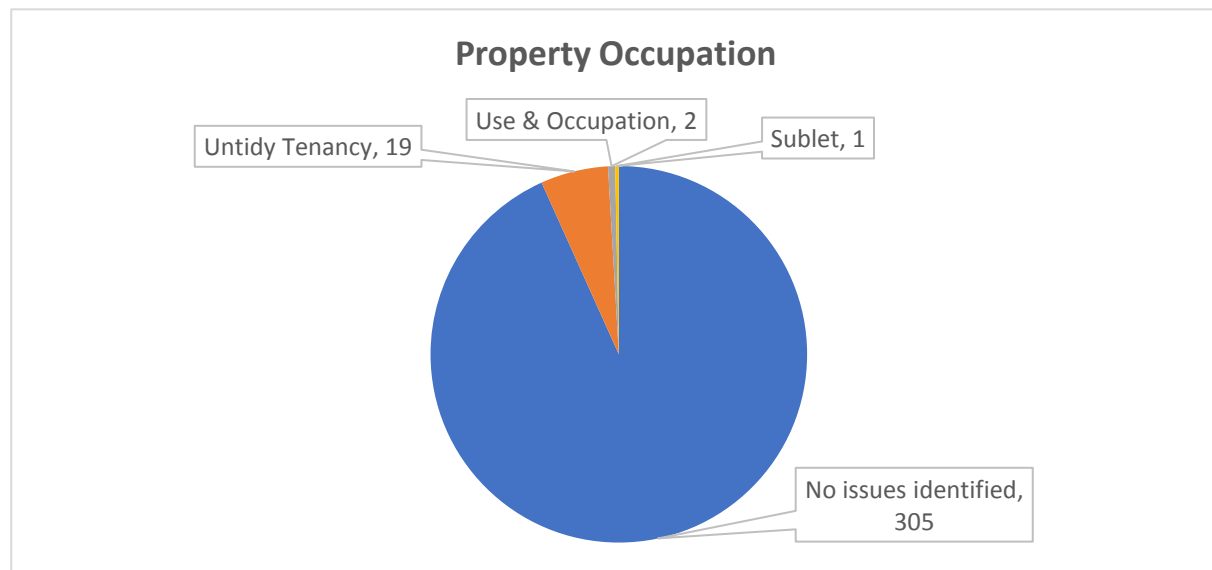


Figure 7

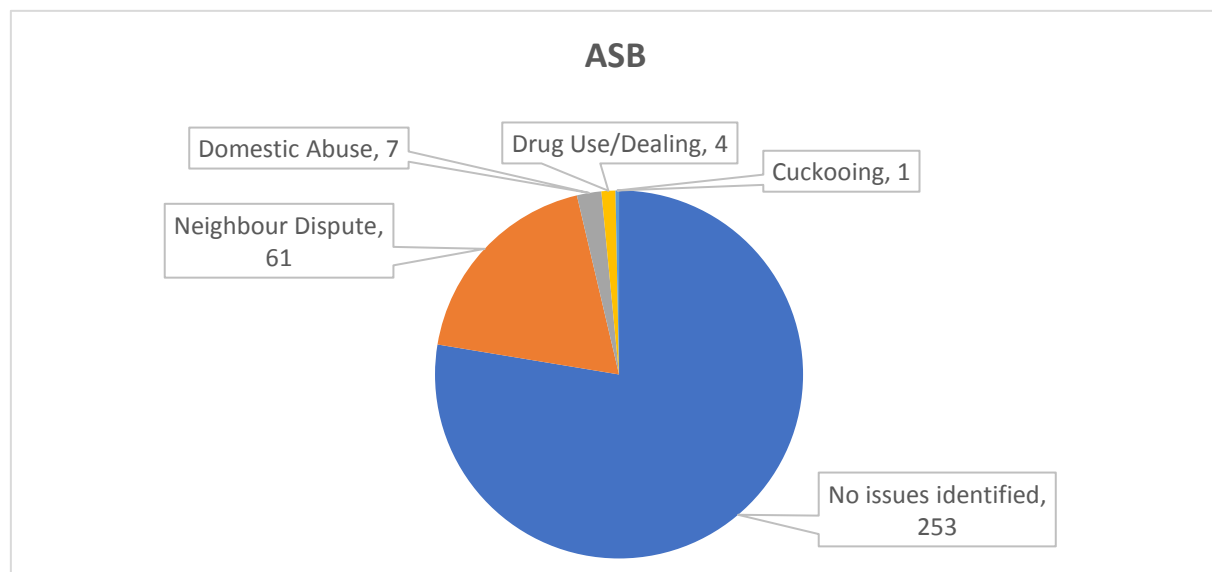


Figure 8

Figure 7 shows issues with the status of property occupation. So far it has been identified that one of our properties is being illegally sublet, and two properties are being occupied by someone after the tenancy has been terminated. In the majority of cases an untidy tenancy has been identified, in which one of the joint tenants has left the property but is still named under the tenancy.

Figure 8 shows anti-social behaviour (ASB) issues identified. Neighbour disputes have been identified in the majority of properties; this category also accounts for 30% of all complaints received by City Homes in Q1 2022/23. In the cases so far there is also a strong correlation between drug use/dealing identified and poor property conditions.

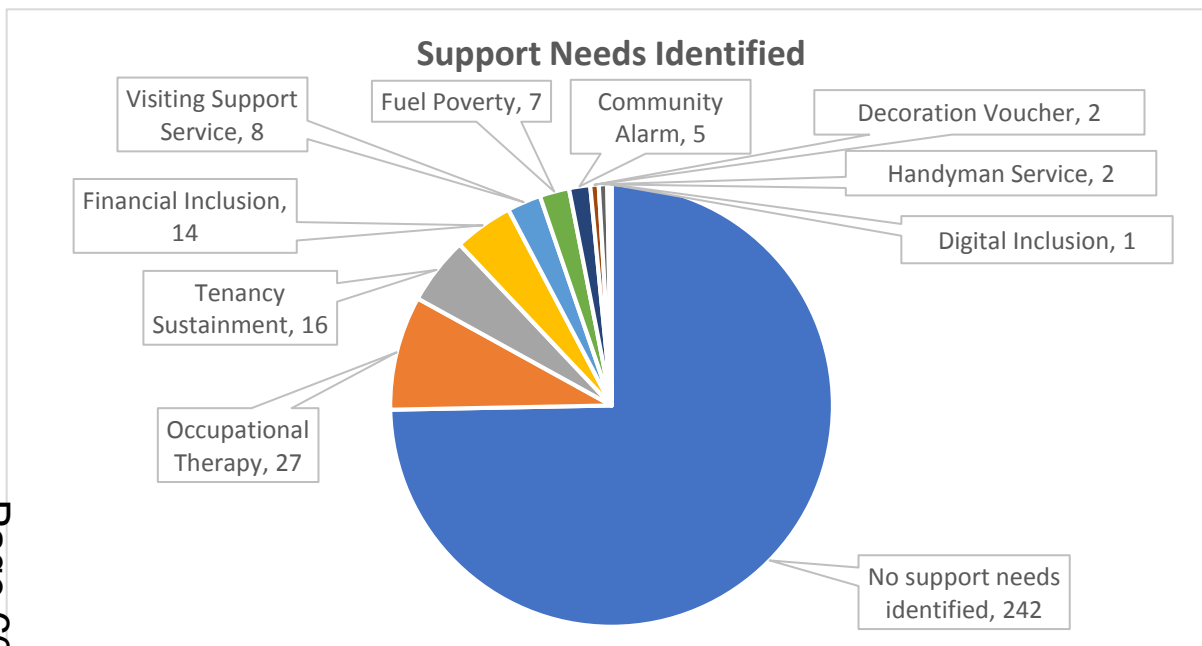


Figure 9

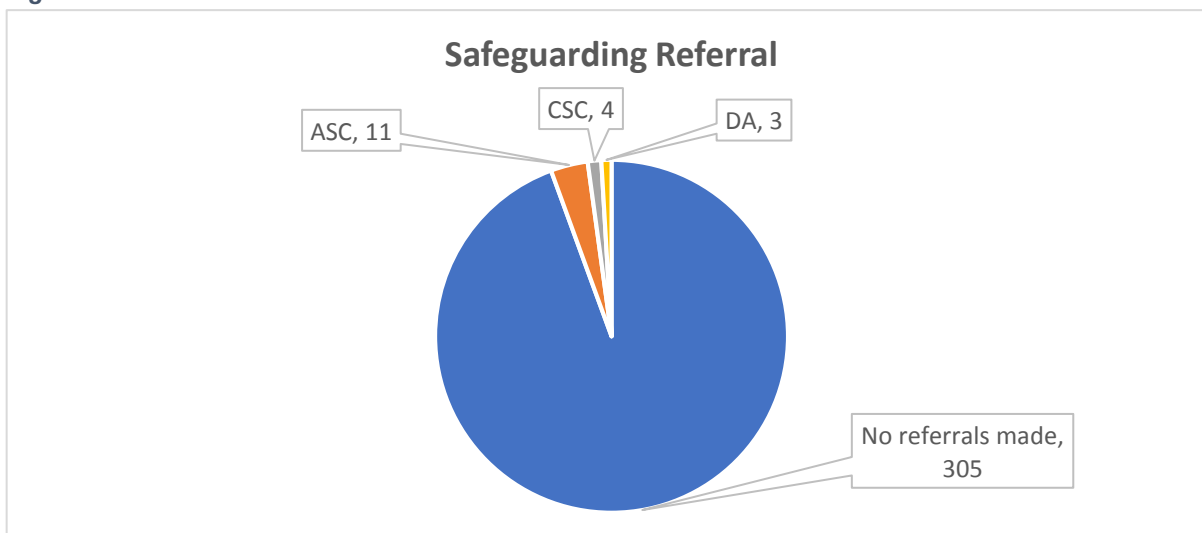


Figure 10

Figure 9 shows support needs identified. It is interesting to note that Food Bank has not been a support need identified so far and only one referral has been made to digital inclusion. In 50% of the cases where tenancy sustainment is required, hoarding has also been identified as an issue (see figure 5).

There is also a strong correlation between properties needing disabled adaptations and an occupational therapy need identified. Fuel poverty is anticipated to be an issue that is increasingly identified as visits are undertaken throughout the Autumn and Winter, as is damp/mould (see figure 6).

Figure 10 shows the number of safeguarding referrals made. Whilst domestic abuse (DA) is also captured in ASB (see figure 8), the cases in this graph have been identified as meeting the risk threshold after which a formal referral is made. In 89% of safeguarding referral cases (DA, CSC and Adult Social Care (ASC)) so far issues with the property condition have been identified, predominantly poor property conditions and hoarding.





## Accommodation for Ukrainian Refugees

**To:**

Report to  
Housing Scrutiny 22<sup>nd</sup> September 2022

**Report by:**

David Greening  
Tel: 01223 457997

Email: david.greening@cambridge.gov.uk

**Wards affected:**

All wards

### Key Decision

#### 1. Executive Summary

- 1.1 In response to the war in Ukraine the Government launched its *Homes for Ukraine* sponsorship scheme in March 2022. UK households were invited to host Ukrainian refugees for a minimum six-month period or preferably longer. Many hosts have come forward from our district to support the scheme. Cambridge City and South Cambridgeshire District Council have amongst the highest number of hosts for all district authorities across the UK. As at 1<sup>st</sup> September there were 383 guests spread across 203 households in Cambridge City. Clearly, these arrangements are not permanent and Ukrainian households have initially been offered 3-year visas. Therefore, the Council is devising a homelessness prevention plan and the potential allocation of a small number of properties is part of this plan and provides the focus for this report.

- 1.2 There is a precedent for this action; in June 2021 Housing Scrutiny Committee approved the allocation of Council tenancies to Syrian refugees. To date we have housed 13 such households in Council accommodation.

## **2. Recommendations**

The Executive Councillor is recommended to:

- 2.1 Approve the allocation of up to 20 Council properties to Ukrainian refugees to support the Council's homelessness prevention plans and avert the need for temporary accommodation.
- 2.2 Allow these allocations to be made outside of the Council's Lettings Policy
- 2.3 Delegate authority to the Head of Housing, in consultation with the Executive Councillor and Opposition Spokespersons, to extend this scheme beyond 20 units, in the event that there is excessive pressure on temporary accommodation.

## **3. Background**

*Page: 2*

- 3.1 Following the Government's launch of its *Homes for Ukraine* sponsorship scheme the people of Cambridge have responded positively with many offers of support to host Ukrainian families, as outlined in paragraph 1.1 of this report. These arrangements are typically within the family home with occasional offers of self-contained accommodation such as annexes.
- 3.2 Hosts receive 'thank you' payments from the Government, issued by local authorities, for engaging in the scheme but are not permitted to charge rent for the accommodation.
- 3.3 Local and national data analysis work, unsurprisingly, suggests that most sponsorship arrangements are not long term; local data from hosts across Cambridgeshire suggests that only 23% are willing to fulfil the host role for more than 12 months.
- 3.4 Looking at what we know to date about host commitments, the Council's own assessment suggests that the end of host arrangements within Cambridge City could peak in October and November of this year.

- 3.5 The County Council has been promised £10,500 per individual refugee under the *Homes for Ukraine* Scheme and, in view of the potential homelessness pressure emerging later this year, the Council has been drawing up a homelessness prevention plan focused on support and accommodation options. We are currently in discussions with the County Council about this plan and the release of funds to put it into practice.
- 3.6 With respect to the accommodation options, the Council will first look at ‘rematching’ with an alternative host where existing hosting arrangements look likely to come to an end. However, incentives or additional support for existing hosts to continue for a longer period will also be explored.
- 3.7 If an existing host arrangement cannot be extended and a ‘rematch’ is not identified, the Council is planning to extend its [HB Plus scheme](#) with a bespoke package to secure private rented accommodation for Ukrainian households in, or on the outskirts, of Cambridge.
- 3.8 In the event that a suitable private rented sector offer is not forthcoming, the Council proposes working with housing association partners and using its own stock (up to a maximum of 20 properties) to secure accommodation to help avert the need for expensive temporary accommodation
- 3.9 The intention is that this pool of properties would be available to use for this purpose as long as the *Homes for Ukraine* scheme is in operation
- 3.10 In considering allocations into Council and housing association accommodation officers will consider housing register pressures in relation to different bedroom categories. At the time of writing this report supply of larger properties (i.e. 3 and 4 bedroom accommodation) does not meet demand and one bedroom need makes up the vast majority of the Council’s homeless households. Therefore, officers are more likely to target two-bedroom accommodation for use for Ukrainian households as supply exceeds demand in this bedroom category.
- 3.11 Of the 203 Ukrainian households currently on the Homes for Ukraine Scheme in the City, household sizes breakdown as follows:
- 1 person households = 47%
- 2 person households = 30%

3 person households = 16%  
4 person households = 5%  
5 person households = 2%

## **4. Implications**

### **a) Financial Implications**

*Page: 4*

There are no financial implications for this proposal. The Council's wider homelessness prevention plan in relation to the *Homes for Ukraine* scheme should be funded in its entirety from government funds, allocated via the County Council. If these funds are not agreed prior to the Council's 2023-24 budget setting process, officers will provide further detail via the budget setting report, which will come to Housing Scrutiny Committee in January 2023.

### **b) Staffing Implications**

None.

### **c) Equality and Poverty Implications**

An Equality Impact Assessment has not been completed for this paper as this proposal is a temporary measure and relates to households to whom the Council would be likely to owe a statutory homelessness duty to in any event.

### **d) Net Zero Carbon, Climate Change and Environmental Implications**

No impact.

### **e) Procurement Implications**

None.

### **f) Community Safety Implications**

None.

## **5. Consultation and communication considerations**

The Council is currently engaged in discussions with the County Council over its *Homes for Ukraine* homelessness prevention plan. The strand of this plan as outlined in this report will be subject to further discussion with key housing association partners operating in Cambridge City.

In the event that it is proposed to extend this scheme beyond the initial 20 units of accommodation more detailed consultation will be required with Home-Link (the sub-regional choice-based lettings/ social housing allocations system) partners

## **6. Background papers**

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

## **7. Appendices**

None

## **8. Inspection of papers**

Not applicable

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Item

## **HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL STRATEGY 2022/23**

**To:**

Councillor Gerri Bird, Executive Councillor for Housing

**Report by:**

Julia Hovells, Assistant Head of Finance and Business Manager

Tel: 01223 457248

Email: [julia.hovells@cambridge.gov.uk](mailto:julia.hovells@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

### **Key Decision**

#### **1. Executive Summary**

- 1.1 The Housing Revenue Account (HRA) Medium Term Financial Strategy, considered and approved in September / October of each year is one of two long-term strategic financial planning documents produced each year for housing landlord services provided by Cambridge City Council.
- 1.2 The HRA Medium Term Financial Strategy provides an opportunity to review the assumptions incorporated as part of the longer-term financial planning process, recommending any changes in response to new legislative requirements, variations in external national and local economic factors and amendments to service delivery methods, allowing incorporation into budgets and financial forecasts at the earliest opportunity.

## **2. Recommendations**

### **Recommendations to be considered under Part 1 of the Housing Scrutiny Committee Agenda:**

The Executive Councillor is recommended to:

2.1 Approve the Housing Revenue Account Medium Term Financial Strategy attached, to include all proposals for changes in:

- Financial assumptions as detailed in Appendix B of the document.
- 2022/23 and future year revenue budgets, resulting from changes in financial assumptions and the financial consequences of changes in these and the need to respond to unavoidable pressures and meet new service demands, as introduced in Section 5, detailed in Appendix D and summarised in Appendices G (1) and G (2) of the document.

2.2 Approve that delegated authority be given to the Strategic Director to be in a position to confirm that the authority can renew its investment partner status with Homes England.

### **Recommendations to be considered under Part 2 of the Housing Scrutiny Committee Agenda:**

The Executive Councillor is asked to recommend to Council:

2.3 To approve proposals for changes in existing housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the document, with the resulting position summarised in Appendix H, for decision at Council on 20 October 2022.

2.4 To approve proposals for new housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the document, with the resulting position summarised in Appendix H, for decision at Council on 20 October 2022.



- 2.5 To approve the revised funding mix for the delivery of the Housing Capital Programme, recognising the latest assumptions for the use of Grant, Right to Buy Receipts, HRA Resources, Major Repairs Allowance and HRA borrowing.

### **3. Background**

- 3.1. The Housing Revenue Account budget was set for 2022/23 as part of 2022/23 HRA Budget Setting Report, approving a net use of reserves in the year of £1,029,530.
- 3.2 This figure was amended to reflect approvals to carry forward expenditure originally anticipated to be incurred in 2021/22 into 2022/23 as part of the closedown process for 2021/22. Following these changes, the increased sum of £13,591,290 was anticipated to be taken from reserves for the year.
- 3.3 The HRA Medium Term Financial Strategy revisits the assumptions made as part of the HRA Budget Setting Report and recommends both changes in these and in some areas of budgeted expenditure and income for 2022/23 and beyond.
- 3.4 The resulting financial impact for the Housing Revenue Account is explained and summarised in the attached document and appendices.
- 3.5 The rent increase for 2023/24 is currently subject to a government consultation, with a proposal for a ceiling in rent increase of 5%, as opposed to estimated rent increases of in excess of 10% if CPI plus 1% were to continue to apply for the coming year. The consultation seeks views on 3%, 5% and 7% increases, with 3% incorporated currently into the HRA MTFS for prudence. It should be noted, however, that the difference between each of these levels of rent increase has a significant impact on the financial projections for the HRA and the authority's ability to invest in new homes or to consider any future investment in retrofit of the existing housing stock. A decision on the level of rent increase will be taken in January 2023, and will need to take account of the impact for both tenants and the delivery of services.

- 3.6 As part of the HRA Medium Term Financial Strategy, the assumptions in respect of the delivery of a net 1,000 new homes over the 10 years following on from the 500 programme, have been updated. These now reflect the need to bid to Homes England to secure grant under the Continuous Market Engagement process on a scheme by scheme basis, with future grant assumptions based upon experience of successful bids to date.
- 3.7 To be in a position to be able to bid for any funding or additional borrowing capacity provided through Homes England for the provision of social, affordable or intermediate housing, the authority is required to remain an investment partner with Homes England. To remain as an investment partner, as Cambridge City Council is currently, the authority is required to confirm annually that there have been no material changes to its membership status and that there is authority in place for continued membership.
- 3.8 As part of this covering report for the HRA Medium Term Financial Strategy, this is confirmed, and delegated authority is requested to allow the Strategic Director to continue to make this annual confirmation.

## **4. Implications**

### **(a) Financial Implications**

The financial implications associated with the HRA Medium Term Financial Strategy are incorporated as part of the document itself and the associated appendices.

### **(b) Staffing Implications**

The HRA Medium Term Financial Strategy incorporates proposals that would result in the recruitment of additional staff. All these posts will be advertised in line with the Council's recruitment policies and will not adversely impact any existing employees.

### **(c) Equality and Poverty Implications**

An Equalities Impact Assessment is not considered to be required as part of this report but will be carried out as part of the 2023/24 HRA budget process and preparation of the 2023/24 HRA Budget Setting Report.

#### **(d) Environmental Implications**

There are no adverse environmental implications anticipated as a result of changes proposed in this report.

#### **(e) Procurement Implications**

Any procurement implications arising from the recommendations for additional investment in this report will be addressed by the relevant service areas.

#### **(f) Community Safety Implications**

There are no direct community safety implications associated with the HRA Medium Term Financial Strategy.

### **5. Consultation and communication considerations**

Tenant and Leaseholder representatives are being consulted on the proposals in the HRA Medium Term Financial Strategy as part of the Housing Committee scrutiny process.

### **6. Background papers**

Background papers used in the preparation of this report:

- (a) Housing Revenue Account Mid-Year Financial Review (October 2021)
- (b) Housing Revenue Account Budget Setting Report (February 2022)

### **7. Appendices**

Appendix A Housing Revenue Account Medium Term Financial Strategy

### **8. Inspection of papers**

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

Julia Hovells, Assistant Head of Finance and Business Manager

Telephone: 01223 457248 or email: [julia.hovells@cambridge.gov.uk](mailto:julia.hovells@cambridge.gov.uk).



HSC Final

# Housing Revenue Account Medium Term Financial Strategy (HRA Business Plan Update)



September  
2022

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# Section 1

## Introduction and Local Context

### Background and Executive Summary

The Housing Revenue Account (HRA) 30-Year Self-Financing Business Plan, originally approved in February 2012, is reviewed twice each year, with the Housing Revenue Account Medium Term Financial Strategy being the first of these biannual updates.

The report considers any required change in financial strategy or policy for the business, following review of key assumptions and consideration of any material internal or external changes, to ensure a long-term financially viable Housing Revenue Account. Both revenue and capital investment are reviewed, with the impact of any proposed changes clearly identified. A review of strategic risks facing the HRA is presented at **Appendix A**. The HRA Medium Term Financial Strategy reviews and re-states the budget for the current year, 2022/23, highlighting only significant or exceptional in-year changes for approval, reviews and updates financial assumptions and presents updated projections for the following 9 years from 2023/24 to 2031/32, in the context of the 30-year plan.

This report is being prepared with the longer-term social and financial impacts of the coronavirus pandemic and Russia's invasion of Ukraine still unclear. It is clear however, that we are experiencing an unprecedented increase in costs at the present time, with utility prices, fuel costs, labour rates and materials prices increasing significantly. Inflation is currently running at an all time high, with CPI for July 2022 at 10.1%. This report incorporates changes required to both revenue and capital budgets to accommodate the recent increase in inflation but includes an assumption that these levels will peak by the end of 2022 and will then reduce to return to target levels in the medium-term.

To allow the continued delivery of new homes, it is necessary for the HRA to borrow significant resource over the next few years, and it is critical though that any borrowing can be fully supported, and that it doesn't detriment the financial stability of the longer-term HRA Business Plan.

This iteration of the HRA Business Plan retains the assumption that the HRA will deliver 1,000 new rented homes over the 10-year period after the Devolution 500+ Programme has concluded. The assumptions currently incorporated have been updated to include the latest cost assumptions and to reflect the experience of early engagement with Homes England as part of the Continuous Market Engagement process in respect of grant levels assumed. The programme now assumes the delivery of a mix of social rented and affordable rented homes with affordable rent levels at both 60% and 80% of market rent. 80% market rents will only apply in respect of homes delivered above the 40% affordable housing planning requirement on any site. The delivery of market homes, or shared ownership housing, on some development sites will still be necessary to demonstrate financial viability, particularly in the current challenging economic climate.

The approach to earmarking resource in the business plan is based upon a number of updated key assumptions, but it should be noted that the detailed programme, as it is brought forward for decision may contain a different mix of site types, scheme compositions, build standards, delivery vehicles and grant levels, all of which will necessitate ongoing review of costs and the associated borrowing. As the programme progresses, existing HRA sites, land acquisitions, off the shelf purchase opportunities and joint venture developments are all being explored and brought forward for decision. The specific scheme detail allows the authority to determine the build standard which each site can be built to, taking into consideration any site constraints. The success of the authority in obtaining grant to support the delivery of these homes is still key, and failure to obtain grant would necessitate a significant reduction in build standard and build programme.



# Timetable

Committee dates in the financial planning and budget preparation timetable are shown below:

Date	Task
<b>2022</b>	
22 September	Executive Councillor for Housing considers HRA Medium Term Financial Strategy incorporating Housing Scrutiny Committee views in any recommendations to Council and approves the revenue aspects of the report
20 October	Council considers HRA Medium Term Financial Strategy and approves capital aspects of the report
<b>2023</b>	
24 January	Executive Councillor for Housing considers HRA Budget Setting Report, alternative budget proposals, approves rent levels and sets revenue budgets, considering Housing Scrutiny Committee views, making capital recommendations to Council
23 February	Council considers HRA Budget Setting Report and approves capital aspects of the report

# Section 2

## Housing Stock

### Housing and Leasehold Stock

#### Housing Stock (dwelling stock owned and managed in the HRA)

Housing Category	Actual Stock Numbers as at 1/4/2022	Estimated Stock Numbers as at 1/4/2023
General Housing – Social Rent	6,008	5,928
General Housing – Affordable Rent	479	752
Sheltered Housing	514	522
Supported Housing	17	17
Temporary Housing (Individual Units)	92	98
Temporary Housing (HMO's / EA)	26	26
Miscellaneous Leased Dwellings	19	19
Shared Ownership Dwellings	91	91
<b>Total Dwellings</b>	<b>7,246</b>	<b>7,453</b>

Property Type	Actual Stock Numbers as at 1/4/2022	Estimated Stock Numbers as at 1/4/2023
Bedsits	94	94
1 Bed	1,751	1,876
2 Bed	2,531	2,616
3 Bed	2,240	2,237
4 Bed	107	107
5 Bed	7	7
6 Bed	2	2
Sheltered Housing	514	514
<b>Total Dwellings</b>	<b>7,246</b>	<b>7,453</b>

## Leasehold Stock

At 1<sup>st</sup> April 2022, the Council retained the freehold and managed the leases for 1,191 leasehold flats.

## Housing Stock Changes

The table below compares reductions in the general housing stock (excluding shared ownership homes) in the last 10 years through right to buy sales, other sales, re-development and conversion, with increases in the number due to new build dwellings and acquisitions.

Year	Opening Stock	RTB's	Other Disposals / Demolitions	Conversions / Other Changes	Acquisitions / New Builds	Closing Stock
2021/22	7,103	(34)	0	0	86	7,155
2020/21	7,106	(16)	(57)	0	70	7,103
2019/20	7,084	(29)	(14)	10	55	7,106
2018/19	7,103	(27)	(2)	(1)	11	7,084
2017/18	7,049	(47)	(29)	(1)	131	7,103
2016/17	7,040	(58)	(7)	(1)	75	7,049
2015/16	7,016	(42)	(4)	5	65	7,040
2014/15	7,164	(51)	(109)	(7)	19	7,016
2013/14	7,235	(60)	(45)	1	33	7,164
2012/13	7,280	(41)	0	(6)	2	7,235
Total		(405)	(267)	0	547	

# Section 3

## The National Policy Context and External Factors

### External Factors

As part of this strategic report, all financial assumptions are reviewed, including taking account of external factors outside of the authority's control and financial projections are adjusted in light of any changes or trends in these. There has been an impact on the economy as a result of both the coronavirus pandemic and the conflict in Ukraine, and this results in continued uncertainty in the forecast of external factors in this iteration of the HRA Business Plan.

A table detailing all of the revised business planning assumptions is included at **Appendix B**.

#### **Inflation Rates**

The base rate of inflation used to drive expenditure assumptions in the HRA financial forecasts is the Consumer Price Index (CPI). The last 2 years has been particularly volatile, with the last 15 months in particular seeing an unprecedented rise in CPI from 1.5% in April 2021 to 10.1% in July 2022. The rate in June 2022, when MTFs initial forecasts were arrived at was 9.4%. Huge inflationary increases have been seen in both utility and fuel prices, alongside steep rises in other operating costs.

The Bank of England's Monetary Policy Report of May 2022 forecasts a level of CPI in quarter 2 of each year at 9.1% for 2022, 6.6% for 2023, 2.1% for 2024 and 1.3% by 2025. In their August 2022 report, quarter 3 inflation is predicted to be 9.9% for 2022, 9.5% for 2023, 2% for 2024 and 0.8% by 2025. The over-arching view is that although inflation is at an all-time high currently and expected to peak at around 10% in quarter 4 of 2022, it will fall over the medium term, and will settle at around, or even below, the target level of 2%.

The Office of Budgetary Responsibility (OBR), in their Economic and Fiscal Outlook in March 2022, forecast an increase in CPI during 2022 to 7.4%, reducing to 4% in 2023, before returning to nearer the target level of 2%, reducing to 1.5% in 2024, and then fluctuating close to the 2% target level for the medium term.

Continued economic uncertainty, as a result of a combination of factors including the impact of our exit from the European Union, the longer-term effects of the coronavirus pandemic and the Russia / Ukraine conflict, make it difficult to accurately predict future rates, but taking account of the views of both the Bank of England and the OBR it is considered appropriate to include the assumption that costs will rise by the June 2022 level of CPI (9.4%) for 2023/24, but will ultimately sit at the target level of 2% in the medium term, with this rate adopted from 2024/25 onwards. This will be reviewed again as part of the HRA Budget Setting Report in January 2023.

The assumptions surrounding building maintenance expenditure inflation have historically been derived from a mix of forecasts using the RICS (Royal Institution of Chartered Surveyors) Building Cost Information Service (BCIS) all in tender price index and CPI. The broadly external planned maintenance contract, currently with Fosters, is a lump sum priced contract, which adopts CPI as the measure of inflation. The broadly internal planned maintenance contract is currently being retendered, and is a target price contract, using the (BCIS) all in tender price index as the measure of inflation, recognising that prices are fluctuating widely in this industry currently. Other specialist contractors will price work on a project basis, also taking account of industry forecasts.

The latest projections for the BCIS Index over the next 5 years currently predict a growth rate of 7.4% by 2023, with forecasts of 2.9%, 4.1%, 3.7% and 3.8% over the following 4 years. Taking an average of these rates of growth for the forecast five years gives rise to an annual increase of 4.4%.

On a similar average basis, the assumptions we are adopting for CPI over the same period are 3.5%, a difference of 0.9%.

Recognising the combination of planned maintenance price increases being driven by CPI and BCIS, the assumption has been made that 50% of the work programme will be subject to the BCIS indices and 50% by the rate of CPI for the next 5 years. A blended average rate of 3.95% (CPI plus 0.45%) has therefore been incorporated into the business plan forecasts for this period, reverting to standard CPI after this,

The pay award from April 2022 is yet to be agreed, but based upon the offer made by the employer, pay inflation has been increased to reflect a pay award of £1,925 per full time equivalent employee for 2022/23 and 3% for 2023/24, before returning to the previous assumption of 2% from 2024/25. The allowance for incremental progression has been retained at 1% per annum, recognising staff retention figures and the number of staff who are currently paid at the top of their pay scale.

## **Interest Rates**

The Housing Revenue Account recovers a proportion of the interest earned on cash balances invested by the authority. The rate of interest assumed for 2022/23 in the HRA Budget Setting Report was 0.6%, based upon the HRA clawing back interest from the General Fund on investments with minimal risk. This recognises that the General Fund bears the risk, but also benefits from the reward, of the higher risk investments made by the Council.

The Bank of England base rate was increased to 1.75% in August 2022, the highest it has been in over 10 years. The next review is due on 15 September 2022. The base rate has increased steadily over the past six months, and we are beginning to see a corresponding increase in investment rates, but a sharper increase in borrowing rates.

The actual average rate of interest earned on investments that benefited the HRA for 2021/22 was 0.24%, but the assumption had been retained in the HRA Budget Setting Report that there would be some recovery in rates by 2022/23, with 0.6% assumed. With the base rate at 1% for the first quarter of 2022/23, the average rate earned on investments was approximately 0.5%. With an increase to 1.25% in June 2022, a rate of 0.75% could reasonably be assumed going forward. The HRA Medium Term Financial Strategy has therefore been constructed on the basis that the HRA claws back interest at a blended rate of 0.69% for 2022/23, and 0.75% from

2023/24 on an ongoing basis. A further increase in the base rate to 1.75% was announced in August 2022, but assumptions have not been adjusted again at this stage, as it is unclear how long it will take for higher investment rates to follow the base increase. The interest rate assumptions are included in **Appendix B**.

In respect of existing HRA borrowing, the self-financing loan portfolio with the Public Works Loans Board of £213,572,000 remains, with rates of between 3.46% and 3.53%.

With no cap on HRA borrowing, subject to financial viability and the ability to support the borrowing, the authority can borrow to invest in the provision of affordable housing with no external financial constraint.

A risk to the HRA's ability to borrow is the Local Authority Investment Guidance which states that any authority making an investment that is classified as an 'investment asset primarily for yield', will not be able to access loans from the PWLB in the financial year in which it makes this investment. Investment in housing, regeneration, preventative action (ie; buying an asset of community value) and treasury management (ie; re-financing existing debt) are acceptable, but investment for yield, such as investment in land or buildings to be let at market rates is prohibited. There is therefore the potential for any investment decisions made by the General Fund to detriment the HRA's ability to borrow from the PWLB in any given year. This would not stop the HRA borrowing but would mean that an alternative lending source would need to be identified, with rates potentially not being as preferential.

Any transfer of land or financial resource between the General Fund and the HRA to allow development continues to impact the HRA Capital Financing Requirement, effectively increasing borrowing. Although there is now no cap on borrowing, such decisions must still be made in the knowledge of the revenue impact of transferring the land or resource.

The assumption is made that additional borrowing is externalised, with updated PWLB maturity loan rates for loans of a 30-year duration used. Since the last update of the HRA Business Plan in January 2022, there has been a significant increase in PWLB lending rates, with the rates at the time of the drafting of the report standing at 3.66%, compared with the rate of 2.5%

assumed in the construction of the HRA Budget Setting Report in January 2022. It should be noted that the PWLB rate is reviewed and can change twice each day, with rates continuing to increase currently.

Subject to having submitted a 30-Year capital Spending and Financing Plan, which is now a pre-requisite to be able to borrow from the PWLB, the standard lending rate could be reduced by 20 basis points, with a Certainty Rate of 0.2% lower therefore available to the authority. There is no guarantee that this reduction will remain indefinitely.

To mitigate the daily rate fluctuations in PWLB rates, this iteration of the business plan also considers forecasts made by Link, the Council's treasury advisors, who project that PWLB lending rates will fluctuate between 3.5% and 3.7% over the next 2 years.

Based upon current rates and these projections, a revised average rate of 3.46% (3.66% - 0.2%) has been incorporated into any borrowing assumptions from 2022/23 onwards, including the assumption that the Certainty Rate will continue for the medium term at least to assist local authorities in new build delivery.

## **Right to Buy Sales**

In 2021/22, 89 right to buy applications were received, compared with 65 in 2020/21. A total of 22 applications were received in the first 3 months of 2022/23, demonstrating continued steady interest in the scheme.

In 2021/22, 34 applications proceeded to a sale completion, compared with 16 in 2020/21, which was lower as a result of the coronavirus pandemic and associated periods of lockdown. In the first 3 months of 2021/22, 8 sales have completed, indicating that sales for the year may be similar to those in 2021/22.

Predicting future sales, particularly whilst there is still such uncertainty in the economy, is difficult. However, it is considered prudent to increase the assumed sales in 2022/23 to 32, based upon activity in 2021/22 and the first quarter of 2022/23, before returning to the assumption of 25



sales per annum from 2023/24 onwards. There is no guarantee that sales will continue at these levels, particularly with the cost of living increase being experienced currently.

## **Right to Buy Receipts**

At 31 March 2022, the authority held £7,243,745.20 of right to buy receipts under the retention agreement with DLUHC.

The reinvestment of retained right to buy receipts continues to need to be combined with the Devolution Grant, the Council's own resources, or borrowing and can't be invested in replacement dwellings or dwellings receiving any other form of public subsidy. The authority is unable to use capital receipts from the sale of land and other housing assets, Section 106 receipts or other forms of public subsidy as a form of match funding for units financed using retained right to buy receipts.

Retained right to buy receipts must be reinvested within 5 years, can be used to finance up to 40% of a new rented or shared ownership dwelling. Where used to finance the acquisition of an existing market dwelling a cap applies to ensure that the provision of new homes is prioritised, with a cap at 50% for 2022/23, 40% for 2023/24 and 30% from 2024/25. The first 20 units of delivery in any year will be excluded from the cap.

With the Bank of England base rate now at 1.75%, any penalty interest payable on receipts not re-invested appropriately is payable at a higher rate of 5.75%.

**Appendix C** summarises the latest position in respect of receipts held and appropriately re-invested. The authority has avoided breach of any re-investment deadlines to date, with sufficient resource invested to avoid any penalty until after March 2026 under the new regulations.

All newly arising receipts are automatically retained at the end of each quarter. If the authority moves into a position that receipts are being held with less than 12 months before any penalty would be incurred, decision to retain or pay over receipts will revert to the Head of Finance, in consultation with the Strategic Director, taking into consideration any need to borrow to

appropriately re-invest the resource and the implications of this on the business plan. The Executive Councillor for Housing will be informed if the recommendation were to be to pay receipts directly back to Central Government.

The Strategic Director retains a delegation to draw down funds from HRA ear-marked reserves to acquire homes on the open market, if required, to ensure that investment is made well in advance of the prescribed deadlines.

# National Housing Policy

## **National Rent Setting Policy**

Local authority rents continue to be regulated by the Regulator of Social Housing, alongside housing associations and other registered providers.

The latest regulations (April 2020) include:

- Rent increases limited to an increase of up to CPI plus 1% from April 2020 for 5 years, with properties below target rent levels still waiting until they are vacated to be moved directly to target rent.
- Target rents continue to be set with reference to January 1999 property values.
- The 5% flexibility remains, but with the policy wording amended to require a clear rationale for using the flexibility which takes into account local circumstances and affordability.
- Affordable rent increases limited to a maximum increase of CPI plus 1% from April 2020, but with the ability to re-set the rent at up to 80% of market rent upon re-let.

However, with the level of CPI for July 2022 being 10.1%, the government issued a consultation on 31 August 2022, with proposals to introduce a ceiling or cap on rent increase from April 2023, to avoid social rent increases of in excess of 10%.

The consultation seeks views on:

- the introduction of a ceiling (cap) on social rent increase for 2023/24
- a preferred ceiling at 5%, but with views sought on both 3% and 7% as alternatives
- whether the ceiling should also apply to 2024/25
- whether first lets and re-lets should have the ceiling applied
- whether there should be any exceptions for particular categories of social housing

Pending the outcome of this consultation, the Medium Term Financial Strategy is constructed on the basis of the government's long-term view that CPI will be 2%, plus the 1% uplift allowed for in the rent standard.

A 3% overall rent increase has therefore been incorporated into the business plan assumptions, with the impact of other levels of rent increase explored in later sections of the document.

This significantly impacts the business plan projections, as operational costs are assumed to increase by 9.4% from April 2023, and if income increases do not mirror cost increases, the base financial position for the HRA is fundamentally worse than previously assumed.

## **The Charter for Social Housing Residents**

The Charter for Social Housing Residents aims to rebalance the relationship between social landlords (both local authorities and housing associations) and tenants.

The charter sets out what every social housing tenant should be able to expect:

- To be and feel safe in your
- To have information from your landlord about the service they provide
- To have any complaints dealt with quickly and fairly
- To be treated with respect
- To be able to speak up and have your voice heard
- To have a good quality home and neighbourhood to live in
- To be supported to be able to own our own home

Following publication of the charter, the Queen's Speech in May 2022 commits to the introduction of legislation to fulfil the commitments of the charter and to improve the regulation of social housing, to strengthen the rights of tenants and ensure better quality, safer homes.

The government has committed to halving the number of non-decent social homes by 2030, requires social housing landlords to install smoke alarms and carbon monoxide alarms by October 2022. The government has also concluded stage 1 of the Decent Homes Standard Review with the expectation that stage 2 will now seek to deliver a refreshed Decent Homes Standard later in 2022.

The Regulator of Social Housing has consulted on the proposed tenant satisfaction measures to both inform regulation and help tenants hold their landlords to account.

Whilst implementation of the new consumer regulation regime is expected to take time, landlords can act now to begin delivering the required outcomes as set out in the Charter.

## Welfare Reforms

### **Universal Credit**

New tenants, and existing tenants who have a change in circumstances, now need to apply for Universal Credit, unless in temporary or supported accommodation. Tenants in temporary, specified or supported accommodation continue to receive Housing Benefit for their housing costs.

The authority had 2,049 HRA tenants identified as claiming Universal Credit at the end of July 2022, based upon accounts that have been flagged in the Housing Management Information System. This will not be 100% accurate as the data is reliant upon the authority being notified by the tenant that they are in receipt of Universal Credit or have ceased to be eligible, or by the DWP, who requires landlords to validate the sums being stated in a new or re-assessed claim.

Between now and 31 December 2024, a process of managed migration will begin to move the remaining Housing Benefit claimants to Universal Credit, with completion of the transition for all by 31 March 2025.

## **Other Benefit Changes**

The Benefit Cap continues to impact residents, with some claimants receiving short term Discretionary Housing Payments (DHPs) to support them until they are able to gain employment or improve their financial circumstances.

A steady number of residents are still affected by the removal of the spare room subsidy, with DHPs also used to support this group.

The HRA maintains a budget, incorporated at £22,340 for 2022/23 to provide financial support and incentive to assist tenants in downsizing. In order to support more tenants to downsize using this funding, those in receipt of DHP are also eligible to have the removal costs associated with downsizing met through DHP funding, leaving the HRA funding available to support other tenants who wish to downsize.

## **Support for Vulnerable People**

Cambridge City Council expects to continue to be engaged by the County Council for the delivery of tenure neutral support services to older people across the city as a whole, with a new contract anticipated to be in place from September 2022. The contract sum is currently £183,600 per annum.

# Section 4

## Revenue Resources – Rent and Other Income

### Rent Arrears and Bad Debt Provision

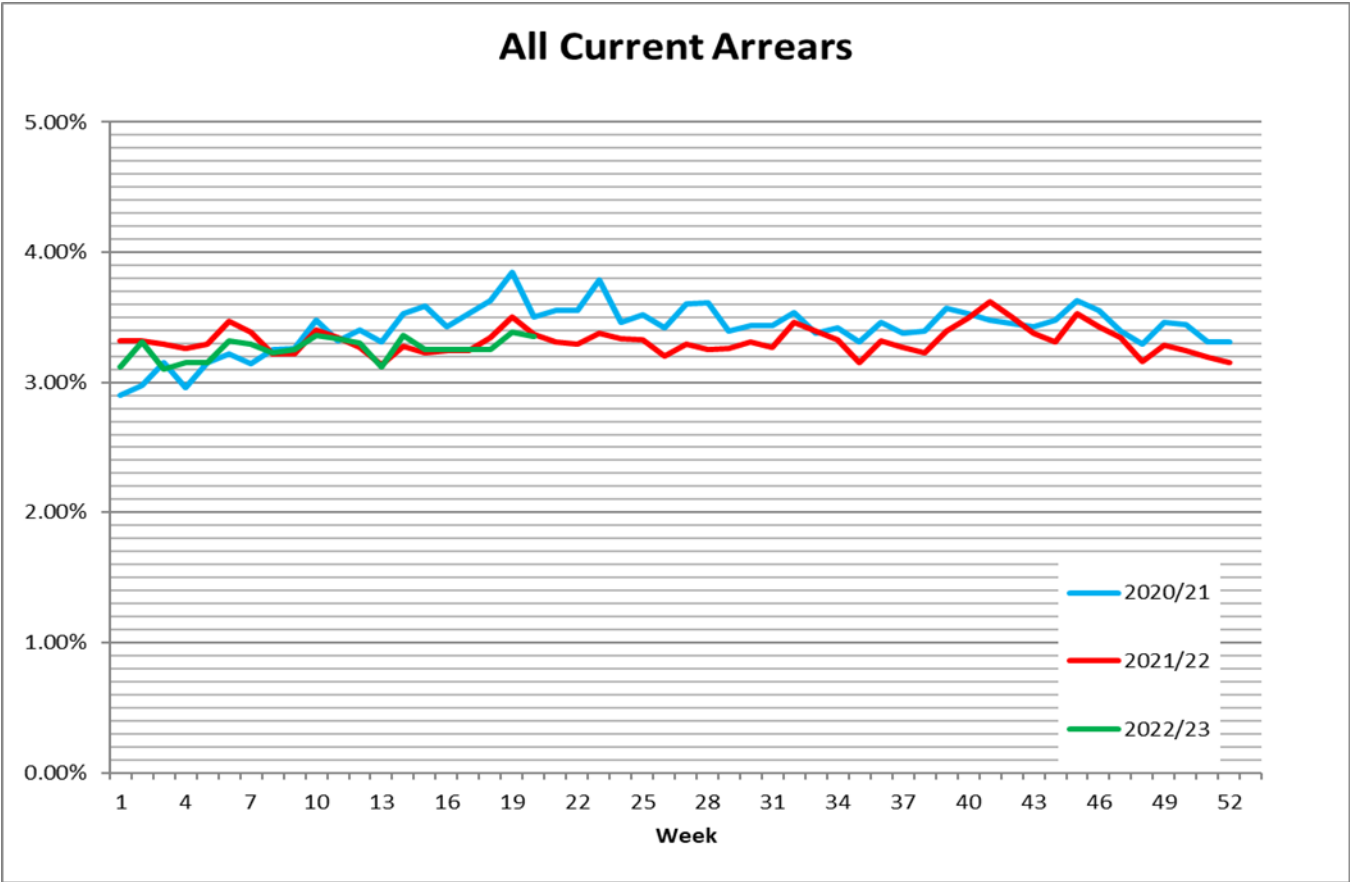
Rent collection performance was more than maintained during 2021/22 despite the challenging economic climate, with 99.5% of the value of rent raised in year, collected in the year, compared with 98.9% in the previous year.

As a result of rent not collected however, arrears overall still increased during 2021/22, with current tenant arrears of just over £1.3 million by 31 March 2022 and former tenant debt of just over £1.1 million. The year-end position in respect of rent debt is summarised in the table below:

Financial Year End	Value of Year End Arrears in Accounts (Current Tenants)	Current Tenant Arrears as a Percentage of Gross Debit Raised in the Year	Value of Year End Arrears in Accounts (Former Tenants)
31/3/2018	£779,904	1.96%	£871,620
31/3/2019	£776,961	1.93%	£932,156
31/3/2020	£1,091,161	2.70%	£915,885
31/3/2021	£1,374,167	3.30%	£925,982
31/3/2022	£1,337,622	3.14%	£1,121,082

It is positive to see that current tenant arrears reduced marginally during 2021/22, from £1.37 million to £1.34 million, despite the challenging financial circumstances that many of our tenants are facing.

The position in respect of current arrears has however, seen a small increase in the first 5 months of 2022/23, with an increase of £122,151 in arrears by August 2022, equivalent in percentage terms to 3.3% of rent due. If the monetary increase were to continue along the same trajectory throughout the year, an increase of £289,000 could be experienced by March 2023.



The Income Management Team continue to work proactively with tenants and financial support providers to mitigate the impact of the current economic situation for both the tenants themselves and the authority, ensuring that tenants are aware of all financial support available to them. The ongoing impact for residents of moving to direct payment is being actively managed, with an increase in the number of claimants transitioning over the past 12 months as a result of changes in circumstances.

Former tenant arrears increased significantly over the 12 months to 31/3/2022, with former arrears totalling £1.1 million at the end of this period. An officer was employed on a 12 month fixed term contract from April 2022, dedicated to recovering, or failing that, writing off, former tenant debt. The officer is now proactively chasing and writing off former tenant debt dependent upon the circumstances, with more debt considered for write off in the first 3 months of 2022/23 than the whole of 2021/22. Writing off obvious bad debt then allows a focus on recovery of more of the doubtful debt.

At 31 March 2022 the total provision for bad debt stood at £1,965,939.96 representing 81% of the total debt outstanding.

The annual contribution to the bad debt provision for 2022/23, based on 1.5% of rent due, was set at £622,920 in the HRA budget approved in January 2022. The assumption has been reviewed as part of this iteration of the business plan taking account of the current economic situation and recognising the proportion of rent arrears that are ultimately expected to require write off, it is proposed to retain the current assumption of 1.5% for 2022/23 and beyond. This will be reviewed again as part of the HRA Budget setting Report in January 2023.

## Void Levels

The value of rent not collected as a direct result of void dwellings in 2021/22 was £656,205, representing a void loss of 1.67%, compared with £613,999 in 2020/21, representing a void loss of 1.58%.

The value of rent lost through void dwellings during 2021/22 was marginally higher than in 2020/21 and was higher than the 1.32% target for 2021/22, recognised as part of the 2022/23 HRA Budget Setting Report of January 2022.

Some of the key contributors to the higher void levels in 2021/22 were refurbished units at Ditchburn Place, where the coronavirus pandemic halted occupation due to the vulnerable nature of the client group (£11,000), homes vacated on approved development sites (£63,000), temporary houses in multiple occupation where full letting was not possible due to



the mixing of households prohibited as a result of the coronavirus pandemic (£14,000), homes acquired for rough sleepers, which required works prior to first let (£17,000) and units held vacant as a result of fire damage to a block of flats (£36,000).

If the impact of the irregular void transactions (detailed above) are removed from the statistics, the void performance in general voids for 2021/22 would have been 1.31%, which is higher than anticipated. A backlog of void works during 2021/22 contributed to this, with a decision to externalise some of the work to facilitate catching up, taking some time to mobilise.

Void performance deteriorated in the first quarter of 2022/23, with a gross void loss of 2.65%. This does however still include the impact of our redevelopment programme, with units being vacated at Aylesborough Close, Princess and Hanover Court and Fanshawe Road. General voids are however also proving problematic, with properties being returned in very poor condition, resulting in both increased costs and prolonged void periods, which also results in loss of rental income. As a result of this, it is recommended to adjust the assumption in general voids for the current year to 2%, assuming some recovery during the year in our general voids performance, whilst retaining the longer-term assumption of 1% in the business plan from 2023/24 onwards.

# Rent Setting

## **Social Rents**

Local authority social rent levels are now governed by the Regulator of Social Housing instead of being controlled by DWP through the limit rent system as they were previously.

Rent levels continue to be set in January of each year, with the Executive Councillor for Housing having authority to make the decision, following pre-scrutiny by Housing Scrutiny Committee. From April 2020, for a period of 5 years, the authority moved to a position where rents could be increased by up to a maximum of inflation plus 1%, using the Consumer Price Index (CPI) at the preceding September as the measure of inflation. However, with the marked increase in

CPI during the last 6 months, government intend to intervene and have issued a consultation on the introduction of a rent ceiling, as outlined earlier in this report.

The consultation seeks views on 3%, 5% and 7% increases for 2023/24, with a 3% increase currently incorporated into the base assumptions of the HRA business plan for prudency. The table below summarises the financial impact on the business plan of a variety of rent increase levels and includes the impact for both social rents and affordable rents as they are subject to the same rent controls.

<b>Rent Increase</b>	<b>Average Weekly Social Rent Value Increase</b>	<b>Average Weekly Affordable Rent Value Increase</b>	<b>Borrowing Required over the 30 Year Business Plan</b>
0%	£0.00	£0.00	£804 million
3%	£3.22	£4.69	£699 million
5%	£5.36	£7.82	£630 million
7%	£7.50	£10.95	£566 million
11.1% (CPI plus 1%)	£11.90	£17.36	£469 million

It is evident from the table above that a single year decision on the level of rent increase makes a significant difference to the level of borrowing required, and therefore the authority's ability to deliver new homes or consider any future investment in retrofit of the existing housing stock.

Property specific target social rents under the rent restructuring regime still apply.

