

Redevelopment of 9 to 28 Anstey Way (including underutilised amenity area)

Project Appraisal

1. Summary

This scheme originally consisted of 23 social rent properties and 5 leasehold flats. The scheme also includes an underutilised amenity area adjacent to the properties.

The existing housing is made up as follows

- A block of flats consisting of 9 No. three bedroom units, 3 No. bedsits/studios.
- 16 No. one bedroom one person bungalows.

2. Reason for Investigation:

The underutilised amenity area to the rear of the flats was first highlighted by housing officers and local Ward Members as an area that required investigation for potential re-use. It was noted that if this underutilised area could be coupled with the adjacent flats and bungalows, then the parcelling of the sites together would offer better value for a new scheme.

Further discussions with housing officers and local Members confirmed that the flats were not popular either in terms of the local community and/or when relets became available. The three bedroom flats are of an age and layout that mean that they do not meet current day expectations for family housing. The bungalows are also of an age, type and layout that have become increasingly unpopular across the city and have also proved hard to let, with one property being refused by 17 applicants. Due to a fall in demand by elderly residents, the bungalows were being let to a 'non-elderly' client group.

Both flats and bungalows are therefore deemed no longer fit for purpose.

The wider scheme was therefore included in the Council's three year rolling programme of sites to investigate further the feasibility and viability of redevelopment in June 2011.

3. Engagement with Existing Residents

The Council's housing service is developing a Community Charter which will lay out new principles for how we approach redevelopment sites to ensure that resident communities benefit from redevelopment and can be fully involved in the process and decision making, a draft charter will be considered at the next Housing Scrutiny Committee

Officers and the Executive Councillor for housing were keen to involve Anstey Way residents as much as possible in the proposals in this report. To date, there has been written correspondence and a number of meetings:

- Letters informing residents of the proposal to look at the possibility of redevelopment were sent in June 2012 with further correspondence in September 2013, July 2014 and April 2015
- Three meetings were held in March 2015

Two sessions were held on the 11th March at 11am and 1pm for the residents of the bungalows. 10 of the 14 household were able to attend this meeting (2 of the bungalows were unoccupied).

A further opportunity to meet officers was arranged for 17th March between 6pm – 8pm inviting the residents of the apartments, of which 4 households attended.

At the meetings it was discussed what the council was planning with an indication of key dates and approximate timescales. Plans of similar schemes were tabled for residents to view. Officers from City Homes were also present to address any concerns in relation to re-housing affected residents. One to one meetings were arranged for those who wanted to discuss their housing needs with their housing officer in private.

A summary letter was sent noting the key points raised so those who could not attend were informed of the plans. Within these letters it was also noted that one to one sessions were available for people to discuss their ongoing needs.

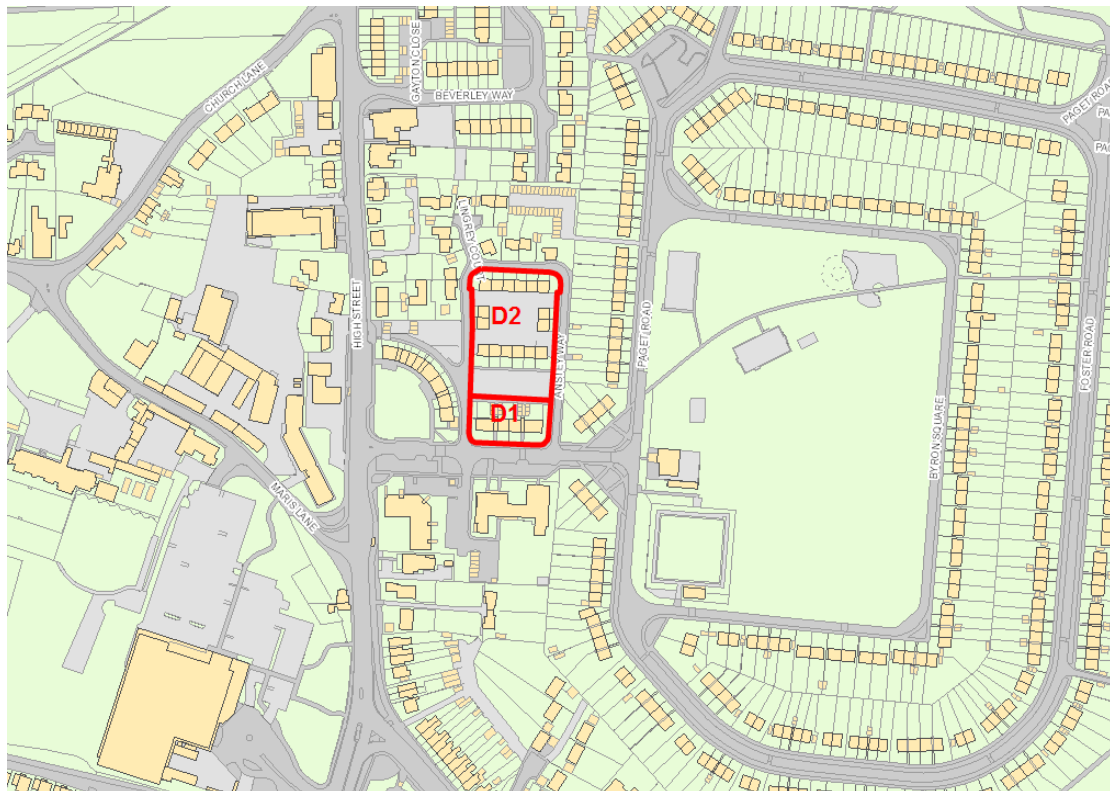
Verbal feedback from residents at the meetings was positive to the proposals and they understood the need to redevelop the area to improve the housing supply and standard. The advice offered by the housing team in relation to re-housing was also received in a positive light.

