



To: Executive Councillor for Housing: Councillor Kevin Price
Report by: Alan Carter
Relevant scrutiny Housing 14/1/2015
committee: Scrutiny Committee
Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

Council Housing at Homerton College

Key Decision

1. Executive summary

The Homerton College scheme is the first to be brought forward in the next phase of the Council's own Housing Programme and is notable too to be the first opportunity to deliver new Affordable Housing on a site not owned by the Council.

The report requests approval to a capital budget for the scheme based on the scheme submitted for planning approval.

2. Recommendations

The Executive Councillor is recommended to:

- note the indicative mix, design and layout of the new scheme submitted for planning approval
- approve the capital budget of £7,007,505 for the scheme detailed in the Project Appraisal shown as Appendix 1.
- approve that delegated authority be given to the Director of Customer and Community Services following consultation with the Director of Resources and the Head of Legal Services enter into a legal agreement with the developers of the scheme.

3. Background

A report to the Housing Scrutiny Committee in July 2014 reiterated that as the main provider of housing in Cambridge, the reasons why the Council has its own new build housing programme are as follows;

1. Provide additional social housing to meet the shortfall in Cambridge and to replace the loss of social housing through the Right to Buy.
2. Replace some of the Council's existing social housing that no longer meets current day standards and is becoming less popular with residents.
3. Build new house types that will better meet the overall mix of Affordable Housing needed in the future.
4. Improve the energy efficiency of the Council's housing.

The Council has completed 28 new homes since 2010 and is well into the delivery of 152 more. Further, planning approval has just been granted for 104 new Council homes on the Quad scheme on the Southern Fringe.

Officers have subsequently been turning attention to the next phase of new Council homes and how a more systematic and comprehensive approach to identifying opportunities for new schemes could be developed, matching funding streams and timescales to these opportunities. Although this is still 'work in progress', officers are beginning to categorise new schemes opportunities in terms of land ownership as follows;

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

As an indication of scale, sites have been identified that could deliver around 300 new social housing units for the Council over the next four years.

The Homerton College scheme is the first to be brought forward in the next phase of the Council's own Housing Programme and is notable too to be the first opportunity to deliver new housing on a site not owned by the Council.

The scheme is on land originally owned by Homerton College. The College selected Hill to be their developer/partner. Hill and Homerton College have

subsequently formed a joint venture company called Colokate to deliver the scheme and the land has been transferred into Colokate's ownership.

An outline planning approval is in place for the scheme and Hill has submitted a detailed planning application. It is anticipated that planning approval will be considered by the Development Control Committee in January 2015. Apart from two existing houses that will be refurbished as part of the development, the whole scheme will consist of flats and the schedule of accommodation that has been submitted for the social housing comprising 39 units is as follows;

For Rent (all flats);

7 no 1 bedroom 2 person – approx. 51sq m
18 no 2 bedroom 3 person – approx. 70 sq m
2 no 3 bedroom 5 person – approx. 97 sq m

For shared ownership (all flats);

6 no 1 bed 2 person – approx. 53 sq m
4 no 2 bed 3 person – approx. 92 sq m

2 no rented 4 bed 6 person houses on Purbeck Road - approx.
118 sq m each.

Attached to Appendix 1 is the Design Report dated October 2014 providing further detail on the scheme submitted for detailed planning approval.

The indicative planning and development target programme is as follows:

Planning committee in January 2015
Start on site in May 2015
Completion of units in June 2017.

4. Implications

(a) Financial Implications

The capital budget required for the scheme is £7,007,505.

The financial implications of the scheme are shown in Appendix 1.

Appendix 1 shows that the scheme is viable with a pay-back of reserves and borrowing after 32 years.

As the scheme is still subject to planning, the costs are indicative.

The Housing Revenue Account Mid-Term Financial Review captures the funding available for this scheme and the Council's ongoing social housing programme. The budget for this scheme has been built into the 2015.16 HRA budget working papers.

As with all new build schemes as schemes are finalised they will only proceed if they can be funded within borrowing and capital funding parameters in the HRA 30 Business Plan. If a final scheme cannot be delivered within the budget requested then a revised approval will need to be brought back to Committee for scrutiny.

(b) Staffing Implications

The project will be managed by the Housing Development Team in the Strategic Housing Service. Liaison will be made with City Homes; the Estates and Facilities Service and the Legal Services Team.

There are no other significant staff implications.

(c) Equality & Poverty Implications

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

Each individual scheme will continue to be subject to an EQIA at the feasibility stage and prior to scheme approval.

(d) Environmental Implications

The social housing will be built to Level 4 of the Code for sustainable homes.

(e) Procurement

There are no procurement implications.

(f) Consultation and communication

This scheme does not involve the redevelopment of existing residential accommodation. Consultation will therefore follow the process required by the planning process.

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

(g) **Community Safety**

There are no particular Community Safety implications as a consequence of this scheme.

5. Background papers

None

6. Appendices

Appendix 1 - Project Appraisal Homerton Scheme

7. Inspection of papers

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

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