The authority has the ability to close the gap between target social rent and the actual rent being charged for a dwelling, only when a property becomes void, and continues to do this. The average target 'rent restructured' rent at the start of 2022/23 across the general housing stock was £110.44, with the average actual rent charged being £107.15. By April 2022, 35.5% of the social rented housing stock was being charged at target rent levels, compared with 31.3% in April of the previous year, so closing the gap remains a slow process.

The gap between actual and target rent levels in the general housing stock now equates to an annual loss of income of approximately £1,145,000 across the HRA, compared with the income assumption in the HRA Self-Financing Debt Settlement of 2012, where convergence was assumed.

## **Affordable Rents**

In respect of affordable rented homes for existing tenants, the same inflation rates apply as do for socially rented homes, with these also monitored by the Regulator for Social Housing. There is the ability to re-set the rent at up to 80% of market rent when a property is vacated, should the authority so choose. Affordable rents at up to 80% of market rent combine both the rent and non-discretionary service charges levied for any property.

There were 479 new build properties charged at the higher 'affordable rent' levels, on 1<sup>st</sup> April 2022 and 22 affordable shared ownership homes.

Following a decision at Housing Scrutiny Committee in June 2022, the authority will now operate 3 levels of affordable rent.

The earlier delivered affordable rented housing was based on the Local Housing Allowance, but under local policy has been capped at below this level since the Local Housing Allowance was subject to a second annual increase in response to the coronavirus pandemic in March 2020, with an inflated version of the pre-COVID rates adopted to maintain affordability.

For newer schemes, affordable rents will be set at 60% (or the Local Housing Allowance level if this is lower) or 80% of market rent depending upon the nature of the scheme and the proportion of affordable housing being delivered on the site. For schemes with approval, the new rent levels to be charged were confirmed in the report presented to Housing Scrutiny Committee in June 2022. When future schemes are brought forward for approval, the proposed rent levels will be set out within each report, or a delegation to officers will be sought to set them if details are not known.

The table below confirms the current average rent levels charged or assumed in financial modelling:

Property Size	2022/23 Published LHA Rate (not adopted by CCC unless lower than a 60% rent)	2020/21 Pre-COVID LHA rate inflated by 1.5% and 4.1% Used by CCC for 2022/23	Indicative Programme Average 2022/23 Rents at 60% of Market Rent	Indicative Programme Average 2022/23 Rents at 80% of Market Rent
Shared Room	97.00	86.53	N/A	N/A
1 Bed	178.36	143.69	159.46	214.81
2 Bed	195.62	165.26	181.28	247.67
3 Bed	218.63	192.04	205.89	281.44
4 Bed	299.18	256.16	246.33	336.16

The HRA Rent Setting Policy, updated for the changes agreed at Housing Scrutiny Committee in June 2022, is appended to this report at **Appendix L**.

# Section 5

## Detailed Review of Revenue Budgets and Reserves Impact

### Reserves

#### Housing Revenue Account General Reserves

Reserves are held to help manage risks, including changes in inflation and interest rates, unanticipated service demands, rent and other income shortfalls, and emergencies, such as uninsured damage to the housing stock, unanticipated major repairs or events such as the coronavirus pandemic or the conflict in the Ukraine.

Reserves are also used to fund investment which is anticipated to deliver savings in the longer-term. For the Housing Revenue Account, the target level of reserves is £3,000,000, with a minimum level of reserves of £2,000,000. HRA reserves are currently held at levels above target, to allow funding of re-provision of existing homes on development sites, where retained right to buy receipts, devolution funding and Homes England Grant can't be used for this purpose.

The impact on HRA reserves for 2021/22, and 2022/23 to date is shown in the table below:

<b>Budgeted or Actual Use of / (Contribution to) HRA Reserves</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>
<b>Budgeted Changes in HRA Reserves</b>		
Opening General HRA Reserves	<b>(18,420)</b>	<b>(19,590)</b>
Original Budget (Approved in February)	6,397	1,029
Carry Forwards (Approved in June)	7,598	12,562
MTFS Mid-Year Review (Approved in September)	367	(117)
Budget Setting Report Revised Budget (February)	(263)	-
Estimated Closing General HRA Reserves	<b>(4,321)</b>	<b>(6,116)</b>

<b>Actual Changes in HRA Reserves</b>		
Opening General HRA Reserves	<b>(18,420)</b>	<b>(19,590)</b>
Prior Year Audit Adjustment	0	-
Actual Outturn variance for the Year (Reported in June 2022)	(1,170)	-
Contribution from Ear-Marked Reserves	0	-
Actual Closing General HRA Reserves	<b>(19,590)</b>	-

The original budget for 2022/23 approved a net call on general reserves of £1,029,530, and also incorporated use of £4,941,510 previously set-aside for potential debt repayment or re-investment, to allow a total revenue contribution to fund capital expenditure of £14,610,590 for the year. After approval of carry forwards, the use of sums previously set aside for potential debt repayment or re-investment rises to £14,704,510, with a total revenue contribution to fund capital expenditure of £35,541,190.

This iteration of the business plan includes changes in:

- estimated dwelling and garage rental income for 2022/23
- interest due for the year based upon revised cash balance assumptions
- interest paid based upon the latest borrowing assumptions
- the level of depreciation assumed to be chargeable to the HRA
- the bad debt provision required for the year, based upon the latest estimates
- the level of revenue funding of capital for the year, based upon capital projections
- reallocation of resource identified to respond to an increase in stock numbers
- resource to respond to unavoidable pressures
- budgets to recognise an increase in inflation

The final general HRA reserves position reported for 31 March 2022 was £19,590,023. The revised projection of the use of general reserves in the current year (2022/23) now indicates that there is expected to be a net call on reserves of £13,474,180, which would leave a balance of £6,115,843 at 31<sup>st</sup> March 2023.

## Earmarked Funds

In addition to General Reserves, the Housing Revenue Account maintains a small number of earmarked or specific funds which are held for major expenditure of a non-recurring nature or where the income is received for a specific purpose.

**Appendix I** details existing balances held.

## 2022/23 Mid-Year Budget Virements

As part of the HRA Budget Setting Report in January 2021, resource was incorporated to allow the authority to increase staffing and operational resource as property numbers increase. Although new homes are taken handover of throughout each year, the increase required in staffing resource is only reviewed incrementally. As part of this Medium-Term Financial Strategy, the resource that has been incorporated into the business plan from 2022/23 onwards is now being formally allocated as follows:

- £50,000 increase in the void repair budget recognising the increased turnover in the existing housing stock which delivering of new homes generates
- Asbestos Surveyor (Estates and Facilities) 37 hours per week £54,440 – to allow continuation of what has previously been a fixed term post
- Assistant Housing Officer (Temporary Housing) 37 hours per week £40,520 – to respond to the significant increase in the number of temporary housing units held in the HRA
- Temporary Housing Service Charges – an increase in service charges of £25,440 would partially offset the costs of the additional Assistant Housing Officer

The resource already incorporated into the HRA budget from 2022/23 onwards will be vired to allow these proposals to be implemented.

# 2022/23 Mid-Year Budget Changes and Inflation Impact

As part of the HRA Medium Term Financial Strategy, there is not any formal mid-year review of service delivery or operational budgets, but there is an opportunity to review the HRA position for the current year from a strategic perspective, allowing incorporation of any unavoidable items, or any major in-year changes in expenditure, income or financing arrangements as a direct result of changes in the capital programme. This year, consideration has also been given to the unprecedented rise in inflation and the impact which this is expected to have for the HRA.

An element of funding (£155,640) was ear-marked in the HRA from 2022/23 to meet the increased cost of inflation. This has been reviewed as part of the HRA Medium Term Financial Strategy process, taking into account up to date assumptions for the increases in gas, electricity and fuel prices, and to recognise the current pay offer from the employer. The anticipated ongoing financial impact of these increases is £318,710 per annum. As a result, an additional sum of £163,070 has been incorporated into the HRA budget from 2023/24 onwards as part of this report, with the full impact for 2022/23 mitigated by anticipated underspending elsewhere.

There are challenges in other areas of the Housing Service, in terms of both delivery of services and recovery of income, and as a result changes incorporated for 2022/23 as part of the mid-year strategic review include:

- Recognition of a reduction in rental income of £834,730 due to delays in the handover of new homes, a far quicker decant of tenanted homes at Princess and Hanover Court than anticipated with little opportunity to use the homes for temporary housing and an increase in general voids across the city, with the condition of homes being far poorer than experienced previously.
- A reduction of £3,270 in the contribution to the bad debt provision for 2022/23.



- Recognition of an unavoidable increase of £18,800 in the cost of the Housing Ombudsman Service from 2022/23 onwards.
- Recognition that reduced income of £42,900 in respect of garages will be realised from 2022/23 due to demolition of the garages in East Road following storm damage. The loss is partially offset by some occupants relocating and new garages and parking spaces being added to stock when new homes are handed over to the Council.
- Extension of the Tenancy Auditor post until the end of March 2023, recognising that a report will be presented to January 2023 Housing Scrutiny Committee with recommendations for this role for the future, and if continuation is proposed, a bid will be incorporated into the 2023/24 budget process. The cost of the contract extension (£3,800) can be met within existing budgets in 2022/23.
- An increase in the level of capitalised administration costs associated with the right to buy process (£44,530), based upon the cost capitalised in 2021/22 and recognising the anticipated increase in sales in 2022/23.
- Inclusion of a second Regeneration and Decant Support Officer in the establishment (£23,270 in 2022/23, rising to £46,540 for a full year from 2023/24), recognising the increase in re-development schemes being brought forward. This cost will be offset by a reduction in the level of H.D.A capital fees charged against the schemes in question, from 2% to 1.5%.
- Increase of £16,250 in the budget for revenue property valuations, recognising the need to obtain market valuations to be able to both set, and annually review 60% and 80% market rents.
- Allocation (virement) of resource already incorporated into the HRA Business Plan to allow for the recruitment of staff and increase in operational budgets as identified above.
- Transfer of £150,000 of Estate Investment Scheme funding from capital to revenue to allow funding of revenue related estate-based projects.

- A reduction of £150,000 in the level of Direct Revenue Financing of capital expenditure in recognition of the changes to the Estate Investment Scheme funding above.
- A reduction in depreciation of £674,450 based upon the latest stock projections and depreciable asset values and remaining useful lives.
- An increase of £79,020 in the anticipated interest received on cash balances for 2022/23, with balances held higher due to underspending in 2021/22 combined with early receipt of the Devolution Grant funding from DLUHC and the Combined Authority.
- A reduction of £251,790 in the budget for interest payable by the HRA, recognising a reduced need to borrow as a result of capital re-phasing.

These changes are detailed in **Appendix D** and are incorporated into the HRA Summary Forecasts at **Appendix G (1)** and **Appendix G (2)**.

# Section 6

## Capital and Planned Revenue - Existing Stock

### Stock Condition / Decent Homes

The authority holds validated stock condition data for its housing stock, with an ongoing programme of inspections carried out to increase the breadth and quality of this data to help inform strategic decision making.

The Decent Homes Standard ensures that a dwelling meets the current statutory minimum standard for housing (the Housing Health and Safety Rating System), is in a reasonable state of repair, has reasonably modern facilities and provides a reasonable degree of thermal comfort. The standard is currently subject to a review at national level, with the outcome awaited.

The housing service reported achievement of the decent homes standard in the housing stock as at 31 March 2022 at just under 98%, compared with 96% achieving the desired standard at 31 March 2021. There were 158 properties that were considered to be non-decent, in addition to 1,405 refusals, where tenants had exercised their right to decline the work being completed and where these are therefore not reported in the statistics.

### Stock Investment

The HRA has a 5-Year Asset Management Strategy, which was approved in autumn 2019.

From a delivery perspective, around 60% of planned maintenance investment is currently broadly split between two main contractors. Foster Property Maintenance are responsible for the delivery of the majority of external planned works to the housing stock, blocks and estates, whilst TSG Building Services deliver the majority of internal planned investment. The contract

with TSG has been extended to November 2022, with approval given at Housing Scrutiny Committee in June 2021 to re-tender this contract after that time. This procurement exercise is underway with tenders having been evaluated and award of the contract now taking place. The initial period of the contract with Fosters runs until September 2022, with an option to extend for a further 3 years currently in the process of being agreed, with an end date of September 2025. A significant amount of work, around 40%, is procured via one-off contracts, and this includes large structural works projects, some estate improvement projects, and energy efficiency works.

As part of the Asset Management Strategy, a programme of new initiatives and actions was identified, which included aspirations to (subject to funding bids when costs have been quantified in some cases):

Initiative / Action	Current Status
Implement a new rolling programme of stock condition surveys so properties are inspected every five years	This commenced in 2019/20 but was on hold for much of 2020/21 due to COVID-19. Surveys resumed in July 2021, and we continue to deliver the programme that takes account of footpath surveys, void properties and new build properties
Continue the programme of structural surveys of flats blocks and implement survey programme for older flats and houses with structural concrete elements	In 2021/22 detailed surveys were being carried out in a number of areas. Some of the schemes have been deferred or amended as a result of pending decisions about the long-term future of the sites – Hanover and Princess Court and Davy Road have been removed from the current tender for Structural & Associated Works. Tenders are being assessed and moderated over the next two weeks. Then the details of the winning contractor and the tender costs will be passed to Home Ownership to issue the S20 Notice. It is anticipated that works will start on site

	<p>by late September and hope to complete by Christmas.</p> <p>A brief for works at Bermuda Terrace flats is being developed.</p> <p>Balcony and brickwork repairs at Nicholson Way, Walker Court and Hanson Court are designed and will start on site in 2022/23.</p>
Reduce the electrical inspection cycle to five years in line with best practice	All properties are to be inspected on a 5 year cycle and arrangements have been put in place to achieve this over the next 24 months.
Implementation of "Orchard Asset" asset management software – including development of the compliance and energy modules	Implementation project in progress with target completion by December 2022.
Develop a methodology which identifies high-cost investment properties across the stock and calculates net present values – using new software in Orchard Asset	This will follow the implementation of Orchard Asset and the housing stock performance module.
Implement a programme of estate investment projects	Estate Investment Programme in progress over a 5-year period from April 2020.
Establish a programme of re-inspection of asbestos containing materials and implement a new asbestos register based within Orchard Asset	The Risk and Compliance team now lead in this area, The asbestos compliance module is still being implemented with assistance from Housing IT Team. Asbestos Analyst is to start 01/08/2022 and will start the review of all communal re-inspections
Implement an annual programme to inspect fire doors to flats and communal areas (including the replacement of non-compliant fire doors)	A fire door inspection programme has been re-procured, with new contractor Ventro (Passive Fire Protection Specialists) appointed in February 2022. 919 doors inspected to date across the Council. HRA properties completed include all temporary

	and sheltered accommodation. General needs purpose-built blocks of flats has started and will continue to be the focus for the remainder of the programme.
Review maintenance requirements for flat roofs and sheds replacement and repair	A programme has been identified and implemented from April 2021. There are 88 shed roof replacements and 10 flat roof replacements to houses / flats on the 2022/23 programme for Foster this year.
Develop a replacement programme for lifts, door entry systems, communal entrance doors, fire systems, automatic doors, and communal lighting	Programmes of work have been implemented and began in 2020/21. A full survey of communal lighting is underway with a plan to replace all communal lighting with LED lighting, starting in 2022/23.

Following changes to fire risk regulations, dwellings continue to have heat and smoke detection upgrades during 2022/23. We are still experiencing access issues to complete this work. Where there is “no access” work will be added to future planned work programmes.

Following receipt of structural surveys and fire risk reports in respect of the blocks of flats at Kingsway, Princess and Hanover Court, a decision was taken to remove all gas supplied to these blocks, replacing both heating and cooking sources where gas was previously utilised by a small number of the residents, both tenants and leaseholders. The cookers have now been replaced by new electric cookers for all residents who had gas cookers. Detection and solenoid shut off valves have been installed where there are still gas heating systems. Replacement of these heating systems had been placed on hold while decisions on the longer term future of the blocks are made.

Following consultation with residents, a decision was taken in January 2022 to begin the decant of the blocks at Princess and Hanover Court, with a more detailed options appraisal to be presented to Housing Scrutiny Committee as part of this committee cycle. The options appraisal has explored options to either refurbish or demolish and re-develop the scheme.

Following this, and the associated decision to continue to let the block at Kingsway, £1,200,000 was retained in 2022/23 to undertake required fire compartmentalisation works at Kingsway, with £650,000 deferred until 2025/26 for further fire safety works there if required. The fire alarm installation works at Kingsway are commencing in August 2022 and the compartmentation trial works at Kingsway have been programmed to commence at the beginning of September. Once the trials have been completed the results will be assessed with the compartmentation works to the remaining flats at Kingsway being undertaken during the latter part of 2022/23.

Following a programme of structural surveys of flat blocks in 2021/22, some work has been completed at Hazelwood and Molewood Close, and further work will be delivered in South Arbury and Coleridge between September 2022 and January 2023, once a current procurement process has concluded and contracts have been awarded. We are procuring a structural engineer consultancy framework which will be utilised to undertake structural monitoring of blocks where structural works have been completed.

The Council remains fully committed to increasing energy efficiency, reducing the carbon footprint and improving sustainability across the asset portfolio, with the HRA stock representing a proportion of the portfolio.

## **Net Zero Retrofit Pilot Project**

Following approval last year of £5,000,000 for a net zero pilot project and receipt of the final Fielden and Mawson Report in 2021, a Net Zero Retrofit Project Officer has recently been appointed. Due to delays in recruiting a permanent member of staff to deliver the project, design works have been delayed and we expect works to start on site in 2023. Initial resident engagement commenced in July 2022 and property selection is now underway. A detailed design has been produced on an example property in Ross Street (where the pilot project is likely to take place) and we are in the process of tendering for an architect to fully design the project for the 50 Council homes.

The objectives for this funding are to allow the authority to prove whether the estimated costs in the Fielden and Mawson report are achievable, to allow time to lobby government and

other bodies, backed by real evidence, in an attempt to secure external investment and to allow further exploration of the potential to use the 5% flexibility in the rent restructuring formula and / or to introduce a 'comfort' charge for tenants. There is also a skills shortage in this industry currently, and the approach should also allow local providers to upskill their workforce. Whilst we are unlikely to have procured the works contractor before summer 2023, market research is currently being conducted to determine the costs for different measures and we are conducting trials of the measures that are likely to form part of the final design. More informed pricing for individual measures is expected to be available in early 2023.

Therefore, expenditure of £500,000 is anticipated this financial year in undertaking full design works and trials, with the balance of £4,500,000 now being required in 2023/24 when the construction phase is now due to start. Budget has been re-phased as part of this HRA Medium Financial Strategy Report.

## **Energy Works**

Offices are in the process of appointing a contractor to deliver energy efficiency works under the planned works programme and expect to deliver 80 properties with external wall insulation and solar pv, where suitable, in 2022/23. In addition, we will continue with loft insulation upgrades and cavity wall insulation, extraction and re-fill, to other properties.

Despite being unsuccessful in Wave 1, the authority is intending to apply for Social Housing Decarbonisation Fund Wave 2 grant funding, with applications due to open in late August 2022. The value of the grant bid will not be quantified until the bid process is opened, and the criteria is clear. If successful these funds will be available to deliver energy efficiency works (cavity wall insulation, external wall insulation and low carbon heating) to HRA properties from March 2023.

**Appendix H** provides detail of the revised 10-Year Housing Capital investment Plan, and incorporates the following items in relation to existing stock:



- Expenditure as approved in the HRA Budget Setting Report in February 2022.
- Re-phasing of expenditure anticipated to take place in 2021/22, into 2022/23 and beyond, as approved in June / July 2022.
- Update of the 30-year investment plan required to meet decent homes and allow other planned investment in the housing stock, based upon the current stock numbers and contract prices.
- Review of decent homes backlog funding, following update of the 30-year investment plan, and allocation of the 2022/23 sum to specific workstreams.
- Remove the budget of £679,000 ear-marked in 2022/23 for decent homes works to new build dwellings and adjust the sums held in future years, recognising that all properties built up to 1/4/2022 have now been incorporated into the asset management 30-year investment plan review above.
- Re-phasing of £4,500,000 of resource from 2022/23 into 2023/24 to allow delivery of the pilot programme of 50 full house retrofits to Net Zero Carbon or as near as can be achieved.
- Adjust inflation budgets to recognise that the review of the 30-year investment plan has re-based contract prices at today's price.

These, and other changes, are summarised in **Appendix E** and incorporated into the revised Housing Capital Investment Plan at **Appendix H**.

# Section 7

## Capital & Asset Management – New Build & Re-Development

### Asset Management

Consideration is given to the strategic acquisition or disposal of assets, in line with the current HRA Acquisition and Disposal Policy, subsequent delegations and the future housing development programme. Receipts from individual asset disposals are currently recognised in the HRA's reserves at the point of receipt and after all relevant costs have been provided for, to ensure prudence and to avoid reliance on a receipt that may not materialise.

During 2021/22, the HRA acquired nine properties on the open market to accommodate rough sleepers, partly funded using grant from Homes England, and seven properties on sites where redevelopment was either approved or potentially possible.

Acquisitions or disposals in 2022/23 to date include:

Acquisition / Disposal	Comment	Status
1 Bed Flat *	Purchase of a 1 bed flat in Kings Hedges ward for rough sleepers	Complete
1 Bed Flat *	Purchase of a 1 bed flat in Abbey ward for rough sleepers	Complete
1 Bed Flat *	Purchase of a 1 bed flat in Petersfield ward for rough sleepers	Complete
3 Bed House	Purchase of a 3 bed house in the Abbey ward for potential future development	Complete
2 further existing market dwellings *	Purchase of a further two 1 bed homes on the open market to house rough sleepers as part of the DLUHC Next Steps Programme, with grant funding awarded.	Grant awarded and acquisitions in progress
8 x 1 Bed Flats	Purchase of 8 self-contained flats for use as sheltered housing	In progress

\* The authority was awarded Rough Sleeper Accommodation Programme grant funding of £1,730,000 in 2021/22, which required the use of £1,901,000 of HRA resource to acquire a minimum of 14 homes on the open market to accommodate rough sleepers. The grant conditions require that these homes are ear-marked for use to accommodate rough sleepers for 30 years, with residents expected to move on within a 2-year time frame to permanent accommodation. The acquisition programme has slipped in part into 2022/23, with 2 homes now left to acquire.

## New Build

### **Delivery Approach**

The Housing Development Agency manage the delivery of all new homes in the HRA, with a commitment to deliver affordable, sustainable homes, which meet tenant expectations.

The Devolution 500 Programme is now well progressed and is being followed by a commitment to delivering a net 1,000 new homes in the period from 2022 to 2032, subject to receipt of Homes England grant funding. Bids to Homes England are being submitted on a scheme-by-scheme basis, as part of the continuous market engagement process.

The fees charged by the H.D.A are reviewed annually as part of the Medium-Term Financial Strategy, with a fee expectation in the H.D.A budgets of £373,920 for 2022/23. The proposed level of H.D.A fees for schemes approved from September 2022 onwards are:

- HRA housing schemes delivered using CIP – 2% (1.5% if fee reduced to fund Decant Officer)
- HRA housing schemes delivered by H.D.A directly – 3%
- HRA S106 or other acquisitions – 1.5%
- Optional 1% can be added to each of the above if scheme includes re-development, community or commercial aspects

Potential new build schemes are identified, initial feasibility work is carried out, the site is formally identified as a scheme for consideration, detailed feasibility work and formal consultation is carried out and a costed scheme is presented to Housing Scrutiny Committee for formal consideration and approval. Schemes are then incorporated into the Housing Capital Investment Plan at the next approval opportunity. As the scheme design progresses and planning approval is sought, revised and more accurate scheme costs are available, culminating ultimately in a build contract value or affordable housing agreement, which along with any fees and costs to secure vacant possession form the final budget for each scheme. Revised scheme costs are incorporated into the Capital investment Plan as part of the HRA Budget Setting Report or HRA Medium Term Financial Strategy as each scheme progresses.

## **Future New Build**

Funding to deliver the 1,000 new council rented homes programme has previously been incorporated into the financial forecasts, using a number of key assumptions. This iteration of the HRA Business Plan updates these assumptions in line with the latest site feasibility work and cost information,

The key assumptions now made in respect of the funding incorporated are:

- 1,011 net additional council rented (social rent and 60% of market rent) homes delivered over the 10 years from 2022
- 427 affordable rented homes at 80% of market rent, replacing the previous proposal to deliver rent to buy and shared ownership housing
- Delivery of the target net new council rented homes assumes the need to demolish and re-provide 337 existing properties as part of site regeneration schemes
- To deliver the net new council rented homes in mixed and balanced communities, 769 market homes will also be delivered by developers on the identified sites
- A range of delivery routes will be adopted, with a mix delivered via Joint Venture or Section 106, land led schemes, existing HRA sites and potentially off the shelf purchases.
- A build cost of £3,290 per square metre, which assumes building to Passivhaus or equivalent performance standards informed by up to date valuations, This assumes that building to Passivhaus standard or similar may be deliverable on all sites

- Inflation in build costs incorporated at 4.7% per annum for the life of the programme
- Homes England grant of £64,517 per unit across all affordable tenures, recognising that not all units will be eligible for grant, particularly where a larger proportion of market sale or replacement units are proposed.
- Retained right to buy receipts continue to be available for re-investment at the assumed rate of approximately £3,500,000 per annum but can't be appropriately reinvested in addition to Homes England Grant, and instead will be utilised for some sites which are ineligible for grant or where grant is not awarded. This sum assumes continued sales at the rate of 25 per annum to generate this resource.
- Borrowing has been assumed at the higher rate of 3.46%, based upon the PWLB rate at the time of writing this report and projections made by Link, our treasury advisors.
- Investment profile is spread across the 10-year programme based upon indicative delivery timescales, which are subject to change
- Annual servicing and maintenance costs have been increased by £130 per unit, recognising the need to maintain solar pv installations and a mechanical ventilation with heat recovery (MVHR) unit in each dwelling.
- Future replacement costs have been increased by an average of £457 per annum to allow for the replacement of the additional components required to deliver a Passivhaus dwelling.

This requires an estimated £508,000,000 of borrowing in the HRA over the next 10 years of the plan.

Work is still ongoing to identify and explore potential HRA sites and land acquisition opportunities that could be included within the 1,000 Programme. Sites and schemes will continue to be brought forward for formal consideration and approval individually as opportunities arise.

Taking into consideration site constraints and the delivery vehicle adopted for each scheme as it is identified for inclusion in the programme, different recommendations may be made in respect of tenure mix and sustainability standards. The option currently incorporated into the plan assumes new homes will be built using Passivhaus principles wherever considered possible

but recognising there is an intention to move towards net zero-carbon during the life of the programme, where it is feasible and viable to do so.

The programme, as incorporated, is still dependent upon securing Homes England Grant funding, now on a scheme by scheme bid basis, recognising that the level of grant funding of £100,000 per unit previously assumed, is not feasible for Homes England. The ability to replace grant with retained right to buy receipts would only help deliver a very small proportion of the planned programme. Failure to achieve grant will mean that the programme will need to be reviewed to identify alternative sources of funding, to increase the amount of market sale housing provided, to reduce build standards or to reduce the number of council rented homes delivered overall. The authority is investigating opportunities for additional infrastructure funding to aid delivery of the programme.

The need for the HRA to borrow significant sums of money over the next 10 years will require a review of borrowing options. Currently, the PWLB still offers a marginally reduced rate for lending to local authorities, but this rate may change significantly before the end of the 10-year programme. The authority now needs to actively explore other borrowing options, including the potential for bond issuance, which may be possible in light of the significant sums required.

The resource ear-marked in the business plan will be reviewed and re-profiled as the programme develops, with detailed borrowing options being explored and decisions being made as part of the Medium-Term Financial Strategy or budget setting process for any year in which borrowing is deemed necessary. The first year that external borrowing is currently anticipated is now 2023/24.

## **New Build Schemes Completed – Devolution 500 Programme**

At the time of writing this report 197 new homes had been completed as part of the Devolution 500 Programme, with a net gain of 166 council rented homes.

The table below details the new build schemes completed as part of this programme to date:

<b>Scheme</b>	<b>Total Social Housing / SO Units</b>	<b>Gain in Social Housing Units</b>	<b>Percentage Social Housing on Site</b>
Uphall Road	2	2	100%
Nuns Way/Cameron Road	7	7	100%
Wiles Close	3	3	100%
Ditchburn Place	2	2	100%
Queensmeadow	2	2	100%
Anstey Way	56	29	100%
Colville Road Garages	3	3	100%
Gunhild Way	2	2	100%
Wulfstan Way	3	3	100%
Markham Close	5	5	100%
Ventress Close	15	13	100%
Akeman Street	14	12	100%
Mill Road	55	55	50%
Cromwell Road	28	28	40%
<b>Total</b>	<b>197</b>	<b>166</b>	

## **New Build Schemes On Site**

Sites where work is in progress are summarised in the table below, with details of the anticipated costs and number of units that will be delivered on each site once complete:

## Devolution 500 Programme

Scheme	Approved Indicative Social Housing Units	Gain in Affordable Housing Units	Latest Budget Approved / for Approval	RTB Receipt / Sales Receipt Funding	Devolution Grant / S106 Funding	Rent Basis
Mill Road	63 (55 taken)	63 (55 taken)	24,965,630	(7,489,690)	(17,475,940)	Inflated Old LHA
Cromwell Road	90 (28 taken)	90 (28 taken)	24,865,800	(5,997,920)	(17,141,400)	Inflated Old LHA
Colville Road II	67	47	14,467,580	(2,743,430)	(6,343,880)	Inflated Old LHA
Meadows and Buchan	106	106	25,929,000	(7,778,700)	(8,626,120)	Inflated Old LHA
Campkin Road	75	50	18,063,260	(3,243,930)	(7,949,970)	Inflated Old LHA
Clerk Maxwell	14	14	3,046,760	(914,030)	(2,132,730)	Inflated Old LHA
<b>Total</b>	<b>415</b>	<b>370</b>				

## New 1,000 Homes Programme

Scheme	Approved Indicative Social Housing Units	Gain in Affordable Housing Units	Latest Budget Approved / for Approval	RTB Receipt / Sales Receipt Funding	Homes England Grant	Rent Basis
Histon Road	10	10	1,978,000	(224,680)	0	60%
L2	75	75	17,727,000	0	(4,830,000)	30 Social Rent / 45 80%
Fen Road	12	12	4,015,000	0	(1,077,000)	Social Rent
<b>Total</b>	<b>97</b>	<b>97</b>				

## New Build Schemes in the Pipeline

There are a number of sites which have scheme specific approval, but at the time of writing this report, were not on site.



The tables below details the latest budget requirements either approved or for approval as part of the HRA Medium Term Financial Strategy and the assumed number of new homes which can be delivered, recognising that this may still be subject to both planning approval and procurement of a contractor or transfer to CIP for some of the sites. The latest budget approvals for sites identified for transfer to CIP are based upon the most recent cost estimates provided by CIP but will not be finalised until the Affordable Housing Agreement or design and build contract is entered into.

## Devolution 500 Programme

Scheme	Approved / Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Devolution Grant / Section 106 Funding	Rent Basis
Tedder Way	1	1	506,000	(151,800)	0	60%
Kendal Way	1	1	524,000	(157,200)	0	60%
<b>Total</b>	<b>2</b>	<b>2</b>				

## New 1,000 Homes Programme

Scheme	Approved / Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Homes England Grant	Rent Basis
Colville Road III	48	32	12,681,000	0	(2,144,000)	32 Social Rent / 16 80%
Ditton Fields	6	6	1,944,000	0	(534,000)	Social Rent
Aragon Close	7	7	2,103,000	0	(413,000)*	80%
Sackville Close	7	7	2,121,000	0	(413,000)*	80%
Borrowdale	3	3	1,044,000	0	(258,000)	Social Rent
Aylesborough Close	70	37	19,030,000	0	(2,100,000)*	41 Social Rent / 29 80%

Scheme	Approved / Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Homes England Grant	Rent Basis
St Thomas's Road	8	8	2,953,000	(614,000)	(560,000)*	60%
Paget Road	4	4	1,421,000	0	(300,000)*	2 Social Rent / 2 80%
Fanshawe Road	93	71	28,587,000	0	(5,509,000)*	44 Social Rent / 49 80%
Princess and Hanover Court	82	0	28,610,000	0**	0	Social Rent
<b>Total</b>	<b>328</b>	<b>175</b>				

\*Homes England Grant is assumed, but no grant has yet been secured.

\*\* The anticipated land receipt to the HRA for the element of land transferred to deliver market housing is currently netted off against the costs until details have been finalised.

Grant from the European Regional Development Fund (ERDF) through Eastern New Energy was previously assumed for the net zero carbon pilot schemes at St Thomas's Road and Paget Road. Unfortunately, a decision has been taken by Eastern New Energy to place hold on any grant awards for their own business reasons, and as a result of this, no funding will be available to Cambridge City Council. The schemes will instead be targeted for delivery to Passivhaus to standards.

A budget has been ear-marked for the costs for the potential redevelopment of Princess and Hanover Court, should redevelopment be the recommended option when the scheme specific report is presented to Housing Scrutiny Committee, as this would be the option carrying the highest cost. This report will be presented to a future Housing Scrutiny Committee.

The table below summarises changes to either approved budgets, and or anticipated numbers of units, for schemes in the current programme, with the funding for L2 increased recognising that the HRA will now acquire all 75 units, the budget at Colville III being increased as a result of an increase in labour and materials costs and the budgets for Fen Road, Ditton

Fields, Borrowdale, Aragon Close and Sackville Close being adjusted to reflect the latest cost estimates as approved for 3 of these sites at Housing Scrutiny Committee in June 2022. The budgets for St Thomas's Road and Paget Road have been reviewed recognising a recommendation to reduce the number of units at Paget Road, and to acquire, modify and sell on an adjacent dwelling at St Thomas's Road, providing appropriate access to the proposed development. The revised cost for Paget Road also considers building to net zero carbon standards using the latest tendered costs, and the assumption of receiving ERDF grant has been removed from both schemes. The budget for Fanshawe Road has been adjusted to reflect updated cost for buying out the leasehold flats on the site, which was understated initially.

<b>Scheme</b>	<b>Previous Budget Approval</b>	<b>Original Estimated Units</b>	<b>Latest Budget Approval Request</b>	<b>Revised Estimated Units</b>
L2	6,207,000	30	17,727,000	75
Colville Road III	12,649,000	48	12,681,000	48
Fen Road	3,931,000	12	4,015,000	12
Ditton Fields	2,061,000	6	1,944,000	6
Borrowdale	914,000	3	1,044,000	3
Aragon Close	1,988,000	7	2,103,000	7
Sackville Close	1,988,000	7	2,121,000	7
St Thomas's Road	2,105,000	8	2,953,000	8
Paget Road	1,842,000	7	1,421,000	4
Fanshawe Road	27,937,000	93	28,587,000	93

The table below confirms the current status for all pipeline schemes:

<b>Scheme</b>	<b>Site Type</b>	<b>Status</b>	<b>Potential New Build Units</b>
Tedder Way	In-fill	Planning submitted	1
Kendal Way	In-fill	Planning approved	1
Colville Road III	Existing HRA Housing	Planning approved	48
Ditton Fields	Land Acquisition	Planning approved	6
Aragon Close	Existing HRA Garages	Planning submitted	7
Sackville Close	Existing HRA Garages	Planning submitted	7
Borrowdale	Existing HRA Garages	Planning approved	3
Aylesborough Close	Existing HRA Housing	Planning submitted	70
St Thomas's Road	Existing HRA Garages	Pre-planning	8
Paget Road	Existing HRA Garages	Pre-planning	4
Fanshawe Road	Existing HRA Housing	Pre-planning	93
Princess and Hanover Court	Existing HRA Housing	Options appraisal in progress	82

### **Tedder Way**

This scheme now anticipates delivering a single, very large, mobility adapted dwelling on the site to meet an identified need on the housing register. The ability to proceed is now subject to securing planning approval, with a decision expected in October 2022.

### **Kendal Way**

This scheme will deliver a large, mobility adapted 3 bedroom house to meet an identified need on the housing register. Start on site is anticipated by January 2023.

### **Colville Road III**

This site comprised 16 HRA properties, 2 leasehold flats and 4 shops. The development will deliver 48 new or replacement homes alongside the re-provision of the commercial space.

Vacant possession has been secured and the temporary commercial provision is now in place.

The commercial property is held in the Council's General Fund, with the benefit of the rental income also being recorded there. The budget for the commercial aspects of the development is held within the General Fund Capital Plan, with the residential element budgeted for in the HRA. Costs have increased significantly since the original budgets were approved, with increased materials and labour prices as a result of exit from the European Union and the Russia / Ukraine conflict. Both the commercial and residential budgets need to be amended as part of the Medium-Term Strategy process.

### **Ditton Fields**

This site was acquired by the HRA in 2020/21 and is a garden in-fill site. The scheme will provide 6 new homes. Planning approval has been granted and start on site is anticipated in September 2022.

### **Aragon and Sackville Close**

The two sites at Aragon and Sackville Close comprise existing HRA garage and parking bay provision, with an anticipated 12 new homes to be provided across both sites. Both schemes await planning approval, with decisions anticipated in October 2022.

### **Borrowdale**

This former council garage site will deliver 3 two bedroom homes, following granting of planning approval. Garage tenants are currently being relocated and start on site is anticipated in October 2022.

### **Aylesborough Close**

This scheme comprises the redevelopment of 33 existing tenanted and 3 leasehold properties, to deliver an anticipated 70 new homes. Submission has been made to seek planning approval for a pilot Passivhaus flatted development, with a decision anticipated in October 2022. At the time of writing this report, 7 tenants remain to be relocated and 1 leasehold property is still to be re-acquired.

## **St Thomas's Road**

This is an existing HRA garage and in-fill site, which involves the demolition of 20 garages. The original proposals indicated the delivery of 8 homes, but this is currently being reviewed as part of the design work. This scheme was originally anticipated to be delivered to net zero carbon standards, with grant funding from the European Regional Development Fund (ERDF). Unfortunately, the funding was not secured by our identified partner, and as a result the budget for the scheme will also need to be reviewed. At this stage the budget has only been amended to reflect the need to acquire, modify and sell on an adjacent dwelling to secure appropriate access for the development. Further amendment may be required following the scheme review and detailed design work.

## **Paget Road**

This is an existing HRA garage and in-fill site, which involves the demolition of 34 garages. While the original proposals indicated the delivery of 7 homes, design work now indicates that 4 larger family homes can be provided on the site. This scheme was originally anticipated to be delivered to net zero carbon standards, with grant funding from the European Regional development Fund (ERDF). Unfortunately, the funding was not secured by our identified partner, and as a result the budget for the scheme is being reviewed as part of this report, recognising both the change in scheme composition and the increase in both material and labour prices.

## **Fanshawe Road**

This is an existing HRA site, which involves the demolition of 32 properties (22 tenanted and 10 leasehold) and 39 garages, with a view to delivering 93 new homes. It is anticipated that planning submission will be made in December 2022, with relocation of tenants and buy out of leasehold flats taking place currently. At the time of writing this report, 3 tenanted homes had been vacated, but no leasehold flats had been bought back, although 2 were in process.

## Princess and Hanover Court

Resource of £14,552,000 was approved in January 2022 to allow the relocation of tenants and the buy back of leasehold flats at both Princess Court and Hanover Court in anticipation of a detailed options appraisal for the site. A detailed options appraisal is in process, and whilst the appraisal is being concluded, funds have been ear-marked in the Housing Capital Investment Programme, to allow for the highest cost option, which would be redevelopment, with the HRA securing a replacement 82 units at social rent, and the balance of units delivered being for market sale. The HRA would receive a capital receipt for the land upon which the market units would be built, which has been netted off against the anticipated costs of the social housing. A report will be presented to a future Housing Scrutiny Committee with final recommendations. At the time of writing this report, 22 tenant relocations had taken place and 2 leasehold flats had been bought back.

## General Fund Sites

Where any General Fund sites are taken forward for development with the potential for the HRA to acquire the affordable homes, there is the need to consider the impact of the transfer of land between the General Fund and the HRA and any resulting impact of the HRA Capital Financing Requirement. Under current legislation, any increase in this results in increased interest costs to the HRA. If General Fund sites are built out by the Cambridge Investment Partnership, with the intention of the Council being to exercise the break clause in a lease in order to acquire the affordable homes, it is considered necessary for this land to be appropriated between the General Fund and the HRA at market value, taking account of the intended use.

The Housing Capital Investment Plan, an updated version of which is attached at **Appendix H**, incorporates the cost for the net 1,000 new homes in line with the latest cost assumptions and funding in line with anticipated Homes England grant applications. Future right to buy receipts have not been allocated to specific schemes at this stage but are anticipated to be utilised where grant bids are unsuccessful or new homes are on sites not eligible for grant.

Updated expenditure and funding sources, on a cashflow basis, for all new build schemes are detailed at **Appendix F**.

## Capital Programme

**Appendix H** provides detail of the revised 10-Year Housing Capital investment Plan, and incorporates the following items in respect of new build and acquired housing:

- Expenditure as approved in the HRA Budget Setting Report in February 2022.
- Re-phasing of expenditure anticipated to take place in 2021/22 into 2022/23 and beyond, as approved in June / July 2022.
- Increase of £11,520,000 in the budget for the purchase of homes on the development site at L2, recognising that the HRA will now acquire all 75 homes on the site, as approved at Housing Scrutiny Committee in June 2022.
- Increase in the budgets for Fen Road and Borrowdale and a reduction in the budget for Ditton Fields, based upon the latest cost assumptions, as approved at Housing Scrutiny Committee in June 2022, and resulting in a net increase of £97,000.
- Re-allocation of new build budget of £28,587,000 between the unallocated / generic new build budget and the scheme specific budget for Fanshawe Road, following approval of the scheme at Housing Scrutiny Committee in June 2022, but also recognising an increase of £650,000 in respect of the cost of buy backs, which was previously understated.
- Increase of £32,000 in the budget for the redevelopment of the existing HRA housing at Coville Road III, based upon the latest costs estimates available, where the initial costs estimates are now considered to be too low in the current economic climate.
- Revision of the budgets for Aragon Close and Sackville Close, with increase of £115,000 and £133,000 respectively, recognising both increased labour and material prices.
- Revision of the budgets for St Thomas's Road and Paget Road, with an increase of £848,000 in respect of St Thomas's Road recognising the need to acquire an adjacent dwelling which will be modified to allow site access and then sold on. The budget for Paget Road is reduced by £421,000, recognising an increase in



costs, but also a reduction in the number of units to be delivered on the site. Neither scheme will now benefit from ERDF grant.

- Reallocation of the budget of £14,552,000 for securing vacant possession at Princes and Hanover Court from the acquisitions budget, and a further net £14,058,000 from the 1,000 homes programme budget to allow redevelopment if this is the recommended option.
- Update to the resource incorporated to facilitate the 1,000 New Homes Programme, in line with the latest cost and grant assumptions.
- An increase of £1,416,000 in the acquisition budget to allow for the acquisition of an existing building which would provide 8 self-contained sheltered housing units.
- Adjust inflation budgets to recognise that the individual scheme budgets have been adjusted for any in year cost increases.
- As part of this HRA Medium Term Financial Strategy, approval to re-phase budgets in respect of a number of new build sites, as detailed in **Appendix E**, with the resulting changes incorporated into the Housing Capital investment Plan at **Appendix H**, is also being sought.
- Capital financing has been updated in respect of revised assumptions in right to buy and other capital receipts, grants, revenue funding of capital expenditure, and borrowing requirements.

# Section 8

## Summary and Conclusions

### Base Assumptions

In order to update the Housing Revenue Account Business Plan, the assumptions included in the base plan have been revisited and confirmed or amended as appropriate in the light of up-to-date intelligence and information, utilising historical information, externally available data and expert advice and opinion of specialists where appropriate.

The base financial assumptions included in the financial model are included at **Appendix B**, with continuing uncertainties for the HRA summarised at **Appendix K**.

**Appendix G** summarises the base revenue budget position for the HRA for the period between 2022/23 and 2031/32, based upon inclusion of the amended financial assumptions that form part of the update to the Self-Financing Business Plan.

**Appendix J** demonstrates the potential impact on the business plan of changes in some of the base assumptions that have been incorporated as part of this review.

### HRA Budget Strategy

#### The Budget Process

The HRA budget for 2023/24 will incorporate any changes proposed and agreed as part of this iteration of the business plan. The Council recently commissioned an independent review of the budget process and associated governance issues, and Strategy and Resources approved a number of recommendations in July 2022, following this review.

The recommendations include:

- consider moving to a more typical budget setting process, aligning processes and decision making for the General Fund and HRA where possible
- review current political management arrangements
- clarify roles of government, members and officers
- provide a wider context for members of the local government sector
- review and simplify delegation and virement rules and produce a summary for budget holders
- review the timeline and process for reports to formal member meetings to reduce time taken
- limit officer input into the opposition budget process to a high level assessment of feasibility, lawfulness and accuracy
- review the budget bid process to exclude bids not generated by the leading group or to set a minimum value
- develop an annual communication strategy to underpin the budget process

Some changes will be implemented for the 2023/24 budget process, but others need a review of the constitution and governance arrangement and so will not be implemented until the following year.

## **Development of the Budget Strategy**

The HRA faces significant challenges, with inflation in costs expected to far outweigh increases in income and interest rates in respect of borrowing having increased significantly over recent months. Increased investment is anticipated in the existing housing stock in respect of both health and safety and fire safety works, and the commitment to significantly improve the sustainability of the dwellings by 2030 is an area where additional resource will be required.

For 2022/23 the HRA Medium Term Financial Strategy incorporates changes in the anticipated dwelling and garage rental income for the current year as a result of increased voids, decants for redevelopment and delays in the delivery of new homes and in the case of garages, demolition of a number to for safety reasons or facilitate development. The update also

includes changes in the contribution to the bad debt provision, anticipated interest earned in year from a revenue perspective, anticipated interest paid on borrowing and in depreciation of the housing stock, alongside some changes in operational budgets.

Changes have been incorporated in the Housing Capital Programme, recognising delays in both the new build delivery programme and in investment in the existing housing stock, but also updating the sums ear-marked for the 1,000 homes programme to take account of updated assumptions.

Updating the assumptions for the HRA business plan for future years has resulted in a significantly poorer outlook than in previous years, The changes in assumptions include an increase in inflation causing an increase in all costs both revenue and capital, a significant increase in the rate of interest for borrowing, an anticipated cap on rent increases for 2023/34, and a reduction in the level of grant funding we might receive from Homes England for the delivery of new homes,

The borrowing requirement in future years in order to deliver the 1,000 new council rented homes has increased significantly, with an estimated £508,000,000 required over the next ten years and £699,000,000 over the life of the plan. The assumption is retained, that in order to deliver 1,000 net new council rented homes, the authority will be successful in securing grant funding from Homes England, but at a lower level than previously assumed. Failure to secure grant will require a significant review of both the proposed development programme and the HRA business plan.

The HRA needs to be able to clearly demonstrate that it can support any borrowing, with borrowing undertaken in order to finance a new asset, and not simply to plug a budget gap. The investment need in the existing housing stock in order to improve sustainability and energy efficiency has still been excluded currently, as the business plan is unable to support the level of borrowing that would be required without an additional future revenue stream.

As borrowing is required, borrowing routes need to be explored in detail. If the HRA is to deliver the 1,000 net new council rented homes, taking account of the latest changes in assumptions,

there will no longer be the ability to set-aside resource to repay any of the self-financing debt and all borrowing will need to be re-financed at maturity, materially impacting the financial forecasts for the HRA and driving the need to identify savings in future iterations of the business plan.

With the current pressure on the HRA finances, and the aspiration to deliver a net 1,000 new council rented homes, this report proposes retention of a budget strategy where efficiency savings are sought at a level to create a strategic investment fund to meet the cost of any unavoidable revenue pressures or bids for resource in new areas. This will ensure that the HRA doesn't increase its base costs at a time when there is so much financial uncertainty.

The alternative option would be to set an efficiency savings target at a level above the proposed strategic investment fund, to generate net ongoing savings in the HRA, to reduce the overall need to borrow. This approach is not proposed for 2023/24 as there are a number of key areas of the HRA that are facing pressure currently, in terms of the need to meet updated statutory, health and safety, compliance and regulatory requirements. The outcome of the corporate transformation programme, and its impact for the HRA is also an uncertainty at this stage.

The detail in terms of individual savings proposals, and the impact of reducing budgets by these values, will be presented as part of the 2023/24 budget bids and savings process, to ensure that these can be weighed up against any strategic re-investment proposed.

## **Approach to HRA Savings**

In line with the budget strategy outlined, it is recommended that an efficiency target is retained for 2023/24 as in previous years, with a corresponding strategic investment fund.

The continued inclusion of an efficiency savings target equivalent to 4% of general management and repairs administration expenditure (now £180,000 per annum) efficiency target is retained. This allows resource to be identified for strategic reinvestment in other areas of the housing service. The authority will need to review and evaluate its position again for

2024/25 onwards, once the longer-term impacts on the economy, and any potential recovery are clearer.

The assumption that response and planned revenue repairs expenditure is adjusted in line with any stock changes is also retained.

As part of the 2023/24 budget setting process, any areas of new revenue investment, will therefore need to be offset by the identification of savings or increased income generation elsewhere across the HRA.

The position for the HRA will be reviewed again as part of the January 2023 HRA Budget Setting Report, with a view to continuing to maximise investment in new homes, maintaining service delivery in key statutory areas and protecting services for the most vulnerable, whilst also ensuring that the existing housing stock is maintained to the latest standards, with the aspiration to improve levels of energy efficiency being key.

It is likely that a net savings position may need to be sought from 2024/25 onwards, but by this point it is hoped that the economic outlook will be clearer, and the corporate transformation programme will have presented recommendations for change.

## HRA MTFS Conclusions

Updating the base assumptions for the HRA has had a material impact on the future financial projections for the housing business.

As a result of high cost inflation estimates in the medium-term, costs are predicted to increase at significantly higher rates than rent income is expected to go up by, with rent increases being imposed at a time when tenants are facing multiple cost of living increases. It is also clear that if the authority is to deliver 1,000 net new council rented homes, significantly more borrowing will be required, and at a higher interest rate than previously anticipated.

Although the HRA can just about support the interest payments on this borrowing, there will be absolutely no ability to set-aside any resource for the repayment of the principal sums of this, or the original self-financing, borrowing, with a requirement to-re-finance all borrowing at maturity. The HRA will also be susceptible to any adverse changes in other business planning assumptions, further inflationary increases, interest rate increases, increases in rent arrears and bad debts, increases in statutory expenditure, such as decent homes.

Detailed exploration of the borrowing options is key, to identify whether lower interest rates can be achieved by securing finance from anywhere other than the PWLB.

It is abundantly clear that the authority is not in a financial position to be able to deliver significantly improved energy efficiency in the existing housing stock, without external financial support or the ability to increase service charges to tenants to help meet the cost of the initial investment. Uncertainty also still exists in respect of the investment need that may arise once phase 2 of the government review of the decent home's standard (Decent Homes 2) concludes later this year, with a refreshed standard anticipated.

There is currently sufficient resource (borrowing) incorporated into the financial assumptions to match fund retained right to buy receipts with the 60% of additional investment required, to avoid the need to return receipts to central government, with payment of penalty interest at CPI plus 4%. Decisions will need to be made on a scheme by scheme basis, with retained right to buy receipts applied to schemes that are less likely to be awarded Homes England grant.

One of the biggest challenges the authority faces, is demonstrating financial viability of new build schemes, with grant rates being lower than previously hoped, particularly when coupled with the significant increase in borrowing rates.

Delivery against some of the key assumptions is critical to the success of the housing business plan, with the assumption of continued rent increases at CPI plus 1% for 2024/25, followed by increases at CPI plus 0.5%, being one of the critical assumptions included. The rent increase for 2023/24 has currently been assumed to be capped by government, with an assumed increase of 3% incorporated currently for prudence. The ceiling on rent increases for 2023/24 is

currently subject to consultation and the level at which rents are finally set for the coming year will have a material effect on the future of the HRA business plan and the authority's ability to invest in new homes or to consider retrofit of any of the existing housing stock.

A key risk remains the still unquantifiable impact of the full rollout of Universal Credit, with the authority still working proactively with affected residents in an attempt to mitigate the impact. Although in the region of 2,050 residents are now thought to be claiming Universal Credit, approximately 2,300 are still in receipt of Housing Benefit, although the latter will include pensionable age tenants, sheltered and temporary housing residents.

The inclusion of an efficiency target, offset by a corresponding strategic reinvestment fund is still considered to be a prudent approach for 2023/24 to ensuring that resources are targeted to the areas that most need them, and that flexibility is maintained to allow response to both local demands and national housing policy change.