Since the meetings in March 2015, staff have been working closely with residents to support and assist in finding suitable alternative accommodation. There are currently three properties, two tenanted and one leaseholder that are not yet vacant.

4. Feasibility:

The Site

The below plan shows the area for the proposed scheme:



The table below shows the size of the current dwellings, the proposed mix approved by the June 2015 committee and the floor areas of new homes of the latest site proposed. The floor areas proposed are greater than the nationally described space standards as set out by the Department for Communities and Local Government.

Existing	Area (m ²)	June 2015 Scheme	Area (m ²)	New Scheme	Area (m ²)
Bedsit	27	1 bed flat	50	1B2P Flat	50
1 bed bungalow	42	2 bed flat	70	2B4P Flat	70
3 bed flat	77.5	2 bed house	77	2B4P Maisonette	70
		3 bed house	93	2B4P House	84
				3B5P House	96
				4B6P House	107

The table shows that sizes of the current units fall well below the minimum government guidelines and are much smaller than the proposed new units.

Site Constraints

Advice was sought from the Council's Urban Design team to receive guidance on the potential density, scale and massing of any redevelopment bearing in mind the close proximity of the local Trumpington Centre and the mixed height of the current housing.

Some conclusions to this report are noted below:

The redevelopment of Site D would achieve much higher unit numbers subject to detailed design. Units should be orientated so as to address and provide increased surveillance of Anstey Way surrounding the site, and the local centre service road to the east.

The highest densities within Site D should be reserved for the main road frontage of Anstey Way to the south, the existing flats have an important relationship with the flats in Crossways Gardens to the south and the Local Centre crescent to the east, as such redevelopment of these flats should reinforce this scale and massing relationship.

The full Urban Design report is available on request.

Local Housing Need

There is a lack of social housing for older people in Trumpington. This has been exacerbated recently by the closure of the CHS scheme at Crossway Gardens. It is proposed that some specific provision for older people therefore be included in any redevelopment.

The table below shows figures taken from the Home-Link Register in February 2017, indicating the demand in Trumpington from eligible applicants with a local connection.

Trumpington	1bed	2 bed	3 bed	4 bed	5 bed	Undefined
	351	240	69	21	9	26

5. Proposed scheme

An indicative redevelopment scheme has been produced for the site as follows:

20No.1 Bed 2 Person Flats

10No. 2 Bed 4 Person Flats

10No. 2 Bed 4 Person Maisonettes

9No. 2 Bed 4 Person Houses

3No. 3 Bed 5 Person Houses

2No. 4 Bed 6 Person Houses

Although the Housing Needs Register identifies a need for 1 bed properties, a sustainable mix to include mostly 2 bedrooms as well as some three bed and larger 4 bed houses was deemed more suitable in this location.

The advice from the Urban Design team suggests there will be the opportunity for a net gain of housing on the site, currently 28 homes (of which 5 are leasehold flats) with a proposal to redevelop

up to 54 larger homes for Social Rent at Local Housing Allowance rent.

6. Costs, Funding and Viability

The Housing Revenue Account (HRA) Business Plan already allows for the spending of Right to Buy Receipts and funding the balance of costs to be met by Devolution grant. Both RTB receipts and Devolution grant are restricted to only being used on the net gain of units. There is also an allocation of £4,850,000 included in the recently approved HRA Budget Setting Report which is specifically to cover the costs of redelivering the existing 23 council owned properties and demolition works.

As with all new build developments as details are progressed 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.

Capital Costs

The total capital budget required to deliver this scheme is
£10,197,000

Acquisition of leaseholder properties, decant costs £1,547,800

Works costs £7,728,850

On costs including professional fees £ 920,350

Viability – A benchmark used by Registered Providers whether a new scheme is viable is when the scheme breaks even in revenue terms (typically 12 years) and when the total capital used is paid back (typically 30 years). This benchmark relates particularly to vacant sites. There is no ‘industry’ benchmark for sites where existing housing is required to be redeveloped. The viability against the benchmark is inclusive of Home Loss costs.

Pay-back period – 36 years

Rent Levels (net of Service Charge) –

1 bed £126.05 per week

2 bed £144.96 per week (awaiting final confirmation)

3 bed £168.45 per week

4 bed £224.70 per week (awaiting final confirmation)

VAT implications

VAT is not payable on new build construction costs. However, advice will be sought from the Council's VAT specialist to ensure that there are no adverse VAT issues affecting the project.

The Procurement

This scheme is being progressed through the Cambridge Investment Partnership.

Key Risks

- A planning application will need to be developed, submitted and approved.
- Obtaining vacant possession of the 2 tenanted properties and 1 leaseholder flat. Lease holder flat is vacant and approval is sought to commence CPO proceedings

Other implications

An Employers Agent/Quantity Surveyor will be appointed as part of the Delivery Team to support the Housing Development Agency.