



To: Executive Councillor for Housing: Councillor Kevin Price

Report by: Mark Wilson – Housing Development Officer

Relevant scrutiny committee: Housing Scrutiny Committee 7 March 2017

Wards affected: Arbury

EQIA Undertaken Yes

Council New Build Redevelopment 9-10a Ventress Close - Scheme Approval

Key Decision

1. Executive summary

This report provides details of the proposal to redevelop the existing flats at 9-10a Ventress Close to provide up to 19 new homes. The area currently consists of 4 No. 2 bedroom maisonettes and associated garden land to the rear. The initial proposal also includes some garden land from properties located on Godwin Way. Of the existing 4 No. maisonettes, two are occupied by Cambridge City Council tenants and two are leasehold, both currently vacant. Both leaseholders have been consulted on the council's wish to purchase their properties and negotiations are ongoing at this time.

The proposed redevelopment has indicative plans to deliver up to 19 No. new homes on the existing site, providing 1 and 2 bedroom apartments and 3 bedroom houses.

The report requests approval to a capital budget for the scheme based on the outlined appraisal assuming the mix stated above.

The appraisal suggests that all of the new properties can be delivered as part of the Council's social rent programme.

2. Recommendations

The Executive Councillor is recommended to:

- Note the indicative mix of the proposed scheme.
- Approve the scheme capital budget of £4,153,000 detailed in the report to cover the construction cost of the scheme and professional fees and other costs.
- To commence Compulsory Purchase Order (CPO) proceedings on the remaining 2 Leaseholders at 9 and 9a Ventress Close should they be required

3. Background

The opportunity to redevelop the site was first reported to committee in June 2012 as part of the three year rolling programme. The redevelopment area currently consists of 4 maisonettes including associated garden land. It is proposed to include part of the rear gardens of properties on Godwin Way, subject to further discussion and negotiation.

The potential to redevelop this site was first highlighted in 2012 due to the condition of the properties and large garden areas to the rear that were over grown and under used at the time.

Ventress Close residents were first contacted in July 2012 and made aware that the Council was investigating the possibility of redevelopment. Residents have received frequent updates, the most recent being June 2016.

Appendix 1 shows the indicative layout of the scheme.

4. Implications

(a) Financial Implications

The capital budget required for the scheme is £4,153,000.

The scheme can be funded by

RTB Receipts	£ 1,132,990
Devolution Grant	£ 2,643,642
Reserves for reprovision of existing units	£ 376,368

The financial appraisal shows a pay-back period of 7 years (the benchmark is for schemes to pay-back up to 35 year).

The rents used in the financial appraisal are;

1 bed @ LHA	£126.05
2 bed @ LHA	£144.96
3 bed @ LHA	£168.45

The total capital budget includes funding to acquire the leasehold properties and costs associated with supporting residents to find alternative accommodation.

As the scheme is still at the outline stage and will be subject to planning, the costs are indicative and presented as a maximum budget required to deliver the scheme. These costs have been calculated using recent build costs on similarly sized developments locally. Should fewer units be accommodated on the site due to planning guidance, the costs for delivery will be reduced accordingly.

The Housing Revenue Account (HRA) Business Plan already allows for the spending of Right to Buy Receipts and Devolution monies on the net gain in units, therefore this scheme can be funded despite the current major national housing policy and legislative and changes.

As with all new build developments as details 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 Agency on behalf of Cambridge City Council. Liaison will be made with Property Services; City Homes; the Estates and Facilities Service and the Legal Services Team.

There are no other significant staff implications.

(c) Equal Opportunities Implications

An EQIA has been produced in respect of the Council's overall approach to building new social housing itself.

(d) Environmental Implications

The new house-building programme has been given a 'High Positive Impact' rating. The new homes will be built within the Cambridge Sustainable Housing Design Guide. This looks to promote the delivery of high quality new development, seeking to:

- 1) Address issues such as fuel and water poverty amongst our residents;
- 2) Build homes that have a positive impact on the health and wellbeing of our residents;
- 3) Build homes that are designed and built to high design and sustainability standards;
- 4) Ensure new homes are easy to maintain and are adaptable, both for residents and to future climate change.

(e) Procurement

This development is proposed to be delivered through the Cambridge Investment Partnership.

(f) Consultation and communication

The Council's approach to involving residents in new housing schemes is covered in the document 'New Housing by the Council'. This includes the Council's 'Commitment to Resident Involvement'. Housing service is developing a Community Charter which will lay out new principles for how we approach redevelopment sites to ensure that residents and communities benefit from redevelopment and can be fully involved in the process.

Consultations have already taken place over the past 2 years with rehousing decanting commencing from June 2015 committee approval.

(g) Community Safety

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

5. Background papers

None

6. Appendices

Appendix 1 - Indicative Scheme Layouts

Appendix 2 - Project Appraisal Ventress Close 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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