From a broader Council perspective, the authority has redesigned its transformation programme to ensure it can meet the financial challenges it faces whilst allowing it to continue delivering against its corporate objectives. The corporate transformation programme will aim to achieve annual savings from customer experience and efficiency work and will also deliver savings through better integrated delivery with communities and partners and office accommodation changes, as well as additional income from new business opportunities. Any savings achieved in relation to either housing or corporate services will be profiled as appropriate across the HRA and General Fund. At this stage no contribution to cost of change, or any share of resulting anticipated savings have been incorporated into the HRA Business Plan.

The level of borrowing anticipated can just be supported with the current assumptions being made, but not redeemed in any way, and any net savings would help to mitigate this position. With the degree of uncertainty in the economy currently, the anticipated changes that will come through the Social Housing Charter and Decent Homes 2 and the stage at which the corporate transformation project is at, seeking significant net savings for 2023/24 is not



considered an appropriate approach. This will, however, be reviewed going forward once commitments are clearer.

# Appendix A

## Key Risk Analysis

Risk Area & Issue arising	Controls / Mitigation Action
<b>Effects of Legislation / Regulation</b>	
<p>Implications of new legislation / regulation or changes to existing are not identified</p> <p>Delays in announcement of detail surrounding housing policy change negatively impacts decisions taken at a local level</p> <p>Funding is not identified to meet the costs associated with changes in statutory requirements</p> <p>Changes in national housing or rent policy impact the ability to support the housing debt or deliver against planned investment programmes</p>	<ul style="list-style-type: none"> <li>• Effective, formal, regular review processes are in place for the HRA to ensure that implications are identified, quantified and highlighted. Housing Leaders review any publications.</li> <li>• Decisions taken in the context of a business plan which recognises the uncertainty. Savings taken have impacts exemplified to ensure impact is mitigated.</li> <li>• Additional / specific funding requirements for new services can be identified through the budget process, to allow effective prioritisation of resources. Minimum reserves are held to allow immediate investment if required.</li> <li>• Representation made to DLUHC and other national bodies where statutory requirements carry excessive cost.</li> <li>• The Council has processes in place ensuring early engagement in any consultation and collective representation through national housing bodies.</li> <li>• Impact of any proposed changes to national rent policy is incorporated into financial planning as early as possible with scenario impact quantified.</li> </ul>
<b>Housing Portfolio &amp; Spending Plans</b>	
<p>The Council approves plans which are not sustainable into the future, leading to increasing problems in balancing budgets</p>	<ul style="list-style-type: none"> <li>• Council has adopted medium and long-term modelling (up to 30 years) for HRA, ensuring decisions are made in context of long-term impact.</li> <li>• The Business Plan includes long-term trend and scenario analysis on key cost drivers.</li> <li>• Target levels of reserves are set for the HRA to enable uneven pressures to be effectively dealt with, and to provide cover against unforeseen events / pressures.</li> </ul>

Risk Area & Issue arising	Controls / Mitigation Action
<b>Financial planning lacks appropriate levels of prudence</b>	
<p>Business Planning assumptions are wildly inaccurate</p> <p>Financial policies, in general, are not sufficiently robust</p> <p>Funding to support the approved Capital Plan is not available</p> <p>The financial impact of the coronavirus pandemic is far greater, and longer lasting, than anticipated</p> <p>Business plan assumption that all borrowing is re-financed at the end each borrowing term can't be supported</p>	<p>Council has adopted key prudence principles, reflected in:</p> <ul style="list-style-type: none"> <li>• Use of external expert opinion and detailed trend data to inform assumptions</li> <li>• Ongoing revenue funding for capital is reviewed for affordability as part of the 30-year modelling process</li> <li>• Adoption of strict medium / long-term planning</li> <li>• Policy on applying general capital receipts for strategic disposals only at point of receipt</li> <li>• Ongoing review of key parameters whilst the long-term impact of the coronavirus pandemic is still uncertain.</li> </ul> <p>Business plan revenue is reviewed annually, housing stock is maintained to decent standards, with an asset management strategy in place.</p>
<b>Use of resources is not effectively managed</b>	
<p>There is ineffective use of the resources available to the HRA</p> <p>Failure to deliver Major Housing / Development Projects, i.e. return on capital investment, project on time etc.</p> <p>Value for money in terms of investment in new build homes is challenged</p>	<ul style="list-style-type: none"> <li>• Council employs robust business planning processes for the HRA</li> <li>• Council has adopted a standard project management framework</li> <li>• A business decision is required for all strategic acquisitions, disposals and one-off areas of significant investment</li> <li>• Performance and contractor management procedures are robust and contracts are enforceable</li> <li>• The Council's accounts are audited on an annual basis, with assurance given that the authority is delivering economy, efficiency and effectiveness in its use of resources</li> <li>• Council adopts a mix of delivery vehicles</li> <li>• Council employs cost consultants to demonstrate price comparability with the local market</li> <li>• Council has completed an independent review of new build delivery</li> </ul>
<b>External income / funding streams</b>	
<p>Undue reliance may be placed on external income streams, leading to approval of unsustainable expenditure</p>	<ul style="list-style-type: none"> <li>• Modelling over the medium and long-term is conducted for key income sources, including sensitivity analysis of potential changes</li> </ul>

Risk Area & Issue arising	Controls / Mitigation Action
<p>Rent and service charge arrears increase, and bad debt rises, as a direct result of the Welfare Benefit Reforms or the Coronavirus pandemic</p>	<ul style="list-style-type: none"> <li>• Council seeks to influence national settlements and legislative changes through response to formal consultation</li> <li>• Increased resources identified for income management. Performance closely monitored to allow further positive action if required.</li> <li>• Income Analytics and LIFT software procured to aid arrears recovery.</li> </ul>
<p>Rent income is under-achieved due to a major incident in the housing stock</p>	<ul style="list-style-type: none"> <li>• Asset Management Plan in place to identify and address key issues in the housing stock to minimise likelihood of widespread incidents</li> </ul>
<p>Changes in the economic environment cause a significant reduction in the number of right to buy sales, reducing the resource available to finance the capital investment programme</p>	<ul style="list-style-type: none"> <li>• Sensitivities modelled so potential impacts are understood</li> <li>• Business plan is regularly reviewed allowing reallocation of resource or consideration of borrowing if required</li> </ul>
<p>Changes to the right to buy rules result in an increase in the level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest</p>	<ul style="list-style-type: none"> <li>• Sensitivities modelled so potential impacts are understood</li> <li>• Retained resources are monitored to ensure delivery of required units or return of resource at earliest opportunity</li> <li>• Delivery timeframe extended to 5 years, with ability to invest up to 40% of receipt into the replacement dwelling</li> </ul>
<p>Volatility and competition in the property market impacts the ability to fund planned capital investment from the sale of assets</p>	<ul style="list-style-type: none"> <li>• Policy on applying general capital receipts for strategic disposals only at point of receipt</li> <li>• Regular review of mix of new build delivered to ensure that assumptions around shared ownership and market sale are realistic</li> </ul>

# Appendix B

## Business Planning Assumptions (Highlighting Changes)

Key Area	Assumption	Comment	Status
General Inflation (CPI)	9.4% for 2023/24, returning to 2% from 2024/25	General inflation on expenditure included at 9.4% for 2023/24, with 2% ongoing per Bank of England and OBR forecasts.	Amended
Capital and Planned Repairs Inflation	3.95% for 5 years, then revert to CPI. 4.7% for new build	Based upon the mix of BCIS and CPI forecasts for next 5 years, using averages over this period. Reverts to CPI after 5 years. Adopt 4.7% for new build based upon industry projections.	Amended
Debt Repayment	No debt repayment assumed	Assumes surplus is re-invested in income generating assets, but with borrowing rates resulting in ability to support interest payments only.	Amended
Pay Inflation	1% Pay Progression & Pay Inflation at £1,925 for 2022/23, 3%, then 2%	Assume allowance for increments at 1% and cost of living pay inflation at £1,925 for 2022/23, 3% for 2023/24, then 2% on an ongoing basis.	Amended
Employee Turnover	3%	Employee budgets assume a 3% turnover, unless service area is a single employee, or is a shared service, externally recharged service or trading account.	Retained
Social Rent Review Inflation	3% for 2023/24, then CPI plus 1% for 1 year from 2024/25, then CPI plus 0.5% for 5 years	Assume a cap at 3% for 2023/24, then rent increases of up to CPI plus 1% for 1 final year in 2024/25, reverting to inflation plus 0.5% for 5 years after this, then CPI. Assume CPI in preceding September is as above, but recognising cap for 2023/24.	Amended
Affordable Rent Review Inflation	3% for 2023/24, then CPI plus 1% for 1 year from 2024/25, then CPI	Affordable rents to be reviewed annually in line with rent guidance, ensuring that they do not breach the Local Housing Allowance, 60% or 80% of market rent, depending upon the tenure.	Amended
Rent Convergence	Voids Only	Ability to move to target rent achieved only through movement of void properties directly to target rent.	Retained

Key Area	Assumption	Comment	Status
External Lending Interest Rate	0.69% for 2022/23, then 0.75%	Interest rates based on latest market projections, recognising that the HRA will benefit from low risk investments only	Amended
Internal Lending Interest Rate	0.69% for 2022/23, then 0.75%	Assume the same rate as anticipated can be earned on cash balances held, so as not to detriment either the HRA or the General Fund longer-term.	Amended
External Borrowing Interest Rate	3.46%	Assumes additional borrowing using PWLB projected rates generated by Link, with certainty rate applied.	Amended
Internal Borrowing Interest Rate	3.46%	Assume the same rate as external borrowing to ensure flexibility in choice of borrowing route.	Amended
HRA Minimum Balances	£2,000,000	Maintain HRA minimum balance at £2,000,000, pending a review once the business plan and asset investment strategy has been fully reviewed.	Retained
HRA Target Balances	£3,000,000	Maintain HRA target balance at £3,000,000, pending a review once the business plan and asset investment strategy has been fully reviewed.	Retained
Right to Buy Sales	32 in 2022/23, then 25 sales ongoing	<b>Activity has begun to recover, increase assumption for 2022/23, but retain previous assumption of 25 sales annually from 2023/24 ongoing.</b>	Amended
Right to Buy Receipts	Settlement right to buy and assumed one-for-one receipts included	Debt settlement receipts included, assuming the receipts utilised partly for general fund housing purposes. Anticipated one-for-one receipts included, and ear-marked for direct new build spend. Debt repayment proportion assumed to be set-aside.	Retained
Void Rates	2% for 2022/23, then 1% ongoing	<b>Assume increased general void rate of 2% for 2022/23, then ongoing void rate of 1% from 2023/24, recognising current void performance.</b>	Amended
Bad Debts	1.5% from 2022/23 ongoing	Bad debt 1.5% ongoing reflecting the requirement to collect 100% of rent directly through Universal Credit.	Retained
Savings Target	£180,000 (4% of general and repairs administrative expenditure)	Retain an efficiency target, now at £180,000 from 2022/23 for 5 years. Allows strategic reinvestment or alternatively a response to pressure from national housing policy change.	Retained

Key Area	Assumption	Comment	Status
Responsive Repairs Expenditure	Adjusted pro rata to stock changes	An assumption is made that direct responsive repair expenditure is adjusted annually in line with any change in stock numbers.	Retained
Strategic Investment Fund	£180,000	Housing Strategic Investment Fund included from 2022/23 for 5 years at the same value as the savings target.	Retained

# Appendix C

## Retained 1-4-1 Right to Buy Receipts

Year End Date for Receipt	Retained 1-4-1 Receipt Value (Per Annum)	Retained 1-4-1 Receipt Value (Cumulative)	Amount of New Build Expenditure Required (Cumulative)	Deadline for Receipt to be spent on New Dwelling	Qualifying Spend by Deadline (Cumulative)	Further New Build Spend Required by Deadline (Cumulative)	Retained 1-4-1 Receipt Extinguished (Cumulative) receipts	Balance of Retained 1-4-1 Receipts to be Spent or Paid to CLG (Cumulative)
31/03/2017	6,772,295.12	19,908,434.35	66,361,447.83	31/03/2022	109,235,760.54	0.00	37,058,159.43	-
31/03/2018	6,701,883.54	26,610,317.89	83,116,156.68	31/03/2023		0.00		-
31/03/2019	3,535,325.69	30,145,643.58	91,954,470.91	31/03/2024		0.00		-
31/03/2020	3,345,892.15	33,491,535.73	100,319,201.28	31/03/2025		0.00		-
31/03/2021	2,457,228.82	35,948,764.55	106,462,273.33	31/03/2026		0.00		-
31/03/2022	4,065,708.84	40,014,473.39	116,626,545.43	31/03/2027		7,390,784.89		2,956,313.96

Based upon current projections, the existing balance of retained right to buy receipts is forecast to be re-invested in full by the end of 2023/24, well before the deadline of 31/3/2027 (see Appendix F).



# Appendix D

## 2022/23 HRA Mid-Year Revenue Budget Adjustments

Area of Income / Expenditure	Description	Budget Amendment in 2022/23 Budget (£)	Budget Amendment in 2023/24 Budget (£)	Comment
<b>Budgeted use of / (contribution to) HRA Reserves pre MTFS</b>		<b>13,591,290</b>		
<b>HRA General and Special Management</b>				
Increased staffing in Temporary Housing	Employment of an additional Assistant Housing Officer, recognising the increase in stock numbers	0	0	Funding already incorporated into the HRA business plan
Increased cost of Housing Ombudsman	The statutory subscription to the Housing Ombudsman Service has increased significantly from 2022/23	18,800	18,800	Built into base for future years
Increased property valuations	To set and review rents at 60% and 80% of market rent, regular valuations will be required	16,250	16,250	Built into base for future years
		23,270	46,540	
<b>Total HRA General and Special Management</b>		<b>58,320</b>		
<b>HRA Repairs</b>				
Increase staffing in Estates and Facilities	Continued employment of the Asbestos Surveyor, where this post has previously been fixed term	0	0	Funding already incorporated into the HRA business plan
Increased void costs	An increase in both the volume and complexity of voids will require additional resource in 2022/23, but with the assumption this can be managed for future years	0	0	Funding already incorporated into the HRA business plan
Estate Investment Scheme	Transfer of funding from the capital budget of the EIS Scheme to revenue to allow funding of revenue-related projects	150,000	0	
<b>Total HRA Repairs</b>		<b>150,000</b>		
<b>HRA Summary Account</b>				

Area of Income / Expenditure	Description	Budget Amendment in 2022/23 Budget (£)	Budget Amendment in 2023/24 Budget (£)	Comment
Bad Debt Provision	Reduction in bad debt provision based on latest assumptions	(3,270)	0	One-off additional contribution
Rent Income	Reduction in rental income for 2022/23 due to delays in new build handover, increased voids and accelerated decants	834,730	Incorporated into base assumptions	Built into base for future years
Service Charge Income	Increased income in temporary housing due to increased units	0	0	Income already incorporated into the HRA business plan
Garage Rent	Reduction in garage rent recognising garages demolished in 2021/22 for redevelopment and in early 2022/23 for structural reasons	42,900	Incorporated into base assumptions	Built into base for future years
Dwelling Depreciation	Reduction in the estimated level of depreciation based upon a review of remaining useful asset lives	(674,450)	Incorporated into base assumptions	Built into base for future years
RTB capitalisation	The sum that can be capitalised in respect of administrative costs will be higher due to an increase in sales and an increase in the fixed sts element of the calculation	(44,530)	Incorporated into base assumptions	Built into base for future years
Interest earned on HRA Balances	The HRA will receive a higher interest receipt as a result of higher cash balances due to underspending in 2021/22.	(79,020)	One-off loss	Impact built into base for future years
Interest paid on Borrowing	Reduction in interest paid, with assumed borrowing in 2022/23 now at a higher interest rate, but with a lower level of borrowing need	(251,790)	Incorporated into base assumptions	Built into base for future years
Direct Revenue Financing (DRF) of capital	A reduction in DRF recognising the transfer of Este Investment Scheme funding from capital to revenue	(150,000)	0	One-Off
Increased Inflation	Following a review of the inflation held centrally in the HRA from 2022/23, an increase is required from	0	163,070	Built into base for future years

Area of Income / Expenditure	Description	Budget Amendment in 2022/23 Budget (£)	Budget Amendment in 2023/24 Budget (£)	Comment
	2023/24 to meet cost increases in year			
<b>Total HRA Summary</b>		<b>(325,430)</b>		
<b>Revised use of / (contribution to) HRA Reserves post MTFS</b>		<b>13,474,180</b>		

# Appendix E

## 2022/23 Mid-Year HRA Capital Budget Amendments

Area of Expenditure And Change	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
<b>Total Housing Capital Plan Expenditure pre HRA MTFS</b>	<b>116,391</b>	<b>71,105</b>	<b>151,617</b>	<b>196,782</b>	<b>238,446</b>
<b>General Fund Housing</b>					
No change	0	0	0	0	0
<b>Decent Homes and Other HRA Stock Investment</b>					
Re-profile decent homes budget based upon latest stock numbers, contract prices and stock condition data and reallocate decent homes backlog to workstreams:					
Kitchens	600	(55)	143	628	(724)
Bathrooms	624	12	400	(26)	(477)
Central Heating / Boilers	0	(350)	423	(429)	(375)
Insulation / Energy Efficiency / Wall Finishes	0	(67)	(114)	(211)	522
Energy Efficiency Pilot / Retrofit	0	0	0	0	0
External Doors	600	14	72	(16)	(27)
PVCU Windows	0	546	219	407	(576)
Wall Structure	2,600	(880)	(17)	263	(178)
Roof Covering (including chimneys)	0	29	1,311	(405)	(635)
Electrical / Wiring	0	26	58	(216)	53
Other Health and Safety Works	0	0	50	0	(3)
Decent Homes Backlog	(4,424)	903	903	903	903
Decent Homes Planned Maintenance Contractor Overheads	0	30	279	(1)	(265)
Transfer Estate Investment Scheme funding to revenue	(150)	0	0	0	0
Re-phase retrofit pilot energy works funding	(4,500)	4,500	0	0	0
Decent Homes New Build Allocation	(679)	(126)	(22)	105	15
Re-profile other investment in HRA stock budget based upon latest stock numbers, contract prices and stock condition data:					
Communal Electrical Installations / Fire Systems / Communal Lighting	0	(57)	0	0	0
Communal Entrance / Enclosure Doors + Glazing	0	0	0	24	(24)
Communal Areas Floor Coverings	0	(77)	0	0	0
Lifts and Door Entry Systems	0	47	(10)	47	(75)
Estate Investment Scheme	0	(199)	199	0	0

<b>Area of Expenditure And Change</b>	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>
Other Spend on HRA Stock Planned Maintenance Contractor Overheads	0	27	20	7	(11)
<b>New Build</b>					
Re-phase budget for Tedder Way	(278)	278	0	0	0
Re-phase budget for Kendal Way	(297)	297	0	0	0
Rephase budget for Colville Road II	(283)	78	205	0	0
Re-phase budget for Meadows and Buchan	(2,534)	1,162	1,372	0	0
Re-phase budget for Campkin Road	(759)	759	0	0	0
Increase budget for L2 per HSC decision to acquire the entire scheme	5,071	6,449	0	0	0
Rephase and increase budget for Colville Road III	(2,350)	2,014	368	0	0
Increase budget for Fen Road	0	84	0	0	0
Reduce budget for Ditton Fields	0	(117)	0	0	0
Re-phase and increase budget for Aragon Close	(420)	535	0	0	0
Re-phase and increase budget for Sackville Close	(473)	606	0	0	0
Increase budget for Borrowdale	0	130	0	0	0
Re-phase budget for Aylesborough Close	(2,982)	186	2,796	0	0
Re-phase and increase budget for St Thomas's Road	848	0	0	0	0
Re-phase and reduce budget for Paget Road	(576)	155	0	0	0
Allocate budget for Fanshawe Road from 1,000 homes budget allowing increased decant costs	3,825	6,788	7,764	7,764	2,446
Allocate budget for buy backs and decant at Princess and Hanover Court from general acquisitions budget and for redevelopment from the 1,000 homes programme budget	5,548	9,968	1,914	6,658	4,409
Reallocate ear-marked funds for Princess and Hanover to specific scheme budget	(8,888)	(5,664)	0	0	0
Increase in acquisitions budget to allow a strategic acquisition	1,416	0	0	0	0
Re-allocation of 1,000 homes budget in line with changes to scheme specific approvals and update of sums for latest programme assumptions	(12,573)	(832)	(81,254)	(119,491)	(143,793)
<b>Sheltered Housing</b>					
No changes	0	0	0	0	0
<b>Other HRA Spend</b>					
No changes	0	0	0	0	0
<b>Inflation Allowance</b>					
Adjust inflation allowed to reflect new base and revised inflation assumptions	(601)	2,721	1,834	190	(2,274)
<b>Total Housing Capital Plan Expenditure post HRA MTFS</b>	<b>94,756</b>	<b>101,025</b>	<b>90,530</b>	<b>92,983</b>	<b>97,357</b>

# Appendix F

## New Build Investment Cashflow

New Build / Re-Development Scheme	2022/23 £'0000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	2031/32 £'000
<b>New Build / Acquisition / Re-Development Cash Expenditure</b>										
Anstey Way	63	0	0	0	0	0	0	0	0	0
Tedder Way	154	319	0	0	0	0	0	0	0	0
Kendal Way	145	338	0	0	0	0	0	0	0	0
Akeman Street	62	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	2,258	0	0	0	0	0	0	0	0	0
Cromwell Road	3,213	378	0	0	0	0	0	0	0	0
Colville Road II	5,669	194	205	0	0	0	0	0	0	0
Meadows and Buchan Street	8,020	10,055	4,397	0	0	0	0	0	0	0
Clerk Maxwell Road	2,717	0	0	0	0	0	0	0	0	0
Campkin Road	7,537	1,760	0	0	0	0	0	0	0	0
L2	8,279	7,563	0	0	0	0	0	0	0	0
Colville Road III	4,421	6,925	613	0	0	0	0	0	0	0
Histon Road	1,674	0	0	0	0	0	0	0	0	0
Fen Road	2,693	1,077	0	0	0	0	0	0	0	0
Ditton Walk	1,335	531	0	0	0	0	0	0	0	0
Aragon Close	574	1,475	0	0	0	0	0	0	0	0
Sackville Close	580	1,546	0	0	0	0	0	0	0	0
Borrowdale	505	475	0	0	0	0	0	0	0	0
Aylesborough Close	1,650	10,910	6,166	0	0	0	0	0	0	0
St Thomas's Road	1,587	1,333	0	0	0	0	0	0	0	0

<b>New Build / Re-Development Scheme</b>	<b>2022/23 £'0000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>	<b>2029/30 £'000</b>	<b>2030/31 £'000</b>	<b>2031/32 £'000</b>
Paget Road	70	1,321	0	0	0	0	0	0	0	0
Fanshawe Road	3,825	6,788	7,764	7,764	2,446	0	0	0	0	0
Princess and Hanover	5,548	9,968	1,914	6,658	4,409	113	0	0	0	0
Acquisition or New Build (Unallocated)	2,444	0	0	0	0	0	0	0	0	0
1,000 New Build Programme	1,735	11,275	41,632	46,836	56,376	45,101	41,632	46,836	39,897	15,612
Rough Sleeper Acquisitions	1,550	0	0	0	0	0	0	0	0	0
<b>Total New Build/ Re-Development Expenditure</b>	<b>68,308</b>	<b>74,231</b>	<b>62,691</b>	<b>61,258</b>	<b>63,231</b>	<b>45,214</b>	<b>41,632</b>	<b>46,836</b>	<b>39,897</b>	<b>15,612</b>
<b>New Build Devolution Grant Funding / DLUHC Rough Sleeper Next Steps Grant Funding / Assumed Homes England Grant</b>										
Anstey Way	(23)	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	(1,581)	0	0	0	0	0	0	0	0	0
Cromwell Road	(2,249)	0	0	0	0	0	0	0	0	0
Colville Road II	(2,784)	(95)	0	0	0	0	0	0	0	0
Meadows and Buchan Street	(4,474)	(1,400)	0	0	0	0	0	0	0	0
Clerk Maxwell Road	(1,902)	0	0	0	0	0	0	0	0	0
Campkin Road	(3,464)	(770)	0	0	0	0	0	0	0	0
L2	(2,415)	(2,415)	0	0	0	0	0	0	0	0
Colville Road III	(1,072)	(1,072)	0	0	0	0	0	0	0	0
Fen Road	(539)	(539)	0	0	0	0	0	0	0	0
Ditton Walk	(267)	(267)	0	0	0	0	0	0	0	0
Aragon Close	(207)	(207)	0	0	0	0	0	0	0	0
Sackville Close	(207)	(207)	0	0	0	0	0	0	0	0
Borrowdale	(129)	(129)	0	0	0	0	0	0	0	0
Aylesborough Close	(1,050)	0	(1,050)	0	0	0	0	0	0	0
St Thomas's Road	(280)	0	(280)	0	0	0	0	0	0	0
Paget Road	(150)	(150)	0	0	0	0	0	0	0	0
Fanshawe Road	0	(2,754)	0	(2,754)	0	0	0	0	0	0

<b>New Build / Re-Development Scheme</b>	<b>2022/23 £'0000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>	<b>2029/30 £'000</b>	<b>2030/31 £'000</b>	<b>2031/32 £'000</b>
Rough Sleeper Acquisitions	(704)	0	0	0	0	0	0	0	0	0
1,000 New Build Programme	0	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)
<b>Total New Build / Re-Development Funding</b>	<b>(23,495)</b>	<b>(12,443)</b>	<b>(3,769)</b>	<b>(5,193)</b>	<b>(2,439)</b>	<b>(2,439)</b>	<b>(2,439)</b>	<b>(2,439)</b>	<b>(2,439)</b>	<b>(2,439)</b>
<b>Use of Retained Right to Buy Funding</b>										
Anstey Way	(10)	0	0	0	0	0	0	0	0	0
Tedder Way	(46)	(96)	0	0	0	0	0	0	0	0
Kendal Way	(44)	(101)	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	(677)	0	0	0	0	0	0	0	0	0
Cromwell Road	(321)	(38)	0	0	0	0	0	0	0	0
Colville Road II	(1,193)	(41)	(43)	0	0	0	0	0	0	0
Meadows and Buchan Street	(2,406)	(3,017)	(1,319)	0	0	0	0	0	0	0
Clerk Maxwell Road	(815)	0	0	0	0	0	0	0	0	0
Campkin Road	(1,484)	(352)	0	0	0	0	0	0	0	0
Histon Road	(167)	0	0	0	0	0	0	0	0	0
Acquisition or New Build (Unallocated)	0	0	0	0	0	0	0	0	0	0
1,000 New Build Programme	0	0	0	(3,396)	(3,464)	(3,533)	(3,604)	(3,676)	(3,749)	(3,824)
<b>Total Use of Retained Right to Buy Funding</b>	<b>(7,164)</b>	<b>(3,644)</b>	<b>(1,362)</b>	<b>(3,396)</b>	<b>(3,464)</b>	<b>(3,533)</b>	<b>(3,604)</b>	<b>(3,676)</b>	<b>(3,749)</b>	<b>(3,824)</b>
<b>Total to be funded from HRA Resources (DRF &amp; MRR) and Sales Receipts</b>	<b>37,649</b>	<b>(1,910)</b>	<b>(6,221)</b>	<b>(9,337)</b>	<b>(11,235)</b>	<b>(10,296)</b>	<b>(14,914)</b>	<b>(22,736)</b>	<b>(30,723)</b>	<b>(5,471)</b>
<b>Total HRA Borrowing</b>	<b>0</b>	<b>60,054</b>	<b>63,781</b>	<b>62,006</b>	<b>68,563</b>	<b>49,539</b>	<b>50,503</b>	<b>63,457</b>	<b>64,432</b>	<b>14,820</b>



# Appendix G (1)

## HRA Summary Forecast 2022/23 to 2026/27

Description	2022/23 £0	2023/24 £0	2024/25 £0	2025/26 £0	2026/27 £0
<b>Income</b>					
Rental Income (Dwellings)	(40,479,190)	(44,133,950)	(47,205,080)	(50,660,570)	(53,325,470)
Rental Income (Other)	(1,303,520)	(1,329,590)	(1,356,180)	(1,383,310)	(1,410,970)
Service Charges	(3,389,820)	(3,690,750)	(3,760,800)	(3,832,250)	(3,905,130)
Contribution towards Expenditure	(566,360)	(619,600)	(631,980)	(644,630)	(657,520)
Other Income	(508,540)	(546,390)	(557,320)	(568,460)	(579,830)
<b>Total Income</b>	<b>(46,247,430)</b>	<b>(50,320,280)</b>	<b>(53,511,360)</b>	<b>(57,089,220)</b>	<b>(59,878,920)</b>
<b>Expenditure</b>					
Supervision & Management - General	5,505,390	5,919,190	6,142,630	6,397,040	6,600,220
Supervision & Management - Special	3,673,550	3,980,220	4,071,860	4,165,680	4,261,750
Repairs & Maintenance	9,414,360	8,959,800	9,425,880	9,904,180	10,316,640
Depreciation – t/f to Major Repairs Res.	10,469,290	11,986,170	12,660,170	13,570,300	14,327,140
Debt Management Expenditure	0	0	0	0	0
Other Expenditure	2,794,180	2,986,220	3,090,100	3,201,130	3,301,840
<b>Total Expenditure</b>	<b>31,856,770</b>	<b>33,831,600</b>	<b>35,390,640</b>	<b>37,238,330</b>	<b>38,807,590</b>
<b>Net Cost of HRA Services</b>	<b>(14,390,660)</b>	<b>(16,488,680)</b>	<b>(18,120,720)</b>	<b>(19,850,890)</b>	<b>(21,071,330)</b>
<b>HRA Share of operating income and expenditure included in Whole Authority I&amp;E Account</b>					
Interest Receivable	(300,270)	(146,940)	(145,400)	(153,070)	(152,140)
<b>HRA (Surplus) / Deficit for the Year</b>	<b>(14,690,930)</b>	<b>(16,635,620)</b>	<b>(18,266,120)</b>	<b>(20,003,960)</b>	<b>(21,223,470)</b>
<b>Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance</b>					
Loan Interest	7,478,430	8,545,250	10,688,420	12,859,750	15,122,940
Housing Set Aside	0	0	0	0	0
Appropriation from Ear-Marked Reserve	(14,704,510)	0	0	0	0
Direct Revenue Financing of Capital	35,391,190	10,210,690	7,453,830	7,205,570	6,953,420
<b>(Surplus) / Deficit for Year</b>	<b>13,474,180</b>	<b>2,120,320</b>	<b>(123,870)</b>	<b>61,360</b>	<b>852,890</b>
Balance b/f	(19,590,023)	(6,115,843)	(3,995,523)	(4,119,393)	(4,058,033)
<b>Total Balance c/f</b>	<b>(6,115,843)</b>	<b>(3,995,523)</b>	<b>(4,119,393)</b>	<b>(4,058,033)</b>	<b>(3,205,143)</b>

# Appendix G (2)

## HRA 10 Year Summary Forecast 2022/23 to 2031/32

Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income										
Rental Income (Dwellings)	(40,479)	(44,134)	(47,205)	(50,661)	(53,325)	(56,230)	(59,228)	(61,968)	(64,585)	(67,281)
Rental Income (Other)	(1,304)	(1,329)	(1,356)	(1,383)	(1,411)	(1,439)	(1,468)	(1,498)	(1,527)	(1,558)
Service Charges	(3,390)	(3,691)	(3,761)	(3,832)	(3,905)	(3,979)	(4,059)	(4,140)	(4,223)	(4,308)
Contribution towards Expenditure	(566)	(620)	(632)	(645)	(658)	(671)	(684)	(698)	(712)	(726)
Other Income	(509)	(546)	(557)	(568)	(580)	(591)	(603)	(615)	(628)	(640)
<b>Total Income</b>	<b>(46,248)</b>	<b>(50,320)</b>	<b>(53,511)</b>	<b>(57,089)</b>	<b>(59,879)</b>	<b>(62,910)</b>	<b>(66,042)</b>	<b>(68,919)</b>	<b>(71,675)</b>	<b>(74,513)</b>
Expenditure										
Supervision & Management - General	5,505	5,919	6,143	6,397	6,600	6,835	7,051	7,273	7,501	7,735
Supervision & Management - Special	3,674	3,980	4,072	4,166	4,262	4,360	4,461	4,564	4,670	4,778
Repairs & Maintenance	9,415	8,960	9,426	9,904	10,317	10,963	11,192	11,709	12,210	12,686
Depreciation – to Major Repairs Res.	10,469	11,986	12,660	13,570	14,327	14,779	15,409	15,904	16,421	16,951
Debt Management Expenditure	0	0	0	0	0	0	0	0	0	0
Other Expenditure	2,794	2,986	3,090	3,201	3,302	3,408	3,516	3,623	3,729	3,838
<b>Total Expenditure</b>	<b>31,857</b>	<b>33,831</b>	<b>35,391</b>	<b>37,238</b>	<b>38,808</b>	<b>40,345</b>	<b>41,629</b>	<b>43,073</b>	<b>44,531</b>	<b>45,988</b>
<b>Net Cost of HRA Services</b>	<b>(14,391)</b>	<b>(16,489)</b>	<b>(18,120)</b>	<b>(19,851)</b>	<b>(21,071)</b>	<b>(22,565)</b>	<b>(24,413)</b>	<b>(25,846)</b>	<b>(27,144)</b>	<b>(28,525)</b>
HRA Share of operating income and expenditure included in Whole Authority I&E Account										
Interest Receivable	(300)	(147)	(145)	(153)	(152)	(152)	(154)	(157)	(160)	(163)
<b>(Surplus) / Deficit on the HRA for the Year</b>	<b>(14,691)</b>	<b>(16,636)</b>	<b>(18,265)</b>	<b>(20,004)</b>	<b>(21,223)</b>	<b>(22,717)</b>	<b>(24,567)</b>	<b>(26,003)</b>	<b>(27,304)</b>	<b>(28,688)</b>
Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance										
Loan Interest	7,478	8,545	10,688	12,860	15,123	17,184	18,915	20,874	23,080	24,490

Housing Set Aside	0	0	0	0	0	0	0	0	0	0
Appropriation from Ear-Marked Reserve	(14,704)	0	0	0	0	0	0	0	0	0
Direct Revenue Financing of Capital	35,391	10,211	7,454	7,205	6,953	5,530	5,587	5,028	4,158	4,281
<b>(Surplus) / Deficit for Year</b>	<b>13,474</b>	<b>2,120</b>	<b>(123)</b>	<b>61</b>	<b>853</b>	<b>(3)</b>	<b>(65)</b>	<b>(101)</b>	<b>(66)</b>	<b>83</b>
Balance b/f	(19,590)	(6,116)	(3,996)	(4,119)	(4,058)	(3,205)	(3,208)	(3,273)	(3,374)	(3,440)
<b>Total Balance c/f</b>	<b>(6,116)</b>	<b>(3,996)</b>	<b>(4,119)</b>	<b>(4,058)</b>	<b>(3,205)</b>	<b>(3,208)</b>	<b>(3,273)</b>	<b>(3,374)</b>	<b>(3,440)</b>	<b>(3,357)</b>

# Appendix H

## Housing Capital Investment Plan (10 Year Detailed Investment Plan)

Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund Housing Capital Spend</b>										
Disabled Facilities Grants	705	705	705	705	705	705	705	705	705	705
Private Sector Housing Grants and Loans	195	195	195	195	195	195	195	195	195	195
<b>Total General Fund Housing Capital Spend</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>900</b>
<b>CHRA Capital Spend</b>										
<b>Decent Homes</b>										
Kitchens	865	528	682	1,350	659	1,300	1,187	1,553	3,127	1,341
Bathrooms	800	138	560	586	132	53	328	964	823	53
Central Heating / Boilers	2,912	1,730	2,265	1,750	2,337	1,456	1,641	3,015	2,946	2,955
Insulation / Energy Efficiency / Wall Finishes	2,039	620	541	357	946	176	1,126	725	798	959
Energy Efficiency Pilot / Retrofit	1,500	4,500	0	0	0	0	0	0	0	0
External Doors	1,058	24	94	80	49	18	66	242	289	51
PVCU Windows	1,021	783	987	945	373	316	1,099	772	885	787
Wall Structure	2,824	19	2	266	92	529	687	1,177	965	557
External Painting	371	357	357	357	357	357	707	357	357	357
Roof Structure	425	300	300	300	300	300	300	300	300	300
Roof Covering (including chimneys)	1,079	676	1,993	1,582	1,010	1,120	879	432	1,747	561
Electrical / Wiring	255	334	392	179	258	4	19	399	2,823	118

Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Sulphate Attacks	102	102	102	102	102	102	102	102	102	102
HHSRS Contingency	278	500	300	100	100	100	100	100	100	100
Other Health and Safety Works	50	50	50	0	0	0	0	0	0	0
Capitalised Officer Fees - Decent Homes	505	505	505	505	505	505	505	505	505	360
Decent Homes Backlog	0	5,327	5,327	5,327	5,327	4,593	4,593	4,593	4,593	0
Decent Homes Planned Maintenance Contractor Overheads	1,853	678	948	875	739	641	910	1,119	1,683	906
Decent Homes New Build Allocation	0	1,101	1,787	2,355	2,723	3,305	3,705	4,121	4,551	4,997
<b>Total Decent Homes</b>	<b>17,937</b>	<b>18,272</b>	<b>17,192</b>	<b>17,016</b>	<b>16,009</b>	<b>14,875</b>	<b>17,954</b>	<b>20,476</b>	<b>26,594</b>	<b>14,504</b>
<b>Other Spend on HRA Stock</b>										
Garage Improvements	167	100	100	100	100	100	100	100	100	100
Asbestos Removal	23	50	50	50	50	50	50	50	50	50
Disabled Adaptations	1,008	808	808	808	808	808	808	808	808	808
Communal Areas Uplift	100	100	100	100	100	100	100	100	100	100
Communal Electrical Installations / Fire Systems / Communal Lighting	350	150	150	150	150	150	150	150	150	150
Communal Entrance / Enclosure Doors + Glazing	521	121	121	145	121	121	121	121	152	121
Fire Prevention / Fire Safety Works	2,122	50	50	700	50	50	50	50	50	50
Hard surfacing on HRA Land - Health and Safety Works	262	225	225	225	225	225	225	225	225	225
Communal Areas Floor Coverings	100	100	100	100	100	100	100	100	100	100
Lifts and Door Entry Systems	49	47	28	75	0	0	0	0	28	0
Estate Investment Scheme	1,850	1,000	199	0	0	0	0	0	0	0
Capitalised Officer Fees - Other HRA Stock Spend	141	114	114	114	114	114	114	114	114	114

Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other Spend on HRA Stock Planned Maintenance Contractor Overheads	380	303	212	198	187	187	188	188	194	187
<b>Total Other Spend on HRA stock</b>	<b>7,073</b>	<b>3,168</b>	<b>2,257</b>	<b>2,765</b>	<b>2,005</b>	<b>2,005</b>	<b>2,006</b>	<b>2,006</b>	<b>2,071</b>	<b>2,005</b>
<b>HRA New Build / Re-Development</b>										
Anstey Way	63	0	0	0	0	0	0	0	0	0
Tedder Way	154	319	0	0	0	0	0	0	0	0
Kendal Way	145	338	0	0	0	0	0	0	0	0
Akeman Street	62	0	0	0	0	0	0	0	0	0
Mill Road (Phase I and II)	2,258	0	0	0	0	0	0	0	0	0
Cromwell Road	3,213	378	0	0	0	0	0	0	0	0
Colville Road Phase II	5,669	194	205	0	0	0	0	0	0	0
Meadows and Buchan Street	8,020	10,055	4,397	0	0	0	0	0	0	0
Clerk Maxwell Road	2,717	0	0	0	0	0	0	0	0	0
Campkin Road	7,537	1,760	0	0	0	0	0	0	0	0
Histon Road	1,674	0	0	0	0	0	0	0	0	0
L2	8,279	7,563	0	0	0	0	0	0	0	0
Colville Road Phase III	4,421	6,925	613	0	0	0	0	0	0	0
Fen Road	2,693	1,077	0	0	0	0	0	0	0	0
Ditton Fields	1,335	531	0	0	0	0	0	0	0	0
Aragon Close	574	1,475	0	0	0	0	0	0	0	0
Sackville Close	580	1,546	0	0	0	0	0	0	0	0
Borrowdale	505	475	0	0	0	0	0	0	0	0
Aylesborough Close	1,650	10,910	6,166	0	0	0	0	0	0	0
St Thomas's Road	1,587	1,333	0	0	0	0	0	0	0	0
Paget Road	70	1,321	0	0	0	0	0	0	0	0

Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fanshawe Road	3,825	6,788	7,764	7,764	2,446	0	0	0	0	0
Princess and Hanover	5,548	9,968	1,914	6,658	4,409	113	0	0	0	0
Acquisition and Decant (Incl. for New Build)	2,444	0	0	0	0	0	0	0	0	0
1,000 New Build Programme (Unallocated)	1,735	11,275	41,632	46,836	56,376	45,101	41,632	46,836	39,897	15,612
Rough Sleeper Acquisitions	1,550	0	0	0	0	0	0	0	0	0
<b>Total HRA New Build</b>	<b>68,308</b>	<b>74,231</b>	<b>62,691</b>	<b>61,258</b>	<b>63,231</b>	<b>45,214</b>	<b>41,632</b>	<b>46,836</b>	<b>39,897</b>	<b>15,612</b>
<b>Sheltered Housing Capital Investment</b>										
No current schemes	0	0	0	0	0	0	0	0	0	0
<b>Total Sheltered Housing Capital Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other HRA Capital Spend</b>										
Orchard Replacement / Mobile Working	119	0	0	0	0	0	0	0	0	0
Shared Ownership Repurchase	300	300	300	300	300	300	300	300	300	300
Commercial and Administrative Property	69	30	30	30	30	30	30	30	30	30
Estate Service Van	50	0	0	0	0	0	0	0	0	0
<b>Total Other HRA Capital Spend</b>	<b>538</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>
<b>Total HRA Capital Spend</b>	<b>93,856</b>	<b>96,001</b>	<b>82,470</b>	<b>81,369</b>	<b>81,575</b>	<b>62,424</b>	<b>61,922</b>	<b>69,648</b>	<b>68,892</b>	<b>32,451</b>
<b>Total Housing Capital Spend at Base Year Prices</b>	<b>94,756</b>	<b>96,901</b>	<b>83,370</b>	<b>82,269</b>	<b>82,475</b>	<b>63,324</b>	<b>62,822</b>	<b>70,548</b>	<b>69,792</b>	<b>33,351</b>
Inflation Allowance and Stock Reduction Adjustment for Future Years	0	4,124	7,160	10,714	14,882	14,163	16,443	21,739	23,248	10,866
<b>Total Inflated Housing Capital Spend</b>	<b>94,756</b>	<b>101,025</b>	<b>90,530</b>	<b>92,983</b>	<b>97,357</b>	<b>77,487</b>	<b>79,265</b>	<b>92,287</b>	<b>93,040</b>	<b>44,217</b>

Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Housing Capital Resources</b>										
Right to Buy Receipts	(488)	(493)	(498)	(503)	(508)	(513)	(518)	(523)	(529)	(534)
Other Capital Receipts (Land & Dwellings, incl. Market, Rent to Buy and SO Sales)	0	(614)	0	(104)	(98)	(149)	(201)	(254)	(308)	(363)
Major Repairs Reserve	(21,435)	(12,562)	(12,660)	(13,570)	(14,327)	(14,779)	(15,409)	(15,904)	(16,421)	(16,951)
Direct Revenue Financing of Capital	(35,391)	(10,211)	(7,454)	(7,206)	(6,953)	(5,530)	(5,587)	(5,028)	(4,158)	(4,280)
Devolution Grant / Homes England Grant (assumed)	(23,495)	(12,443)	(3,769)	(5,193)	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)	(2,439)
Disabled Facilities Grant	(705)	(705)	(705)	(705)	(705)	(705)	(705)	(705)	(705)	(705)
Other Capital Resources (Grants / Shared Ownership Re-Sale / R&R Funding)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Retained Right to Buy Receipts	(7,164)	(3,644)	(1,362)	(3,396)	(3,464)	(3,533)	(3,604)	(3,676)	(3,749)	(3,824)
Prudential Borrowing	0	(60,053)	(63,782)	(62,006)	(68,563)	(49,539)	(50,502)	(63,458)	(64,431)	(14,821)
<b>Total Housing Capital Resources</b>	<b>(88,978)</b>	<b>(101,025)</b>	<b>(90,530)</b>	<b>(92,983)</b>	<b>(97,357)</b>	<b>(77,487)</b>	<b>(79,265)</b>	<b>(92,287)</b>	<b>(93,040)</b>	<b>(44,217)</b>
Net (Surplus) / Deficit of Resources	5,778	0	0	0	0	0	0	0	0	0
<b>Capital Balances b/f</b>	<b>(6,346)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>
Use of / (Contribution to) Balances in Year	5,777	0	0	0	0	0	0	0	0	0
<b>Capital Balances c/f</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>	<b>(569)</b>
<b>Other Capital Balances (Opening Balance 1/4/2022)</b>										



Description	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Major Repairs Reserve	(11,541)	Utilised in future years to fund investment in the housing stock								
Retained 1-4-1 Right to Buy Receipts	(7,244)	Utilised in 2022/23 above								
Right to Buy Receipts for Debt Redemption	(11,215)	Retained for future debt repayment								
Devolution Grant	(18,742)	Utilised in 2022/23 and 2023/24 above								
<b>Total Other Capital Balances</b>	<b>(48,742)</b>									

# Appendix I

## HRA Earmarked & Specific Revenue Funds (£'000)

### Repairs & Renewals

	Opening Balance	Contributions	Expenditure to June	Current Balance
General Management	(702.1)	(71.1)	0.0	(773.2)
Special Services	(1,323.8)	(150.3)	19.6	(1,454.5)
Repairs and Maintenance	(586.2)	(49.3)	0.0	(635.5)
<b>Total</b>	<b>(2,612.1)</b>	<b>(270.7)</b>	<b>19.6</b>	<b>(2,863.2)</b>

### Tenants Survey

	Opening Balance	Contributions	Expenditure to June	Current Balance
Tenants Survey	(34.7)	(6.5)	0.0	(41.2)

### Debt Set-Aside (Revenue)

	Opening Balance	Contributions	Expenditure to June	Current Balance
Debt Set-Aside	(14,704.5)	0.0	0.0	(14,704.5)

## HRA Earmarked & Specific Capital Funds (£'000)

### Debt Set-Aside (Capital)

	Opening Balance	Contributions	Expenditure to June	Current Balance
Debt Set-Aside	(11,215.4)	0.0)	0.0	(11,215.4)

### Major Repairs Reserve

	Opening Balance	Contributions	Expenditure to June	Current Balance
MRR	(11,540.7)	0.0	0.0	(11,540.7)

# Appendix J

## Business Plan Key Sensitivity Analysis

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
Rents Inflation	Capped at 3% for 2023/24, then CPI plus 1% for 1 further year from 2024/25, followed by CPI plus 0.5% for 5 years, then CPI	No confirmation from government, for the 2023/24 rent review, but also no guarantee that there will be the ability to return to previously assumed rent increases if rents are set legislatively after 2024/25, so assume CPI only from 2025/26.	Borrowing increases by £52 million during the life of the plan and interest payments by £20 million.
Direct Payments (Universal Credit)	Bad Debts at 1.5%	Evidence from the pilot authorities for direct payment indicated that collection rates may fall from 99% to 95%. Assume bad debts at 5% from 2023/24.	Borrowing increases by £93 million during the life of the plan, with £58 million bad debt and £41 million in additional interest payments.
Cost of HRA New Build 1,000 Programme	Homes England Grant assumed for all eligible affordable tenures	Assume that the authority fails to secure Homes England Grant to support the delivery of new homes	Borrowing increases by £78 million during the life of the plan and interest payments increase by £48 million.
General Inflation	CPI assumed to be 9.4% for 2023/24, then 2% ongoing from 2024/25	Assume that the current high levels of inflation do not return to 2% within 12 months, with CPI at 7% and 4% before returning to 2% from 2026/27.	Borrowing increases by £40 million during the life of the plan.
Extend new build	1,000 net council rented homes delivered over 10 years	Assume delivery is far slower and is spread over a 20 year period	Borrowing increases by £78 million during the life of the plan and interest payments increase by £35 million.

Note: Key sensitivities are modelled independently to demonstrate the financial impact. Combined they would have a cumulative effect.

# Appendix K

## Areas of Uncertainty

### Housing Revenue Account – Revenue Uncertainties

#### HRA Borrowing and Interest Rates

Future uncertainty exists in the borrowing route to fund the delivery of 1,000 affordable rented homes and the ability to manage the cashflow and service / re-pay the debt in a self-financing environment. Interest rates are currently rising, and it is difficult to predict where they will settle. Rents are still controlled at national level, which was never the intention of operating in a self-financing environment, and which may constrain the HRA business plan.

#### Right to Buy Sales

The number of sales had begun to recover, following a reduction in activity in 2020/21 as a result of the coronavirus pandemic. Indications are that renewed interest is being sustained but uncertainty in the economy, and particularly the current increased cost of living, may impact future sales. It is impossible to predict this accurately.

#### Right to Buy Retention Agreement

Resource retained in respect of 1-4-1 receipts must be appropriately re-invested to avoid payment of an interest penalty, currently at the rate CPI plus 4%, so 13.4%. At present, sufficient investment is incorporated into the HRA financial model to avoid penalty in the medium-term, so no interest payments are assumed in the business plan.

#### Inflation

It is difficult to predict the longer-term position in respect of inflation, which is currently incredibly high. The longer-term impact of the conflict in Ukraine in respect of both fuel and utility prices is also unclear at this time. The government is committed to bringing down inflation levels, but it is impossible to predict how long this will take and how effective any measures introduced to achieve this will be.

#### HRA New Build

Delays in the delivery of the new build programme impact negatively upon rental income. If any individual development scheme does not proceed, the initial outlay needs to be treated as revenue expenditure, but without the anticipated payback that the capital investment would have resulted in. Until schemes are approved, in contract, and have appropriate planning permission, there are still uncertainties over final costs and dwelling numbers, which could impact the HRA in terms of anticipated rental streams. Delays on site are still being experienced as a result of labour and materials shortages.

#### Welfare Reforms

The ongoing impact for the authority of the full local rollout of Universal Credit is still uncertain, but with expectations that we may see a significant increase in arrears levels.

## **Housing Revenue Account – Revenue Uncertainties**

### **Housing White Paper and Repairs Legislation**

The Social Housing Charter is anticipated to result in law being passed within the next 12 months, with the introduction of an inspection regime. The need for a review of legislation surrounding the decency and maintenance standards of social housing stock was identified as part of the charter, and we await the details of additional works that may be required.

### **National Rent Policy**

The national rent policy, with what was previously rent guidance, now being legislation, removes local control over the setting of rent levels. Although the rent standard states increase of up to CPI plus 1% for two further years, it is anticipated that a cap may be imposed for 2023/24 due to the unprecedented level of inflation currently. There is also no indication what will be imposed from April 2025.

## Housing Revenue Account - Capital Uncertainties

### **Sulphate Attack**

Funding of £1.1m is still incorporated into the Housing Capital Programme to tackle sulphate attack in 98 potentially affected properties. Following a risk assessment, this allows works to be carried out, if required, and only when properties become void. There is the potential for similar sulphate attacks in the structures of other council dwellings constructed at a similar time, resulting in the need for additional investment. Work is to be commissioned to revisit this issue and review the current asset management approach.

### **Disabled Facilities Grants and Private Sector Housing Grants and Loans**

DFG's are currently fully funded by the Better Care Fund, but any top up investment by the authority or funding for Private Sector Housing Grants and Loans, is dependent upon the generally available proportion of right to buy receipts in any year, with funding dependent upon a percentage of the first 10 to 17 right to buy sale receipts per annum, as assumed in the self-financing settlement. This could put at risk the desired level of investment in this area, if funding via the Better Care Fund were to reduce.

### **Right to Buy Sales and Retained Right to Buy Receipts**

Under the agreement with DLUHC, the authority is committed to invest the receipts in new homes within 5 years of the receipt period, with this funding meeting no more than 40% of the cost of a dwelling. Once Devolution Grant is exhausted, the authority will be required to identify the 70% top up funding itself or through borrowing, with this assumption currently incorporated as an alternative to Homes England grant. Receipts may need to be paid over to central government at the end of each year, if delays in the delivery of new homes mean that deadlines are breached.

### **Fire Safety Act and Works in Flatted Accommodation**

The authority is still working through the implications of changes to fire safety and building safety regulations, which impact the future investment need in flatted accommodation particularly. The cost of any works required under revised regulations will need to be met from reserves in the short-term, with a wider review of stock investment budgets to follow.

### **Decent Homes 2**

Following publication of the Social Housing White Paper at the end of 2021, the authority still awaits details of the outcome of the review of the Decent Homes Standard, with future investment needs expected to alter as a result.

### **Energy Improvement Works**

The authority commissioned work to explore the potential costs to retrofit existing homes to improve energy efficiency. The need to evidence that these costs are robust is being addressed by carrying out pilot programmes locally and the authority is exploring funding mechanisms to support this investment. The ability to deliver this level of investment without financial support is limited.

### **HRA Commercial Property**

Stock condition surveys and investment profiles are still required in respect of the HRA's commercial property portfolio, to ensure that sufficient resource is identified in the Housing Capital Plan to maintain the properties in a lettable condition.

# Housing Revenue Account Appendix L

## Rent Setting Policy

### 1 Introduction

The purpose of this policy is to explain how Cambridge City Council will set rent levels for its properties.

### 2 Policy Statement

Cambridge City Council's Rent Setting Policy focuses on the following statements of principle:

The Council will set rents following consideration of the Regulator of Social Housing's 'Rent Standard', in the context of both local housing demand and Cambridge's pressured housing market.

Rents are set at a level that ensures that the Council can meet its landlord obligations to tenants and maintain stock to a minimum of the Decent Homes Standard, considering sustainability whilst also delivering a financially viable Housing Revenue Account over the longer term, facilitating investment in the delivery of new homes.

### 3 Policy Objectives

The objectives of the rent setting policy are:

- To consider, and respond locally, to Government guidance and Regulator of Social Housing requirements on setting rents for social housing
- To identify how Cambridge City Council will set rents for general, sheltered and supported housing properties, both social rented and affordable rented
- To identify how Cambridge City Council will set rents for shared ownership properties
- To identify how Cambridge City Council will set rents for new build properties
- To identify how Cambridge City Council will set rents for garages and parking spaces

- To identify the process for providing statutory notice to tenants of proposed changes in rent levels

## **4 Background**

Rent restructuring was introduced with effect from April 2002, with the aim of introducing consistency in the calculation of social rent across local authorities and other Registered Providers (RP's), ensuring that social rents were more affordable, fairer and less confusing for all tenants.

The Government rent restructuring policy requires rents to be set based upon a formula driven by a combination of relative county earnings and relative property values, weighted for the number of bedrooms that a property has.

Alternatively, registered providers can deliver affordable rented homes, with rents set at up to 80% of market rent, but with the need to 'pay due regard' to the Local Housing Allowance.

The Government 'Policy statement on rents for social housing' document and the Regulator of Social Housing's 'Rent Standard' set out the approach to calculating both social and affordable rent.

The Greater Cambridge Housing Strategy and associated Affordable Rents Policy set out local expectations for setting rents for social housing.

## **5 Detailed Implementation**

### **Social Rent**

In line with the rent restructuring policy, Cambridge City Council calculates a 'target' rent for all existing, and any new socially rented properties, based on the Government's 'target' rent formula as set out below:

- 70% based on the average county-level manual earnings compared with the national average manual earnings;
- 30% based on the January 1999 property valuation of an individual property, compared with the national average value of a social housing property;



- An additional 'weighting' based on the number bedrooms in the property.
- A weekly rent cap based upon the number of bedrooms in the property.

Historic low rents will be moved to target rent restructured rents only when a property becomes void unless the Regulator of Social Housing introduces further flexibility in the rent standard.

Consideration will be given to properties set at affordable rent levels that remain unlet for an extensive period of time to be reduced to social rents where any funding conditions allow this.

### **Affordable Rent**

Government guidelines requires Cambridge City Council to consider rent levels of up to a maximum of 80% of market rent (inclusive of service charges) for any new affordable rented properties.

The Greater Cambridge Housing Strategy and associated Affordable Rents Policy requires affordable rents, inclusive of eligible property related service charges, in Cambridge to be set at 60% of market rent or the prevailing Local Housing Allowance rate, whichever is the lower.

Exceptions to this exist in specific circumstances, ie; where the up-front investment in the dwelling is higher due to sustainable build standards, but where for the tenant 'the overall affordability of the home, in terms of issues such as fuel costs and repair & maintenance of heating systems will be sufficiently reduced so that it is cost neutral to tenants.

The Council will comply with the Greater Cambridge Housing Strategy Affordable Rent Setting Policy in respect of the delivery of policy compliant housing (ie; 25% affordable housing on sites of 11 to 14 units and 40% affordable housing on sites of 15 units or more) when setting rents in the Housing Revenue Account stock, unless such an exception can clearly be demonstrated.

## **6 Annual Rent Review and Re-Let**

In line with the Council's tenancy conditions, tenants / residents will be given 4 weeks written notice of any change in rent, which will usually be effective from the annual date for rent changes, currently being the first Monday in April of each calendar year.

Annual rent increases (or decreases) will comprise, in line with the Rent Standard, an adjustment to reflect the change in prices between one year and the next, with up to inflation plus 1.0%

applied across all properties (based on the consumer price index (CPI) inflation rate for the preceding September). This is applicable from April 2020, for at least 5 years, unless otherwise directed by government or the Regulator of Social Housing.

Where the rent charged for a property is below the target rent for the dwelling, no additional increase will be applied to move towards rent convergence whilst the property is occupied by the existing tenant unless national guidelines allow this.

Rent will be due on each Monday during the rent year, raised on rent accounts across 52 or 53 weeks depending upon the number of Mondays in the rent year.

Where homes are re-let during the year, social rented homes will routinely be re-let at target rent restructured rent plus service charges. Affordable rented homes are required to be re-let at no more than 80% of market rent (60% to ensure continued compliance with the local rent setting policy), with the need to demonstrate this either through separate 'red book' valuation or by using a desktop review of market rent levels where sufficient market comparables are held by the authority.

## **7 General Needs, Sheltered and Supported Housing**

Cambridge City Council does not currently apply the 5% flexibility in formula rents (10% for sheltered / supported housing), but will review this practice on an annual basis, with any change proposed only after full consideration of the impact on rent levels.

Rents in respect of all void properties will be set at target rent levels before the property is re-let. This will not apply in the case of mutual exchanges, where there is no formal void period and therefore rents will remain as they do in respect of existing tenants.

## **8 Shared Ownership Housing**

Rents for shared ownership properties will be amended in line with the requirements of each lease.

## **Social Rented Shared Ownership**

For social rented shared ownership properties, target rents will be discounted by 20%, in line with the terms of the shared ownership lease, to reflect the tenant's liability for repairs to the property.

Rents will be increased (or decreased) in line with the Rent Standard as far as possible within the terms of the lease, with a maximum increase of inflation (CPI at the preceding September) plus 1.0% for a minimum of 5 years from April 2020, unless otherwise directed by government or the Regulator of Social Housing.

In the event that the authority re-acquires the whole shared ownership dwelling, rents in respect of void properties will be set at target rent levels before the property is re-sold or let as rented accommodation.

## **Affordable Rent Shared Ownership**

Shared ownership properties built since 2012 have been sold using a Homes England Shared Ownership Model Lease, where the 20% discount for the repair liability does not apply.

The initial rent charge will not exceed 3% of the capital value of the unsold equity, with providers encouraged to set rents at no more than 2.75% on average. The resident will have purchased a proportion of the property, and pays rent based upon the percentage of the property still owned by the Council.

Rents will be increased (or decreased) in line with the terms of the lease, with a maximum increase of inflation (RPI for a month specified in the lease) plus 0.5%

Rents in respect of properties that change ownership will remain at the rent level of the property prior to the acquisition transaction and will still be subject to any rent review that may fall due.

In the event that the authority re-acquires the whole shared ownership dwelling, rents in respect of void properties will be set to not exceed 3% of the capital value of the unsold equity, with providers encouraged to set rents at no more than 2.75%. If converted to rented

accommodation, rents will be set at 60% of market rent or the Local Housing Allowance, whichever is lower.

Any shared ownership homes built using grant funding from the 2021-26 Homes England Grant Programme will be sold using the new Homes England Shared Ownership Model Lease, which includes, amongst other things, the repair liability falling to the lessor for the first 10 years of ownership.

## **9 New Build Affordable Housing**

In respect of new build housing, consideration will be given to rent levels in the context of the financial viability of the initial investment, with both social rents and affordable rents considered, where applicable.

Where new homes are delivered at social rents, the authority will obtain a market value for the property, discounted back to January 1999 levels, to allow the calculation of a social rent using the rent restructuring formula. The rent restructured target rent will be applied, with any service charges then added to this. The 5% flexibility may be applied if considered appropriate, and if approved for the scheme in question.

Where homes are delivered at affordable rents, with funding through either Homes England Grant or Retained Right to Buy Receipts currently making this possible, a market rental valuation will be sought. Rents will then be set at 60% of market rent, or the prevailing Local Housing Allowance level if this is lower, for planning policy compliant housing delivery. Rents can be set at 80% of market rent if units are being delivered above the planning requirement. This rent is inclusive of eligible service charges.

This policy allows for planning compliant new build homes to be routinely delivered with rents at up to 60% of market rent levels, but recognises that there may be exceptions, dependent upon scheme cost, sustainability levels of the build and scheme viability, where there may be a case to set rents higher, and at up to 80% of market rent inclusive of service charge. Any exceptions will be clearly articulated throughout the scheme approval process.

## **10 Garages and Parking Spaces**

Rent levels for garages and parking spaces will be in line with each year's Garage Charging Structure which will be reviewed annually as part of the budget process and set according to demand.

A variable charging structure will apply, with higher rents payable for garages or parking spaces located within a high demand or high value area. Any new garages or parking spaces will be assessed by the Strategic Director who has delegated authority to designate a standard or high demand / value area.

An additional premium for non-city residents / commuters and business / commercial lets may be added in line with the charging structure approved.

VAT will be applied to all private garages, ie; garages or parking spaces let to those who are either not housing tenants of Cambridge City Council or are tenants where the garage is being used for storage under a previous charging structure.

## **11 Monitoring**

The setting of all rents will be monitored and reviewed annually by Housing Scrutiny Committee, with decisions in respect of rent setting being made by the Executive Councillor for Housing.

## **12 Review of the Rent Setting Policy**

The Rent Setting Policy will be reviewed by officers every 3 to 5 years, or as otherwise required to allow for changes to national or other local policy, with any changes being presented to Housing Scrutiny Committee for debate, and then approval by the Executive Councillor for Housing.

Policy Date    September 2022

Review Date    January 2025

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## CAMBRIDGE CITY MINIMUM ENERGY EFFICIENCY STANDARDS ENFORCEMENT & FEE POLICY

**To:**

Councillor Gerri Bird Executive Councillor for Housing

Housing Scrutiny Committee

22<sup>nd</sup> September 2022

**Report by:**

Claire Adelizzi, Team Manager – Residential

Tel: 01223 457724 Email: [claire.adelizzi@cambridge.gov.uk](mailto:claire.adelizzi@cambridge.gov.uk)

**Wards affected:**

All

Not a Key Decision

### 1. Executive Summary

- 1.1 The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (“the Regulations”) are designed to tackle the least energy-efficient properties in England and Wales, those rated F or G on their Energy Performance Certificate (EPC).
- 1.2 The Regulations establish a minimum acceptable energy efficiency standard for domestic privately rented properties. This is applicable to all relevant tenancies (assured, regulated or domestic agricultural) as of 1st April 2020.
- 1.3 F and G rated properties are the most energy inefficient housing. They impose unnecessary energy costs on tenants and the wider community and can lead to poor health outcomes with resulting resource pressure on health services. These properties also contribute to unavoidable greenhouse gas emissions.

- 1.4 The above has created a need for an encompassing policy setting out how the Council will carry out its statutory responsibilities for ensuring minimum energy efficiency standards in the private rented sector including enforcement of the regulations and fee setting in relation to financial penalties.

## **2. Recommendations**

The Executive Councillor is recommended to:

- 2.1 Approve the adoption of the proposed Cambridge City Minimum Energy Efficiency Standards Enforcement & Fee Policy as attached in Appendix B of this report.

## **3. Background**

- 3.1 The Council has a statutory duty to ensure that applicable private rented properties meet with the requirements of the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (“the Regulations”).
- 3.2 The regulations prohibit the letting of sub-standard properties. Since April 2018 landlords have not been able to grant tenancies to new or existing tenants if their property has an EPC rating of F or G.
- 3.3 From 1st April 2020, landlords must not continue to let a relevant property which has an EPC rating of F or G unless that property has a valid exemption registered on the government’s PRS Exemptions Register.
- 3.4 Where a property is sub-standard, landlords must make energy efficiency improvements which raise the EPC rating to a minimum E.
- 3.5 Where a landlord / property manager responsible for a relevant private rental property that is not meeting with the minimum energy efficiency standard regulations continues to let it, the council can take action to enforce compliance via issue of compliance notices and ultimately financial and / or publication penalties.
- 3.6 The unprecedented events of the COVID19 pandemic as well as recruitment of additional permanent resource into the Residential Team, Environmental Services led to an unavoidable delay to the Council



progressing it's work in relation to these regulations and the extension to their scope from 2020.

- 3.7 In-line with the gradual re-opening of the Country following the pandemic and successful recruitment of 1 additional FTE enforcement officer into the team at the beginning of April 2022 the Council has been able to commence proactive work to address minimum energy efficiency standards associated with private rented sector accommodation in the city. A summary of the work completed, and outcomes secured within quarter one of 2022/23 are detailed within Appendix A of this report. This ongoing work includes the Council working to ensure that entries made to the national Exemptions Register relating to domestic dwellings within the city are thoroughly reviewed and challenged where appropriate / necessary.
- 3.8 In respect of furthering this work the council is therefore proposing the introduction of a Minimum Energy Efficiency Standards Enforcement & Fee Policy.
- 3.9 The policy document forms Appendix B to this report and covers the following within its scope:
- 3.10 **Scope of the Policy & Enforcement** – Local Authorities are responsible for enforcing against non-compliance with minimum energy efficiency standards in accordance with regulations 34 and 35 of the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.
- 3.11 The purpose of this policy is to set out how the authority will enforce these regulations.
- 3.12 In the first instance, in line with the Corporate Enforcement Policy, the Council will engage informally with landlords who rent properties with F and G EPC ratings to advise them of the regulations and that their rented properties do not meet the Minimum Energy Efficiency Standards. The Council will offer advice on how the standards can be met and how to register an exemption, if appropriate.
- 3.13 Landlords / property managers will be given an appropriate amount of time to make the necessary changes following which formal enforcement action may be taken if they fail to do so.

- 3.14 The Council may issue a Compliance Notice where it believes that a landlord / property manager may be in breach of the prohibition on letting a sub-standard property or a landlord has been in breach of the prohibition at any time in the past twelve months. A Compliance Notice requires information from that landlord to help the council inform their decision whether that landlord has in fact breached the prohibition.
- 3.15 Where the Council is satisfied that a property has been let in breach of the regulations it may serve a penalty notice on the landlord imposing a financial penalty.
- 3.16 The Council may also publish details of the breach on the PRS Exemptions Register, known as a Publication Penalty.
- 3.17 The responsible person may ask for the penalty notice to be reviewed by the Council in the first instance and if the penalty is upheld on review the landlord may appeal to the First-tier Tribunal (Property Chamber).
- 3.18 **Calculating financial penalties** – Where the Council decides to impose a financial penalty, they have discretion to decide the amount of penalty up to maximum limits set by the regulations, detailed as follows:
- a) Where a landlord has let a sub-standard property in breach of the regulations for a period of less than 3 months, the Local Authority may impose a financial penalty of up to £2,000 and may impose a publication penalty.
  - b) Where a landlord has let a sub-standard property in breach of the regulations for a period of more than 3 months, the Local Authority may impose a financial penalty of up to £4,000 and may impose a publication penalty.
  - c) Where a landlord has registered false or misleading information on the PRS Exemptions Register, the Local Authority may impose a financial penalty of up to £1,000 and may impose a publication penalty.
  - d) Where the landlord has failed to comply with a Compliance Notice, the Local Authority may impose a financial penalty of up to £2,000 and may impose a publication penalty.
- 3.19 Publication penalty means publication on the private rented sector, (PRS), Exemptions Register for a period of at least 12 months in line with the information that can be included as detailed in the regulations further details of which can be found on page 5 of the policy document attached as Appendix B to this report.

- 3.20 When determining a financial penalty, the authority will use a fee matrix as a guide to determine appropriate and proportionate penalty (amounts as a percentage of the maximum fine limits). A copy of this fee matrix is contained within Appendix 3 of the policy document, which is attached as Appendix B to this report.
- 3.21 **Recovery of financial penalties** – If a landlord does not pay a financial penalty imposed on them, the Council may ultimately take the landlord to court to recover the money. In proceedings for the recovery of a financial penalty, a certificate signed by or on behalf of the person with responsibility for the financial affairs of the Council, stating that payment of the financial penalty was not received by a given date will be used as evidence of the landlord’s non-compliance with the penalty notice.

## **4. Implications**

### **a) Financial Implications**

Administration of this legislation and the associated requirements will be delivered through existing resources within the Residential Team, part of the Council’s Environmental Services Environmental Health Department. The ability to recover the Councils cost in administration of providing this element of the service will contribute to the overall cost of providing this service.

### **b) Staffing Implications**

There are currently 9.6 FTE enforcement officers within the Residential Team, whose job role includes enforcement of private sector housing. 1 FTE Technical Officer from the team is currently concentrating on a proactive, targeted project, coordinating picking up on suspected F&G rated rental properties within the city ensuring that these meet with the minimum energy efficiency standards moving forward and that proportionate enforcement action is taken where necessary against non- compliant landlords and property managers.

### **c) Equality and Poverty Implications**

An Equality Impact Assessment has been completed and accompanies this report.

### **d) Net Zero Carbon, Climate Change and Environmental Implications**

The Councils Climate Change Rating Tool has been used in respect of the implementation of the recommendations in this report and has indicated a Net Medium Positive Rating, particularly in respect of proactive enforcement of MEES regulations owing to the following explanation:

While MEES does not lead to in depth energy efficiency improvements, it does enforce minimum standards across the private rented sector which is the lowest performing tenure in terms of energy efficiency. The scale of properties included in this means we estimate a medium positive outcome due to the energy conservation outcomes, and general positive impact on tenants and their living conditions. A high positive outcome is not considered due to unlikely uptake of renewable energy as a result.

#### **e) Procurement Implications**

None.

#### **f) Community Safety Implications**

None.

### **5. Consultation and communication considerations**

There is no requirement for any consultation in relation to this policy. Relevant parties are made aware of this including the associated fee charging structure and the Policy will be made publicly available on the Council's website.

### **6. Background papers**

Background papers used in the preparation of this report:

- [The Energy Efficiency \(Private Rented Property\) \(England and Wales\) Regulations 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk)
- <https://www.gov.uk/guidance/domestic-private-rented-property-minimum-energy-efficiency-standard-landlord-guidance>
- [https://www.google.com/url?client=internal-element-cse&cx=008681352069635214702:0koo6ayghrc&q=https://www.cambridge.gov.uk/media/3837/corporate-enforcement-policy.pdf&sa=U&ved=2ahUKEwipzrrTjdD5AhVNS0EAHQ7xDZEQFnoEAcQAQ&usg=AOvVaw0bGPdWKXT\\_xYVoaExkY2mS](https://www.google.com/url?client=internal-element-cse&cx=008681352069635214702:0koo6ayghrc&q=https://www.cambridge.gov.uk/media/3837/corporate-enforcement-policy.pdf&sa=U&ved=2ahUKEwipzrrTjdD5AhVNS0EAHQ7xDZEQFnoEAcQAQ&usg=AOvVaw0bGPdWKXT_xYVoaExkY2mS)

## **7. Appendices**

Appendix A - Quarter one 2022/23 Summary Report  
Cambridge City Proactive work activities relating to energy efficiency  
standards of private rented sector property

Appendix B - Cambridge City Minimum Energy Efficiency Standards  
Enforcement & Fee Policy

Appendix C – Equalities Impact Assessment

## **8. Inspection of papers**

To inspect the background papers or if you have a query on the report please  
contact Claire Adelizzi, Team Manager – Residential, tel: 01223 457724,  
email: [Claire.adelizzi@cambridge.gov.uk](mailto:Claire.adelizzi@cambridge.gov.uk).

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## Appendix A - Quarter one 2022/23 Summary Report

### Cambridge City Proactive work activities relating to energy efficiency standards of private rented sector property

The first quarter began with reviewing relevant energy performance data first collated between 2019 and 2021.

This review determined that of the 483 domestic properties originally identified, **277** were found to still be potentially in breach of the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015, (MEES regulations).

These were then split down into specific groups:

- Those that can reach an EPC rating of E and above
- Those that cannot reach an EPC rating of E and above
- Those that have expired EPC's

Proactive work then began on contacting the first batch of relevant persons associated with those properties that the Council believes are currently F or G rated but can achieve an EPC rating of E or above.

The first batch of proactive contact has been very successful. Of the 48 first contact letters sent out **36** responded and informed the Council that either the energy performance of the property in question had been improved in recent months or that works were currently being carried out to bring the property in line with the regulations. Ongoing review of these properties is being pursued on a case-by-case basis as necessary with relevant evidence being requested to ensure certainty of responses.

Of the remaining 12 who did not respond to the first contact letter, **9** responded once a second letter was sent to indicate works had been or were in the process of being completed, these are therefore also now subject to the same ongoing review on a case-by-case basis as necessary and as detailed above.

The 3 remaining properties within this initial batch have been subject to further direct investigation including door knocks to determine if they are still being rented out, and if so determine the current occupancy arrangements which has revealed that the best course of action in relation to 1 of these addresses would be to move to enforcement in respect of issue of a compliance notice.

Alongside this, work is also being carried out to monitor, check, and approve any exemptions that have been applied for through the private sector housing exemptions register.

There are currently 11 properties within the city that have exemptions registered in relation to. Each of these has been individually reviewed and contact made with landlords / property managers where necessary to ensure valid exemptions are accurately recorded and invalid exemptions are removed, and necessary alternative action is taken to secure compliance with the regulations.

3 of these reviewed exemption applications have now been fully approved. All others have been contacted and are being progressed on a case-by-case basis, 4 are awaiting final paperwork to come through to the Council prior to approval and the remaining 4 are currently being advised by the dedicated officer within the Councils Residential Team to ensure the exemption applications relating to them are fully complete prior to them also then being subject to thorough pre-approval review.

**END**





# **Cambridge City Minimum Energy Efficiency Standards**

## **Enforcement & Fee Policy**

September 2022

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4.0 Calculating the Financial Penalty

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5.0 Recovery of financial penalties

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Appendix 1 Relevant Exemptions

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Appendix 2 Summary of Penalties

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Appendix 3 Financial Penalty fee matrix

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## 1.0 Introduction

The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (“the Regulations”) are designed to tackle the least energy-efficient properties in England and Wales, those rated F or G on their Energy Performance Certificate (EPC).

The Regulations establish a minimum standard for domestic privately rented properties, applicable to all relevant tenancies (assured, regulated or domestic agricultural) as of 1st April 2020.

F and G rated properties are the most energy inefficient housing. They impose unnecessary energy costs on tenants and the wider community and can lead to poor health outcomes with resulting resource pressure on health services. These properties also contribute to unavoidable greenhouse gas emissions.

The regulations are designed to ensure tenants have thermally efficient homes, thus reducing fuel poverty and improving health outcomes.

The private rented sector (PRS) has a disproportionate share of the UK’s least energy-efficient properties and fuel poor households with over a third of all fuel poor households living in the PRS.<sup>1</sup>

The regulations prohibit the letting of sub-standard properties. Since April 2018 landlords have not been able to grant tenancies to new or existing tenants if their property has an EPC rating of F or G.

From 1st April 2020, landlords must not continue to let a relevant property which has an EPC rating of F or G unless that property has a valid exemption registered on the government’s PRS Exemptions Register.

Where a property is sub-standard, landlords must make energy efficiency improvements which raise the EPC rating to a minimum E.

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1

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/882957/Domestic\\_Private\\_Rented\\_Property\\_Minimum\\_Standard\\_-\\_Landlord\\_Guidance\\_2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/882957/Domestic_Private_Rented_Property_Minimum_Standard_-_Landlord_Guidance_2020.pdf)

## 2.0 Government Guidance

The department for Business, Energy, and Industrial Strategy (BEIS) originally produced guidance on these regulations in 2017 and were most recently updated in May 2020:

<https://www.gov.uk/guidance/domestic-private-rented-property-minimum-energy-efficiency-standard-landlord-guidance>

Regard has been had to this guidance when preparing this policy and associated financial penalty fee matrix.

## 3.0 Scope of the Policy & Enforcement

Local Authorities are responsible for enforcing against non-compliance with the Minimum Energy Efficiency Standards; in accordance with regulations 34 and 35 of the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.

The purpose of this policy is to set out how the authority will enforce these regulations.

In the first instance, in line with the [Corporate Enforcement Policy](#), the Council will engage informally with landlords who rent properties with F and G EPC ratings to advise them of the regulations and that their rented properties do not meet the Minimum Energy Efficiency Standards and therefore should not be rented out. However, the Council will offer advice on how the standards can be met and how to register an exemption, on the national PRS Exemptions Register if appropriate. Details of relevant exemptions are contained within **Appendix 1** of this Policy.

Landlords will be given an appropriate amount of time to make the necessary changes following which formal enforcement action may be taken if they fail to do so.

The Council may issue a compliance notice under regulation 37 of the regulations where it believes that a landlord may be letting a sub-standard property. A Compliance Notice requires information from that landlord to help to inform the council's decision of whether that landlord has in fact breached the regulations.

Where the Council is satisfied that a landlord is in breach of the regulations it may then serve a Penalty Notice on them imposing a financial penalty.

The Council may also publish details of the breach(s) on the PRS Exemptions Register, also known as a Publication Penalty.

Consideration to issue a penalty notice and/or a publication penalty should be given if an authorised officer determines that satisfactory action has not been taken and there is a breach of the MEES regulations in respect of:

- Regulation 23 – A sub-standard domestic privately rented property has been let.
- Regulation 37(4)(a) – Failure to comply with a compliance notice.
- Where the landlord has registered false or misleading information on the PRS Exemptions Register.

Further details regarding circumstances for which the issue of penalty notices will be considered are contained within **Appendix 2** of this policy.

A penalty notice may include a financial penalty, a publication penalty or both.

A minimum period of one month will be given for compliance with the notice.

Where a financial penalty is imposed, the relevant person on whom the notice is issued will be advised of the following within the notice - date by which payment must be made, the name and address of the person to whom it must be paid and the method of payment (the date must be at least a month after the penalty notice is issued).

Publication penalty means publication on the PRS Exemptions Register for a period of at least 12 months. As stated in the regulations the following information can be included:

- where the relevant person is not an individual, their name,
- details of the breach of the Regulations in respect of which the penalty notice has been issued,
- the address of the property in relation to which the breach has occurred, and
- the amount of any financial penalty imposed.

The relevant person on whom the notice is issued may ask for the Penalty Notice to be reviewed by the Council in the first instance. On review the council may:

(a) waive a penalty,

(b) allow additional time to pay any financial penalty,

(c) substitute a lower financial penalty where one has already been imposed, or

(d) modify the application of a publication penalty.

If the penalty is upheld on review the landlord may appeal to the First-tier Tribunal (Property Chamber) on specific grounds as detailed in regulation 43, 'Appeals'.

#### **4.0 Calculating the financial penalty**

When determining a financial penalty, the council will use a fee matrix as a guide to determine appropriate and proportionate penalty (amounts as a percentage of the maximum). This fee matrix is contained within Appendix 3 of this policy.

#### **5.0 Recovery of financial penalties**

If a landlord does not pay a financial penalty imposed on them, the Council may ultimately take the landlord to court to recover the money.

In proceedings for the recovery of a financial penalty, a certificate signed by or on behalf of the person with responsibility for the financial affairs of the Council, stating that payment of the financial penalty was not received by a given date will be used as evidence of the landlord's non-compliance with the penalty notice.

## Appendix One – Exemptions

### ‘high cost’

and have download 3 quotations demonstrating this, this exemption should only be used where there are no improvements which can be made for £3,500 or less. Further information can be found through the guidance.

### “7 Year Payback”

if a landlord can show that the cost of purchasing and installing a recommended improvement or improvements does not meet a simple 7-year payback test. Further information can be found through the guidance.

‘All Improvements Made’ The requirement to meet the minimum level of energy efficiency (EPC E) does not apply where a landlord has made all the ‘relevant energy efficiency improvements’ that can be made

### ‘Wall Insulation’ Exemption

The Regulations acknowledge that certain wall insulation systems may not be suitable in certain situations, even where they have been recommended for a property, and where they meet the funding requirements (funding requirements are different for domestic and non-domestic properties – please see the relevant guidance documents for more information).

### ‘Consent’ Exemption

Depending on circumstances, certain energy efficiency improvements may legally require third party consent before they can be installed in a property. Such improvements may include (but are not limited to) external wall insulation or solar panels which can require local authority planning consent, consent from mortgage lenders, or other third parties. Consent from a superior landlord may be required where the landlord is them self a tenant. Consent may also be required from the current tenant of the property or other tenants depending on the provisions of the tenancy or tenancies.

### ‘Devaluation’ Exemption

An exemption from meeting the minimum standard will apply where the landlord has obtained a report from an independent surveyor who is on the Royal Institution of Chartered Surveyors (RICS) register of valuers advising that the installation of specific energy efficiency measures would reduce the market value of the property, or the building it forms part of, by more than five per cent.

### 'New Landlord' Exemption

The Regulations acknowledge that there are some, limited circumstances where a person may have become a landlord suddenly and as such it would be inappropriate or unreasonable for them to be required to comply with the Regulations immediately. If a person becomes a landlord in any of the circumstances set out below, a temporary exemption from the prohibition on letting a sub-standard property, or on continuing to let a sub-standard property, will apply. The exemption will last for 6 months from the date they become the landlord.

## Appendix 2 – Penalties

### Financial penalties (Regulation 40)

Where the Local Authority decides to impose a financial penalty, they have the discretion to decide on the amount of the penalty, up to maximum limits set by the Regulations. The maximum penalties to reflect differing breaches of the regulations are as follows:

(a) Where the landlord has let a sub-standard property in breach of the regulations for a period of less than 3 months, the Local Authority may impose a financial penalty of up to £2,000 and may impose the publication penalty.

(b) Where the landlord has let a sub-standard property in breach of the regulations for 3 months or more, the Local Authority may impose a financial penalty of up to £4,000 and may impose the publication penalty.

(c) Where the landlord has registered false or misleading information on the PRS Exemptions Register, the Local Authority may impose a financial penalty of up to £1,000 and may impose the publication penalty.

(d) Where the landlord has failed to comply with compliance notice, the Local Authority may impose a financial penalty of up to £2,000 and may impose the publication penalty.

## Appendix 3 – Cambridge City Financial Penalty Fee Matrix

Where the Council decides to impose a financial penalty, they have discretion to decide the amount of penalty up to maximum limits set by the regulations, detailed as follows:

a) Where a landlord has let a sub-standard property in breach of the regulations for a period of less than 3 months, the Local Authority may impose a financial penalty of up to £2,000 and may impose a publication penalty.



b) Where a landlord has let a sub-standard property in breach of the regulations for a period of more than 3 months, the Local Authority may impose a financial penalty of up to £4,000 and may impose a publication penalty.

c) Where a landlord has registered false or misleading information on the PRS Exemptions Register, the Local Authority may impose a financial penalty of up to £1,000 and may impose a publication penalty.

d) Where the landlord has failed to comply with a Compliance Notice, the Local Authority may impose a financial penalty of up to £2,000 and may impose a publication penalty.

Publication penalty means publication on the private rented sector, (PRS), Exemptions Register for a period of at least 12 months in line with the information that can be included as detailed on page 5 of this policy as well as within the regulations.

When determining a financial penalty, the council will use the following fee matrix as a guide to determine appropriate and proportionate penalty (amounts as a percentage of the maximum fine levels):

	<b>Low Culpability</b>	<b>High Culpability</b>
<b>Low Harm</b>	25%	50%
<b>High Harm</b>	50%	100%

The following factors that can affect culpability will be considered:

<b>High</b>	<ul style="list-style-type: none"> <li>a) Landlord has a previous history of non-compliance of these regulations.</li> <li>b) Landlord has knowingly or recklessly provided incorrect information in relation to these regulations.</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>a) It is a first offence by the landlord under these regulations.</li> <li>b) Issues partially out of the control of the landlord has led to non-compliance.</li> </ul>

The following factors that can affect harm will be considered:

<b>High</b>	<ul style="list-style-type: none"> <li>a) EPC rating of G for the property.</li> <li>b) Vulnerable tenants occupying the property*</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>a) EPC rating of F for the property.</li> </ul>

	b) No vulnerable tenants occupying the property
--	---

\*Pregnant, over 70, health conditions exacerbated by the cold, children under 5, low-income household.

The tables below show the financial penalty amounts for each type of offence:

a) Breach of less than 3 months (Max penalty £2,000)

	Low Culpability	High Culpability
Low Harm	£ 500	£1,000
High Harm	£1,000	£2,000

b) Breach of more than 3 months (Max penalty £4,000)

	Low Culpability	High Culpability
Low Harm	£1,000	£2,000
High Harm	£2,000	£4,000

c) Providing false or misleading information (Max penalty £1,000)

	Low Culpability	High Culpability
Low Harm	£250	£ 500
High Harm	£500	£1,000

d) Failure to comply with a Compliance Notice (Max penalty £2,000)

	Low Culpability	High Culpability
Low Harm	£ 500	£1,000
High Harm	£1,000	£2,000

**Please Note** - If two or more penalty notices apply the combined maximum per property, per breach is £5,000.

The Council will consider any representations made by the landlord in a request to review the financial penalty applied. Officers will have regard to these factors and may adjust the penalty to increase up to the maximum of £5,000 or to reduce the penalty as appropriate.

## Cambridge City Council Equality Impact Assessment (EqIA)

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](mailto:equalities@cambridge.gov.uk) or phone 01223 457046.

Once you have drafted the EqIA please send this to [equalities@cambridge.gov.uk](mailto:equalities@cambridge.gov.uk) for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, ([graham.saint@cambridge.gov.uk](mailto:graham.saint@cambridge.gov.uk) or 01223 457044).

<b>1. Title of strategy, policy, plan, project, contract or major change to your service</b>
<b>CAMBRIDGE CITY MINIMUM ENERGY EFFICIENCY STANDARDS (MEES) ENFORCEMENT &amp; FEE POLICY</b>

<b>2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)</b>
Click here to enter text.

<b>3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?</b>
The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (“the Regulations”) are designed to tackle the least energy-efficient properties in England and Wales, those rated F or G on their Energy Performance Certificate (EPC).

The Regulations establish a minimum acceptable energy efficiency standard for domestic privately rented properties. This is applicable to all relevant tenancies (assured, regulated or domestic agricultural) as of 1st April 2020.

F and G rated properties are the most energy inefficient housing. They impose unnecessary energy costs on tenants and the wider community and can lead to poor health outcomes with resulting resource pressure on health services. These properties also contribute to unavoidable greenhouse gas emissions.

The above has created a need for an encompassing policy setting out how the Council will carry out its statutory responsibilities for ensuring minimum energy efficiency standards in the private rented sector including enforcement of the regulations and fee setting in relation to financial penalties.

#### 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 all that apply)

- Residents
- Visitors
- Staff

Tenants who occupy private rented domestic properties as their home within the City.  
Landlords and property managers of private rented domestic properties within the City.

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

- 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)

- Yes
- No

N/A

[Click here to enter text.](#)

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

Non key agenda item at Housing Scrutiny Committee on 22<sup>nd</sup> September 2022.

**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?**

Reference to relevant government guidance including:

- <https://www.gov.uk/guidance/domestic-private-rented-property-minimum-energy-efficiency-standard-landlord-guidance>

<https://www.gov.uk/government/publications/hhsrs-operating-guidance-housing-act-2004-guidance-about-inspections-and-assessment-of-hazards-given-under-section-9>

The Council's 'Our Vision' - [Our vision - Cambridge City Council](#)

**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 - Please also consider any safeguarding issues for children and adults at risk**

In terms of the hazard of 'excess cold' as included within the Housing Health and Safety Rating System contained within Part 1 of the Housing Act 2004 the vulnerable group said to be more susceptible to harm from this hazard are the over 65's within communities. There is deemed to be a continuous relationship between indoor temperature and vulnerability to cold related death.

Young children are also said to be more at risk from the health issues related to cold homes. For young people cold homes can reduce educational attainment.

Energy efficiency improvements can maximise income, reduce health issues, and improve conditions at home including:

- Improve health outcomes (heart attack, respiratory disease, flu, anxiety, stress) through warmer home and reduction in damp and mould issues.
- Increase in wellbeing, pride and aspirations through a warmer home, reducing social isolation, stress and anxiety.

### **(b) Disability**

There is no specific impact from this policy regarding disability.

The policy encompasses enforcement of MEES Regulations which currently ensure that private rented domestic properties meet with minimum energy ratings to ensure improved suitability standards for tenants which in turn can help prevent disability or long-term health issues.

In line with our Corporate Enforcement Policy the Council will informally assist any relevant person(s) who need to comply with MEES to do so and can offer additional support where necessary in relation to seeking compliance e.g., an appointment to meet with case officer who can support face to face / over the telephone with completion of the application. BSL interpretation/Braille translation Provision of documents in accessible / easy read formats etc.

### **(c) Gender reassignment**

There is no specific impact from this policy for people with the protected characteristic of gender reassignment.

### **(d) Marriage and civil partnership**

There is no specific impact from this policy regarding marriage and civil partnership.

### **(e) Pregnancy and maternity**

There are no specific impacts to pregnancy and maternity have been identified in relation to this policy.

**(f) Race – Note that the protected characteristic ‘race’ refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.**

There is no specific impact from this policy regarding race.

In line with our Corporate Enforcement Policy the Council will informally assist any relevant person(s) who need to comply with MEES to do so and can offer additional support where necessary in relation to seeking compliance e.g., an appointment to meet with case officer who can support face to face / over the telephone with completion of the application. BSL interpretation/Braille translation Provision of documents in accessible / easy read formats etc.

**(g) Religion or belief**

No impacts specific to religion or belief have been identified in relation to this policy.

**(h) Sex**

No impacts specific to men or women have been identified in relation to this policy.

**(i) Sexual orientation**

No impacts specific to an individual’s sexual orientation have been identified in relation to this policy.

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**
- **Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage. (Here you are being asked to consider intersectionality, and for more information see: [https://media.ed.ac.uk/media/1\\_159kt25q](https://media.ed.ac.uk/media/1_159kt25q)).**

**Low-income groups or those experiencing the impacts of poverty:**

Energy efficiency improvements can maximise income, reduce health issues, and improve conditions at home including:

- Improve health outcomes (heart attack, respiratory disease, flu, anxiety, stress) through warmer home and reduction in damp and mould issues.
- Increase in wellbeing, pride and aspirations through a warmer home, reducing social isolation, stress and anxiety.

**Groups who have more than one protected characteristic that taken together create overlapping and interdependent systems of discrimination or disadvantage:**

No impacts specific to such groups with more than one protected characteristic.

**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 EqlA accordingly.)**

Review policy annually, (there will be a review of the fee setting annually as part of the Councils wider budget setting process) / the policy will be reviewed further as necessary in between annual reviews in-line with any further legislative additions / amendments.

As part of ongoing review ensure that officers involved in enforcement of MEES within the City inc issue of financial penalties that will follow evidence gathering in relation to the circumstances of each case. If any barriers are identified that 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 MEES Enforcement & Fees Policy exacerbated it, immediately undertake a review this section of the policy.



## 12. Do you have any additional comments?

The Cambridge City Minimum Energy Efficiency Enforcement & Fees Policy aims to help the council meet our vision of Cambridge as a “great place to live” and 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.”

Tenants of private rented domestic properties within the City could be positively impacted by this policy encompassing as enforcing higher EPC energy ratings will secure warmer homes within the city. There is an increase in wellbeing, pride and aspirations through a warmer home, reducing social isolation, stress and anxiety. Improved health outcomes (heart attack, respiratory disease, flu, anxiety, stress) through warmer home and reduction in damp and mould issues.

## 13. Sign off

Name and job title of lead officer for this equality impact assessment: Claire Adelizzi, Team Manager - Residential

Names and job titles of other assessment team members and people consulted: David Kidston, Strategy and Partnerships Manager

Date of EqIA sign off: 8 September 2022

Date of next review of the equalities impact assessment: September 2023

Date to be published on Cambridge City Council website: 12 September 2022

**All EqIAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer. Ctrl + click on the button below to send this (you will need to attach the form to the email):**

[Send form](#)

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## Item

### Update on new build council housing delivery

#### To:

Councillor Gerri Bird, Executive Councillor for Housing  
Housing Scrutiny Committee 22/09/2022

#### Report by:

Claire Flowers, Head of Housing Development Agency  
Tel: 01223 - 457928 Email: [claire.flowers@cambridge.gov.uk](mailto:claire.flowers@cambridge.gov.uk)

#### Wards affected:

All

## 1.. Executive Summary

- 1.1. This report provides an update on the housing development programme.
- 1.2. 363 homes have been completed across 13 sites under the City Council programme, with 166 being net new Council homes – see 6.1. An additional 16 modular “pod” homes have been completed across 3 sites.
- 1.3. The Council currently has 422 net new Council rented homes being built on site – see 6.2.
- 1.4. Following the adoption of a varied rent policy at the June meeting of this Committee we now report the new 1,000 homes programme as delivering 272 net new homes into Council stock, with 117 of these net units being delivered at Social rent or 60% of market rent and counting toward the target of 1,000 net new homes by 2032.
- 1.5. We can now confirm additional grant funding through Homes England’s Continuous Market Engagement has been secured for the housing schemes at Colville Road Phase 3, Fen Rd, Ditton Fields, and Borrowdale. Allocation of this Grant has validated the decision to proceed with these schemes in lieu of certainty on grant allocation, taken by this Committee in June 2022.

- 1.6. Following detailed design work underway for the garage redevelopment scheme at Paget Road, an updated unit mix is now indicating a reduction in homes to be delivered at this site to 4. These are indicatively progressing as 4x 3-bedroom 5 person homes.
- 1.7. Delegated Authority to purchase a property at St Thomas Road has been approved to allow widening of the access to the site identified as a requirement for redevelopment. A revision to the approved budget is requested in line with this amendment.
- 1.8. Council officers have identified an error in the leasehold data used to apportion the budget for the Fanshawe Road redevelopment, where an incorrect mix of 1- and 2-bedroom leasehold properties was indicated. This has an impact on available budget for decanting of the estate, and it is therefore requested that the Approved budget be increased.
- 1.9. There is a concerted move toward streamlining statutory reporting which takes up significant time at Committee meetings, and reassessment of the delivery route for these regular programme updates has been identified as a means of shortening committee agendas whilst still providing key data in an appropriate format.
- 1.10. This report therefore includes a recommendation to move this general update to an online reporting platform rather than in formal committee papers. While the exact format remains to be identified, these updates will be in an accessible format and published at a similar frequency as reports currently presented to this committee.

## **2.. Recommendations**

The Executive Councillor for Housing is recommended to:

- 2.1. Note the continued progress on the delivery of the approved housing programme.
- 2.2. Note the further review of budget and housing mix required to be undertaken at St Thomas Road, with a further update to be brought to the Committee as design work progresses.

- 2.3. Approve changes to the Budgets for St Thomas Road as outlined in part 6.6, with the revised budgets to be incorporated as part of the HRA MTFs in September 2022 for the delivery of 4 net new homes.
- 2.4. Note the revised housing delivery and amended rental regime at Paget Street, revised to the development of 4x 3-bedroom homes within the approved budget.
- 2.5. Approve changes to the Budgets for Fanshawe Road as outlined in part 6.7, with the revised budgets to be incorporated as part of the HRA MTFs in September 2022 for the delivery of 4 net homes
- 2.6. Approve that the update information in this report will in future be published on the Council website, rather than in committee papers. These updates will be in an accessible format and published at a similar frequency as reports currently presented to this committee. This change is in line with best practice in the sector and will make the information more widely accessible to the public as well as to all Councillors. Members of this committee will be alerted when updates are published on the Council's website [and will be able to raise questions about them directly with officers or at committee meetings].

### **3.. Reporting**

- 3.1. This is a regular quarterly report showing progress on the City Council's new housing developments.
- 3.2. There is a concerted move toward streamlining statutory reporting which takes up significant time at Committee meetings, and reassessment of the delivery route for these regular programme updates has been identified as a means of shortening committee agendas whilst still providing key data in an appropriate format.
- 3.3. This is in line with changes across the sector, with the aim to ensure that Committees are focused on their core objective of scrutinizing decisions rather than reviewing information on approved projects.
- 3.4. We remain with the primary focus in mind that key information on approved housing schemes needs to be freely available and easily accessible to Members and the public to ensure full transparency, and to promote involvement in the programme from all parties.

- 3.5. It is therefore recommended that the update information in this report in future be published on the Council website, rather than in formal committee papers. While the exact format remains to be identified, these updates will be in an accessible format and published at a similar frequency as reports currently presented to this committee. This online reporting will include all key reporting metrics which have been reported to this committee to date.
- 3.6. This change is in line with best practice in the sector and will aid in making the information more widely and more easily accessible to the public as well as to all Councillors. Members of this committee will be alerted when updates are published on the Council's website [and will be able to raise questions about them directly with officers or at committee meetings.

#### 4.. Delivery Programme

4.1. The current delivery programme confirms

4.1.1.the 500 devolution programme consisting of 538 net affordable homes,

4.1.2.the 1,000 Homes development programme consisting of 346 homes, with breakdowns as below:

500 Homes Programme	Completed	On site	Approved	Totals
Total Homes	363	565	2	930
Replacement homes	-31	-45	0	-76
Market Sale	-166	-150	0	-316
Net new Affordable HRA homes	166	370	2	538
% of target				108%

1000 Homes Programme	Completed	On site	Approved	Totals
Total Homes	0	97	246	343
Replacement homes	0	0	71	71
Intermediate (80% of market rents)	0	45	110	155
Market Sale	0	0	0	0
Net new Affordable HRA homes	0	52	65	117
% of target				12%

Modular Homes Project	Completed	On site	Approved	Totals
Total Homes	16	0	0	16
Replacement homes	0	0	0	0
Market Sale	0	0	0	0
Net new HRA homes	16	0	0	16

- 4.2. Appendix 1 shows the current programme, indicating total housing provided per scheme as well as the net gain of Council homes. The Report to this Committee on the Mid Term Financial Statement includes all financial information for respective scheme budgets and net cost to the Council's Housing Revenue account.

## 5.. Profile of Start on Sites

- 5.1. The start on site profile for the 500-devolution programme is shown in table 1. The total starts on site currently stand at 536, i.e. 107% of the total programme target of 500 homes.
- 5.2. The new 1000 homes programme is progressing well. Following the June 2022 adoption of a revision to the Rent Setting Policy, 272 net new council homes have been approved by the Executive Councillor, with 117 of these being delivered at Social rents or at a rent set at 60% of market rent and counting to toward the 1,000 homes target.
- 5.3. A further report on a proposed redevelopment opportunity at East Barnwell is being brought forward for consideration at this Committee meeting under separate Agenda Items.

**Table 1: Start on Site Forecast Profiles**

### 500 Programme

Progress to 500 starts on site	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Starts by year	2	159	158	203	14	1	1
Cumulative total	2	161	319	522	536	537	537

### 1000 Programme

Progress to 1000 starts on site	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Starts by year	10	67	40	0	0	0	0	0
Cumulative total	10	77	117	117	117	117	117	117

## 6.. Scheme details

### 6.1. Schemes Completed:

Scheme	Ward	Net Affordable	Total affordable Homes	Sale	Delivery	Completion Date
Uphall Road	Romsey	2	2	0	E & F	Jan-18

Nuns Way & Wiles Close	Kings Hedges	10	10	0	Tender	Aug-19
Ditchburn Place Community Rooms	Petersfield	2	2	0	Tender	Sep-19
Queens Meadow	Cherry Hinton	2	2	0	CIP	Jun-20
Anstey Way	Trumpington	29	56	0	CIP	Jun-20
Colville Garages	Cherry Hinton	3	3	0	CIP	Jul-20
Gunhild Way	Queen Ediths	2	2	0	CIP	Jul-20
Wulfstan Way	Queen Ediths	3	3	0	CIP	Sep-20
Markham Close	Kings Hedges	5	5	0	CIP	Sep-20
Ventress Close	Queen Ediths	13	15	0	CIP	Feb-21
Akeman Street	Arbury	12	14	0	CIP	Jun-21
Mill Rd (Partial)	Petersfield	55	55	62	CIP	In Progress
Cromwell Road (Partial)	Romsey	28	28	104	CIP	In Progress
<b>Total</b>		166	197	363		

## 6.2. Schemes on Site:

6.2.1. Industry-wide issues affecting both cost and delivery due to labour and materials shortages remain a risk to overall delivery. These factors remain closely monitored with mitigation measures in place.

6.2.2. The latest handover schedule for 22/23 is shown in attached Appendix 1, Table 3.

Scheme Name	Social, LHA and 60% of Market rent	80% Market Rent	Market Sale	Replacement	Practical Completion	Programme status
Mill Road	63	0	56	0	Dec-22	Handover dates reforecast but remain subject to change.
Cromwell Road	90	0	73	0	Feb-23	Handover dates reforecast but remain subject to change.
Colville Phase 2	47	0	0	20	Oct-22	Scheme currently on target.
Meadows and Buchan	106	0	0	0	Aug-24	Progressing to programme currently. First handovers late 2022.
Campkin Road	50	0	0	25	Apr-23	Scheme remains as programmed
Clerk Maxwell Road	14	0	25	0	Mar-23	Timeline for March 2023 completion remains as forecast
L2 Orchard Park	30	45	0	0	Sep-23	Additional unit acquisition agreed. Scheme currently on target
The Mews, Histon Road	10	0	0	0	Jan-23	Nearing completion with handovers



						forecast to be completed by Jan-23
Fen Road - PHPP	12	0	0	0	Nov-23	Start on Site reached August 2022.
Total	422	45	154			

### 6.3. Approved schemes;

Scheme Name	Social, LHA and 60% of Market rent	80% Market Rent	Market Sale	Replacement	Start on Site	Programme status
Kendal Way	1	0	0	0	Jan-22	Planning Approval received June 2022
Tedder Way	1	0	0	0	Apr-22	Planning committee date forecast for Oct-22
Colville Road Phase 3	32	16	0	16	Sep-22	Contract signed and Planning conditions being signed off ahead of Start on Site. Site now fully decanted. Funding secured.
Ditton Fields - PHPP	6	0	0	0	Sep-22	Contract signed and Planning conditions being signed off ahead of Start on Site. Funding secured
Aragon Close - PHPP	0	7	0	0	Apr-23	Planning Committee Decision delayed, now forecast for October 2022
Sackville Close - PHPP	0	7	0	0	Apr-23	Planning Committee Decision delayed, now forecast for October 2022
Borrowdale - PHPP	3	0	0	0	Oct-22	Contract signed and Planning conditions being signed off ahead of Start on Site. Funding secured
Aylesborough Close Phase 2 - PHPP	41	29	0	33	Apr-23	Planning Committee Decision delayed, now forecast for October 2022
Paget Rd - ERDF Net Zero	2	2	0	0	Apr-23	Revised unit mix detailed in Part 6.5
St Thomas Rd - ERDF Net Zero	8	0	0	0	Jul-23	Scheme details remain under review through design process
Fanshawe Road -	44	49	0	22	Oct-23	Decanting of tenants underway. Detailed design in process with planning submission

						forecast for December 2022
Total	138	110	0	71		

## Amendments to Approved Schemes

### 6.4. St Thomas and Paget Rd garage sites

6.4.1. As reported to the June meeting of this Committee, the budget amount and overall apportionment for the two schemes at St Thomas and Paget Street has been revised in line with detailed planning work undertaken.

6.4.2. It has been confirmed that anticipated gap funding to cover the increased costs of delivering these two schemes to net zero has not been secured. This has significant cost implications which need to be considered in the below summary of amendments, made in line with ensuring that these schemes remain financially viable. Submission of bids for funding through Homes England's CME programme remains envisioned in line with the scheme by scheme bid submissions being progressed.

6.4.3. While much headway has been made, this design work has indicated further variance required to the approved budgets and details of these housing schemes as set out below:

### 6.5. Paget road

6.5.1. Detailed design at Paget Road has indicated a revised unit mix, delivering 4 houses, a reduction of 3 units against the original proposal.

6.5.2. These are however larger homes than originally anticipated and are indicatively progressing as 4x 3-bedroom 5-person homes. As at March 2022 there are 321 households on the Housing registered eligible for 3-bedroom homes, and the ability to deliver these larger houses is key in addressing this need.

6.5.3. Delivering 3-bedroom and larger homes on flatted development schemes/regeneration schemes which face significant decant and buyback costs, while maintaining financial viability, is a significant challenge to the Council. Targeting these larger homes where these

can be most favorably delivered is an important factor in the review of this scheme.

6.5.4. In line with the revised variable rental regime adopted for the programme in the June meeting of this Committee, it is revised that this scheme be delivered with 2 units at Social rents, and 2 units at 80% of market rent, rather than at a median rent of 60% of market as originally proposed.

6.5.5. It remains forecast that these homes can be delivered to net zero standard within the approved budget.

## 6.6. St Thomas Road

6.6.1. It became evident through the design process and consultation with the Highways Authority that to allow redevelopment, the existing access to this site required significant widening.

6.6.2. Council officers have been engaging with the owners of the property adjacent to the access road at 8 St Thomas Road, and following negotiations a purchase of this property by the council has been agreed through Delegated Authority.

6.6.3. While this is being purchased as a 4-bedroom home, the site redevelopment will require removal of a southern 1-bedroom extension and the incorporation of a portion of the garden into the proposed development.

6.6.4. It is not expected that this property should remain within Council stock, but that the home would be resold on the open market as a 3-bedroom home to return a capital receipt to the Council.

6.6.5. The Committee is requested at this time to approval an increase to the approved budget by £848,000 to £2,953,000 to account for this acquisition and associated costs.

6.6.6. It is additionally important to note that design work continues to ensure that unit size and housing mix most appropriate to this site will be delivered. A revision of housing delivery at this site to accommodate 11 homes was identified in the Report to this committee in June 2022 and work remains in progress to investigate whether this number of homes may be achievable against the original target of 8 homes.

6.6.7. Work additionally continues to ensure that sustainability standards to be delivered (in line with the approval of this site as a net zero pilot site) can be delivered viably. Any further revisions to this delivery scheme will be reported to this committee as work progresses.

## 6.7. Fanshawe Road

6.7.1. The decant buyback budget for leasehold properties at Fanshawe was set based on figures from E&F's Codeman system. This advised that there are 5 x 1 bed and 5 x 2 beds. The internal Orchard system does not hold information on Leasehold properties in this regard.

6.7.2. The first valuations have come back and it has become apparent that all the Leasehold properties are 2 bedroom homes. This means that there is currently a shortfall in the approved budget, with 5 indicating a differential of £120k-130k each due to this size variance.

6.7.3. It is therefore requested that the Approved budget be increased to £28,578,000.00 to account for this additional cost. This is an increase of £640,000.00 against the budget as approved by this committee in June 2022 and covers the additional associated costs of the increased property values expected.

## 7.. Update on the Modular Housing project

7.1. As at July 2021, 16 modular homes have now been completed through work conducted by the HDA and Hill Partnerships Foundation 200 programme.

7.2. Council Officers continue to work with It Takes a City to identify potentially suitable sites for further modular home delivery, utilizing their expert understanding of site requirements which will deliver success long term accommodation.

7.3. It is hoped that this workstream will be progressed and that consultation with interested parties will be undertaken across the remainder of the year, as staffing capacity allows.

## 8.. New Programme Funding

- 8.1. On the basis of the revised rental mix as adopted in June 2022, Homes England have confirmed further grant allocations for the affordable housing schemes at Colville Road Phase 3, Fen Road, Ditton Fields and Borrowdale.
- 8.2. This additional funding falls within the Grant Agreement with Homes England as signed for the 21-26 HE Affordable Homes Programme for Continuous Market Engagement.
- 8.3. Allocation of this Grant has validated the decision to proceed with these schemes in lieu of certainty on grant allocation, taken by this Committee in June 2022, and provides valuable certainty on delivery viability across the new housing programme.
- 8.4. Further submissions for grant funding will be submitted to Homes England as additional schemes receive Resolution to Grant Planning. Forthcoming bids include Aragon Close, Sackville Close, and Aylesborough Close Phase 2, with these schemes expected to proceed for planning approval consideration in October 2022.
- 8.5. A Bid for infrastructure funding has been submitted to One Public Estate to support demolition and infrastructure costs at the 100% affordable housing scheme at Aylesborough Close Phase 2.
- 8.6. A decision by OPE is expected to be made by October 2022, and this Committee will be updated on the outcomes. This funding does not exclude this scheme from eligibility for funding through Homes England's CME programme as envisaged.

## **9.. Opportunities for new housing sites**

- 9.1. A Detailed reports covering East Barnwell is being brought to this meeting of the Committee, inclusive of an update on the work being undertaken at Ekin Road.

### **9.2. Hanover and princess Court**

- 9.2.1. At the HSC in January 2022 the Executive Councillor also approved the development of a project plan for appraisal work on Hanover and Princess Courts including the development of plans for communication and engagement with residents and owners and associated parties.

- 9.2.2. The option to retain the site is being considered in terms of:

- maintain as existing;
- maintain as existing and improve / retrofit;

9.2.3. The option to redevelop the site is subject to analysis of constraints, pre-planning consultation and design development. Currently it is expected that redevelopment would replace the existing number of Affordable homes on the site with no net gain.

9.2.4. Resident engagement is being undertaken through:

- Letters to residents
- Drop-in sessions
- Direct engagement with individual residents
- On-line feedback opportunities
- Two steering group meetings
- Further consultation events

9.2.5. The drop-in sessions have been successful. Direct engagement has been very successful – there has been contact with residents of 94 of the flats. The take-up of the steering group has been low and it was agreed to follow up the very successful event in November 2021 with further events of a similar kind. There were further events in August and at the beginning of September. Survey responses were significantly reduced – in large part reflecting departures from the estate – and broadly confirmed the picture of a majority supporting redevelopment but a significant minority opposed. Feedback from Consultation is attached as Appendix 2.

9.2.6. While it was anticipated that a full report on the options appraisal be submitted for this Committee Cycle, the decision has been taken to withdraw the item, to allow for further time to receive and collate responses and to allow further detailed consideration work. This work thus remains in progress and a full report on the options appraisal and final recommendations will be brought to a future meeting of this Committee.

9.2.7. While a final outcome is awaited, a budget allocation has been earmarked within the HRA MTFs being submitted to this Committee

meeting to allow for meeting the highest possible cost implication of regeneration of this site, being the redevelopment option.

- 9.2.8. To date, 62 existing tenants have registered on Homelink and 29 of these have moved from the estate. A further 15 tenants have moves agreed in principle to either existing Council properties or to the new developments.
- 9.2.9. In terms of leaseholders, we have received instruction from 11 (8 non-resident, 3 resident) to organize a valuation of their property with a view to surrendering their leases. We have completed 3 surrenders and 8 are currently in process.

### **9.3. Garage Block – corner of East Road and St Matthews**

- 9.3.1. Following a partial collapse due to high winds in February 2022, demolition of the block of 116 individually let garages was instructed due to the building becoming unsafe. Demolition work began in March with initial works carried out to remove the eight affected garages, followed by the removal of all vehicles and stored items.
- 9.3.2. The garage block has now been demolished in its entirety and utilities disconnected. Arrangements are in place for the site to be left vacant and secured as of week 8<sup>th</sup> August.
- 9.3.3. Alongside the above, design work for the site is ongoing and it is expected that a further update and application for funding will be made at the January meeting of the HSC. Ahead of that date there will be extensive public consultation within the surrounding estate, as it is hoped that redevelopment of the garage site will form part of a wider programme of estate improvements.
- 9.4. The Council through the Cambridge Investment Partnership Joint Venture with Hill continue to investigate opportunities for purchase of external development sites.
- 9.5. A decision to approve the purchase of a land parcel for development was approved by the Strategy and Resources Committee in June 2022 and is in process.

## 10.. Delivering Accessible Housing

10.1. Cambridge City Council is committed to providing a range of housing options for residents with limited mobility. The Council adheres to the accessibility standards laid out in the Local Plan 2018. This requires 100% of new build Council homes to be M4(2) (accessible and adaptable dwellings), and 5% of new build affordable homes to be M4(3) (wheelchair user dwellings). Some of the developments attained planning on the pre-2018 local plan but the designs were changed to ensure M4(2) was adhered to and an enhanced M4(2) was also provided.

10.2. There are currently 34 fully adapted wheelchair user dwellings and 5 enhanced M4(2) adapted homes held within the HSC-approved delivery schemes as per below:

**Table 2: Wheelchair user homes**

	Total Council rented homes (at least 100% M4 (2) wheelchair adaptable)	Of which M4 (3) wheelchair user homes	Of which Enhanced (M4(2) 1 bed	Total 1 bed M4 (3)	Total 2 bed M4(3)	Total 3 bed M4(3)	Total 4 bed M4(3)
<b>500 programme</b>							
Mill Road phases 1 & 2	118	3	5	3	0		
Anstey Way	56	3		3	0		
Cromwell Road	118	6		4	2		
Colville Road Ph 2	69	4		0	4		
Campkin Road	75	4		1	3		
Meadows & Buchan	106	5		2	3		
Tedder Way	1	1					1
Kendal Way	1	1				1	
Clerk Maxwell*1	14	0					
<b>1000 programme</b>							
L2 Orchard Park*2	73						
Colville Road Phase 3	48	2			2		
Histon Road*1	10						
Fen Road - PHPP	12	2				1	1
Ditton Fields - PHPP	6						
Aragon Close - PHPP	7						
Sackville Close - PHPP	7						
Borrowdale - PHPP	3						
Aylesborough Close Phase 2 - PHPP	70	3		2	1		
Paget Rd - ERDF Net Zero	4	0					
St Thomas Rd - ERDF Net Zero	8	TBD		TBD	TBD	TBD	TBD
Fanshawe Road	93	TBD		TBD	TBD	TBD	TBD
<b>TOTAL</b>	<b>899</b>	<b>34</b>	<b>5</b>	<b>15</b>	<b>15</b>	<b>2</b>	<b>2</b>



\*1: S106 acquisition

\*2: South Cambridgeshire; 2x homes proposed originally for market sale do not conform to M4(2)

## 11.. Sustainability

11.1. The Council's 2021 Sustainable Housing Design Guide continues to guide all new schemes and the table below confirms that all schemes apart from one significantly exceed current Local Plan policy requirements. Histon Road which meets the Local Plan is an off the shelf s106 scheme not designed by the council.

11.2. Progress against the proposed standard stated in the HSC reports is very encouraging with most targets on track. At Paget Rd and St Thomas's Road developments the design team continue to investigate the feasibility of delivery to net zero.

11.3. The council now has 213 homes in development which are targeting Passivhaus or equivalent performance levels.

	Development targets									
	HSC target					Progress to date				
	Energy	Carbon	Water	Bio-diversity	Car park ratios	Energy	Carbon	Water	Bio-diversity	Car park ratios
<i>What is it?</i>	<i>Energy per m<sup>2</sup></i>	<i>Carbon Emissions below 2013 building regs</i>	<i>Litres per person per day</i>	<i>% uplift</i>	<i>No. of car bays per home</i>	<i>Energy per m<sup>2</sup></i>	<i>Carbon Emissions below 2013 building regs</i>	<i>Litres per person per day</i>	<i>% uplift</i>	<i>No. of car bays per home</i>
<b>Scheme</b>										
L2	45	35%-40%	110	0%	0.34	45	35%-40%	110	0%-10%	0.34
Colville Road Phase 3	45	35%-40%	100-110	10%	0.5	45	35%-40%	100-110	10%	0.5
Mews Histon Rd	65	19%	110	n/a	0.7	65	19%	110	n/a	0.7
Fen Road	28	35%-40%	100	10%	1	28	35%-40%	100	10%	0.9
Ditton Fields	28	35%-40%	100	10%	1	28	35%-40%	100	10%	1
Aragon Close	28	35%-40%	100	10%	1	28-35	35%-40%	100	20%	1
Sackville Close	28	35%-40%	100	10%	1	28-35	35%-40%	100	20%	1
Borrowdale	28	35%-40%	100	10%	0.66	28	35%-40%	100	10%	0.66
Aylesborough	28	35%-40%	90	20%	0.5 or less	28-35	35%-40%	90-100	20% some offsite	0.4
Paget Road (Net Zero)	15	100%	80	20%	0.5 or less	15-28	50%-100%	90	20% some offsite	0.5-0.6
St Thomas Road (Net Zero)	15	100%	80	20%	0.5 or less	15-28	50%-100%	90	20% some offsite	0.5-0.6

Fanshawe	28	35%-40%	90	20%	0.5 or less	TBD	TBD	TBD	TBD	TBD
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Current 2018 Cambridge Local Plan minimum target	65	19%	110	10%	n/a
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## 12.. Risks

Risk	Likelihood	Impact	Mitigation
Cost increases on approved projects	Medium– Risk remains of increased budget requirements due to COVID-related delays/ rescheduling or Brexit-related cost increases and now supply chain cost increases. Delays on SOS due to funding uncertainties increase potential for risk	Medium - depending on the extent of the additional cost this may be managed within scheme level contingencies approved in Budget Setting Report.	Cost plans are regularly reviewed and updated, and contracts are fixed price to the council. Latest budgets consistently reviewed as part of BSR. Regular updated risk management budgeting completed as part of risk reviews work across the Council. Supply chain and materials concerns under close monitoring. Committee approval to progress schemes ahead of firm grant certainty mitigates cost increases ahead of entering into build contracts.
Securing Planning on new schemes	Medium – Schemes are developed with planners through the pre-application process and meet or exceed the Councils policies and risk in this regard I slow. However risks of delays in obtaining Planning Committee decisions due to planning staff capacity is being encountered and as such the likelihood is now revised to Medium.	Medium- not securing planning would cause delays and increase costs for a revised application. Delays in receiving a planning decision lead to increased costs being incurred and delays in submission of Funding Bids.	Pre-app process used effectively, and schemes aim to be policy compliant. Build in of additional lead time where required to ensure schemes progressing within target schedules
Sales risk – exposing Council cash flow forecast	Low – Housing market fluctuations are beyond council control and current circumstances may exacerbate such fluctuations or delay buyer activities in the short-medium term. Market sales have however performed well with all plots at Mill Rd now sold	Medium – new homes are expensive but retain considerable inherent value and have uses other than market sale.	All homes at Mill Road are now sold. and Cromwell Road sales are progressing with reporting through CIP processes on sales. Regular updates received in the market for sales of these sites. Currently values are being achieved in line with appraisal and sales rate in line with expectations.

Risk	Likelihood	Impact	Mitigation
	and 54% of properties sold at Cromwell Rd.		
Decanting residents / leaseholders	Low – Full decant of schemes within the 500 programme has now been reached. Decant of Schemes under the 1,000 programme is on-going and if this is not achieved on time there will be impact on the costs of the project	High – regeneration schemes will not be progressed if residents are not decanted.	Decant and rehoming officer regularly liaising with residents requiring decanting to ensure successful rehoming. Decanting and liaison with tenants started early on in the development process. CPO and NOSP process outlined to be proceeded as necessary on future schemes.  Additional resource to support this has been built into the budget for Hannover and Princess Court.
Not securing necessary grant for new schemes	Medium- Grant funding now secured on 5 of the 12 schemes approved under the new 1,000 programme. Remaining grant across new programme schemes not yet secured, other than that committed by the Council. The business plan for the MTFS assumed grant.	High - if grant is not secured or at a lower level the business plan may need to be reviewed and the level of housing and tenure delivered may need to change.	Continual discussions with Homes England are providing greater security on grant funding ability. Issues in securing the level required to support the costs of developing in Cambridge are an issue, and we will continue to review assumptions in the business plan as negotiations develop. A recent report from DLUHC has additionally highlighted major risk to the governments Affordable housing programme if grant rates remain static against current inflation.
Labour market/materials/build prices increasing	Medium/High – situation is being proactively managed and is currently seen as a short-term risk, which must be managed, but may impact programme if not price	Medium/High – services or materials shortages may lead to delays in project delivery and an overall increase on programme cashflow. Contracts with the council are fixed price minimizing cost risks which lie with CIP.	Fixed price contracts and liaising working closely with Hill to ensure all materials are placed and ordered as soon as reasonably possible and stock-piled on site or using additional storage as required. Key packages are being procured as early as possible. Hills existing supply chain relationships are being used to ensure service.

## 13.. Implications

### (A) Financial Implications

#### 13.1. 500 Programme

13.1.1. The Devolution Housing Grant and Right to Buy Receipts are the main source of funding for schemes in the current 500 Programme that progress into development. However, the sources of funding for each new housing scheme are laid out when a detailed report for that scheme is brought to the HSC.

13.1.2. Currently the 500 Programme has a total cost to date, or approved HRA budget going forward, of £140,390,810, including some re-provision of existing dwellings.

13.1.3. The Council's housing programme is part funded by a £70 million grant, which to date has been paid via a combination of the Cambridgeshire & Peterborough Combined Authority and DLUHC. At the time of writing this report, all of the £70 million has been received, with £38 million via the Combined Authority and £32 million directly from DLUHC.

13.1.4. By end of 2020/21 all Devolution funding had been received by the Council, whether via quarterly claims to the Combined Authority, or directly from DLUHC.

13.1.5. As of 31 March 2022, £51,258,108.93 of the funding has been utilised in the delivery of new homes, with £18,741,891.07 held in balances to fund the completion of the programme from April 2022 onwards.

13.1.6. This is funded through four avenues:

- Funding provided by the Combined Authority Devolution grant
- Funding provided from Section 106 agreements
- Funding provided by Right to Buy receipts
- Funding provided direct from HRA

13.1.7. The general fund has also supported the delivery of the programme through its investments through the Cambridge Investment Partnership at Mill Road and Cromwell Road. The general fund has further assisted in the development of the Colville

3, Meadows and Buchan schemes, through enabling of land supply and reprovision of community facilities for the duration of on-site activities.

### 13.2. 1000 programme

13.2.1. For the 1,000 programme a further funding allocation of £4,013,000 has now been approved by Homes England under the Continuous Market Engagement Programme. The total allocated grant now stands at £8,843,000, with £3,218,150 having been drawn down to date.

13.2.2. Funding for the new programme is being conducted on a scheme by Scheme basis through Homes England's CME, as eligible schemes obtain planning approvals. Lack of an agreed programme level funding does mean that the council incurs risk of not receiving funding, and the overall programme remains in review as grant outcomes are decided.

## **(B) Staffing Implications**

13.3. All housing development schemes will be project managed by the Cambridge City Council Housing Development Agency in liaison with City Homes; Housing Maintenance & Assets; and the Council's corporate support teams. A large proportion of the schemes are being delivered through the Cambridge Investment Partnership which provides additional resources.

13.4. For the MTFs, additional resource to support resident engagement and decanting activities has been built into the budget for Hannover and Princess Court.

## **(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 is now additionally informed by an EQIA as it proceeds for Committee approval.

#### **(D) Net Zero Carbon, Climate Change and Environmental Implications**

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

#### **(E) Procurement Implications**

Advice specific to each project.

#### **(F) Consultation and communication**

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.

An updated Regeneration policy outlining procedure for resident engagement was approved by the September 2021 meeting of this Committee (Item 12) and guides all resident involvement exercises.

#### **(G) Community Safety**

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

#### **14.. Background papers**

Background papers used in the preparation of this report:

- 21/49/HSC: report on net zero carbon pilot schemes at Paget Road and St Thomas Road
- 22/31/HSC: Report on proposed development at Fanshawe Road
- 22/32/HSC: Update on new build council housing delivery

#### **15.. Appendices**

15.1. Appendix 1: Programme milestone summary

15.2. Appendix 2: Hanover Court and Princess Court Feedback Report

#### **16.. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Claire Flowers, Head of Housing Development Agency, tel: 01223 – 457 928, email: [claire.flowers@cambridge.gov.uk](mailto:claire.flowers@cambridge.gov.uk).

HDA Delivery Programme		07/09/2022									
Scheme Name	Ward	Net Affordable	Market homes	Total homes	Delivery	Committee	Approval date	Planning Submitted	Planning Granted	Est. SOS	Practical Completion
<b>BUILD COMPLETE</b>											
Uphall Road	Romsey	2	0	2 E&F	HSC	Mar-15	Aug-16	Dec-16	Jun-17	Jan-18	Jan-18
Nuns Way & Wiles Close	Kings Hedges	10	0	10 Tender	HSC	Mar-15	Aug-16	Jul-17	Jan-19	Aug-19	Aug-19
Ditchburn Place Community Rooms	Petersfield	2	0	2 Tender	S & R	Sep-18	Aug-18	Nov-18	Jan-19	Sep-19	Sep-19
Queens Meadow	Cherry Hinton	2	0	2 CIP	HSC	Jun-17	Dec-17	Jul-18	May-19	Jun-20	Jun-20
Anstey Way	Trumpington	29	0	56 CIP	HSC	Mar-17	Jan-18	Jul-18	Oct-18	Jun-20	Jun-20
Colville Garages	Cherry Hinton	3	0	3 CIP	HSC	Sep-17	Sep-18	Nov-18	May-19	Jul-20	Jul-20
Gunhild Way	Queen Ediths	2	0	2 CIP	HSC	Jan-18	Jul-18	Oct-18	May-19	Jul-20	Jul-20
Wulfstan Way	Queen Ediths	3	0	3 CIP	HSC	Sep-17	Oct-18	Jan-19	May-19	Sep-20	Sep-20
Markham Close	Kings Hedges	5	0	5 CIP	HSC	Jan-18	May-18	Oct-18	May-19	Sep-20	Sep-20
Ventress Close	Queen Ediths	13	0	15 CIP	HSC	Mar-17	Sep-18	Mar-19	Oct-19	Feb-21	Feb-21
Akeman Street	Arbury	12	0	14 CIP	HSC	Jun-18	Apr-19	Jul-19	Oct-19	May-21	May-21
Mill Road	Petersfield	55	62	117 CIP	S & R	Nov-17	Dec-17	Jun-18	Aug-18	Dec-22	Dec-22
Cromwell Road	Romsey	28	104	132 CIP	S & R	Mar-18	Mar-19	Jul-19	Dec-19	Mar-23	Mar-23
<b>Sub total</b>		<b>166</b>	<b>166</b>	<b>363</b>							
<b>ON SITE</b>											
Mill Road	Petersfield	63	56	119 CIP	S & R	Nov-17	Dec-17	Jun-18	Aug-18	Dec-22	Dec-22
Cromwell Road	Romsey	90	73	163 CIP	S & R	Mar-18	Mar-19	Jun-19	Dec-19	Feb-23	Feb-23
Colville Phase 2	Cherry Hinton	47	0	67 CIP	HSC	Jan-19	Jul-19	Dec-19	Nov-20	Oct-22	Oct-22
Meadows and Buchan	Kings Hedges	106	0	106 CIP	HSC	Jan-19	Dec-19	Aug-20	Feb-21	Aug-24	Aug-24
Campkin Road	Kings Hedges	50	0	75 CIP	HSC	Jul-19	Nov-19	Mar-20	Mar-21	Apr-23	Apr-23
Clerk Maxwell Road	Newnham	14	21	35 S106	HSC	Jan-19	Dec-19	Jul-20	Feb-22	Mar-23	Mar-23
<b>Sub total</b>		<b>370</b>	<b>150</b>	<b>565</b>							
<b>PLANNING APPROVED</b>											
Kendal Way	East Chesterton	1	0	1 Tender	HSC	Jan-21	Feb-22	Jun-22	Jan-23	Nov-23	Nov-23
<b>Sub total</b>		<b>1</b>	<b>0</b>	<b>1</b>							
<b>HSC APPROVED SCHEMES</b>											
Tedder Way	Arbury	1	0	1 Tender	HSC	Jan-21	Jan-22	Oct-22	Apr-23	Jan-24	Jan-24
<b>Sub total</b>		<b>1</b>	<b>0</b>	<b>1</b>							
<b>GRAND TOTAL</b>		<b>538</b>	<b>316</b>	<b>930</b>							

Progress to 500 starts on site	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Starts by year	2	159	158	203	14	1	1
Cumulative total	2	161	319	522	536	537	538

Progress to 500 Completions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Net Completions by year	2	0	17	58	70	293	14	84
Cumulative total	2	2	19	77	147	440	454	538

HSC Approved New programme schemes		07/09/2022												
Scheme Name	Ward	Social Rent	LHA/60%	80% of market rent	Replacement homes	Market	Total Homes	Delivery	Committee	Committee Approved	Planning Submitted	Planning Granted	Est. SOS	Practical Completion
L2 Orchard Park	SCDC	30	0	45	0	0	75	CIP	HSC	Sep-20	Aug-20	May-21	Apr-22	Sep-23
Colville Road Phase 3	Cherry Hinton	32	0	16	16	0	48	CIP	HSC	Sep-20	Jun-21	Dec-21	Sep-22	May-24
The Mews, Histon Road	Arbury	0	10	0	0	0	10	S106 Laragh	HSC	Sep-20	May-19	Feb-20	May-21	Jan-23
Fen Road - PHPP	East Chesterton	12	0	0	0	0	12	CIP	HSC	Jan-21	Feb-21	Jul-21	Aug-22	Nov-23
Ditton Fields - PHPP	Abbey	6	0	0	0	0	6	CIP	HSC	Jan-21	Feb-21	Oct-21	Sep-22	Sep-23
Aragon Close - PHPP	Kings Hedges	0	0	7	0	0	7	CIP	HSC	Jan-21	Jan-22	Oct-22	Apr-23	Aug-24
Sackville Close - PHPP	Kings Hedges	0	0	7	0	0	7	CIP	HSC	Jan-21	Jan-22	Oct-22	Apr-23	Aug-24
Borrowdale - PHPP	Arbury	3	0	0	0	0	3	CIP	HSC	Jan-21	Jul-21	Nov-21	Oct-22	Sep-23
Aylesborough Close Phase 2 - PHPP	Arbury	41	0	29	33	0	70	CIP	HSC	Sep-21	Apr-22	Oct-22	Apr-23	Apr-25
Paget Rd - ERDF Net Zero	Trumpington	2	0	2	0	0	4	Tender	HSC	Sep-21	Nov-22	Feb-23	Apr-23	May-24
St thomas Rd - ERDF Net Zero	Coleridge	0	8	0	0	0	8	Tender	HSC	Sep-21	Feb-23	Jun-23	Sep-23	Sep-24
Fanshawe Road	Coleridge	44	0	49	22	0	93	CIP	HSC	Jun-22	Dec-22	May-23	Oct-23	Oct-25
<b>Total</b>		<b>170</b>	<b>18</b>	<b>155</b>	<b>71</b>	<b>0</b>	<b>343</b>							
<b>Net new Council Stock to 1000 Homes target</b>		<b>272</b>		<b>117</b>										

Progress to 1000 starts on site	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Starts by year	10	67	40	0	0	0	0	0	0	0	0
Cumulative total	10	77	117	117	117	117	117	117	117	117	117

Progress to 1000 Completions	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Net Completions by year	0	10	51	26	30	0	0	0	0	0	0
Cumulative total	0	10	61	87	117	117	117	117	117	117	117

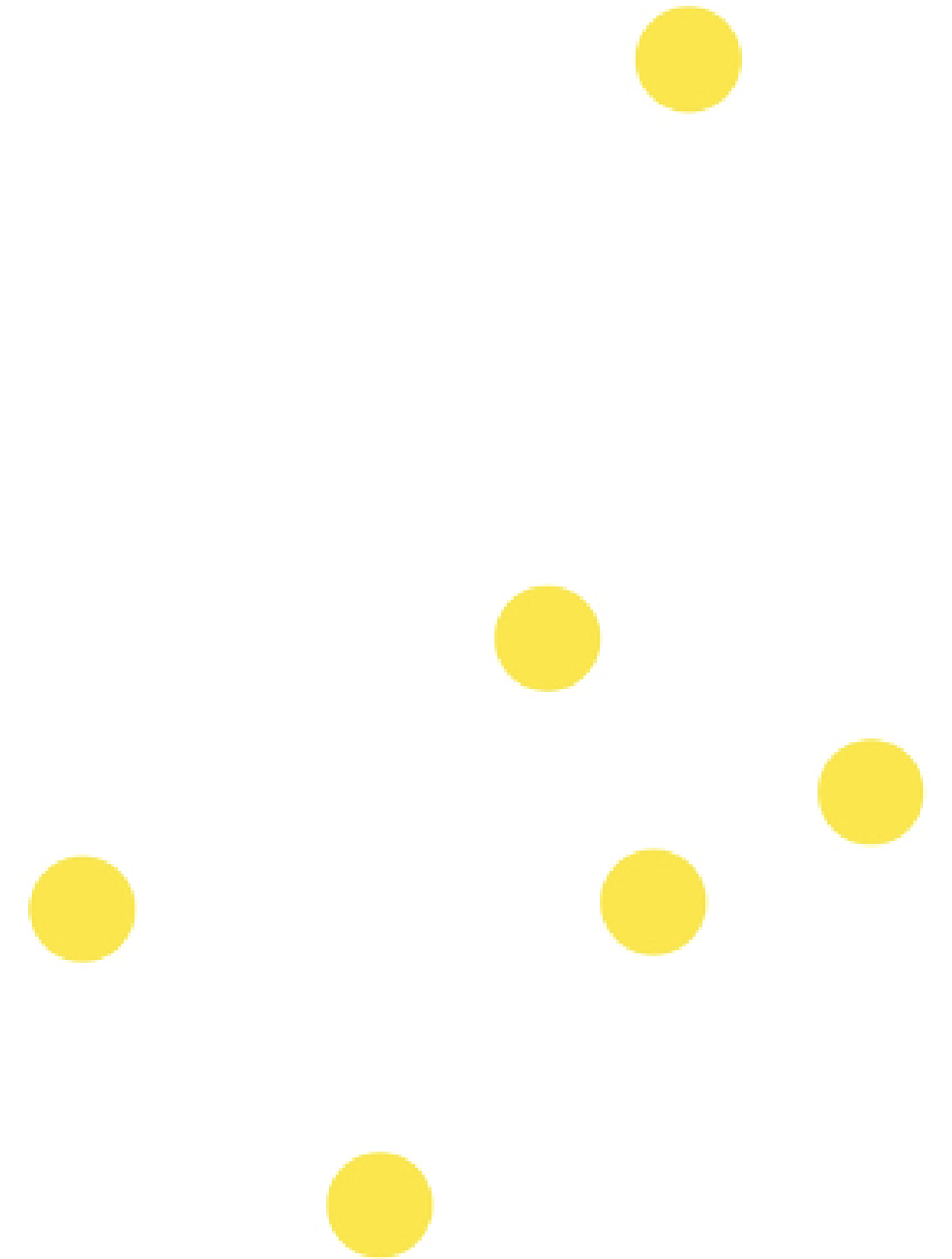
starts on site	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Starts by year	2	159	158	203	24	68	41	0	0	0	0	0	0	0
Cumulative total	2	161	319	522	546	614	655	655	655	655	655	655	655	655

Completions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Completions by year	2	10	68	84	100	293	14	84	0	0	0	0	0	0
Cumulative total	2	12	80	164	264	557	571	655	655	655	655	655	655	655



# HANOVER COURT AND PRINCESS COURT CONSULTATION

Final feedback report - 5th September



# Consultation statistics:

**14**

Survey responses  
received

**75**

In-person event  
attendees

**12**

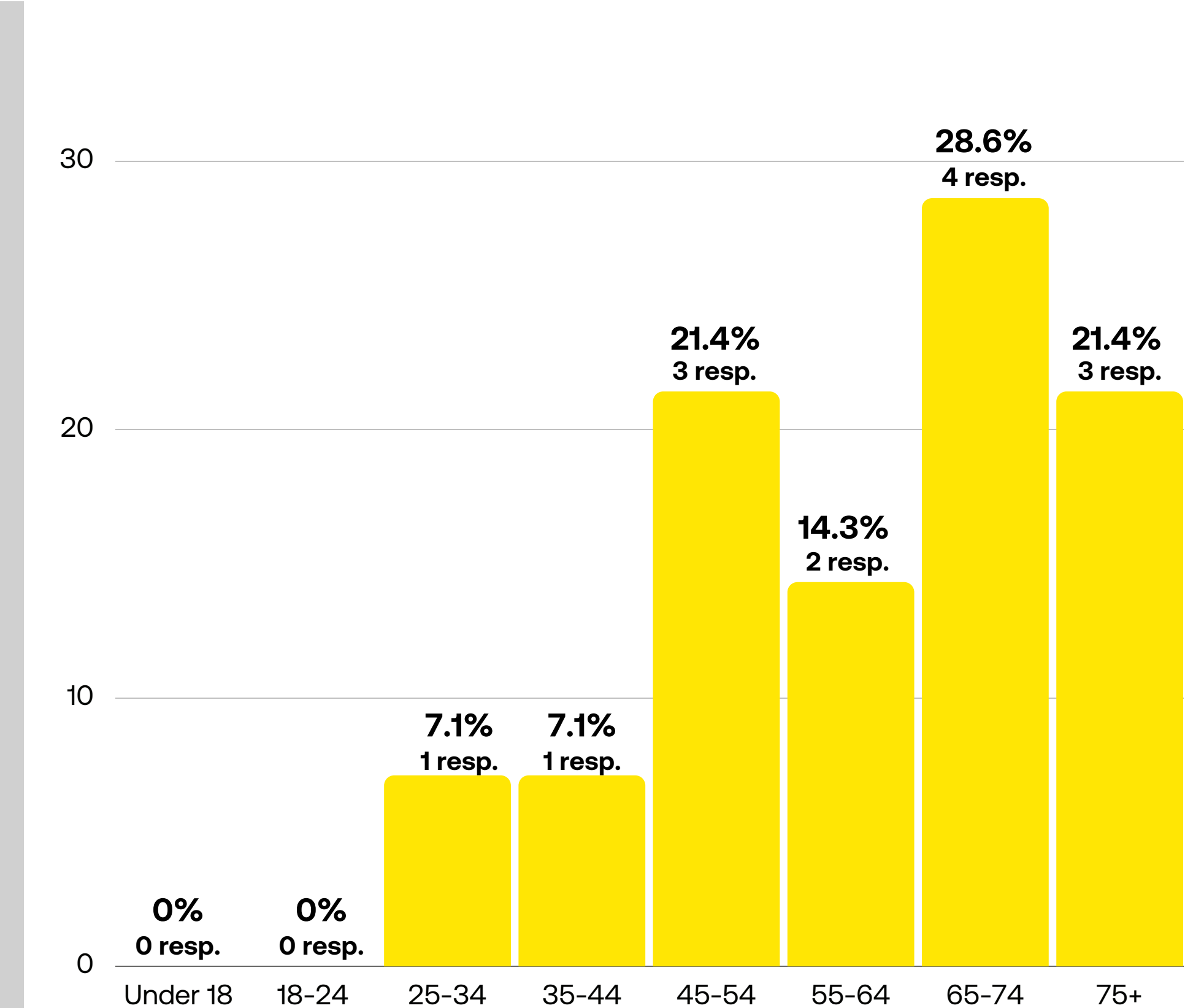
Webinar Views (live  
and recorded)

# QUESTION 1:

WHAT IS YOUR AGE?

14/14 Answered

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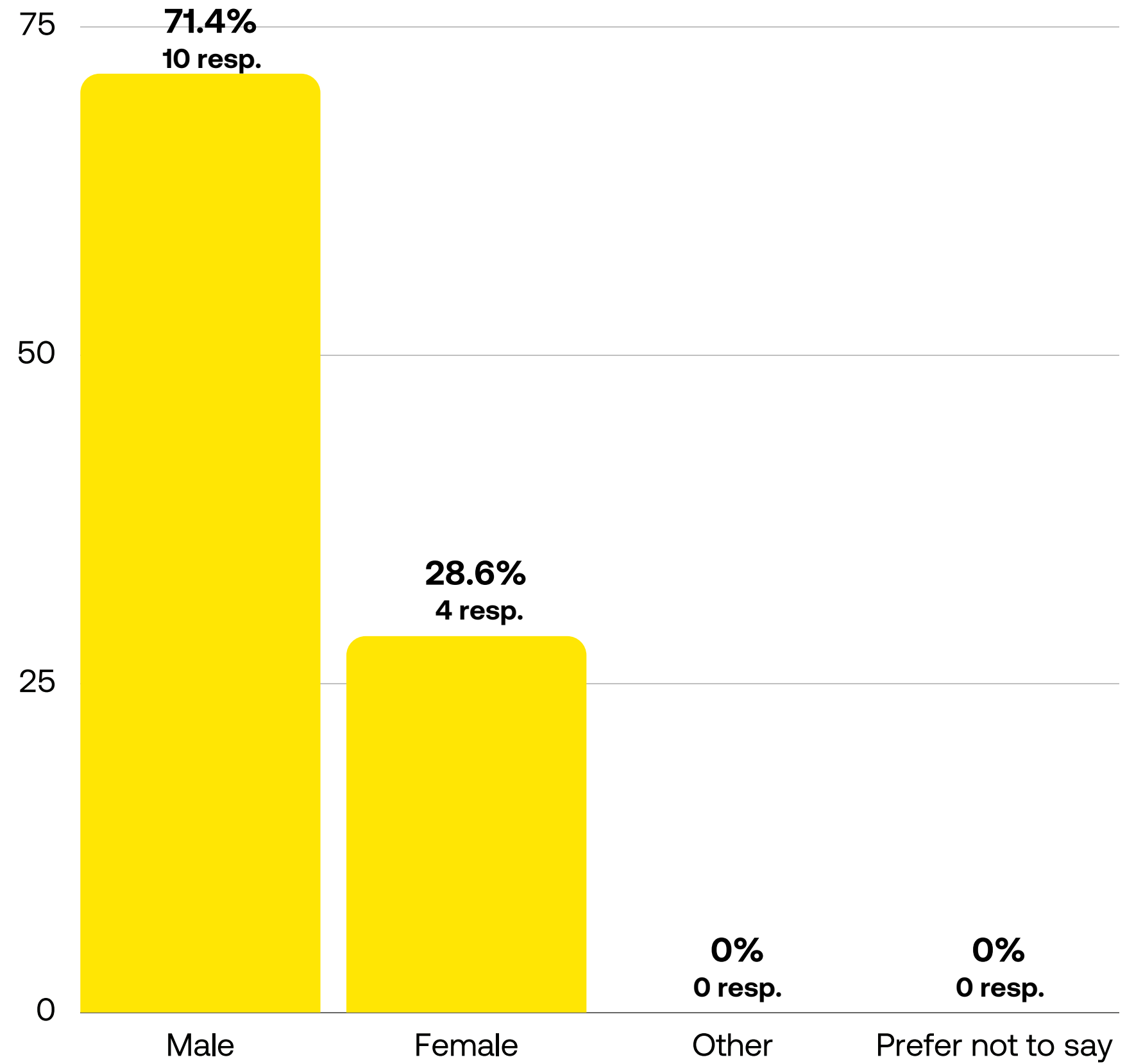


# QUESTION 2:

WHAT IS YOUR GENDER?

14/14 Answered

Page 224

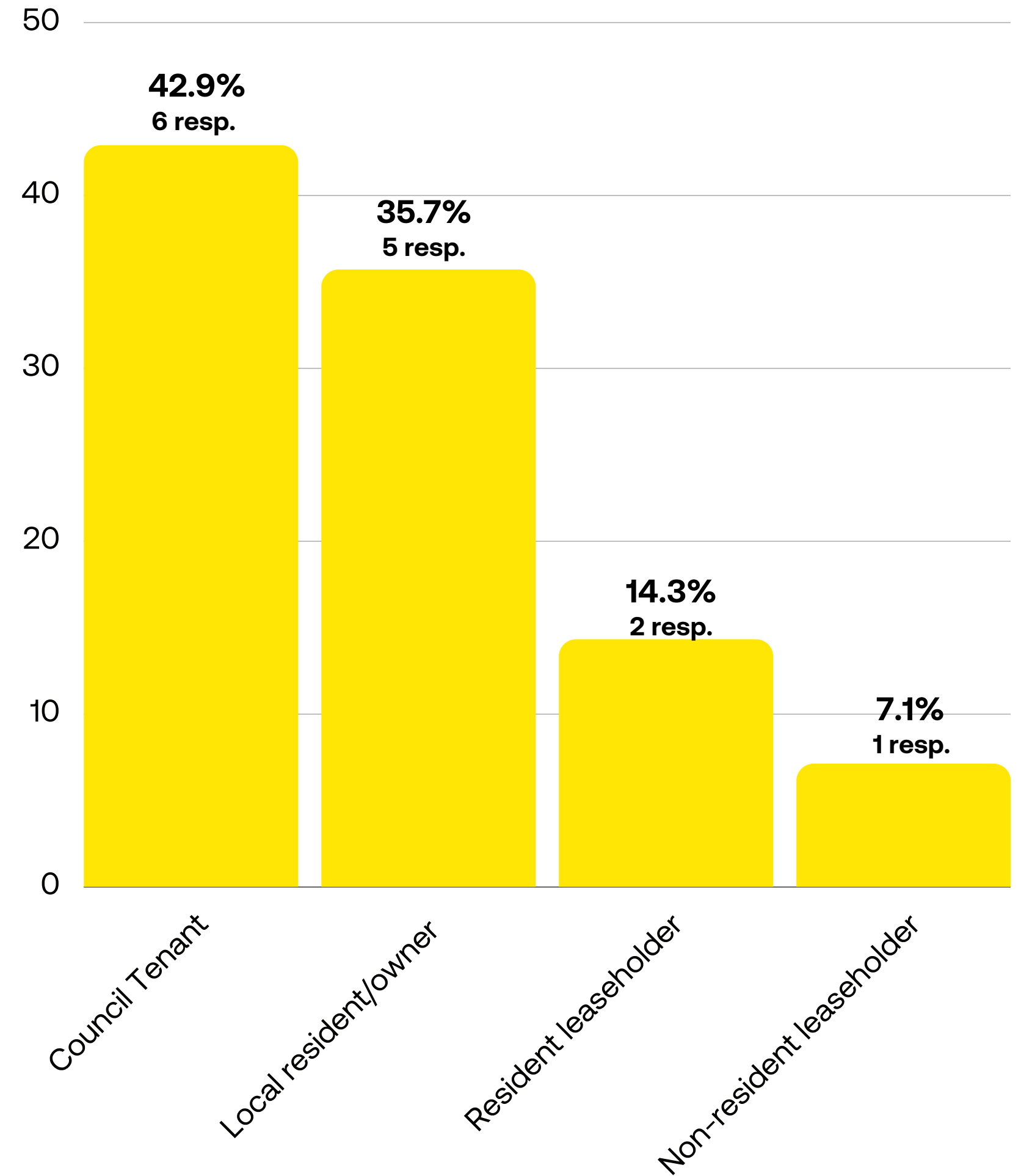


# QUESTION 3:

ARE YOU A...?

14/14 Answered

Page 225

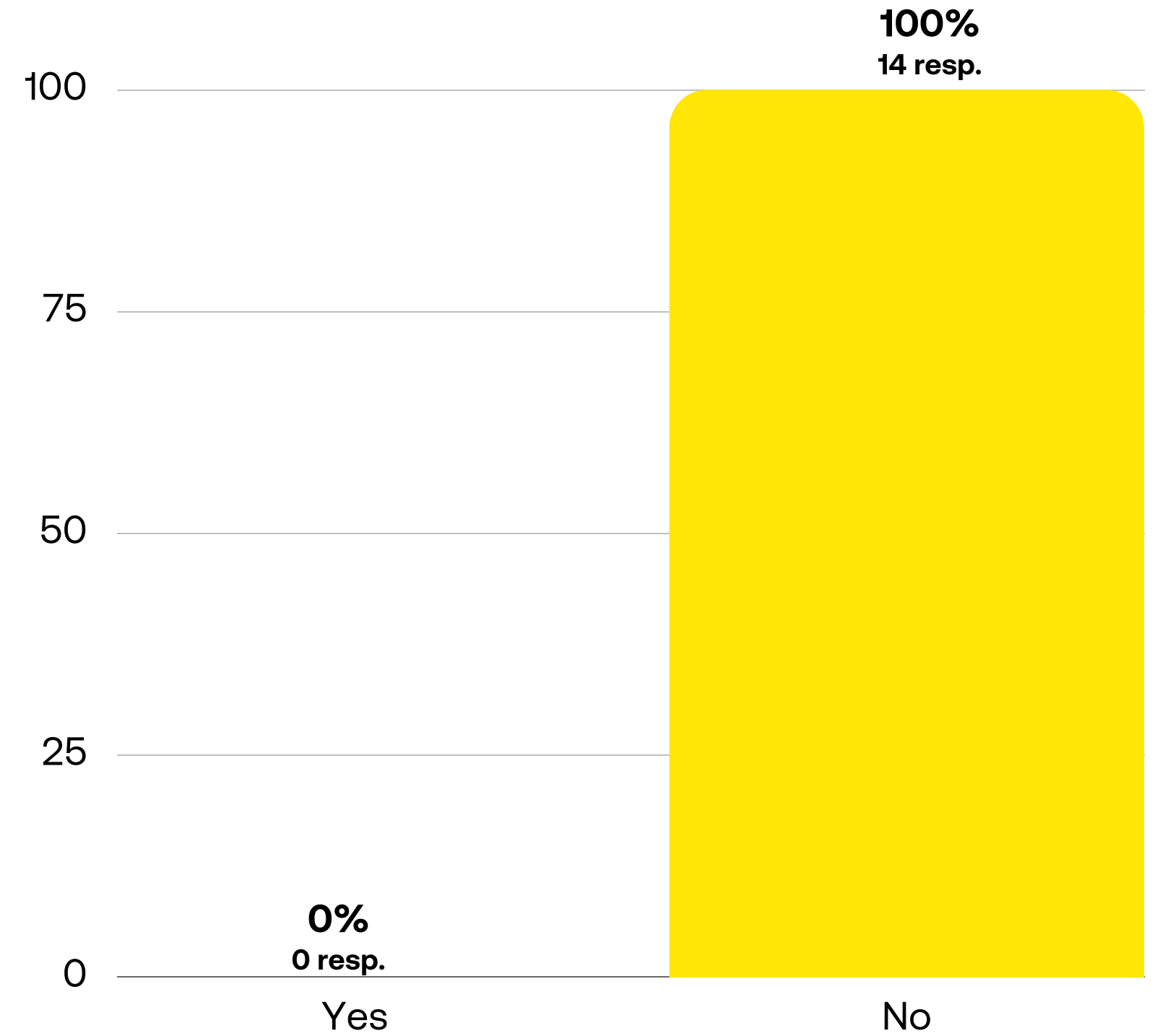


# QUESTION 4:

HAVE YOU RECENTLY MOVED FROM HANOVER COURT AND PRINCESS COURT?

14/14 Answered

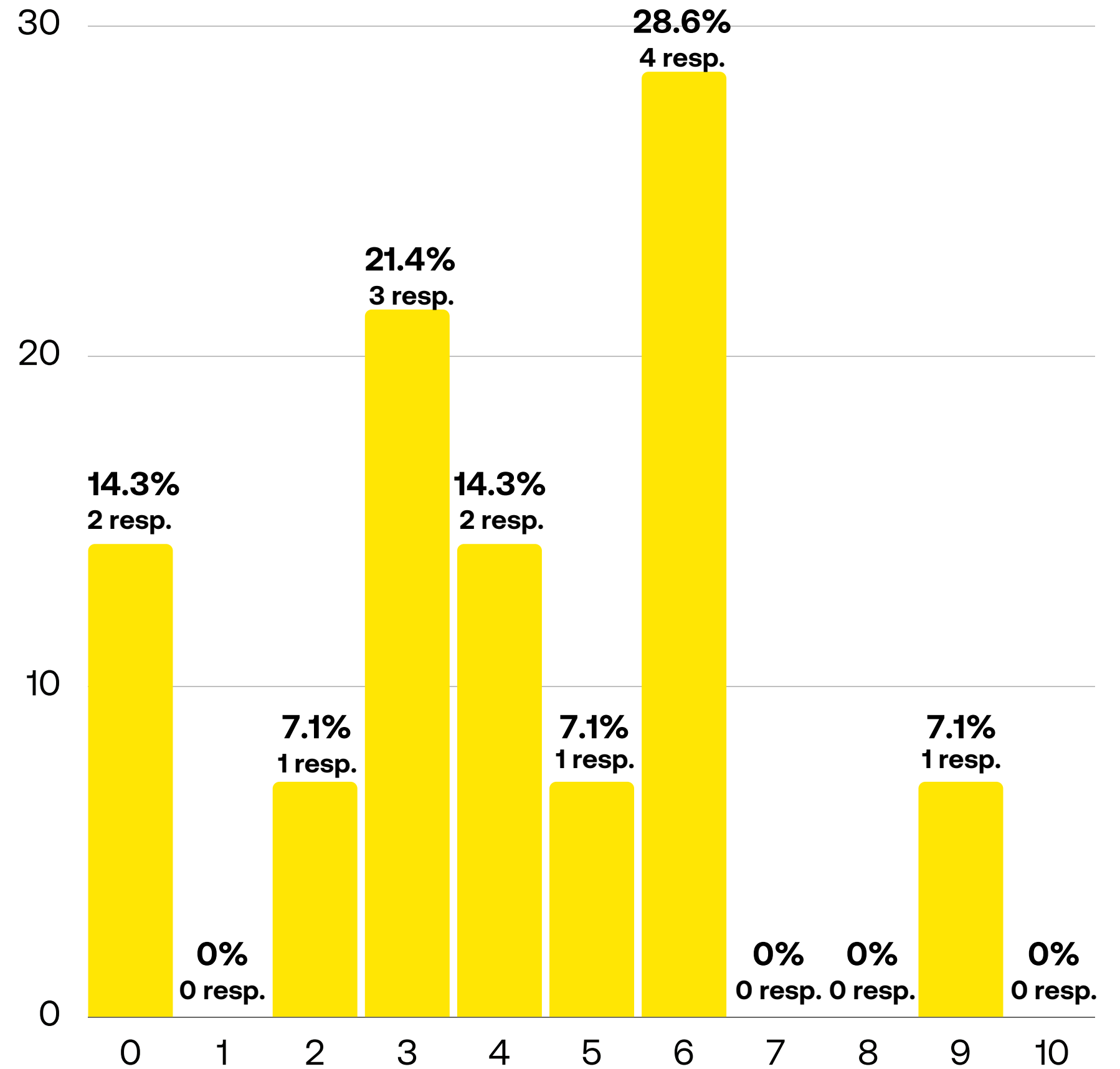
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# QUESTION 5:

ON A SCALE OF 1-10 (WITH 10 BEING THE BEST), HOW DO YOU RATE THE CURRENT CONDITION OF THE BUILDINGS AT HANOVER COURT AND PRINCESS COURT?

Page 227  
14/14 Answered

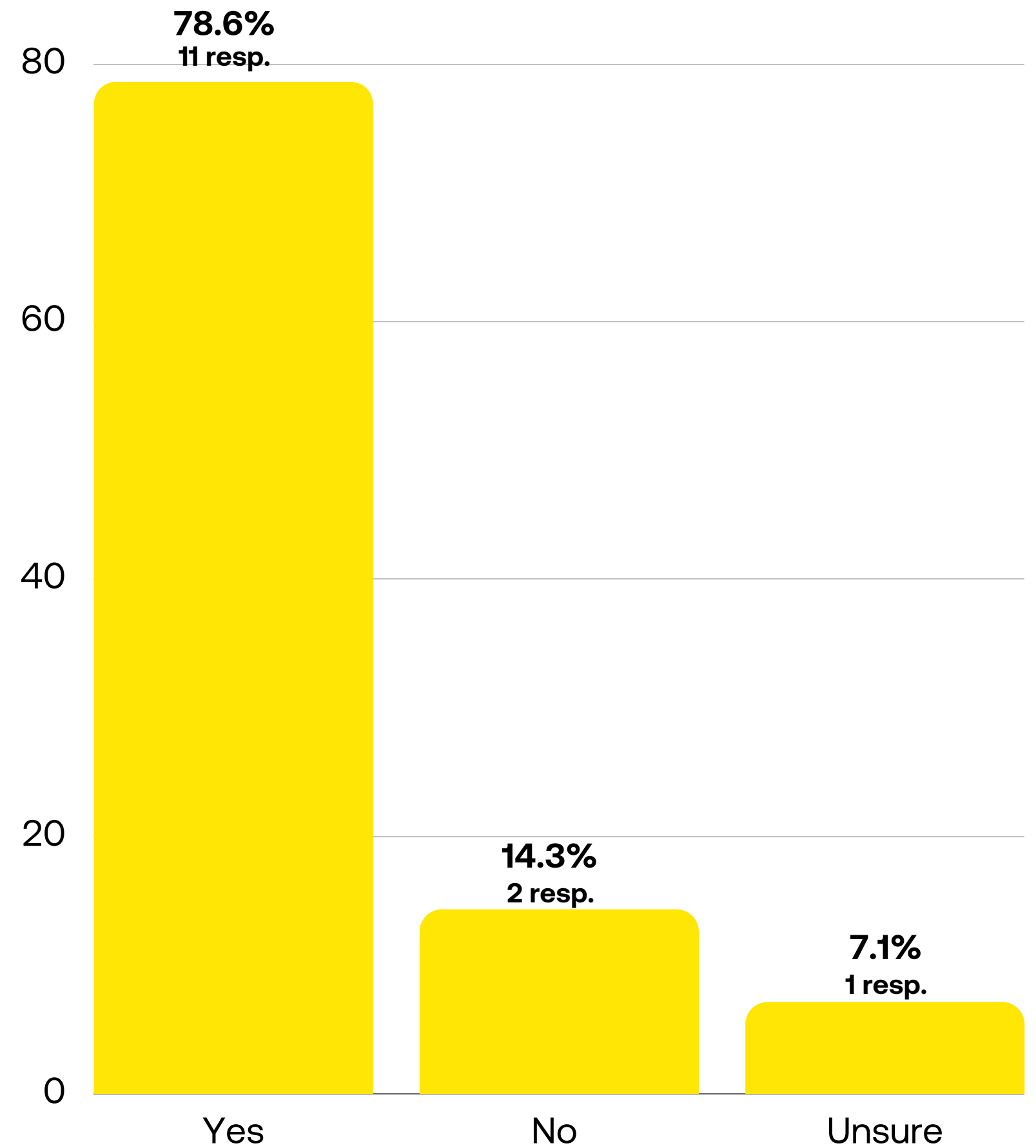


# QUESTION 6:

DO YOU SUPPORT THE PROPOSAL TO RENOVATE OR REDEVELOP THE EXISTING BUILDINGS?

14/14 Answered

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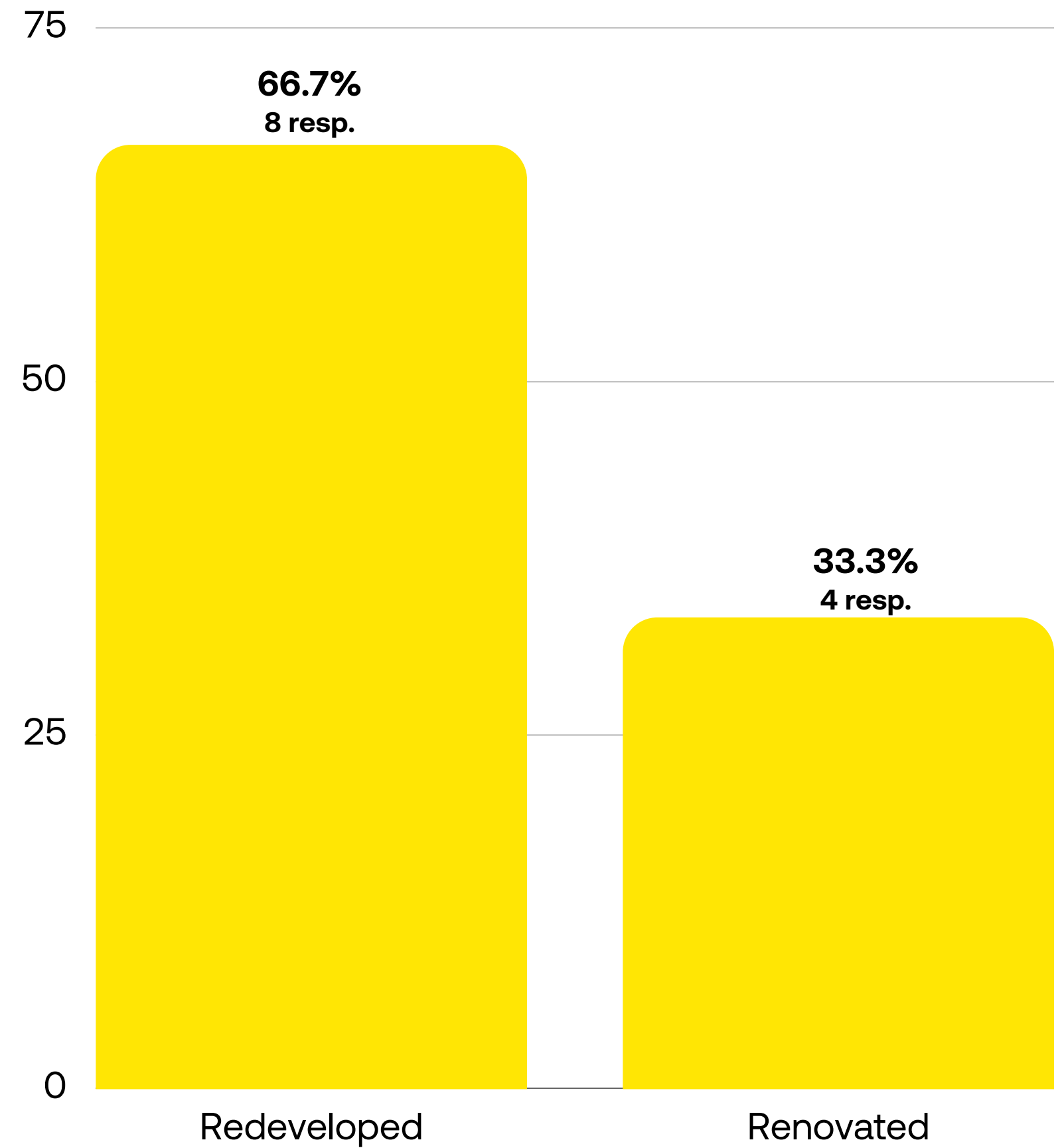


# QUESTION 7:

IF YES, WHICH OPTION DO YOU PREFER?

12/14 Answered

Page 229

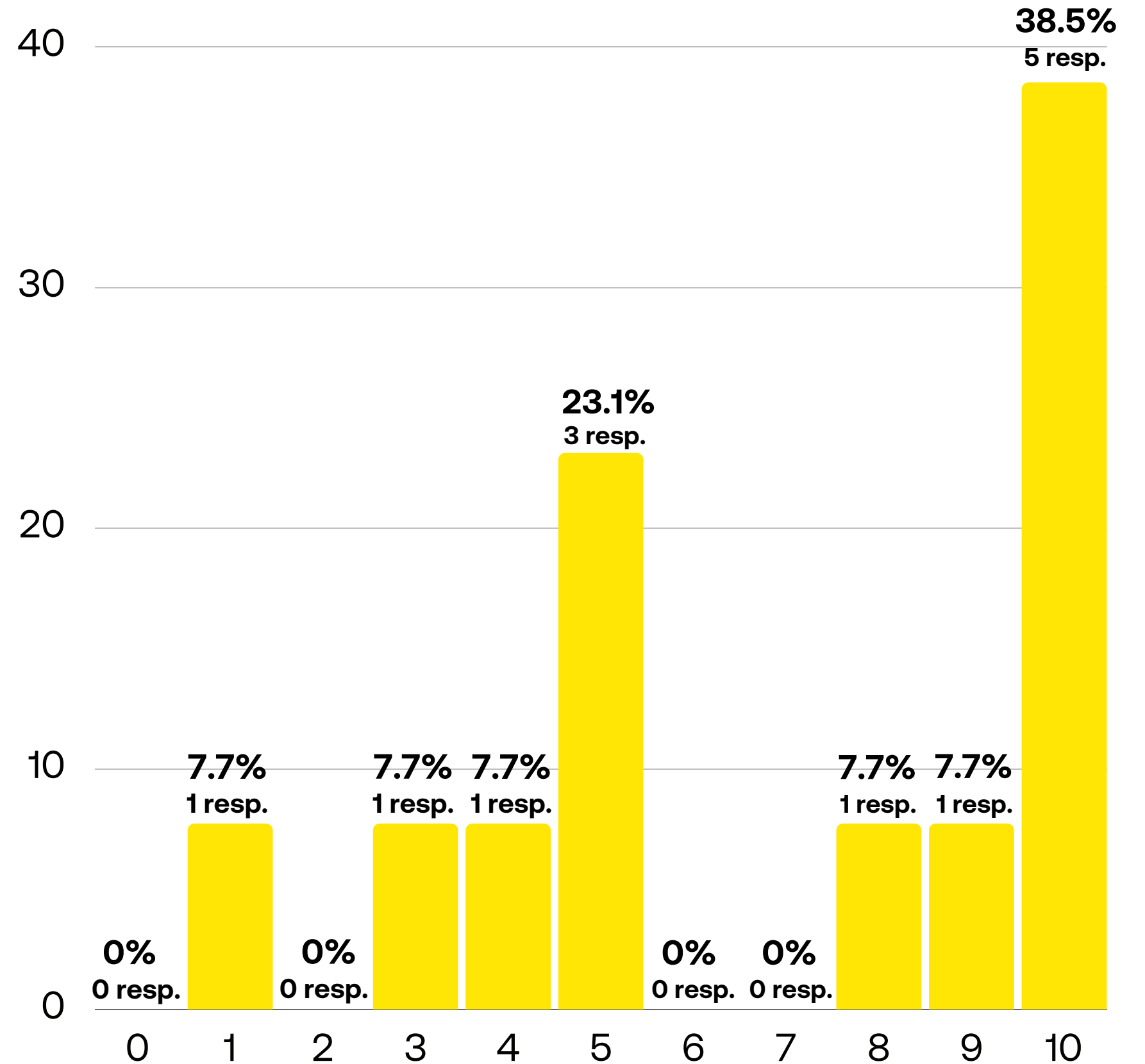


# QUESTION 8:

ON A SCALE OF 1-10, (WITH 10 BEING THE BEST) WHAT DO YOU THINK OF THE PROPOSALS FOR NEW TREE PLANTING ALONG UNION ROAD IN OPTION 1??

13/14 Answered

Page 230

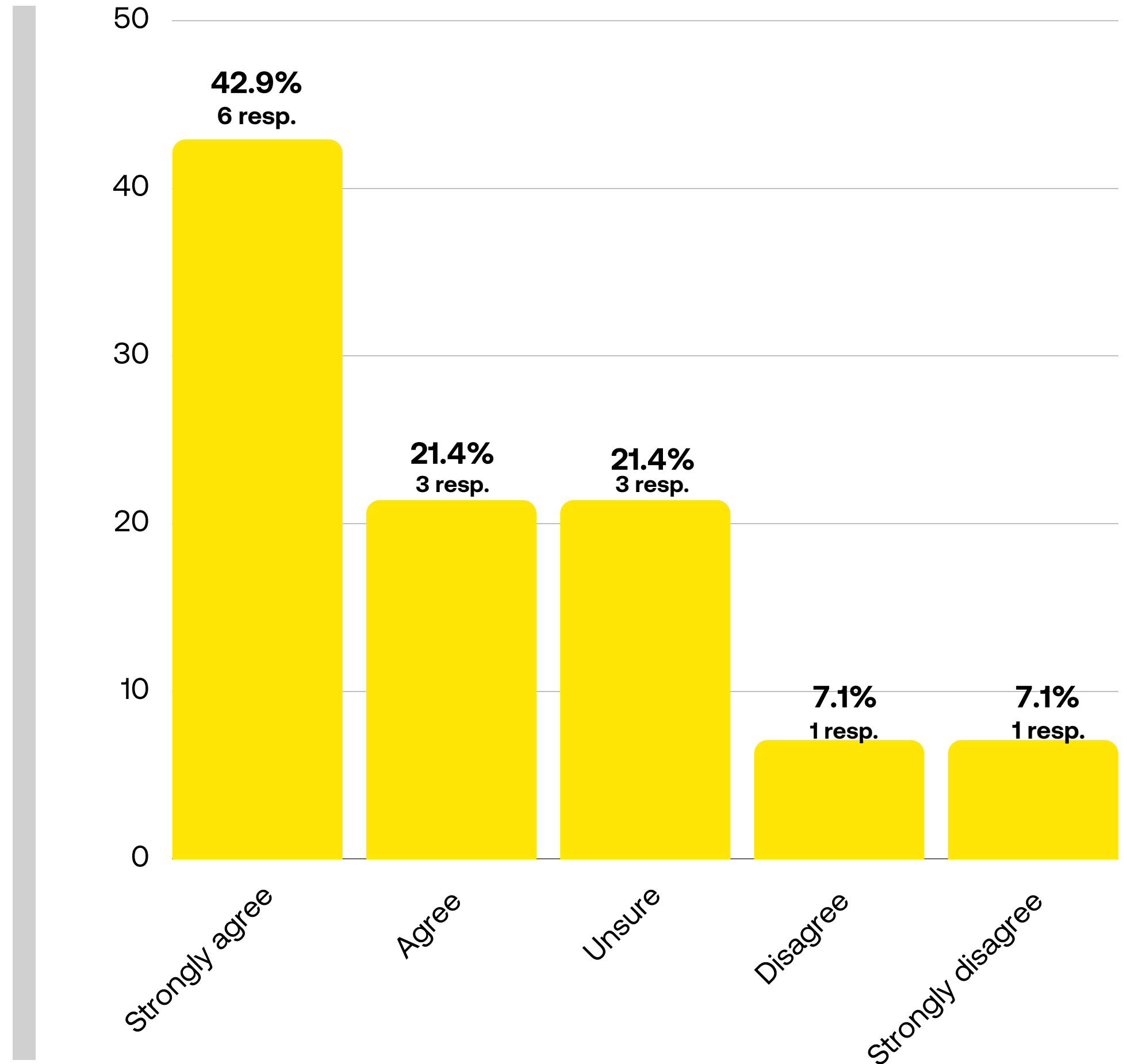


# QUESTION 9:

DO YOU AGREE THAT THE TREES AROUND THE EDGE OF THE EXISTING BUILDINGS ARE IMPORTANT?

14/14 Answered

Page 231

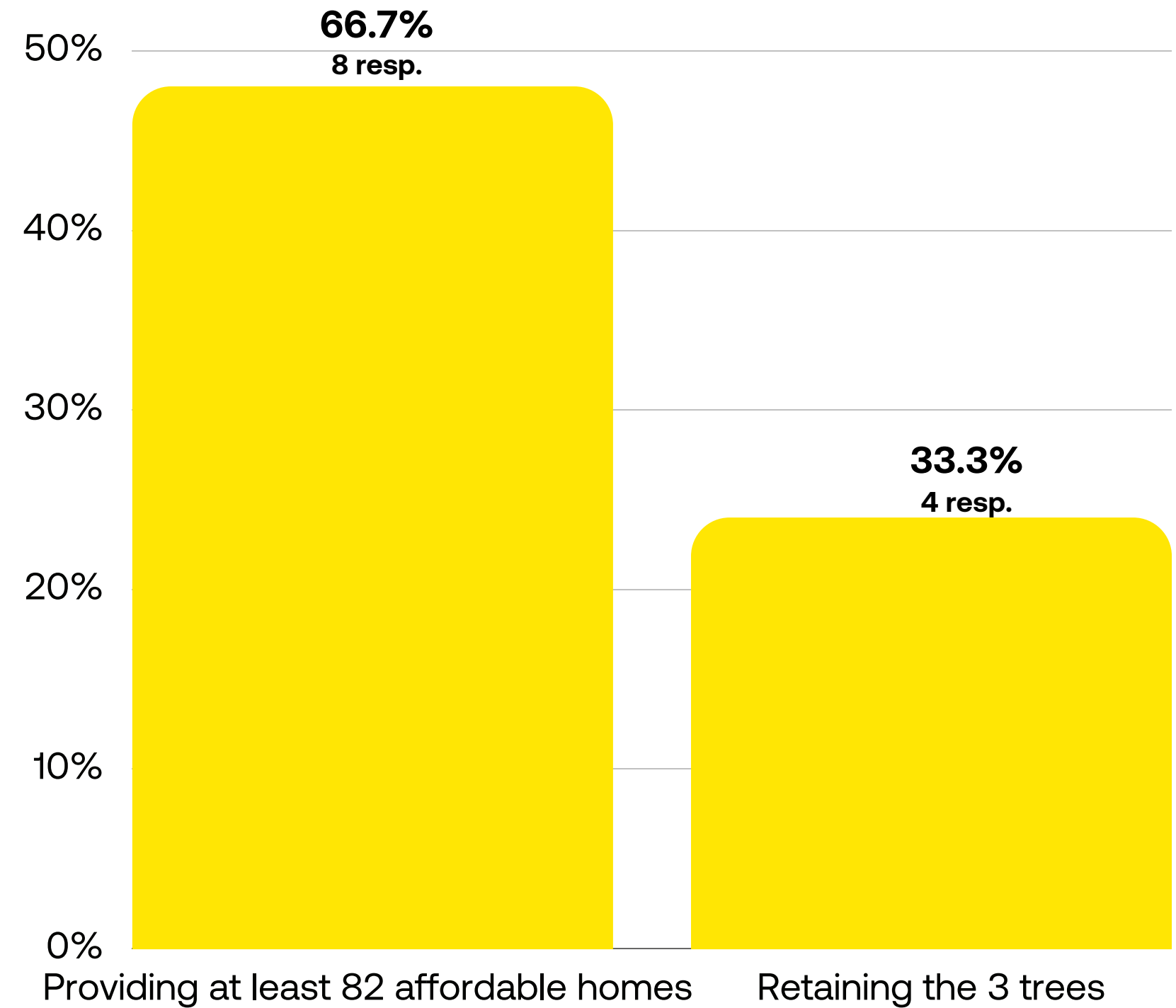


# QUESTION 10:

WHAT DO YOU THINK IS MORE IMPORTANT IN THE REDEVELOPMENT PROPOSAL – RETAINING THE 3 TREES IN THE CENTRE OR PROVIDING AT LEAST 82 AFFORDABLE HOMES?

12/14 Answered

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# QUESTION 11:

## IS THERE ANYTHING YOU WOULD LIKE TO SEE INCLUDED AS PART OF ANY IMPROVEMENTS TO THE OPEN SPACE?

13/14 Answered

- Play park for all ages and a police station
- A ban on dog walking. This area is currently nothing much more than a dog's toilet.
- A park
- Play equipment
- Exercise equipment / outdoor gym
- Will there be any kind of community room for people in the flats to use - & also the local residents?
- Open space needs to feel just that, 'open.' Overly tall buildings that are over-bearing and over-looking is not a nice space in which to relax. The building heights should be lower/'human scale' with emphasis on quality of space rather than quantity of homes. Otherwise there is no point in the development.
- Litter bins, playground equipment (see-saws, swings, thing that goes round in a safe area.), garden plants, sensory garden, trees, recycling bins, sick building syndrome assessment, buy back of all privately owned flats by the council, electric scooter and electric sockets for electric car use, sufficient parking spaces for current use, lifts, bright and appealing outer frontage including bricks, open balconies for flats to allow taking the air or growing plants, discourage smoking.
- Proper maintenance of the green space
- Gardens attended to
- How about renovating the buildings first before considering open space. People just still do not know what the final outcome will be so cannot make comments until the council confirm what is happening.
- Few more dog bins as throwing poo in bushes. Fixed children play area. If it breaks again please fix it quickly.

# QUESTION 11:

## IS THERE ANYTHING YOU WOULD LIKE TO SEE INCLUDED AS PART OF ANY IMPROVEMENTS TO THE OPEN SPACE?

13/14 Answered

- I would like to see the number of homes retained at the existing level of 82 affordable homes with no more than 127 homes in total. The development is already high density and there is a need to retain and expand the amount of green space on the site. The site does not lend itself to having more than 127 homes in total. It would not be fair to the residents of the new homes to make them so high density. This site is one of the few areas where people can have council homes in central Cambridge. It is therefore important not to sell off more units to the private sector and not to make it so high density that it will affect the quality of life for the new residents.

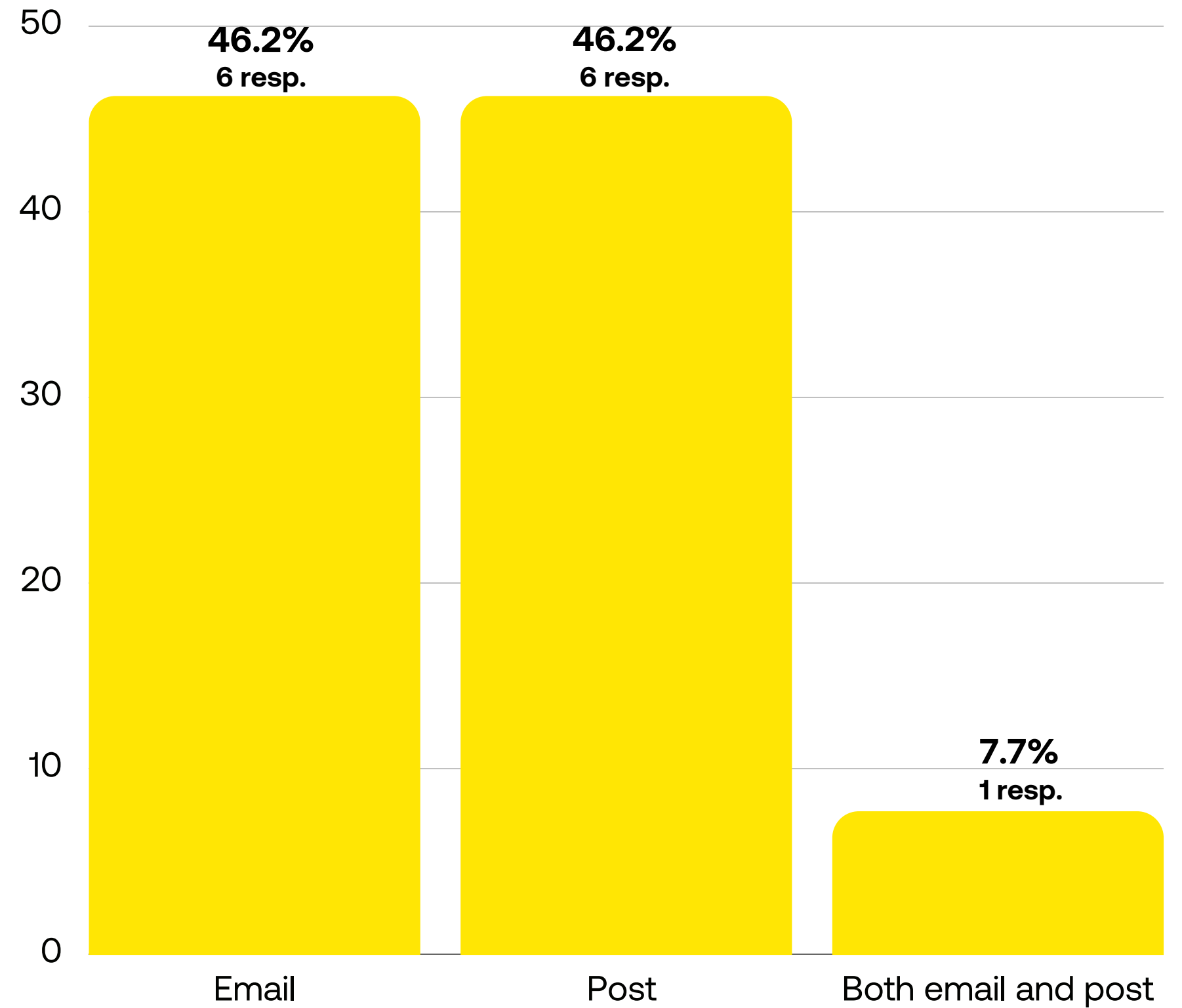
Many of the new residents will be vulnerable so they deserve to live on a development that has a decent amount of open space with not too many households needing to share that space. The existing green space and trees in the development are also very valuable amenities in the area as there is very little green space and garden in the area. Any development should therefore retain and expand the existing amount of greenspace. All of the open communal areas should be soft landscaped and not hard landscaped. It is also very important that the height of princess court should not exceed the existing level. The top floor already overshadows Bentinck St. It would not be in keeping with the conservation area to increase the height of the building above the existing level.

# QUESTION 12:

IF YOU WANT TO STAY UP TO DATE WITH THE PROJECT, HOW WOULD YOU LIKE TO RECEIVE UPDATES FROM US?

13/14 Answered

Page 235

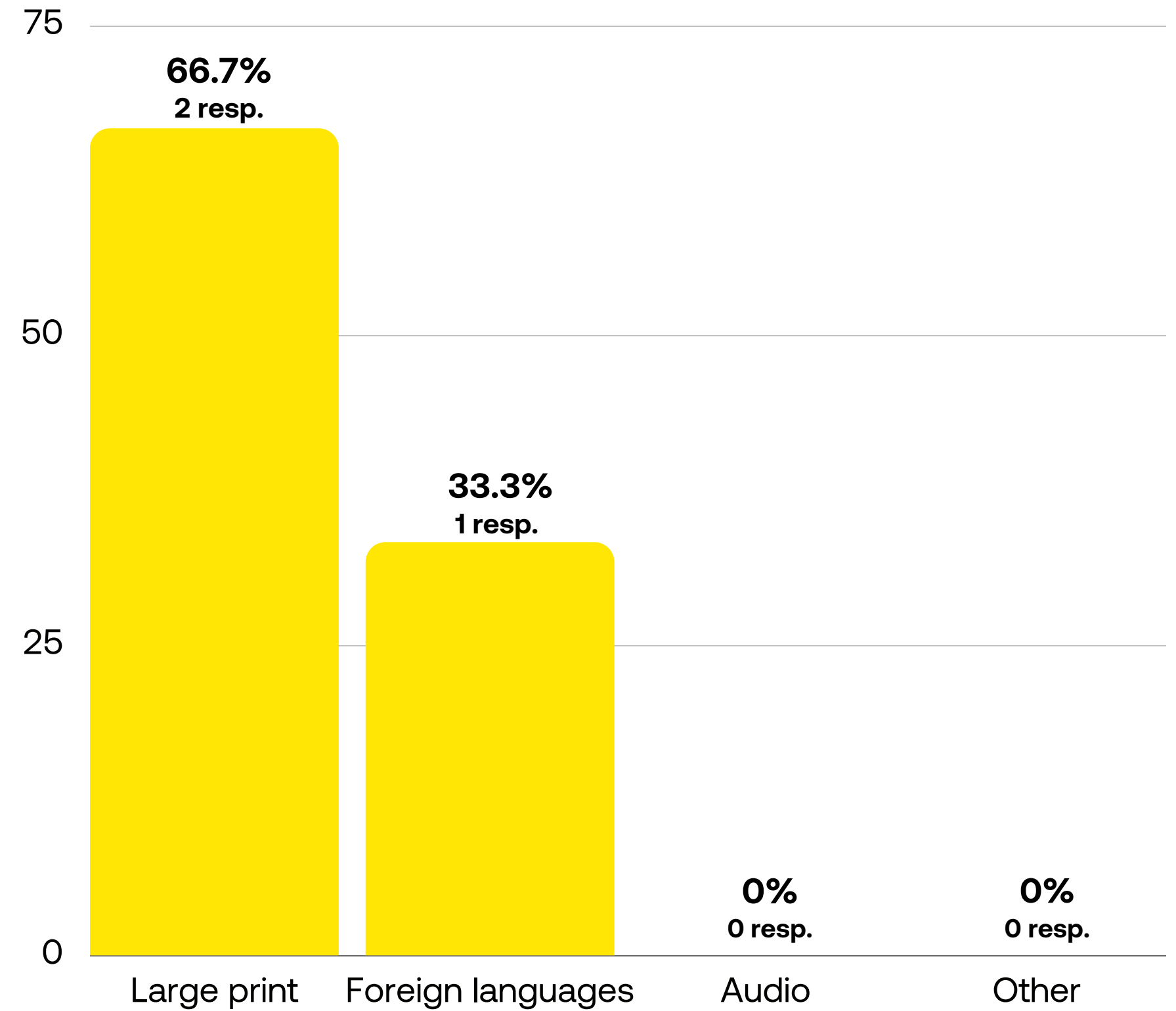


# QUESTION 13:

DO YOU WANT WRITTEN INFORMATION IN ANY OF THE FOLLOWING FORMATS?

3/14 Answered

Languages requested:  
**Turkish**





# QUESTION 14:

## DO YOU HAVE ANY FURTHER COMMENTS ABOUT THE PROPOSED REDEVELOPMENT SCHEME?

8/14 Answered

- Ruined my life. Have been here 54 years. Suffering stress and anxiety now. The buildings have been left to deteriorate for 10 years. Now we are expected to move or relocate while work is in progress. We are not been taken into consideration as everyone's situation is different and moving is a difficult option.
- The garaging area could also be redeveloped, either into housing or some other use.
- I like where I live and grow lots of vegetables. I don't want to move. I have everything close to me - bank, doctors, shops. It costs too much to move and its hard work and very stressful.
- ?
- I hope the scheme selected is the option with the most housing. This is a town centre site and we have not chosen to live in the suburbs. It is very appropriate for higher density living. If we preferred trees to our neighbours we would live elsewhere. Although this consultation does not address the issue I must protest the leaseholders are being put in the awful position of losing their homes with little or no possibility of finding an equal replacement. This a low income neighbourhood across the board.
- General clean up.

# QUESTION 14:

DO YOU HAVE ANY FURTHER COMMENTS ABOUT THE PROPOSED REDEVELOPMENT SCHEME?

8/14 Answered

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- More design concepts from different perspectives are required, without the trees to see the elevations more clearly. One can't really tell what the differences between Options 1 & 2 are. Losing the large plane trees when others have been removed from the area is a real issue, but to replace them with overly tall buildings with small/immature trees is too much environmental cost and not enough contribution to an area that has very few street trees and public, green space. Reduce the car-park replacement building in Option 1 with a more reasonable-sized development with trees as well.
- Good protection of affordable housing is in both options which is important. Wean people off cars BEFORE any reduction in numbers of car spaces, green spaces and planting of trees, bushes and flowers is the most important thing. Increase number and or size of existing green spaces. Be careful of possible disruption caused by tree roots to building infrastructure.

Item

## **REPORT ON DELIVERY OF A NEW CENTRE FOR BARNWELL IN CONJUNCTION WITH CAMBRIDGESHIRE COUNTY COUNCIL**

### **To:**

Councillor Gerri Bird, Executive Councillor for Housing

Housing Scrutiny Committee 22/09/2022

### **Report by:**

Jim Pollard, Senior Development Manager, Housing Development Agency

Tel: 01223 – 457924 email: jim.pollard@cambridge.gov.uk

### **Wards affected:**

Abbey

## **Key Decision**

### **1 Executive Summary**

- 1.1 In September 2020 HSC received the interim report East Cambridge Development & Regeneration Project: Masterplan for East Barnwell. Although suffering from deprivation, Barnwell has a strong local community. The Framework for Change (see Appendix 1) document formed part of a process to consider how a stronger and more vital centre might be created for this community.
- 1.2 The Cambridgeshire County Council and Cambridge City Council have developed proposals to work together with the Cambridge Investment Partnership (CIP) to deliver the new community centre, library and pre-school facility in the context of a regeneration scheme across three sites owned by the two Councils.
- 1.3 The proposals will provide for:
  - A new Community Centre
  - A new library
  - A new pre-school facility
  - New commercial premises
  - New publicly accessible open space
  - New high quality sustainable housing including affordable housing

- 1.4 It is proposed to enter into development agreements with Cambridgeshire County Council and Cambridge Investment Partnership to deliver the project and to provide for:
- A programme
  - Phasing of development
  - Arrangements for the transfer of completed elements within the development to Cambridgeshire County Council, Cambridge City Council or to third parties
  - Financial contributions by the parties
- 1.5 The proposals include re-provision of the bowling green at the over-flow car park at the Abbey Leisure Centre. Options in relation to the tennis court and the multi-use games area currently located on the sites are under review.
- 1.6 There has been local consultation on the proposed community centre. This will be taken into account and there will be continuing consultation with the local community on the proposals leading to a planning application early in 2023. The aim is to construct the proposed new community centre by the first half of 2025. Consultations have identified the need for new facilities beyond the scope of this project. The extent to which that provision can be supported and timing of provision will be the subject of a further report.
- 1.7 The aim of the proposal is to finance the development from the sale of new homes. A financial contribution will be made by the County Council. The development will provide 40% affordable housing. There are 18 homes on the site at present – 12 at 634-656 Newmarket Road and 6 over the shops at Barnwell Road. Separate proposals will be submitted regarding the purchase of the affordable homes by the City Council when the plans are finalised. The requirement for a contribution from the City Council to support the provision of facilities will be assessed at that stage.

## **2 Recommendations**

The Executive Councillor for Housing is recommended to:

- 2.1 Note the completion of the work on the Framework for Change document and the attached report.
- 2.2 Grant Delegated Authority to the Strategic Director in consultation with The Executive Councillor for Housing to enter into development/relevant agreements and finalise and approve terms with Cambridge Investment Partnership (CIP) and Cambridgeshire County Council, to deliver the proposed scheme.

The purpose of the Development Agreements will be:

- 2.2.1 To enable land owned by Cambridge City Council HRA (as shown in Appendix 2) to be transferred to CIP via a long lease for the purposes of development as set out in section 6 of the report and subject to independent valuation.
- 2.2.2 To note that upon completion of the development CIP lease would collapse (except where new houses are sold freehold) with interests to be transferred to the County Council in relation to facilities for which they will maintain overall responsibility.
- 2.2.3 That the development be brought forward by CIP to include:
  - A new Community Centre
  - A new library
  - A new pre-school facility
  - New commercial premises
  - New publicly accessible open space
  - New high quality sustainable housing including affordable housing
- 2.2.4 That the agreement will provide for:
  - A programme
  - Phasing of development
  - Financial contributions by the parties
  - Other matters as required to give effect to the agreement
- 2.3 Grant Delegated Authority to the Strategic Director, in consultation with the Head of Property Services and Head of Legal Services, acting on behalf of the Council as the landowner to finalise and approve the terms of any disposal, leases, easements, agreements and contracts that may be required to deliver the scheme. This may include any planning obligations under section 106 of the Town and Country Planning Act 1990 which is required by the Council in its capacity as the local planning authority pursuant to the planning application or applications for the development of the sites, S278 highway agreements and other similar agreements required to be entered into.
- 2.4 Note that consultations are in progress to clarify community needs which can be met within the facilities to be provided on the land jointly owned by the two Councils and to identify needs which cannot be met on these sites.

The Executive Councillor for Finance, Resources and Transformation is recommended to:

- 2.5 Enable land owned by Cambridge City Council General Fund (as shown in Appendix 2) to be transferred to CIP via a long lease for the purposes of development as set out in section 6 of the report and subject to independent valuation, and specifically:
- 2.5.1 Approve the use of the Bowls Club site (See plan at Appendix 2) to provide a mixed-use development including but not limited to the community centre, the library and the pre-school facility.
- 2.5.2 Approve the redevelopment of the overflow car park at the Abbey Leisure Centre (ref Appendix 4) to re-provide the Bowls Green (ref Appendix 4) and the grant a new lease to the bowls club on terms to be agreed to enable the vacation of the existing bowls club.

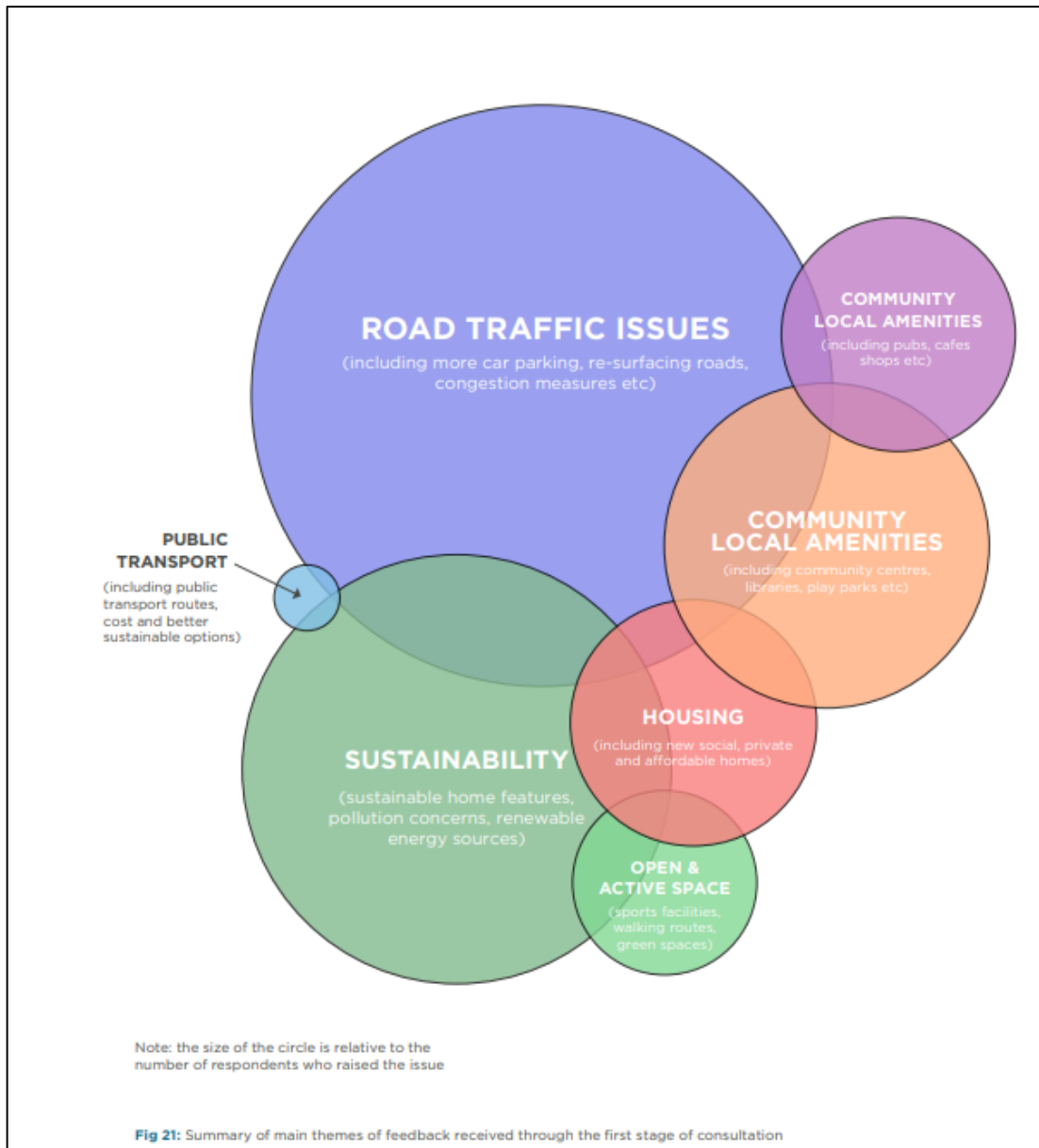
### **3 Background - Barnwell Regeneration**

- 3.1 Barnwell is a distinct relatively self-contained community separated to a degree from Cambridge by common land and the railway. It is the most deprived area in the city. It is also divided by major roads: Newmarket Road and Barnwell Road. At the centre of the area is what is now commonly referred to as 'the McDonalds roundabout' which is an inhospitable junction with buildings – whether homes, commercial or community uses set back; leaving a strong sense of domination by traffic.
- 3.2 Most of the area is post-war council estate; many properties have now been sold under the Right to Buy. With the common land, recreation grounds and the generous lay-out of the estates, much of the area is better served with open space than some parts of the city but there are areas where this could be improved.
- 3.3 Cambridge has been found by several studies to be the most unequal city in the UK. Average life expectancy differs between rich and poorer wards by as much as 11 years.
- 3.4 Abbey Ward is in the bottom 5 deciles in terms of barriers to Housing and Services, which measures the physical and financial accessibility of housing and local services. This redevelopment will look to considerably increase the number of affordable housing in the area and address the housing shortage within the City.
- 3.5 66.8% of the residents living in the Abbey Ward are in the bottom 5 deciles in terms of income deprivation. 10.2% of households within the ward are experiencing fuel poverty, with this likely to rise considering the current fuel price crisis in the country.

- 3.6 The development will have a positive impact on low-income families by providing new high quality, sustainable homes for council rent. The energy efficiency will be high meaning lower fuel bills for the council tenants.
- 3.7 Residents living in the Abbey Ward are in the bottom 3 deciles of crime risk, which measures the risk of personal and material victimisation at a local level. The development will be built to Secure by Design standard to address this.
- 3.8 Barnwell is divided by the road network and a poorly designed junction. The Greater Cambridge Partnership (GCP) is developing proposals on the Eastern Approaches to Cambridge. Newmarket Road is at the centre of this. The priority is improved pedestrian, cycle and bus movement. There have been two stages of public consultation.
- 3.9 There are two options for the Newmarket Road / Barnwell Road junction. Both options involve reductions in the space taken by the highways (there may be limited realignments required) and improved pedestrian movement around the junction. The preferred option involving lights creates the greater reduction. Following the consultations that have taken place GCP hope for a decision in October.
- 3.10 A major long-term impact is likely to be the proposed relocation of the airport. Some key local objectives – for example a secondary school – will only happen in this context but there is also a danger of the area being ‘left behind’. Some elements of new development are already coming forward notably the Marleigh development. Land North of Cherry Hinton and Land South of Coldhams Lane can also come forward ahead of airport relocation.

#### **4 Report funded by One Public Estate**

- 4.1 The Community Development Team carried out some survey work on needs in the mid-2010s. Some funding was then secured from One Public Estate for further work on priorities and potential for the area. An interim report was sent to the Housing Scrutiny Committee in September 2021. The following graphic illustrates the responses to the consultation.



4.2 Following further engagement with local stakeholders in 2020/21 the final version report is attached as Appendix 1. The focus remains on the core central area around the junction and on the Ekin Road estate. Proposals for the Ekin Road estate are being considered separately and consultation with the residents is in progress (see below).



## 5.1 Masterplan Objectives

A series of key projects for the regeneration of East Barnwell have been identified. These objectives underpin the vision and strategies in Chapter 6, and seek to deliver up to 400 new homes, a new centre, improved connections and recreation areas.

### 1. A Regenerated Local Centre

Creation of a revitalised local centre with a mix of residential, community, employment, retail and leisure uses, including space for independent retailers and improved local amenity space.

### 2. Newmarket Road Corridor Enhancements

Upgrades to the Newmarket Road Corridor to reduce the dominance of this highway on the surrounding built area. Considerations to include walking, cycling priority, planting and biodiversity measures, drainage, lighting and wayfinding.

### 3. Potential Areas of Growth

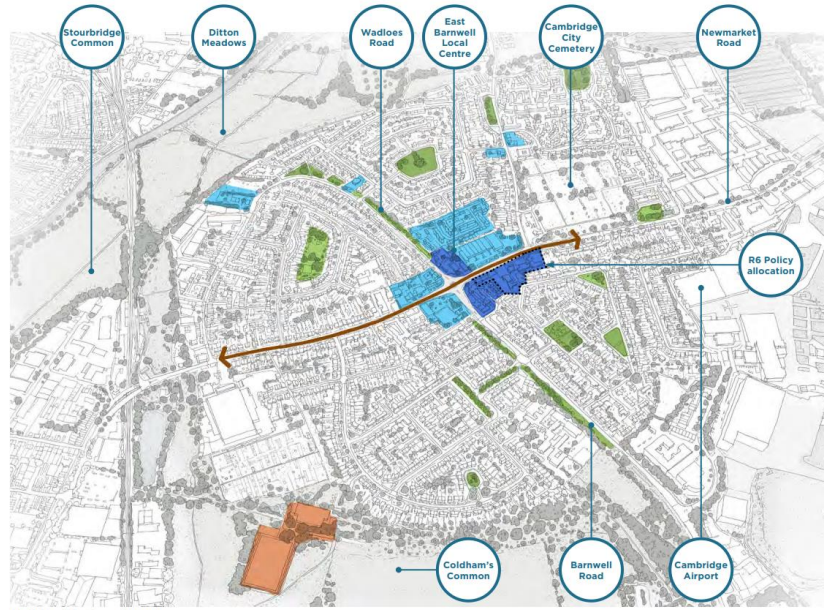
Potential regeneration sites to deliver a mix of new homes and other uses.

### 4. Abbey Leisure Complex Expansion

Enhancements to the Abbey Leisure Complex accessed off Whitehill Road, including provision for a new outdoor sports pitches/facilities.

### 5. A Connected Place

A network of enhanced open spaces, to promote walking, cycling and aid health and wellbeing. Biodiversity measures should be considered to green spaces.



## 5 Ekin Road

5.1 The regeneration project at Ekin Road is being developed in parallel with the proposals for the area south of Newmarket Road. A consultation event in June, aimed at the residents of the 122 homes on the estate, was well attended. 112 people attended on the day and 11 attended the follow-up webinar.

5.2 There were 57 responses to the survey. Many useful suggestions and feedback were received and some key statistics from the survey includes:

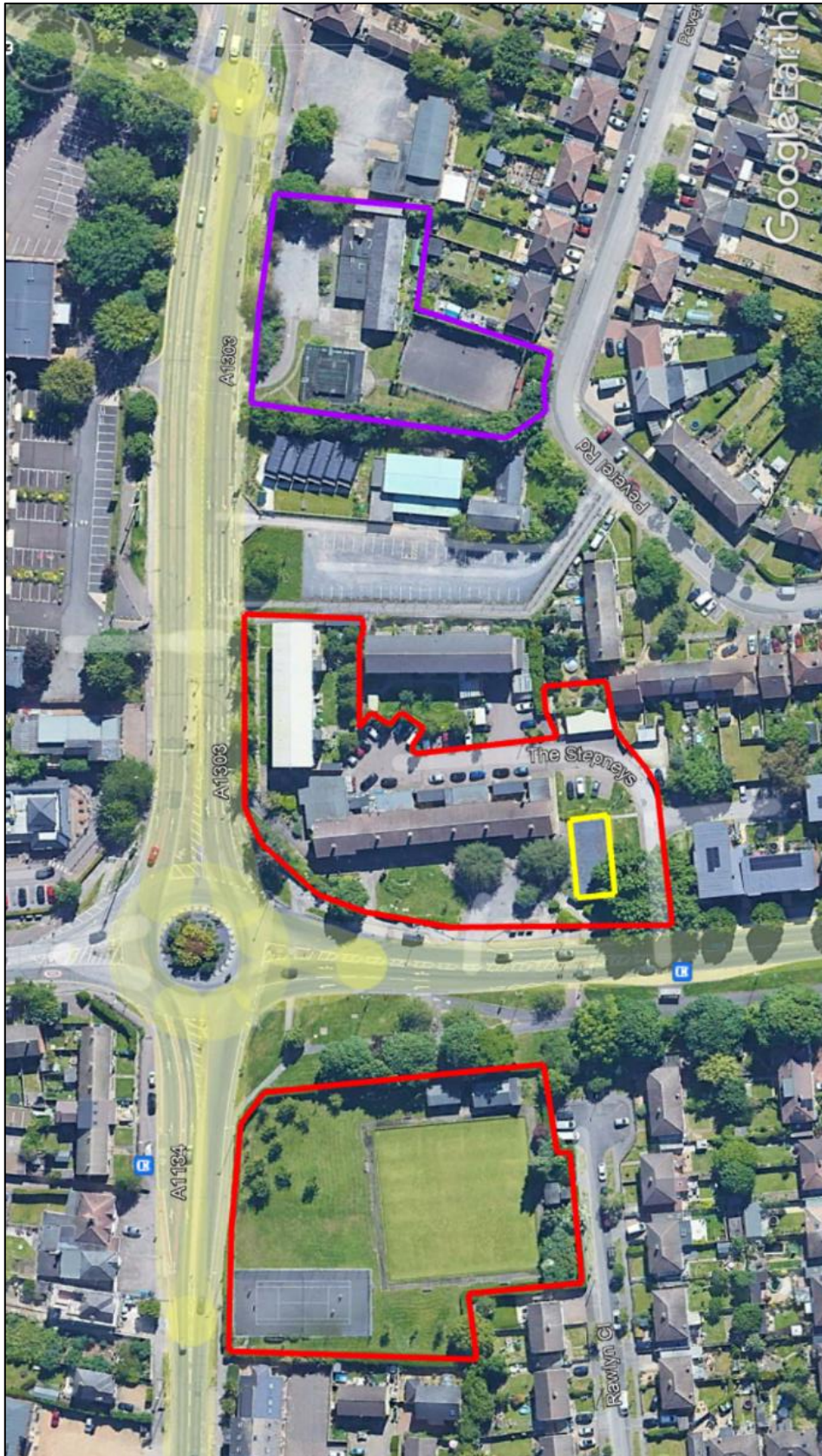
- Over 80% of people strongly agree or agree that Ekin Road is in need of redevelopment. Broken down:
  - 30 residents in flats agree or strongly agree
  - 15 residents in houses agree or strongly agree
  - 4 residents in flats disagree or are neutral
  - 3 residents in houses disagree or are neutral
  - 18 responses from house residents were submitted out of a total 42 within the estate area
  - 34 responses from flat residents were submitted out of a total of 80 within the estate area
- 62% of respondents would like to see new play areas in the public spaces if Ekin Road is redeveloped.
- 12 people would be interested in being part of a regeneration steering group.

- 5.3 The majority of those who expressed opposition are residents in some of the houses on the estate. A campaign has been launched by some of those opposed to the redevelopment of Ekin Road. The challenges involved in redeveloping or refurbishing the blocks of flats only will be further explained and explored in the next stage of the consultation.
- 5.4 In September, we will also reach out to those interested in being part of a steering group alongside engagement with residents and absent owners of the properties on the estate. The aim is to report with a proposal to Housing Scrutiny Committee in January 2023.

## **6 Joint working between City and County Councils**

- 6.1 From April 2022 meetings between the County Council and the City Council have considered the opportunity for both local authorities to work together. Both the County Council and the City Council have had a long-term engagement with the area. Both are focussed on the need for delivery and aware of the element of 'consultation fatigue' locally.
- 6.2 The aim is, through joint working, to enable the comprehensive regeneration of the East Barnwell local centre and the delivery of new community, library, pre-school and commercial facilities alongside new homes.
- 6.3 Noting the importance of delivery highlighted by the consultation responses it was agreed to focus on land which the two Councils control. This form of public sector intervention is a familiar model for driving the broader regeneration of deprived area. There are greater public benefits through comprehensive regeneration, improved financial viability and reliable delivery.
- 6.4 The sites are as shown on the below Google Earth® image:
- The East Barnwell Community Centre is the land edged purple.
  - The Barnwell Road Library is the building edged yellow.





- The City Council's land is shown in red and includes the bowls club and tennis court, the local centre, the surrounding land and flats over the shops, and the flats at 634-656 Newmarket Road

### The County Council scheme

- 6.5 The County scheme has been the subject of local consultation and includes:
- Community Centre
  - Library
  - Pre-School provision
  - Homes
- 6.6 The outline specifications drawn up in discussion with local groups have been taken as the base for the proposal now being developed. This will be taken forward through further consultation.
- 6.7 Following local consultation the County Council agreed that the pre-school centre should return to the site from its current location at Galfrid School and has an agreed view that this should be accepted. There is a MUGA on the site which the County proposed to deal with through a financial contribution, but a site had not been identified.
- 6.8 The original scheme involved four owners and an allocation in the Local Plan was secured (Proposal ref: R6). Extensive discussions between the County and Christ the Redeemer Church to deliver a joint scheme broke down some years ago. The LPA has required any partial scheme to assess the impact on the allocated site as a whole.

### Priorities

- 6.9 Subsequent pre-application discussions have focussed on key issues, constraints and the relationships of the proposals to planning policy.
- 6.10 The following priorities have emerged from the discussions with planners and local stakeholders:
- The implementation of the junction and traffic improvements proposed by the GCP.
  - A stronger presence of buildings on Newmarket Road / Barnwell Road to reduce the sense of traffic domination and make the presence of the community more felt.
  - Improved spaces sheltered from the highways for access and open space with routes through for pedestrian and cyclists but not including any through vehicle traffic.
  - Retaining and improving community and commercial facilities in the area.

- Improve access for people with disabilities to all the facilities, the open spaces and the new homes.
- Retaining trees where possible, balancing losses against the benefits of development where removal of trees is considered.
- Securing 20% net gain in biodiversity (over and above planning aim of 10%).
- Seeking to identify ways to create employment opportunities for the local people through development of a mixed-use hub.
- Building on the sense of community across Barnwell and identify needs and ways to address them beyond the immediate sites where they cannot be included.

#### Developing a deliverable masterplan

6.11 Developing a deliverable masterplan requires that it:

- Incorporates new library and preschool facilities for the County Council and new community facilities to re-provide those within the East Barnwell Centre.
- Delivers in the region of 135 – 150 new homes to subsidise the cost of providing the new library, pre-school and community facilities.
- Informs a strategy for relocating the bowls club, tennis court and MUGA off-site.
- Provides the basis of pre-application discussions with planning and urban design officers to test the acceptability of the proposals.
- Assesses the pros and cons of both Councils combining their land assets into a single masterplan or delivering these separately.
- Forms the basis of stakeholder and public consultations.

6.12 The delivery of a new centre has faced long delays and delivery is now a priority. Since 2017 Cambridge Investment Partnership has achieved planning approval for 1,045 homes across 24 sites and completed and occupied more than 200 new homes. 11 developments have been completed and fully occupied and a further 8 developments are under construction, with those remaining due to start within the next six months.

6.13 This includes delivery of mixed-use schemes. Community centres are completed or under construction at Akeman Street, Mill Road, Campkin Road and the Meadows; the Meadows includes a pre-school facility, and a nursery is under construction at Cromwell Road. Schemes at Akeman Street and Colville Road include local shops.

- 6.14 Options for the long-term ownership and management of the community centre are under consideration.

### Heads of Terms

- 6.15 The Heads of Terms have not been finalised and the structure of agreements and transfers between the three parties (Cambridgeshire County Council, the City Council and CIP) remains to be determined but key principles have been agreed.
- Land held by the Councils will be transferred to the Cambridge Investment Partnership (CIP) under a development agreement.
  - CIP will have obligations in relation to delivering the development within agreed parameters and, except for houses that are sold to private buyers, assets will be returned to the Councils either freehold or under long leases.
  - The County Council will make a fixed financial contribution and CIP will bear the development risk.

### Timetable

- w/c 15-22 August – Committee papers prepared
- 20 September – County Council Strategy & Resources Committee
- 22 September – City Council Housing Scrutiny Committee
- February 2023 – Planning application submission
- Early 2024 – Start on Site
- Early 2025 Completion of Community Centre

## **7 Public engagement**

- 7.1 There has been engagement over a period with these and other stakeholders through the One Public Estate process and through the development of the 'Statement of Principles' for allocated site R6 in conjunction with the LPA.

- 7.2 These discussions have covered some key issues including:

- Relationship of allocated site R6 to the Local Centre and to The Stepneys
- Relationship to proposed changes in the highways network
- Urban design principles in relation to access, height and massing
- Relocation of the Bowls Club
- Redistribution of the Protected Open Space including improvements in quality and access

- 7.3 These are key issues to resolve in accordance with the programme outlined above but considerable progress has been made in generating a shared understanding of the issues and identifying the outline of potential solutions.

7.4 On the basis of the joint working between the Councils, the following public consultation events have been held:

- a stand at the Abbey People Big Lunch on the afternoon of Sunday 26<sup>th</sup> June
- a consultation event afternoon into early evening Tuesday 19<sup>th</sup> July had to be postponed due to the extreme heat on that day but an-online meeting with some of the stakeholders was held instead
- the original stakeholder group for the East Barnwell Community Centre met on 20<sup>th</sup> July
- stand at the Peverel Road community safety event on 9<sup>th</sup> August
- drop-in public event located on Christ the Redeemer carpark on Saturday 13<sup>th</sup> August
- An online webinar session on the evening of Tuesday 23<sup>rd</sup> August
- a further drop-in event at Christ the Redeemer carpark on Tuesday 30<sup>th</sup> August

#### Feedback from the consultation

A report is attached at Appendix 5.

77 people responded to the survey. Of these 42 (55%) strongly agreed or agreed with the proposal and 27 disagreed or strongly disagreed (35%). 8 (10%) were neutral.

There were many detailed comments which will be taken into account as the scheme progresses.

#### Future consultation plans

7.5 Following the successful consultation events held throughout August 2022, we plan to continue community engagement as this project evolves. More detail will be shared with stakeholders and the public later in the year as we work towards a planning application.

## **8 Sustainability**

8.1 Social:

- Joint working could enable a significant regeneration that addresses many of the key issues with the existing local centre, improving the quality of life for Abbey residents and providing a vibrant new mixed-use hub for the local community.
- New affordable housing will help to meet local need.

8.2 Economic:

- A new mixed-use hub with purpose-built facilities will provide a significantly improved offer for local businesses and more local job opportunities. This could also provide a platform for new businesses to start.
- Construction of the new facilities and homes will provide significant numbers of new job opportunities.

### 8.3 Environmental:

- Homes built of Passivhaus principles with enhanced fabric.
- Gas Free, likely with air source heat pumps (ASHPs).
- BREEAM Excellent library, pre-school, community facility and commercial
- 20% biodiversity gain will be targeted.
- Improved water efficiency of 90-100 litres per person per dwelling.
- 50-100% of parking spaces to have active Electric Vehicle charging points.

## 9 Finance

- 9.1 The Council will support the development of the project through its participation in the Cambridge Investment Partnership. Housing provided on the site will include 40% affordable housing. A separate report on the purchase of this housing through the Housing Revenue Account will be submitted.
- 9.2 The County Council will make a financial contribution of £500,000. The development risk will be carried by CIP.
- 9.3 While the aim is for the scheme to finance the community facilities and the replacement commercial facilities the requirement for a contribution from the General Fund will be assessed once the extent of the facilities and costs have been finalised and a further report will be submitted.
- 9.4 The scheme relies upon £255,000 funding from S106. The total sum is generated by a number of contributions each of which has its own deadline for spend. This creates a requirement to meet the timetable attached to each S106 contribution so the sum will reduce over time if funds that have an earlier deadline have to be reallocated. The sum is not tied to a specific project but it is specifically for the provision of additional community meeting spaces.

## 10 Implications

### (a) Staffing Implications

The scheme will be developed by the Cambridge Investment Partnership (CIP) which is a 50-50 partnership. The Council will deliver its role in the development through the Housing Development Agency which will provide the Council's staffing contribution to the development of the scheme. The engagement with the community, tenants and leaseholders is very time-consuming across this and other



schemes and needs to be properly resourced. A proposal for growth to adequately resource this is within the MTFs.

(b) Equality and Poverty Implications

A scheme specific EQIA has been completed and is awaiting approval.

(c) Environmental Implications

A Climate Change Rating Tool Assessment has been undertaken for the proposed development and has been Approved by the Councils Climate Change Officer. This development is confirmed as having a Net Low Positive impact to the City in light of its linkage directly to the councils sustainability objectives.

(d) Procurement Implications

The scheme will be delivered by the Cambridge Investment Partnership (CIP). This will be a mixed tenure scheme. The land will be transferred to CIP with the affordable housing being purchased from CIP by the HRA. The process will be as set out in 19/42/HSC Approval for CIP scheme delivery routes.

(e) Community Safety Implications

The scheme will be built in accordance to Secure by Design guidelines as set out within the City Councils Design Brief.

(f) Consultation and communication considerations

There has been communication with residents prior to this report being presented.

There has been consultation through events and on an individual basis since the autumn of 2019 as set out in this report. This engagement will continue.

There has been consultation with Ward Councillors about the proposals.

Consultation and communication with existing tenants and leaseholders will continue in accordance with the City Council's Home Loss Policy This policy along with National Policy sets out the Council's commitment to those affected by regeneration and the compensation and support available.

The HDA continues to liaise closely with colleagues in City Homes, to ensure timely and accurate information is made available to all parties affected by the proposal.

There will be formal consultation through the planning process

## 11 Risks

11.1 Below is a table setting out key risks

<b>East Barnwell Risk Register</b>						
	<b>Risk area</b>		<b>Risk Mitigation</b>	<b>Probability</b>	<b>Impact</b>	<b>Risk Rating</b>
<b>1</b>	<b>Agreement between principals</b>	For the scheme to proceed the City Council and the County Council each need to sign a development agreement with CIP by November 2022.	Agree principles and delegations Septembers 2022. Identify and resolve potential issues in legal agreements at an early stage. Ensure compliance with governing legislation.	3	5	15
<b>2</b>	<b>Agreements with other parties</b>	A range of organisations are involved including the Bowls Clubs, community providers, commercial leaseholders and residential leaseholders and tenants. Varying levels of agreement are required.	Engage individually with the various parties. Identify and work to resolve issues identified.	4	4	16
<b>3</b>	<b>Planning Constraints</b>	There are a range of planning policy issues and constraints to address including the local centre, community provision, open space trees, highways and others. Each carry a risk to the scheme as a potential ground for objection or limitation that would make the scheme undeliverable.	Pre-application discussions to identify constraints and ways in which issues can be resolved to enable a planning application to be submitted with positive prospects for approval.	2	5	10
<b>4</b>	<b>Replacement facilities for MUGA and Tennis Court</b>	The nature and location of replacement facilities has not yet been decided.	Identify options and consult of the nature and location of replacement provision.	2	4	8

5	<b>Cost increases and viability</b>	Risk that costs will escalate beyond present cost estimates in relation to the value of the development. The Council may need to consider funding elements of the community provision and determine how to finance the renewal of the commercial premises if these fall outside a viable scheme appraisal.	Major development risk is carried by CIP. Profit is built in across CIP schemes to offset this risk. The potential for costs for community services and commercial premises to require funding to be identified and funding agreed prior to commitment.	3	4	12
6	<b>S106 funding</b>	Risk of delay causing loss of S106 funding.	Maintain progress against programme. Monitor S106 commitments with relevant officers.	3	3	9
7	<b>GCP scheme</b>	Local feedback has stressed the importance of the GCP road improvements to the feasibility of the scheme.	Continuing engagement with GCP and local representations.	2	4	8

## 12 Background papers

19/42/HSC Approval for CIP scheme delivery routes  
24<sup>th</sup> Sept 2020 HSC Agenda Item 13: East Cambridge Development & Regeneration Project: Masterplan for East Barnwell.

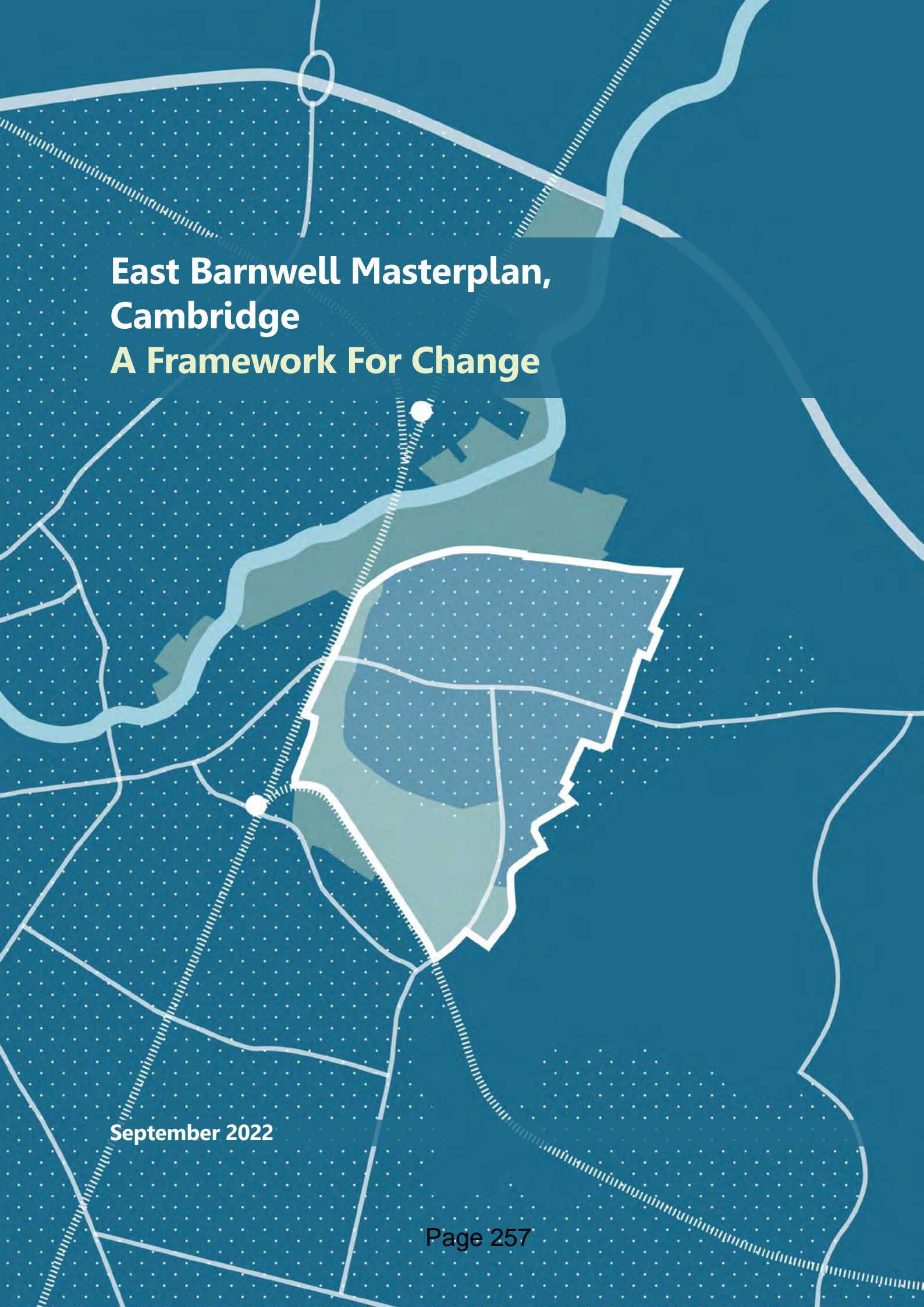
## 13 Appendices

Appendix 1 – Framework for Change Report  
Appendix 2 – Cambridge City Council ownership Plan  
Appendix 3 – Cambridgeshire County Council ownership Plan  
Appendix 4 – Abbey Leisure Centre overflow Car park  
Appendix 5 – Report on consultation

## 14 Inspection of papers

To inspect the background papers or if you have a query on the report please contact Jim Pollard, Housing Development Agency, tel: 01223 457924, email: jim.pollard@cambridge.gov.uk

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**East Barnwell Masterplan,  
Cambridge  
A Framework For Change**

**September 2022**





# East Barnwell Masterplan

## A Framework For Change

**Carter Jonas**

Prepared by Carter Jonas LLP on behalf of Cambridge City Council

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Appendix A: List of Figures

Version: 4  
 Version Date: September 2022  
 Status: Final Document  
 This Document Has Been Prepared And Checked In Accordance With Iso 9001:2000.





Fig 01: Artists impression of East Barnwell



## 1.1 Purpose of the Document

The purpose of this interim document is to set a framework for change for the area of East Barnwell in Cambridge.

The document comprises a masterplan setting out a framework for future development and land use and is supported by a central government program, the One Public Estate. The masterplan is being driven and overseen by Cambridge City Council supported by consultants Carter Jonas and Snapdragon Consulting. The document is the result of a successful application for funding support from the One Public Estate program.

The masterplan aims to provide the following:

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To enable the construction of a large number of new homes in the East Barnwell area of Cambridge, at a time of high demand for the city and considerable underinvestment in housing.

- To bring together East Barnwell by creating a new heart, and identify deliverable infrastructure enhancement such as new and improved community uses that will be required to support future growth and improve the lives of existing residents.
- Identify interventions that combine significant community infrastructure, homes, jobs and transport links.
- To help support new jobs in Eastern Cambridge in the construction of new housing, as well as the new community and commercial properties which will be provided.
- To improve the quality of open spaces and the connections between them, allowing increased community use.
- To encourage active travel, by improving the pedestrian and cycle links both within and from East Barnwell to surrounding areas of Cambridge.



1. View along Newmarket Road looking north  
2. 3-storey flatted properties on Ekin Road  
3. Views of shops on Barnwell Road

Fig 02: Photographs 1-3 of East Barnwell

## 1.2 Document Status

The masterplan clearly and concisely summarises the planning context, constraints and opportunities as well as establish key development principles for the regeneration of East Barnwell.

Whilst this document provides a thorough understanding of the key planning matters relating to the study area, it cannot account for subsequent changes in policy at a national or local level or in guidance and standards that may occur beyond the point of publication and approval. It should be noted that this guidance does not repeat existing guidance or policies but instead will make reference to other documents and advice where relevant.

Future development proposals will need to be consistent with approved national and local policies in place at the time of the determination of planning applications.

### Section 1: Introduction

This section outlines the purpose of the masterplan, its status and process of preparation.

### Section 2: Area & context

This section provides an overview of East Barnwell and identifies its key characteristics, planning background and community profile.

### Section 3: Key findings

The results of a first stage of community engagement are provided in this section, including the key areas of feedback around housing, community uses and transport in particular

### Section 4: Vision

This section sets out an overall vision for change for East Barnwell and outlines the “brief” that will be used to inform the proposed uses, opportunities and specific strategies for change in key areas.

### Section 5: Masterplan Objectives

This section sets out the key objectives of the masterplan including the “opportunity areas” where new development and change may take place.

### Section 6: Masterplan Strategies

This section sets out the main strategies of the masterplan including connectivity, land use, built form and public realm.

### Section 7: Summary & Next Steps

This section provides a summary of the masterplan and a possible programme for delivering the various uses, sites and facilities.



### 1.3 Preparation Process

The following pages detail the process that has been undertaken for the preparation of the masterplan framework, and relate to the material presented in subsequent sections of the document.

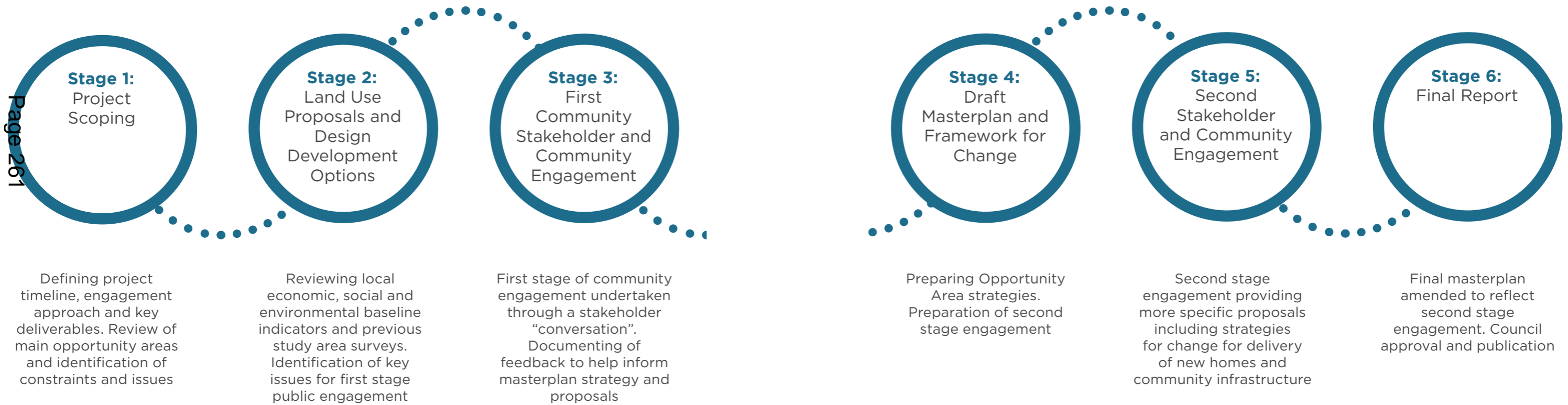


Fig 03: Preparation process diagram

# 2.0 Area & Context

- 2.1 Study Area Overview
- 2.2 History & Local Context
- 2.3 The Study Area
- 2.4 Area Profile
- 2.5 Planning Overview
- 2.6 Site Allocations & Major Development Sites
- 2.7 Key Considerations - Built Environment

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## 2.1 Study Area Overview

**East Barnwell is an area of Cambridge which occupies the northeast part of the city. It is not a ward of Cambridge but rather an area of the city which derives its name from the former Barnwell Priory which existed until around 1538.**

The East Barnwell area is characterised mainly by suburban housing and the key east-west and north-south routes that bisect this part of the city, specifically Newmarket Road and Barnwell Road/Wadloes Road respectively. The area is bordered by Cambridge Airport to the east; the railway line to Newmarket to the south; the railway line to King's Lynn to the west; and Ditton Meadows to the north.

Newmarket Road itself is an ancient road, first established by the Romans, and was a principal medieval road known as the Bury Road and later, in parts, as The Barnwell Causeway. Today, it remains the main eastern gateway into the city, one of eight primary routes into and out of the City Centre. It is classed as an A-road and provides access to Cambridge from Junctions 34 (via B1047) and 35 (A1303) of the A14, the major east-west route in the Cambridge area.

The western boundary of the area is located approximately 1.1 kilometres from the northeastern boundary of Cambridge City centre which is formed by the roundabout at Newmarket Road and East Road/Elizabeth Way. East Barnwell has good levels of accessibility from the rest of the city by road, albeit these key routes become very busy at peak times of day. Newmarket Road in particular acts as a main transport link in and out of Cambridge, with numerous bus routes.

This part of Cambridge provides connections to various routes and facilities further east, including Cambridge Airport; the A14; and towns and villages north and east in South Cambridgeshire and East Cambridgeshire respectively.

Key features of East Barnwell include the Cambridge United Football ground; Coldham's Common; the Cambridge City Cemetery; light industrial areas found in the northwest and southeast parts of the study area; and the Abbey Leisure Complex.

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Study Area **202 Hectares**



Population **9,302**

(Abbey Ward, Census 2011)

Fig 04: Study Area headline facts

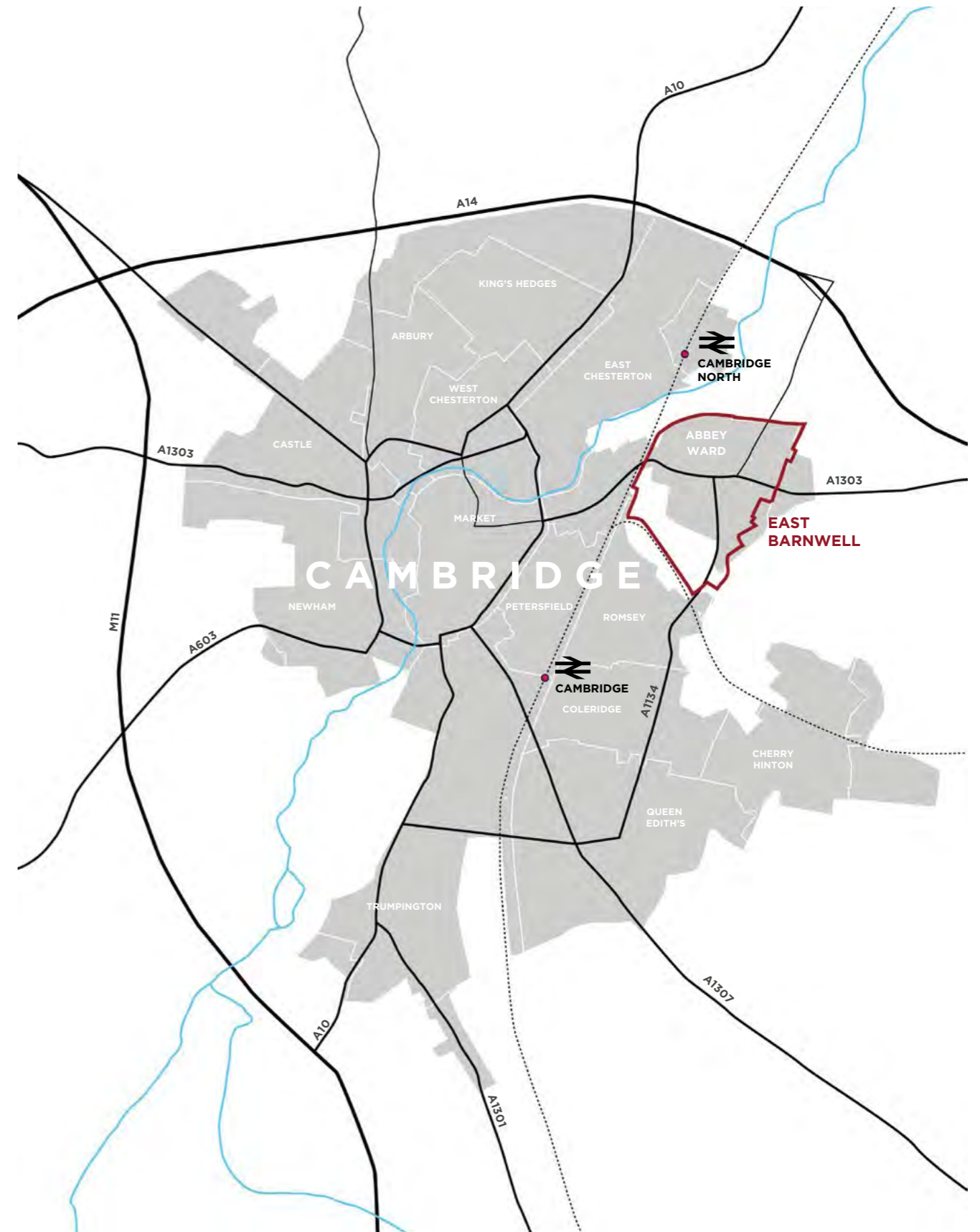


Fig 05: Context Plan showing East Barnwell in the context of Cambridge





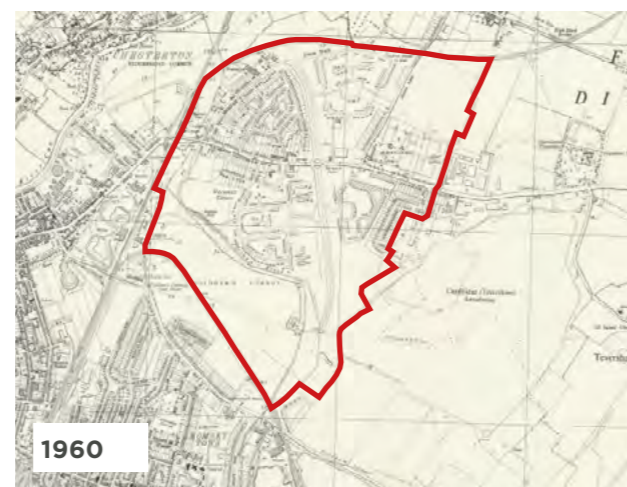
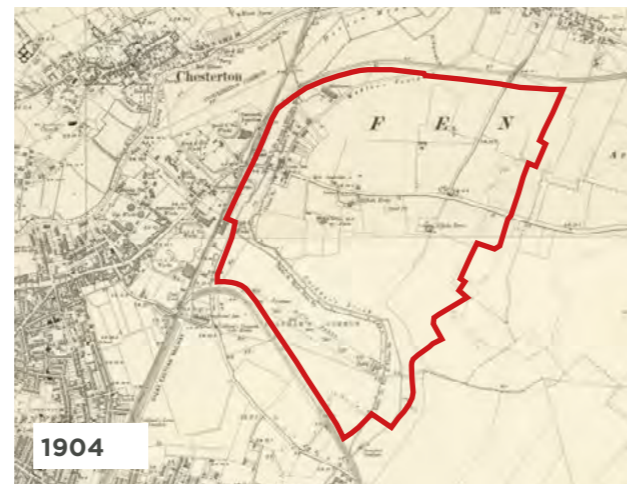
## 2.2 History & Local Context

**The first settlement outside the burh (Anglo-Saxon defended settlement) of Cambridge occurred in the 5th and 6th centuries on dry river-terrace gravels, including around Barnwell where a priory was founded on one-time Royal land in the fields within the 'Liberty' of Cambridge (the extent of the town's jurisdiction). The house for six augustinian canons (originally founded in 1092 by Cambridge's first Sheriff, Picot) was moved from its site at St Giles Church adjacent to the Castle, to the right bank of the River Cam in 1112 by the second Sheriff, Pain Peverel.**

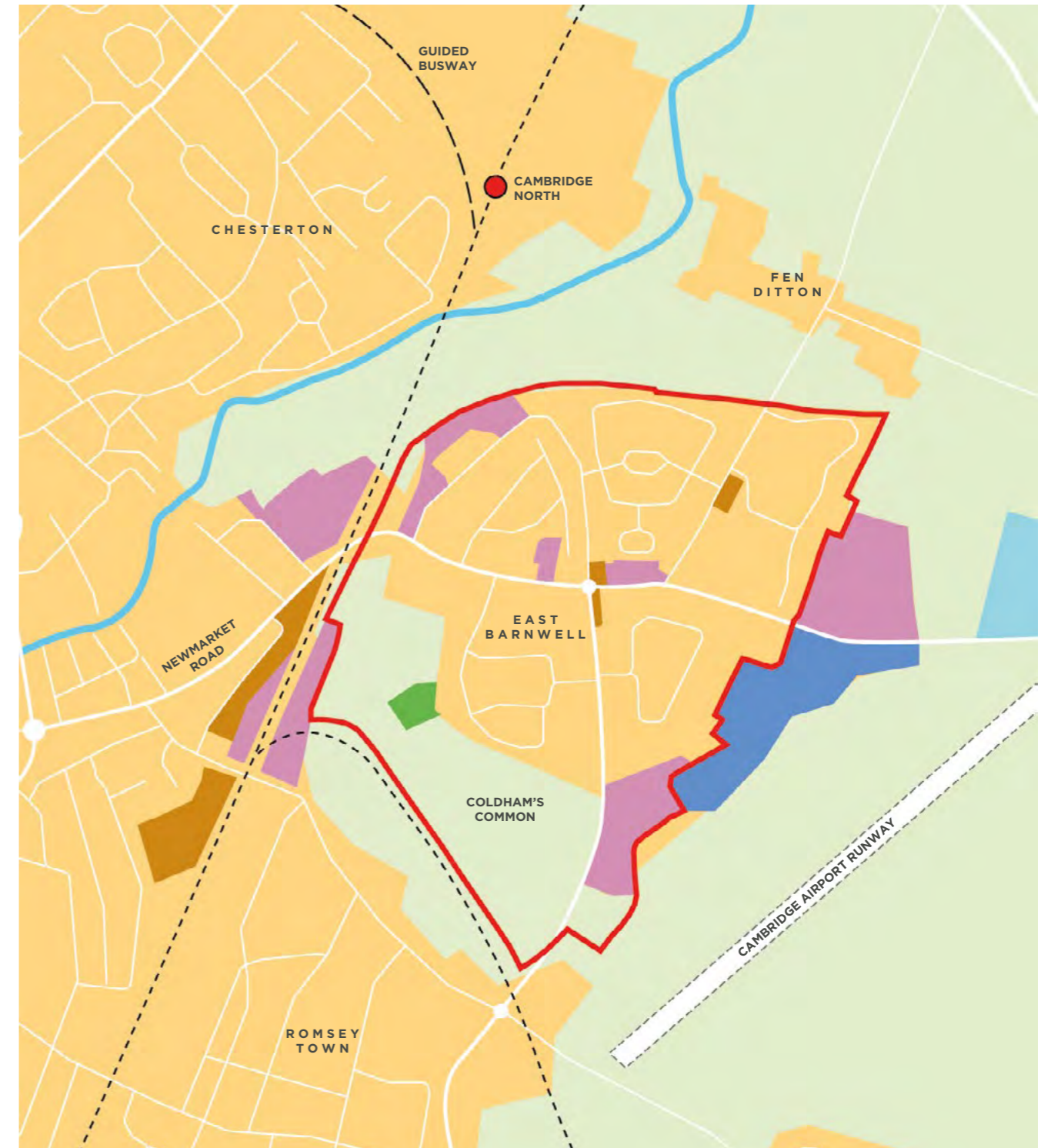
Barnwell (or Barnewelle) apparently means Children's Well, so called because every year, at Midsummer's Eve, children gathered there for games attracting traders (although other possible derivations have been put forward including Warrior's Well). A hermitage and ancient oratory of St Andrew had already appeared in the area, next to this source of springs in the common fields. Barnwell Priory became the largest religious foundation in the town (covering 10 acres), although founded on common lands, and was granted a charter in 1211 by King John formalising the holding of an annual Fair on Midsummer Common roughly in the area of the modern Elizabeth Way. In 1505 the right was transferred to the town Corporation for an annual fee. This fair has today become a large fun fair.

The eastern stretch of Newmarket Road remained virtually undeveloped until the turn of the 20th century with the exception of some outlying farms and Elflada House which were all in the Fen Ditton parish until 1938. With the exception of the small group near the railway bridge, the eastern stretch of road remained little developed until the Ditton Fields development of between 1938 and 1951 when much of the area was developed for local authority housing. Cambridge United's Abbey Stadium was opened August 31st 1931. More housing was added later in the 1950's and 1960's and then again later in the 1980's and 90's east of Ditton Lane.

The predominant land use in East Barnwell comprises residential neighbourhoods, predominantly two-storey detached, attached and terraced housing along with flats in certain neighbourhoods. There are two employment zones also within East Barnwell: the Ditton Walk North Beadle Industrial Estate at the north west edge of the area; and the Barnwell Business Park at the south-east edge next to Cambridge Airport. At the heart of the area is the local centre which comprises shops, a McDonald's restaurant and flats.



**Fig 06:** Historic maps of East Barnwell



- EBMP Study Area
- Predominantly residential areas
- Retail / local centres
- Employment areas
- Cambridge Airport
- Park and Ride
- Abbey Leisure Complex

**Fig 07:** Local land use context plan



## 2.3 The Study Area

The following plan and photos provide a brief snapshot of different parts of East Barnwell. At a more detailed level, the photos show that the area comprises predominantly low-rise residential uses set in traditional streets (some tree lined), alongside a mixture of commercial, employment and public uses.

The character of the area is generally unchanged for many decades, and it is the case that there are a number of streets and housing areas that could be improved and renewed as part of the wider regeneration of the area.



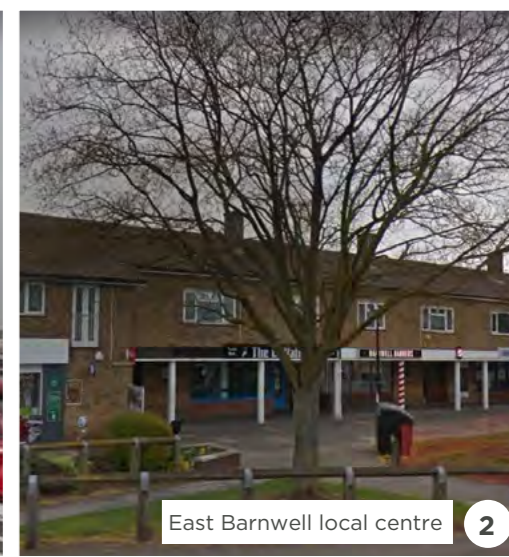
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Fig 08: Photograph location plan



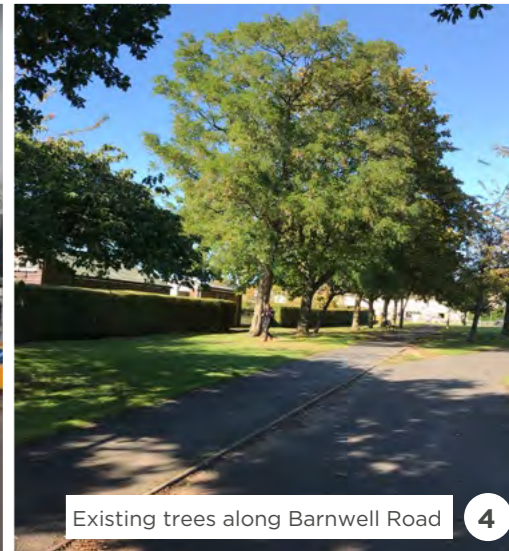
View west along Newmarket Road, towards bowls club 1



East Barnwell local centre 2



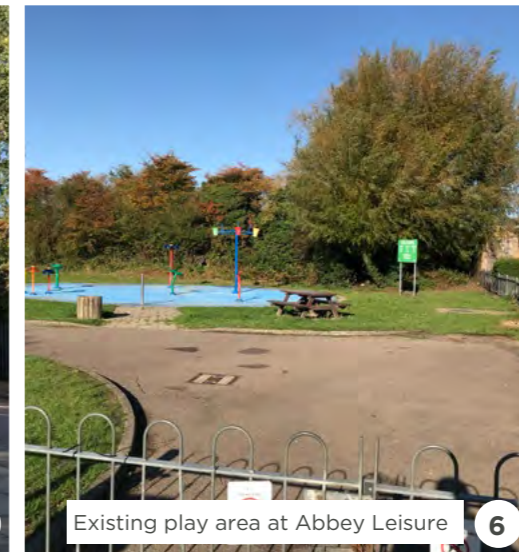
Weak frontage along traffic dominated Newmarket Road 3



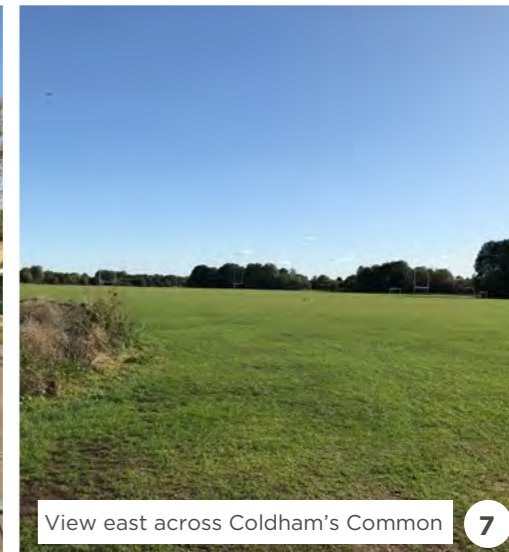
Existing trees along Barnwell Road 4



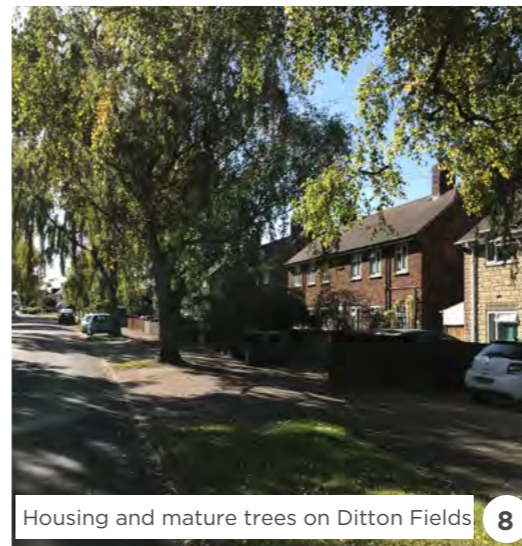
Abbey Leisure Complex 5



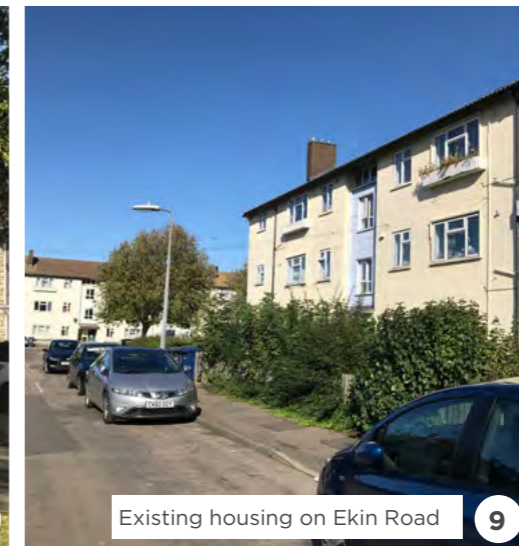
Existing play area at Abbey Leisure 6



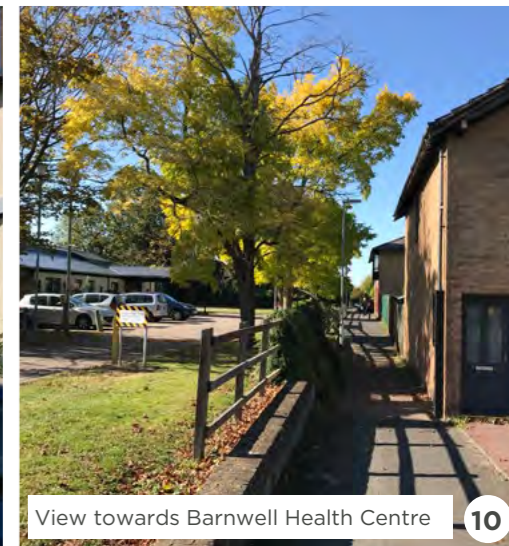
View east across Coldham's Common 7



Housing and mature trees on Ditton Fields 8



Existing housing on Ekin Road 9



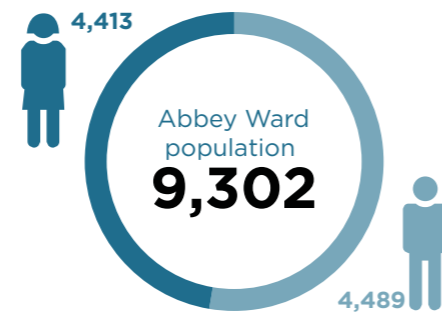
View towards Barnwell Health Centre 10



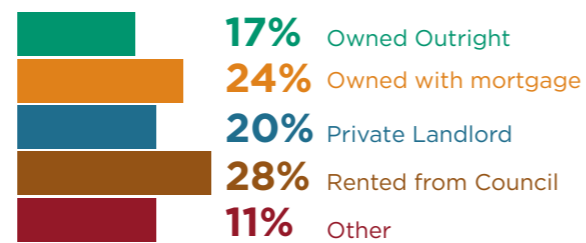
## 2.4 Area Profile

A review of existing information regarding East Barnwell has been undertaken, primarily from the Cambridge City Council East Area Ward Profile 2019. The statistics presented here related to Abbey Ward, which the Study Area falls within.

### Population



### Housing Tenure



### Food Bank Use

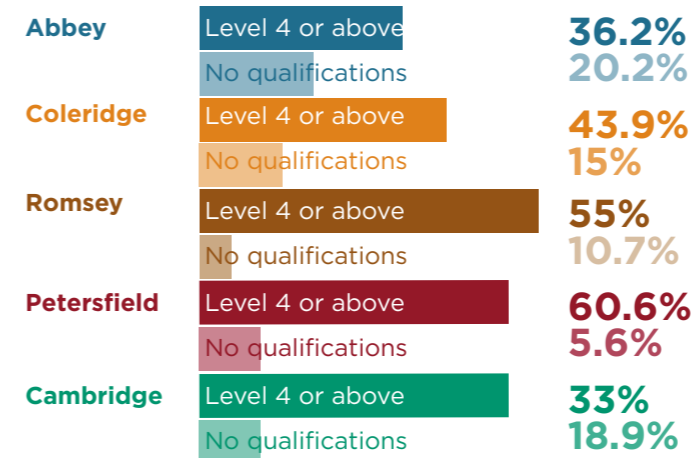


**2nd highest** number of vouchers fulfilled in Cambridge

### Economic Activity



### Education



### Deprivation

East Barnwell contains **3** areas ranked in the most 20-30% deprived in England

- East Abbey
- North Abbey
- North Abbey (Ditton Lane)

### Housing

**4,470** dwellings in Abbey  
Average house prices in east Cambridge



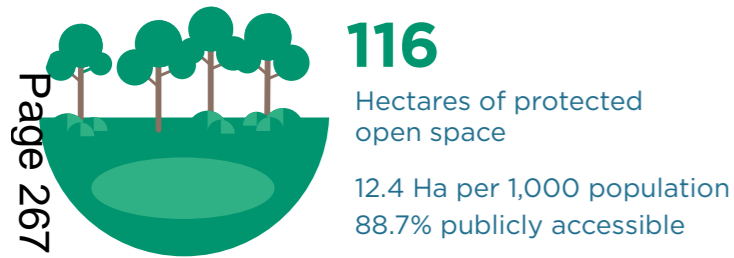
Fig 09: Abbey Ward key statistics



**Open Space**

**Cambridge City Council's Open Space and Recreation Strategy (2011) sets out that Abbey Ward has a total of 116.39ha of protected open space (which equates to 12.4ha per 1,000 population), of which 88.7% is publicly accessible.**

The Strategy states that in comparison to the majority of the City, Abbey ward contains a good mix of publicly accessible open spaces.

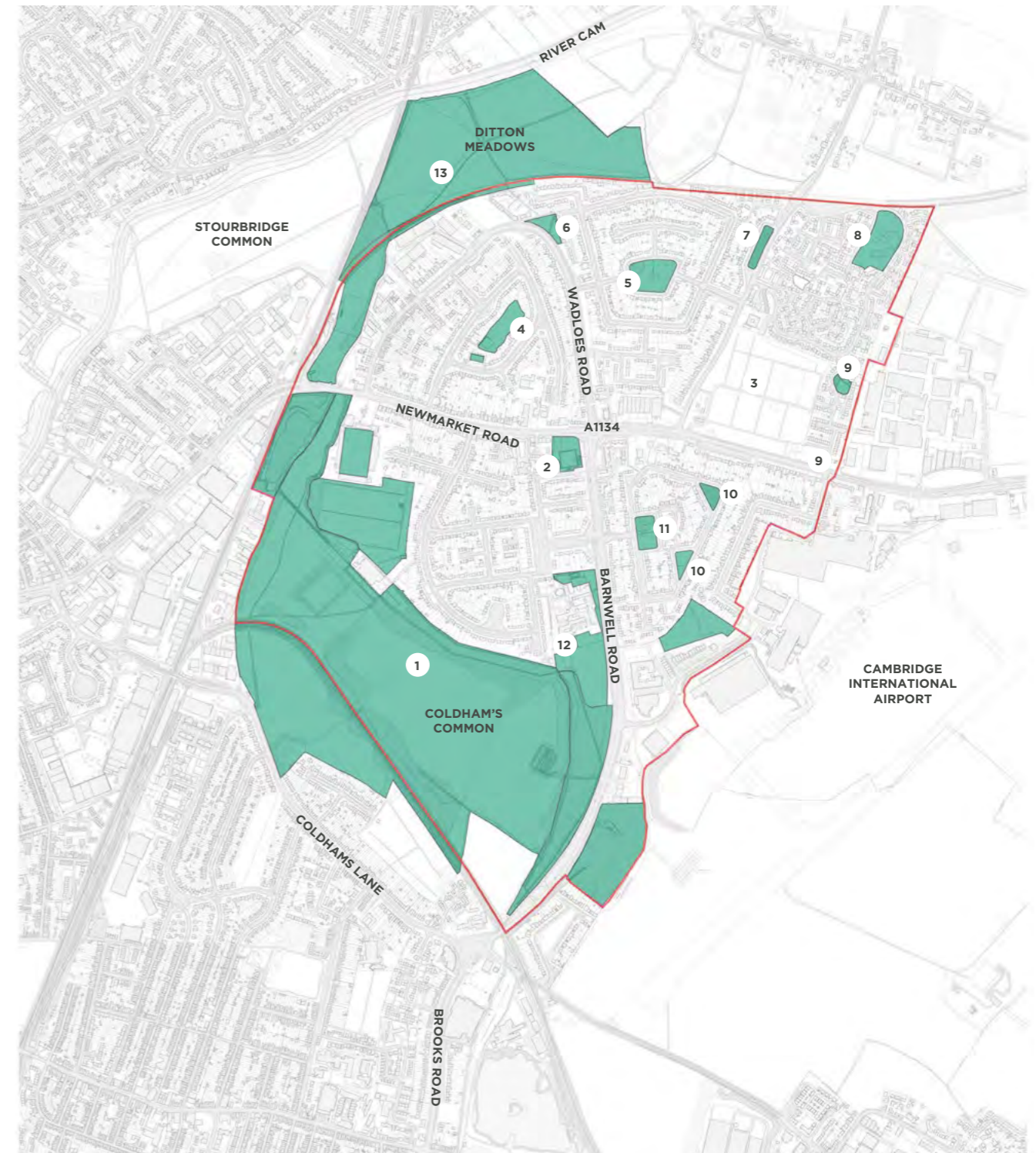


While the ward benefits from significant areas of open space when considered as a whole, just under half of the open space is provided at either Coldham's Common or Ditton Meadows. When the cemetery and the private school playing fields are included this rises to approximately 70%. These large area of open space located on the periphery of the ward do therefore skew the open space calculation for the ward and could, if not interrogated, be misleading. The remaining open space provision that is located within the built up area is of mixed quality.

The condition and use of the open spaces across the Ward and Study Area is mixed, with threats from car parking and tall fencing / back garden fences creating hostile boundaries and areas with no passive surveillance. The spaces are not well connected and do not contribute to a comprehensive network of public open space across the Ward and Study Area.

**Key areas of open space**

- 1 **Coldham's Common**  
Size: 44.74 Hectares (partly outside the East Barnwell Study Area)  
Use: Open recreation and some formal sports pitches
- 2 **Barnwell Road Recreation Ground**  
Size: 0.56 Hectares  
Use: Bowls club / tennis court, booking required
- 3 **Cambridge City Cemetery**  
Size: 7.82 Hectares  
Use: Unlimited pedestrian access
- 4 **Ditton Fields Recreation Ground**  
Size: 0.64 Hectares  
Use: Children's play, basketball court, kickabout goals, surrounded by rear garden fences of properties on Ditton Fields.
- 5 **Dudley Road Recreation Ground**  
Size: 0.80 Hectares  
Use: Children's play, well used and overlooked
- 6 **Wadloes Road Amenity Green Space**  
Size: 0.32 Hectares  
Use: Open space, adjacent to Wadloes Road
- 7 **Ditton Lane Amenity Green Space**  
Size: 0.26 Hectares  
Use: Open space, visual amenity only
- 8 **Thorpe Way Play Area**  
Size: 1.16 Hectares  
Use: Hard court sports area, play area
- 9 **Jack Warren Green Amenity Space (large & small)**  
Size: 0.39 Hectares  
Use: Open space, visual amenity only
- 10 **Peverel Road Amenity Green Space**  
Size: 0.37 Hectares  
Use: Open space, visual amenity only
- 11 **Peverel Road Play Area**  
Size: 0.41 Hectares  
Use: Open space
- 12 **The Galfrid School**  
Size: 2.00 Hectares  
Use: Open space - for school use only
- 13 **Ditton Meadows (open space)**  
Size: 15.85 Hectares  
Use: Open space with walking routes next to the River Cam



- EBMP Study Area
- Key areas of open space

**Fig 10:** Provision of public and private open space in the Study Area



**Access & Connectivity**

The Study Area is dominated by Newmarket Road, the main route carrying traffic from the east into the centre of Cambridge. This main route has very few dedicated crossing points for pedestrians, resulting in it acting as a barrier to walking north to south across the area and potentially blocking access to local amenities and open space.





Wadloes Road and Barnwell Road running north to Fen Ditton and south to Romsey meet at the roundabout in the centre, at the existing Barnwell Local Centre.

This creates 4 'quadrants', which are characterised by a primary loop street, served by small access routes to residential dwellings. Most of the access routes are cul-de-sacs, resulting in a limited network of connectivity. Where pedestrian connections are provided, they are between houses, which are not well overlooked.

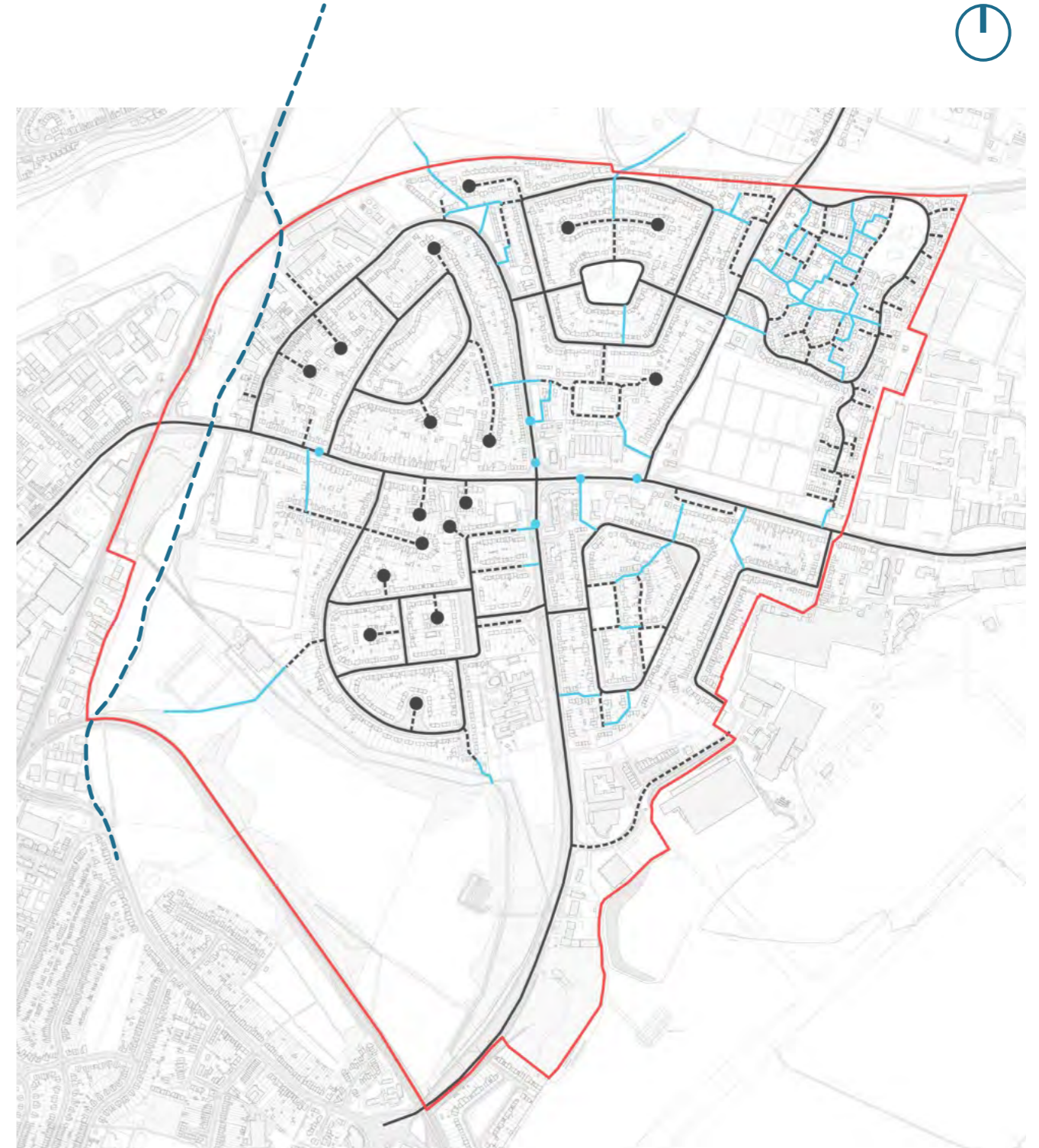
The network of public rights of way are limited to Coldham's Common and Ditton Meadows to the south and north.








Cycle infrastructure is limited in the Study Area, with cycle routes painted lanes in the Newmarket Road carriageway. The roundabout at Newmarket Road / Barnwell Road / Wadloes Road is also difficult for cyclists to navigate, with users feeling unsafe cycling on this arterial route. Notwithstanding the limited infrastructure, the Chisholm Trail now under construction is a new north-south cycle route that runs alongside the rail line within the western boundary of the study area.



-  EBMP Study Area
-  Main streets
-  Cul-de-sacs
-  Chisholm Trail cycling and walking route

**Fig 11:** Study Area streets / vehicle movement plan



-  EBMP Study Area
-  Main streets
-  Cul-de-sacs
-  Chisholm Trail cycling and walking route
-  Off street pedestrian routes
-  Routes with no connection
-  Pedestrian crossing point

**Fig 12:** Study Area pedestrian accessibility plan





## 2.5 Planning Overview

The Study Area sits entirely within the administrative area of Cambridge City Council. South Cambridgeshire District Council's administrative area forms the eastern boundary of the Study Area.

Relevant local policy documents comprises:

- Cambridge Local Plan 2018
- Cambridge Adopted Policies Map 2018
- Cambridge East Area Action Plan 2008

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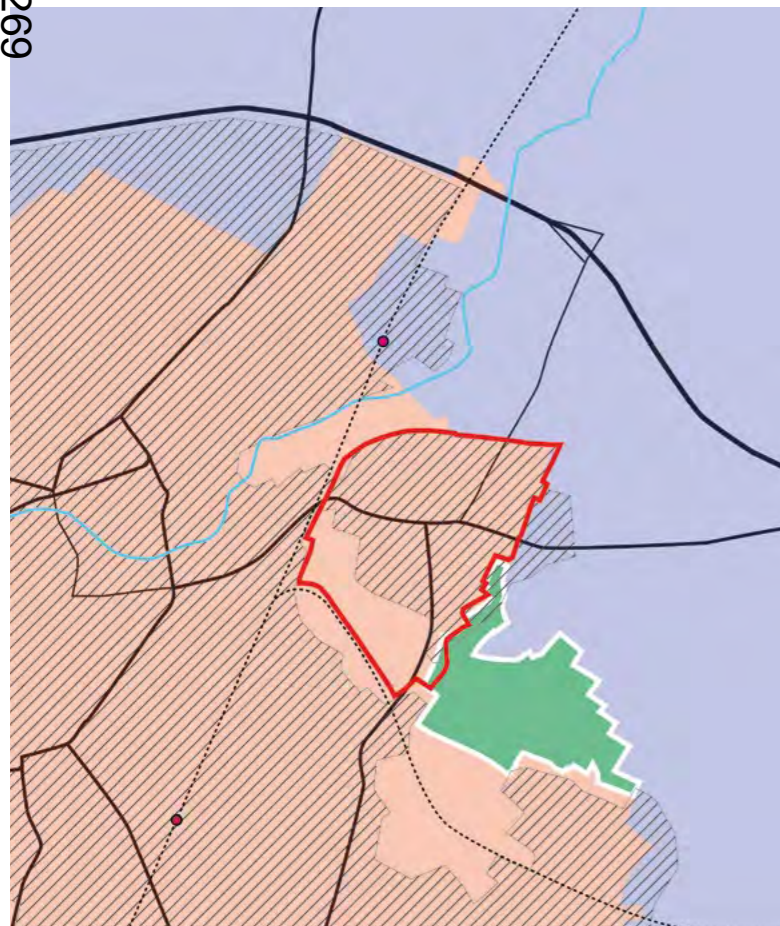


Fig 13: East Barnwell Location in relation to local planning authorities

- EBMP Study Area 202 Hectares
- Cambridge City Council area
- Cambridge East area (from Cambridge East Area Action Plan)
- South Cambridgeshire District



- EBMP Study Area 202 Hectares
- Listed building
- Conservation Area
- City safeguarded land (see fig. 16)
- Protected industrial site
- Area of major change
- Flood Zone 3
- Flood Zone 2
- Local centre
- Green Belt
- Protected open space
- Ditton Lane neighbourhood centre

Fig 14: Constraints and opportunities plan





## 2.6 Site Allocations & Major Development Sites

A number of site allocations and major development sites are located within and adjacent to the Study Area. The closest of these sites to the Study area are shown on the plan opposite, and those which are considered to have the most significant impact on East Barnwell are detailed below.

### Site R5

- Camfields Resource Centre and Oil Depot, Ditton Walk
- Allocated for residential use, indicative capacity of 35 dwellings



### Site R6

- 636-656 Newmarket Road, Holy Cross Church Hall, East Barnwell Community Centre and Meadowlands
- Allocated for 75 dwellings (indicative capacity) / community facilities / mixed use



Fig 15: Key development sites

### Site CE/3/1, CE/3/2, CE3/3 (South Cambs)

- Land north of Newmarket Road
- Allocated for mixed use development of up to 1,300 dwellings with a primary and secondary school, local centre with community hub, and open space
- Now under development as Marleigh new neighbourhood

### Site CE/3(1)

- Marshall's Airport
- Allocated as "safeguarded land" for future development in the Cambridge East Action Plan
- Could result in job losses for Abbey Ward if the airport closes

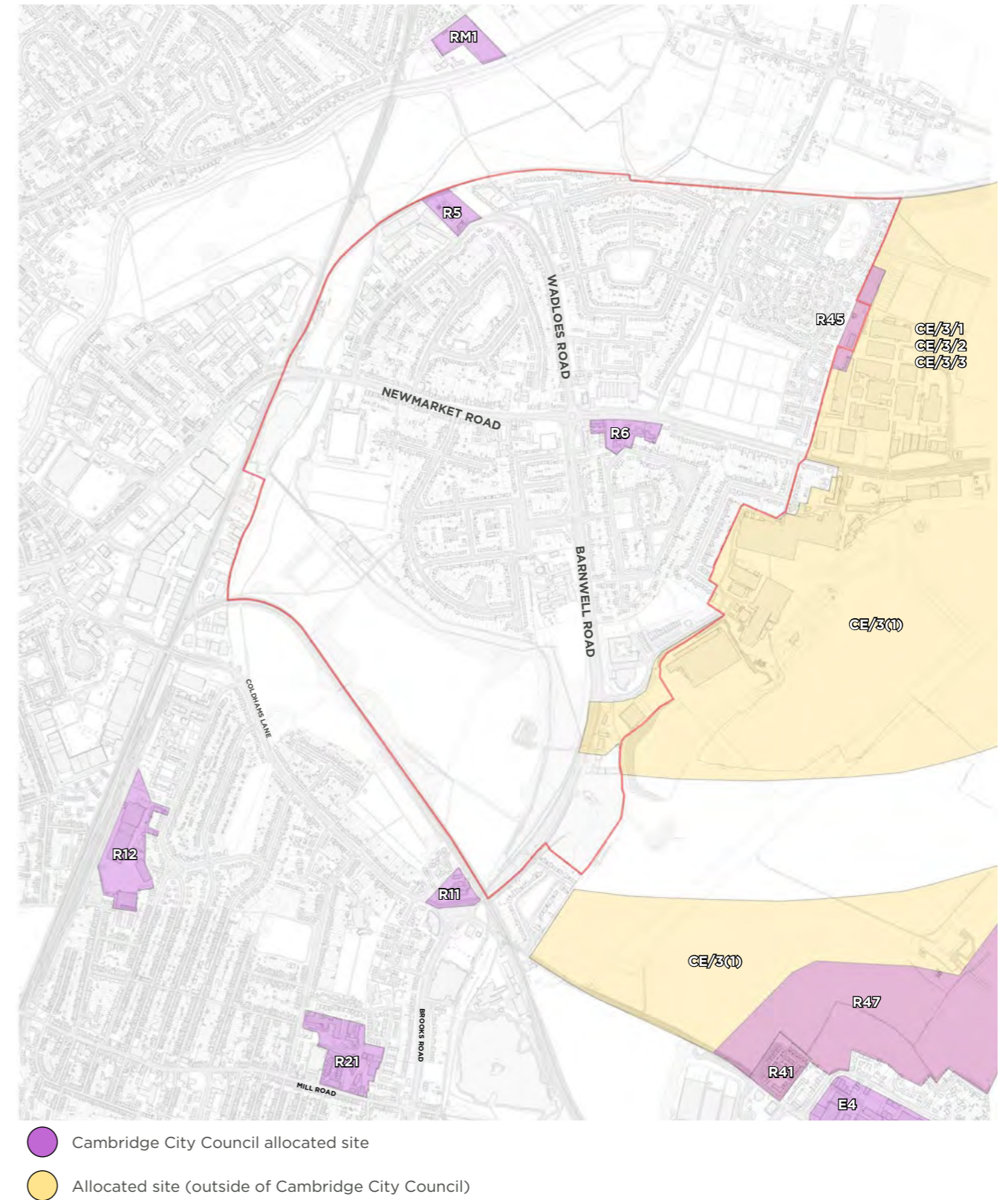


Fig 16: Site allocations and major development sites



## 2.7 Key Considerations - Built Environment

Section 2 has introduced the context to the study area, including development context, history, key demographics, planning background and position in relation to the rest of Cambridge.

The diagram opposite (detailed further in subsequent pages) identifies the key considerations for East Barnwell in terms of its built environment. These considerations have been carried through the consultation stages of the masterplan process, and have informed the development of the vision.

The considerations identified here do not represent an exhaustive list of interventions for the masterplan, more an overall assessment of the built form issues in the study area.

Areas of intervention will be formed from these key issues and defined in latter sections of the document.

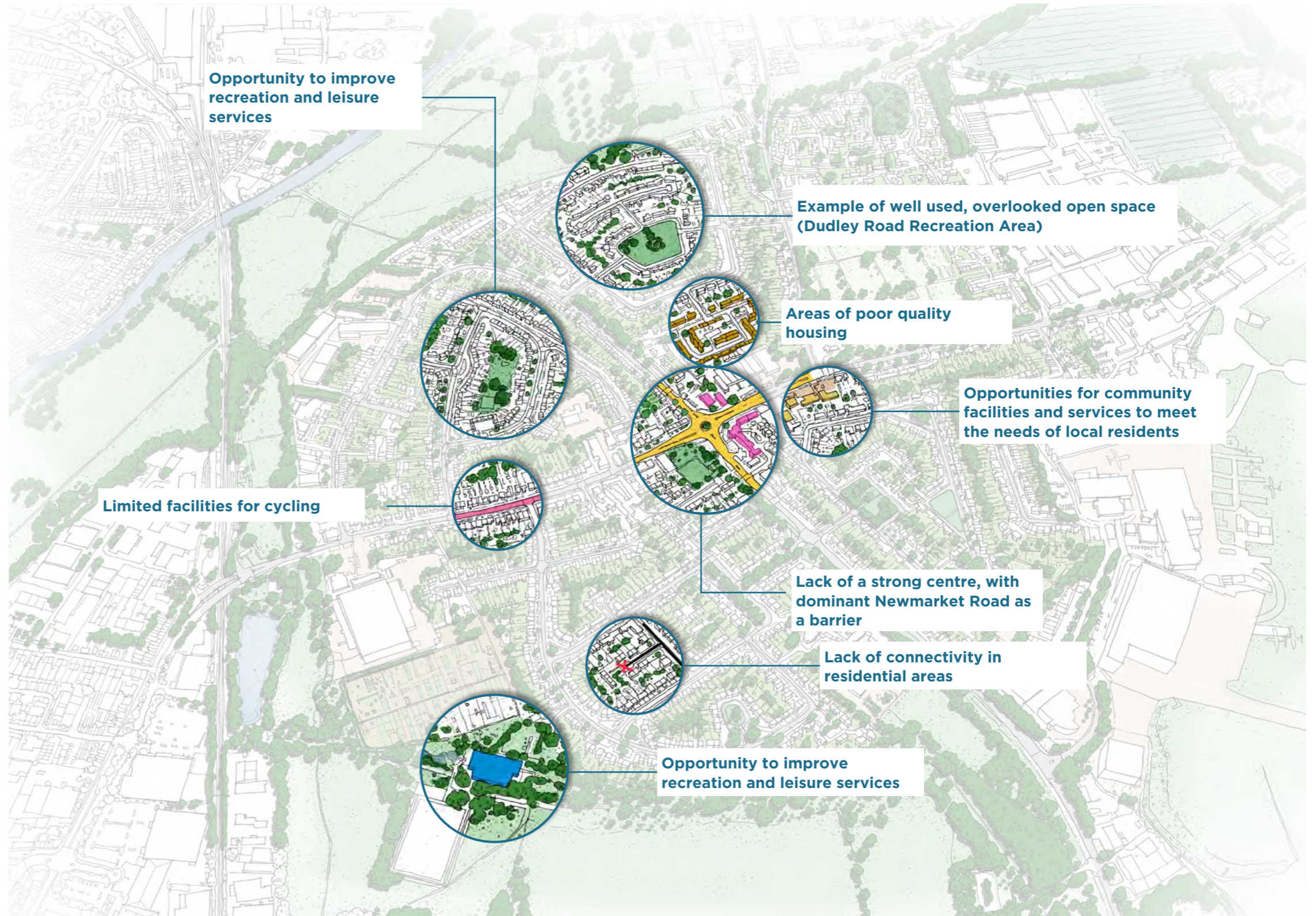


Fig 17: East Barnwell Key Considerations Plan





**1. Lack of a strong centre**

The intersection of Newmarket Road, Barnwell Road and Wadloes Road represents a significant opportunity to create a new heart to East Barnwell, potentially working jointly with a number of landowners.



**2. Opportunities for community facilities and services to meet the needs of local residents**

In conjunction with the creation of a new heart at the centre of East Barnwell, a mix of land uses can contribute to the vitality of this area, as well as providing relevant spaces for the community.



**3. Newmarket Road**

The potential to adapt Newmarket Road as a sustainable transport corridor and less of a barrier in East Barnwell. Changes subject to future plans being led by the Greater Cambridgeshire Partnership.



**4. Areas of poor quality housing**

Some housing stock in the area is of low quality, with limited areas of useable open space and streetscapes dominated by cars.



**5. Potential to enable new development on selected sites, subject to capacity**

A number of allocated sites are located within the Study Area, as well as other sites that have been earmarked for redevelopment, all of which can contribute to meeting housing needs.



**6. Limited facilities for walking and cycling**

Opportunities exist to improve the cycling potential for Newmarket Road, as well as other key connections from East Barnwell to the surrounding areas, including to central Cambridge.



**7. Opportunity to improve recreation & leisure services**

Abbey Leisure Complex has the potential for expansion, to expand the offer of leisure facilities to East Barnwell, including new play pitches.



**8. Lack of connectivity in residential areas**

Poor connectivity between residential areas, areas of open space, community facilities and local services.

**Fig 18:** Study Area key considerations

# 3.0 Key Findings

- 3.1 Engagement Methodology
- 3.2 Community Feedback





## 3.1 Engagement Methodology

### Engagement Stages

**In preparing the masterplan, two stages of community engagement have been undertaken: the first stage was about understanding community and stakeholder views in relation to housing, transport and the environment; and the second stage was in relation to community and stakeholder views on masterplan proposals.**

In the first stage, the City Council, alongside Carter Jonas and Snapdragon Consulting, carried out a period of community and stakeholder engagement during February and early March, 2020. This first stage of engagement was referred to as the East Barnwell “conversation”. In line with the Cambridge City Council’s Statement of Community Engagement, the project team sought to consult with as many local residents and relevant stakeholders as possible to ensure the local community were involved with the planning process.

In order to reach the widest scope of people, the project team determined that the majority of the consultation would be carried out digitally, using a dedicated project website alongside social media advertising. The project website was developed specifically to prompt visitors of the site to comment on particular topic areas including housing, open spaces and the environment. Website visitors were asked to pinpoint a location on a map of the local area to indicate which specific part of the area they were interested in/concerned with. The project website was advertised via the Cambridge City Council’s Facebook page as well as the Cambridge City Council website. The Facebook advert was geo-targeted, allowing us to ensure the advert reached the relevant audience within the East Barnwell area.



Fig 19: Extract from leaflet sent to residents

### Stakeholder Events

Alongside the digital engagement strategy, the project team also organised and attended a number of physical stakeholder events. The project team identified a number of important stakeholder groups and sites where these groups met, including the Romsey Mill Youth Group and the Abbey People Volunteers Group. The project team created informative leaflets that were placed and distributed at the selected sites prior to the event taking place. The primary aim of the physical stakeholder events was to engage with a diverse range of people, particularly focusing on those who may be excluded from commenting online such as younger children and elderly residents. This was successful, and the group were able to attend the Cambridge United Community Trust’s Seniors Lunch and hold two sessions with young people at the Romsey Mill Youth Group.

### Covid-19

Unfortunately, due to the Coronavirus outbreak in 2020, 2 out of 7 of the stakeholder events had to be cancelled. However, given that the majority of the consultation was online, there was minimal disruption to the consultation process. In addition to the physical events and online consultation, residents were invited to write to the Council. This appealed to residents who prefer traditional consultation methods who may not perhaps be able to attend a physical event.

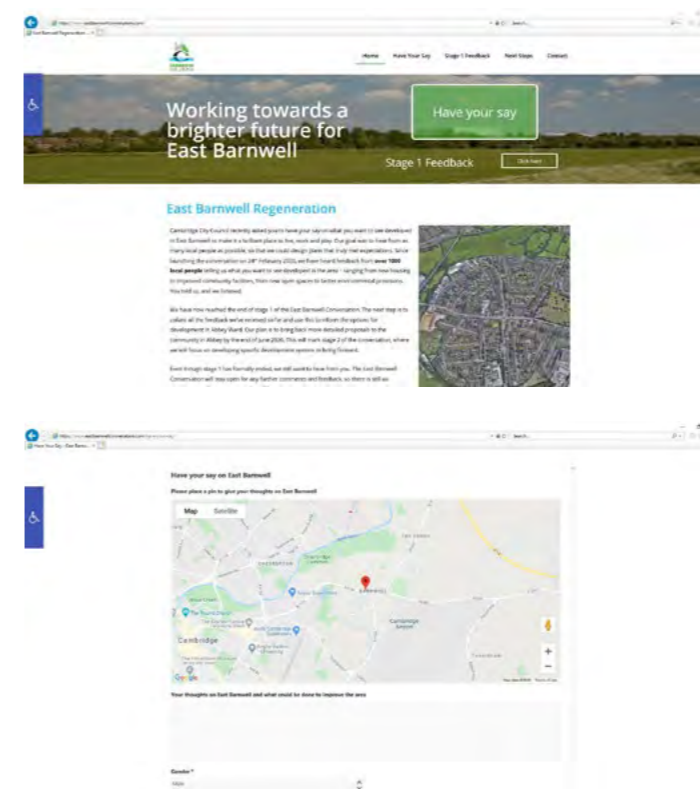


Fig 20: Extract of East Barnwell Conversation website for feedback

## 3.2 Community Feedback

### First Stage

The first stage of engagement was held between February and March 2020. The strategy was highly successful, with over 1100 website visits, over 65 comments submitted on the website and over 100 local stakeholders attending physical stakeholder events. The range of feedback received was diverse. However there were a number of stand-out themes identified across both the digital and physical stakeholder consultations. The overriding issue, which is covered in all of the priorities raised and detailed further below was sustainability. This was raised in terms of features on new homes, renewable energy and concerns regarding pollution. As part of this, the following sub-themes were the most common and were clear priorities for the area:

**Road Traffic Issues** – Traffic in the local area is a key concern however it is closely linked to facilities and transport. Local people often complained that facilities are located too far away, resulting in a high level of car dependence in the area. The lack of adequate transport infrastructure also encourages car use. By tackling these two factors, traffic would be reduced in the area, making it a better, healthier place to live. Delivering better and more accessible sustainable transport options was amongst the most commonly mentioned themes, particularly the delivery of better cycle facilities as this is a common mode of transport in the local area. A substantial number of comments also noted the need for better transport routes, and cheaper and more reliable public transport.

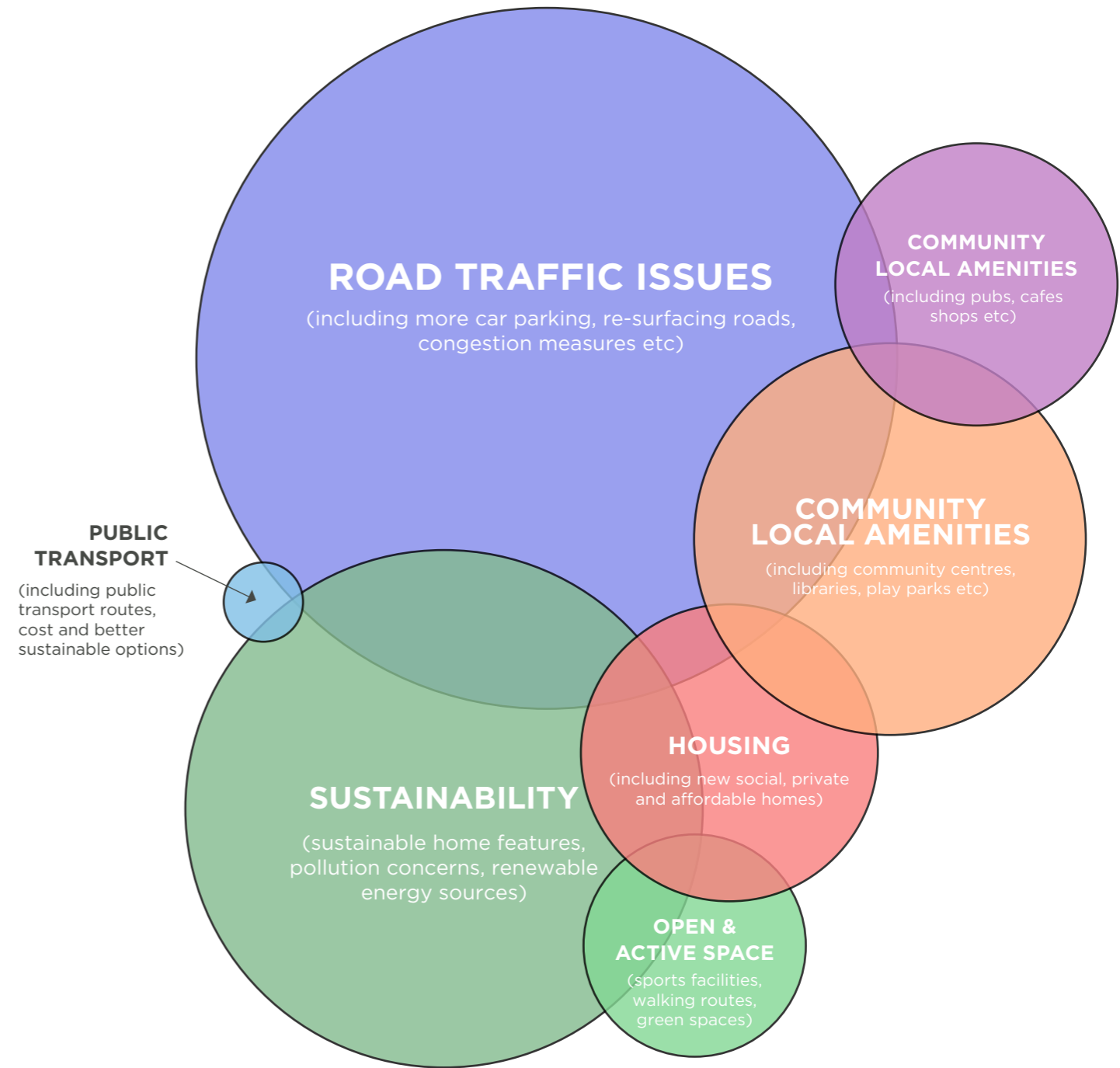
**Housing** – a significant percentage of comments across the website and physical stakeholder events noted the need for more social housing, private housing and affordable housing. A substantial number of comments also cited the acute need for more family homes (3-4 bedrooms) as well as a number of bungalows/smaller residential properties for elderly residents looking to downsize their

homes. Sustainable housing features were also regularly noted as priority deliverables – residents were keen to see features such as solar panels and efficient heating systems in place on any new housing developments.

**Amenities** – It became very clear throughout the consultation that the East Barnwell area is deprived of facilities that are essential for community living. There is a significant lack of youth facilities, retail/leisure amenities as well as restaurants/pubs and other vital community spaces. There is a sense that the local area does not fully serve the needs or interests of local people and that the community relationships are damaged as a result. Social isolation, inter-generational relationships and anti-social behaviour are significant issues in the area – improving access to facilities may assist in addressing some of these issues.

**Open & Active Space** – Throughout the consultation, it was clear that green space and wildlife were important to local people. Many were keen to see the local character retained, particularly the protection of local species and areas of beauty. Comments across both physical events and the website feedback noted that development was needed, and it is understood that not all green spaces can be protected. Coldham’s Common was noted as a green space that is underused, and local people would like to see resources like this put to better use.

**The first stage engagement demonstrated that members of the local community, regardless of age or social affluence, are interested in the delivery of similar amenities and facilities in East Barnwell. The clearest requirement amongst the feedback was that any development in the area must be sustainable and fitting with the local character.**



Note: the size of the circle is relative to the number of respondents who raised the issue

Fig 21: Summary of main themes of feedback received through the first stage of consultation



### 3.3 Second Stage Consultation

#### Second Stage

The East Barnwell “Conversation - Part 2” was run by Cambridge City Council working in partnership with Abbey People. The consultation sought to obtain the views of local residents on an interim masterplanning document named “East Barnwell – a framework for Change”. This document was presented to, and approved by, the City Council’s Housing Scrutiny Committee in September 2020 as a summary of the work carried out to date by Carter Jonas on behalf of the City Council. This work was also informed by the public response to phase 1 of the East Barnwell conversation, which ran in January and February 2020.

Local residents were asked to review and comment on the document and were asked a series of seven questions in relation to various aspects of the regeneration proposals, which are listed below along with the feedback received.

The consultation ran from 2020-10-19 to 2020-12-14 and data was collected mainly through the Cambridge City Council website. In addition, a virtual “town hall” meeting was held by Abbey People on the 1st of December 2020 with approximately 30 attendees where residents were able to ask questions and provide feedback on the plans.

Thirty-eight (38) responses were received through the consultation survey as well as four direct responses via email.

**1. Working with the local community, the council has drafted a “vision statement” that will see East Barnwell develop over the next five years. Do you agree with the vision statement and how would you like to see the development of the area over this period?**

In general, the vision statement was well received. Several contributors stated that they would like to see more clarity about the sustainability of new developments – i.e. committing to meet a particular standard. One resident wanted more use of plain English mentioning a café or pub instead of “food and beverage establishments”. Another resident commented that there is no mention of education in the vision. Several residents mentioned positive examples of similar change such as Marmalade Lane in Cambridge or recent housing developments in Liverpool.

**2. Do you agree with the basic aims of the regeneration of East Barnwell which focus on developing new housing, commercial, community and recreational facilities?**

This question acted effectively as a repeat of the previous question and residents again were positive but qualified support with a strong desire for high environmental standards and increased permeability and off-road travel routes in the area. This trend was reflected in the Town Hall meeting as well as online.

**3. The proposed new local centre assumes that a mix of new facilities will be built around the Barnwell Road / Newmarket Road crossroads including new shops and community space. What facilities or activities would you like to see in the new local centre?**

There were a wide range of views about the function of a new local centre but the overall consensus was supportive. Flexible space appears to be the best option as this will facilitate a range of activities. Placemaking with an outdoor meeting space is key and will have to be delivered as part of the development.

**4. The high level of traffic along Newmarket Road is a major issue influencing the development of East Barnwell. How would you improve or change the road to benefit the area?**

The question of traffic was commented on extensively with high degrees of support for segregated travel routes and more crossing points in the ward. Enhancing measures like these, where possible, should be the major objective in any central redevelopment. A few comments received about removing the McDonald’s but this was not mentioned often.

**5. What improvements to the road network, footpaths or cycle paths would encourage you to walk or cycle more?**

Residents were keen to see a strong commitment to cycling and walking with a focus on improving existing routes with greater capacity and better safety measures. Creating new routes was a relatively popular measure as well. Mentioning integration with the Chisholm trail would be a quick win for the masterplan.

**6. The Framework for Change document proposes the development of new areas of housing and other facilities across Abbey Ward outside the local centre which could help to deliver the objectives of regenerating the community. Do you know of any sites that you believe should be developed in this way?**

No strong narrative emerged from this area of the consultation. Residents are overall more reluctant to discuss housing but stressed the importance of sustainable design in any future housing scheme. There is stronger interest in regenerating already built-on areas than building entirely new developments. There were several suggestions to look at the “15 minute neighbourhood” concept currently being developed in Paris.

**7. How would you like to see Abbey Leisure Complex improved, and what new facilities would you use if the centre were expanded?**

This section saw a great diversity of ideas contributed by residents – the strongest themes focus on enhancing the facilities already there and improving access to the leisure complex. Existing facilities are overused and the access road is narrow and in poor repair and these were mentioned several times. Residents were also concerned about the loss of open space, so the case for enhancing the existing facilities must come with a proportional environmental enhancement. The masterplan document has been updated in consideration of the Stage 2 feedback, in particular in relation to supporting better connectivity and ensuring a successful regeneration and community-focused land uses and design in the local centre.



# 4.0 Vision

## 4.1 Vision for East Barnwell 2030



## 4.1 Vision for East Barnwell

### A Vision for East Barnwell 2030

East Barnwell is an area of Cambridge which supports a **diverse community of people, living and working within a vibrant environment** where everyone has access to high-quality open spaces and leisure opportunities, with **all necessary community facilities for essential day to day living** within walking distance.

The **newly regenerated Local Centre** is positioned at the heart of the area at the confluence of Newmarket Road, Barnwell Road and Wadloes Road. Local shops, including **independent cafes and restaurants have created a thriving and active heart, both during the day and into the evening.** Sustainable development will be a key theme for new development in the area, in particular based on the principles of the 15-minute neighbourhood.

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A **range of tenures and types of housing** is provided which cater for all age groups, including **refurbished post-war era family homes, new townhouses and apartments**, all built to high environmental standards that will ensure the community has space to grow.

**The area is well integrated within the wider area**, including connections with Fen Ditton village to the north, with **excellent access into central Cambridge along the newly upgraded Newmarket Road corridor** which supports walking, cycling and public transport connections.

Residents have access to **a network of green spaces which support walking and cycling routes**, connecting with Coldham's Common to the south and Ditton Meadows to the north. The **expanded Abbey Leisure Complex offers a range of indoor and outdoor sports facilities.**



Fig 22: Image to support the vision for East Barnwell

# 5.0 The Masterplan

## 5.1 Masterplan Objectives





## 5.1 Masterplan Objectives

A series of key projects for the regeneration of East Barnwell have been identified. These objectives underpin the vision and strategies in Chapter 6, and seek to deliver up to 400 new homes, a new centre, improved connections and recreation areas.

### 1. A Regenerated Local Centre

Creation of a revitalised local centre with a mix of residential, community, employment, retail and leisure uses, including space for independent retailers and improved local amenity space.

### 2. Newmarket Road Corridor Enhancements

Upgrades to the Newmarket Road Corridor to reduce the dominance of this highway on the surrounding built area. Considerations to include walking/ cycling priority, planting and biodiversity measures, drainage, lighting and wayfinding.

### 3. Potential Areas of Growth

Potential regeneration sites to deliver a mix of new homes and other uses.

### 4. Abbey Leisure Complex Expansion

Enhancements to the Abbey Leisure Complex accessed off Whitehill Road, including provision for a new outdoor sports pitches/facilities.

### 5. A Connected Place

A network of enhanced open spaces, to promote walking/ cycling and aid health and wellbeing. Biodiversity measures should be considered to green spaces.

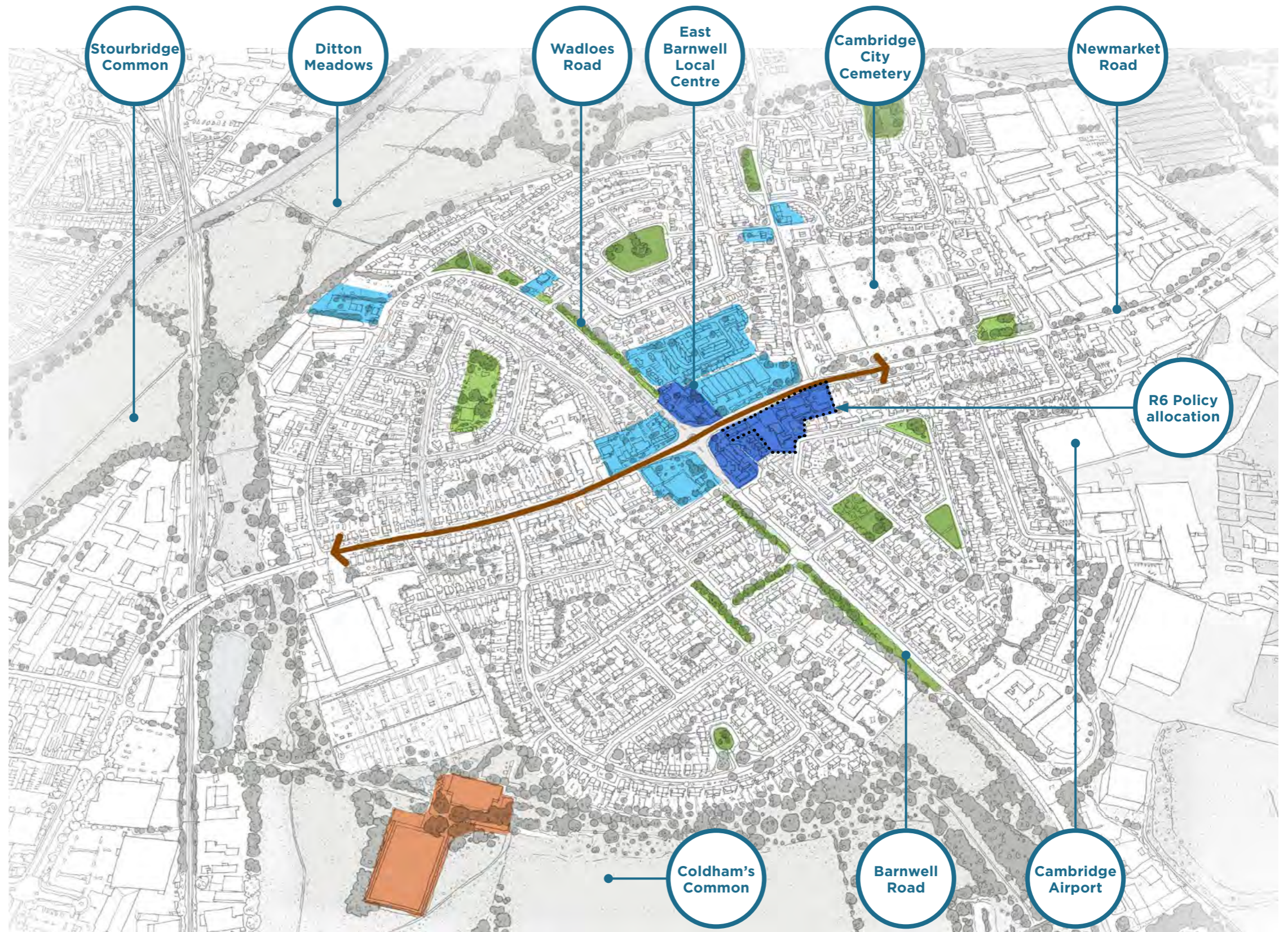


Fig 23: Overall East Barnwell Masterplan





*“A new social heart for the community”*



*“Enhanced connectivity with Cambridge City Centre for pedestrians, cyclists and public transport”*

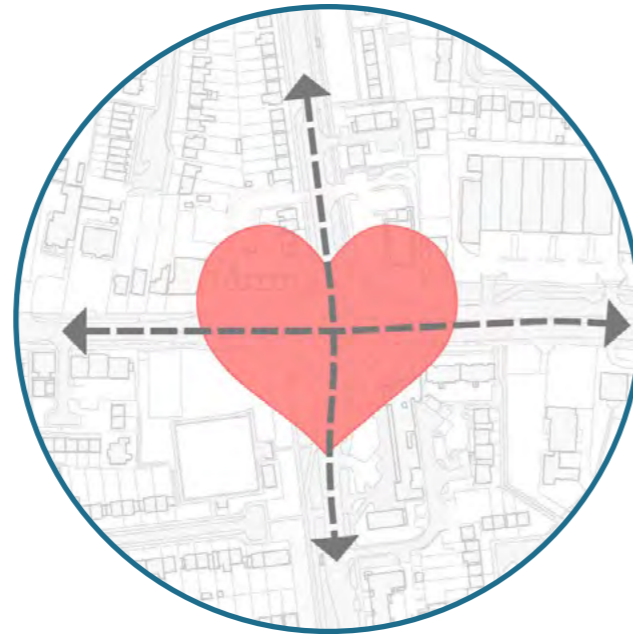
## 1. A Regenerated Local Centre

The area at the intersection of Barnwell Road, Newmarket Road and Wadloes Road presents a significant opportunity to create a new heart and revitalised local centre to East Barnwell.

Four land parcels (south east, south west, north east and north west) can be used to create new community uses, housing, employment, retail and leisure uses.

This new heart to East Barnwell will assist in developing the identity of the area as a place in itself, rather than a movement route into Cambridge.

The local centre will provide a range of flexible spaces that will be usable for businesses or community focused activity and built to a good standard.



## 2. Newmarket Road Corridor Enhancements

In association with the creation of a new heart to East Barnwell, improvements to Newmarket Road for a range of travel modes, accommodation of new landscaping and wayfinding will assist in reducing the vehicle dominance of this route.

Changes to Newmarket Road to make it more attractive for walking and cycling will contribute to the identity of this area of East Barnwell.

Any development will need to reflect the ongoing work by the Greater Cambridge Partnership (GCP) in attempting to tackle current and future transport problems by offering better and more sustainable ways to make journeys by public transport, cycling and walking.



### Potential interventions

- Creation of new community facilities
- A mix of new homes
- Strengthen building frontage along Newmarket Road
- New pedestrian and cycle crossings



Fig 24: Precedent images for a regenerated local centre

### Potential interventions

- Create attractive, segregated routes for cyclists
- Improvements to pedestrian crossings
- New tree planting to green the route through East Barnwell
- Opportunities to integrate sustainable urban drainage (SUDs) features
- New cycleways and footpaths along Newmarket Road
- New bus stops



Fig 25: Precedent images for Newmarket Road improvements





*“Regenerated brownfield sites, unlocking land for 400 homes for up to 960 new residents”*

### 3. Potential sites for Growth

The identification of key sites across East Barnwell for the delivery of up to 400 new homes represents one of the most significant opportunities for change in the area.

New homes must be high quality, energy efficient and designed to meet a specified local need. This ensures that homes not only meet an overall need for housing generally across the City, but are also relevant for the community in East Barnwell.



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#### Potential interventions

- Coordinate with landowners to assist with site delivery
- Deliver a mix of up to 400 high quality, sustainable new homes including houses and flats
- Delivery of new affordable homes
- New residential development sites

- 1 Streets designed for pedestrians, with high quality design and choice of materials (Goldsmith Street, Norwich - Mikhail Riches)
- 2 Low speed mews street with carefully designed space for cars (Accordia, Cambridge - FCBS)
- 3 Streetscape variety with varying rooflines and material palette (Marmalade Lane, Cambridge - Mole Architects)
- 4 Landscape and planting as a key part of residential amenity (Accordia, Cambridge - FCBS)
- 5 Contemporary 3 storey townhouses help raise density in appropriate locations (Cambridge Southern Fringe - Formation)
- 6 Simple front entrances allow for seating and social interaction (Cambridge Southern Fringe - Formation)

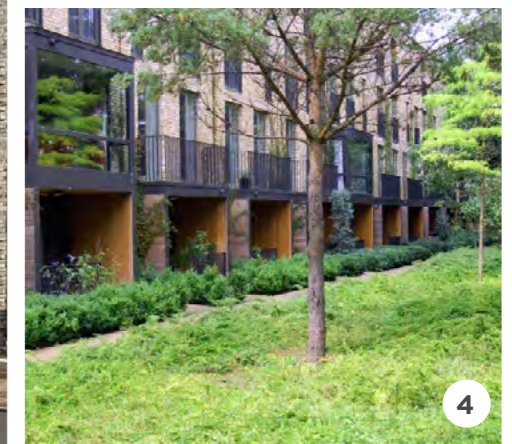


Fig 26: Precedent images for a mix of new homes (opposite)





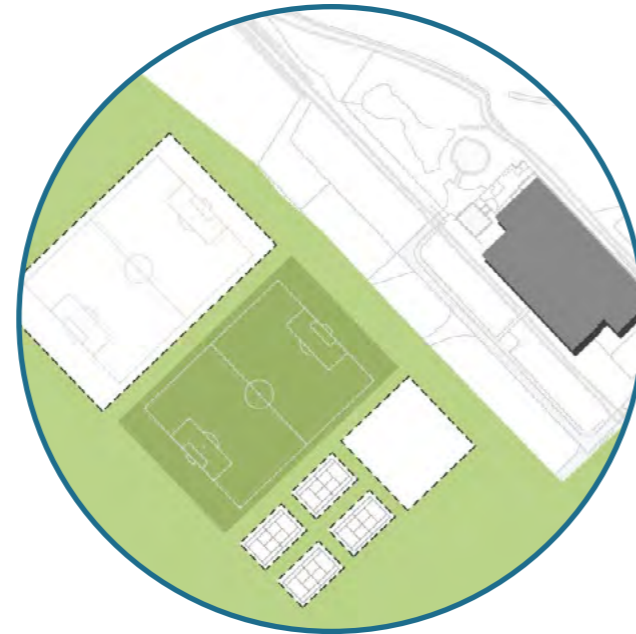
*“An enhanced leisure offer to improve health and wellbeing of residents”*

#### 4. Abbey Leisure Complex Expansion

Local community amenities and open & active spaces were a feature of the feedback obtained during the first stage of consultation (see p.36), and opportunities for upgrades to recreation facilities exist at the Abbey Leisure Complex.

There is the potential for a new outdoor sports pitch, bowls, Multi Use Games Areas (MUGAs) and safeguarded land for future expansion, as well as indoor activity space.

Pedestrian and cycle links can also be enhanced to encourage sustainable modes of transport to and from the complex.



**Fig 27:** Precedent images for new recreation and sports facilities

##### Potential interventions

- New multi use games areas
- New formal 3G sports pitches
- New bowls green
- New tennis /netball courts
- Pedestrian and cycle connections



*“A high quality public realm where walking and cycling are the prevalent forms of travel”*

#### 5. A Connected Place

Opportunities for the improvement to connections across East Barnwell exist as part of all of the interventions and key projects listed thus far.

Integrating pedestrian and cycle links as a priority on opportunity sites and along the Newmarket Road corridor can facilitate increased numbers of residents cycling and promote active travel and sustainable modes of transport.



##### Potential interventions

- Segregated cycle routes on main roads
- Quietways and dedicated cycle paths through open space
- Prioritising walking and cycling in new developments



**Fig 28:** Precedent images for new walking and cycling connections

# 6.0 Masterplan Strategies

- 6.1 Masterplan Strategy
- 6.2 Connectivity
- 6.3 Land Use & Built Form
- 6.4 Public Realm
- 6.5 Pulling It All Together





## 6.1 Masterplan Strategy

**This section pulls together all preceding sections, in particular the vision and masterplan objectives from Chapters 4 and 5 but also the findings about the study area from Chapter 2 and the consultation results in Chapter 3, and sets out the high-level, study-wide proposals for East Barnwell that will help deliver incremental change, investment and improvement to the area over to 2030.**

### The Masterplan Strategies

There are three interrelated strategies that will help deliver change over in the area, specifically:

- Connectivity
- Land use and built form
- Public realm

Taking each of the three strategies in turn and in consideration of the five masterplan objectives set out in Chapter 5, the key components of each may be summarised as follows:

#### Connectivity

- Future planning and improvements to be based on the 15-minute neighbourhood principle where residents have access to most, if not all, of their needs within a short walk or bike ride from their home. In reality, most of East Barnwell is within a 10-minute walk (800m) of the Barnwell Local Centre, located at the geographical centre of the area
- The 15-minute neighbourhoods of East Barnwell will help in reducing car use and encouraging active travel within East Barnwell and can serve as an organising principle for future development in East Barnwell by improving air quality and making neighbourhoods safer, quieter, more diverse, inclusive and economically

- vibrant
- Improvements to Newmarket Road corridor as part of the Greater Cambridge Partnership Project and in relation to the development of Marleigh (to the east of East Barnwell)
- Improved connections to, and within, the local centre and R6 Local Plan allocation
- Greater potential for cycling and walking for East Barnwell overall through the construction of the Chisholm Trail, improvements to Newmarket Road and future crossings of Newmarket Road

#### Land use and built form

- Several sites are shown which are capable of re-development for either housing, mixed-use or recreation over the life of this document. These sites include:
- Barnwell local centre, R6 site allocation and surrounding sites at the existing roundabout of Newmarket Road and Barnwell Road. It is recognised that not all the sites shown on the masterplan strategy plan will come forward at the same time, however in time the area will provide the basis for a larger, more vibrant local centre
- The R5 site allocation at Ditton Walk
- Barnwell Baptist Church
- Ekin Road Estate
- Catholic Church of St Vincent de Paul, Ditton Lane
- Coldham's Common – facilities improvements next to Abbey Leisure Complex
- High-level design principles for each site, considering the built form, notional building heights and access

#### Public Realm

- Improvements to Newmarket Road and Barnwell Road in the location of the regenerated and expanded local centre
- The creation of a café next to Barnwell Lake to support the new Chisholm Trail and related public realm improvements

- Improved recreation facilities within Coldham's Common
- Public realm improvements associated with the Marleigh development on Newmarket Road
- Potential future improvements to public open spaces and cycle routes



## 6.2 Connectivity

- Emphasis of future movement by sustainable modes
- Improved walking and cycle facilities
- Integration of movement with new development e.g. Marleigh

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- 1 Improvements to Newmarket Road to support/work with the County Council plans for the Eastern Access project
  - 2 Improvements to Newmarket Road as part of Marleigh development
  - 3 Improved/new connections at the junction will be integrated with/be part of the Local Centre development
  - 4 10-minute walk (800m) to/from improved Barnwell Local Centre
  - 5 Chisholm Trail (under construction). Future cycle routes to link to Chisholm trail with new underpass being installed and new bridge over the Cam already complete
  - 6 Improved access to/from Abbey Leisure as part of future expansion
  - 7 Potential for creating green corridor to Ekin Road
  - 8 Access route to Stourbridge Common as part of R5 site redevelopment
  - 9 Wayfinding improvements for cycling
  - 10 New cycle trail from Marleigh development to Chisholm Trail



Fig 29: Connectivity plan



### 6.3 Land Use & Built Form




-  New homes
-  Mixed use / Local Centre
-  Recreation enhancements



Fig 30: Land Use & Built Form plan



## 6.4 Public Realm

- Individual projects (coloured by land use – mixed use, homes, community use)
- Built form inset diagrams (to show frontage, access and notional height – take from what has been prepared already in earlier drafts/draft new ones as needed)

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- 1 Improvements to Newmarket Road landscape focused on Barnwell / Wadloes Road together with new public meeting spaces
- 2 Improvements to Newmarket Road landscape as part of Marleigh development
- 3 Possible improvements to Ditton Lane at neighbourhood centre
- 4 Barnwell lake cafe
- 5 Abbey Leisure Complex recreation area enhancements

 Retention of public open spaces



Fig 31: Public Realm plan



## 6.5 Pulling It All Together

-  New homes
  -  Mixed use / Local Centre
  -  Recreation enhancements
- 1 Improvements to Newmarket Road as part of East Cambridge project
  - 2 Improvements to Newmarket Road as part of Marleigh development
  - 3 Improved/new connections
  - 4 10-minute walk (800m) to/from improved Barnwell Local Centre
  - 5 Chisholm Trail



Fig 32: Pulling It All Together plan



# 7.0 Summary & Next Steps

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## 7.1 Summary & next steps

**This masterplan has shown that East Barnwell is an area that is need of new facilities, including new homes, meeting places and recreation opportunities. We have listened carefully to what residents of the area have told us about improvements they would like to see and set out, what we hope, are clear objectives and strategies for change to improve connectivity, land use, built form and the public realm.**

We appreciate that these strategies will not be delivered all at once, hence this masterplan is based on timeline to 2030. In addition, a number of stakeholders will be involved in realising the vision for East Barnwell, including land owners, the city and county councils, developers and housebuilders, and the residents of East Barnwell themselves.

The next steps in delivering this masterplan are as follows:

### 2021-23

- Prepare detailed delivery plan for key sites, projects, identify leads and partners, budget and program. Planning application submission & determination for key sites

### 2024-26

- Delivery of housing, infrastructure projects including recreation and public realm improvements and community uses

### 2027-30

- Delivery of additional housing and further public realm improvements

It is anticipated that the detailed delivery plan will act as a blueprint for delivery of the strategies identified in this document. It will require detailed preparation, agreement and regular review by the project partners and will be subject to successful approval of various projects at key stages.

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# Appendices





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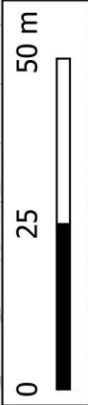
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Appendix 2: Land owned by Cambridge City Council







Appendix 3: Land owned by Cambridgeshire County Council



Appendix 4: Overflow Car Park

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# East Barnwell: Consultation Feedback Report Summary

## The Consultation

- 5 Resident questionnaire responses received
- 74 Public consultation questionnaire responses received
- 122 Total in-person event attendees
- 43 Webinar views (live and recorded)

## Level of support for the proposals to include a new community centre, library and pre-school on the bowls club site

- 54.55% of total respondents either **agreed or strongly agreed** with the proposals
- 10.39% of total respondents were **neutral** on the proposals
- 35.06% of total respondents either **disagreed or strongly disagreed** with the proposals

## Other key statistics

### Demographics:

- 89.87% of total respondents were residents in the Barnwell area
- Nearly two-thirds (65.82%) of total respondents were between the ages of 35 and 64 Facilities/services:
- The **Shops on Barnwell Road** were by far the most frequently used of the current local services/facilities, followed by the **Library** and **Public Tennis Court**
- 78.2% of total respondents used the **Shops on Barnwell Road** at least once a week
- 31% of total respondents used the **Library** at least once a week
- 21.4% of total respondents used the **Public Tennis Court** at least once a week
  
- 68% of total respondents stated that they felt safe using the local facilities in East Barnwell



## **Key themes from qualitative feedback**

### **Q. What do you think of the proposed open spaces and what would you like to see provided?**

- Green space
- Tennis courts
- Trees
- Car parking
- Community centre
- Bowling green
- Play areas
- Community
- Splash park
- Outdoor pool
- Shops

### **Q. Do you have any further comments about the proposed East Barnwell redevelopment scheme?**

- Importance of local shops
- Concern over lack of car parking
- Support for new community centre, tennis courts, and library
- Desire for green space and open space
- Concern over extra traffic
- Interest in the bowling green and bowls club
- Emphasis on people and community
- Concerns over access from Rawlyn Close/Rawlyn Road
- Existing residents want parcel 2 to be redeveloped first
- Existing residents want better security
- Existing residents desire to return to original flat/same accommodation