

Development of Vacant Land Adjacent to 39 Hills Avenue

Project Appraisal

1. Summary

This scheme includes an area of vacant land that was separated from the existing garden when the property at 39 Hills Avenue was re-let, having been identified as a potential development site by City Homes Staff.

There are no existing properties on this site.

2. Reason for Investigation:

When properties become void and are re let, City Homes assess gardens associated with the property, and its potential for redevelopment if sufficiently size. This land at Hills Avenue was deemed to have suitable amenity space for the existing house whilst allowing potential development of the remaining separated land.

As the Council looks to provide more affordable housing across the City, it is small infill sites such as this that present good potential opportunities for development.

This scheme was included in the Council's three year rolling programme of sites to investigate further the feasibility and viability of development following committee approval in June 2016.

3. Engagement with Existing Residents

This development does not include the replacement of existing housing.

However, due to the proximity to existing properties, we have written to the neighbouring residents at 38 and 39 Hills Avenue and 11 and 12 Baldock Way to notify them that the Council is investigating the potential of the land for development of affordable housing. Minimal response was received from residents in relation to the letter.

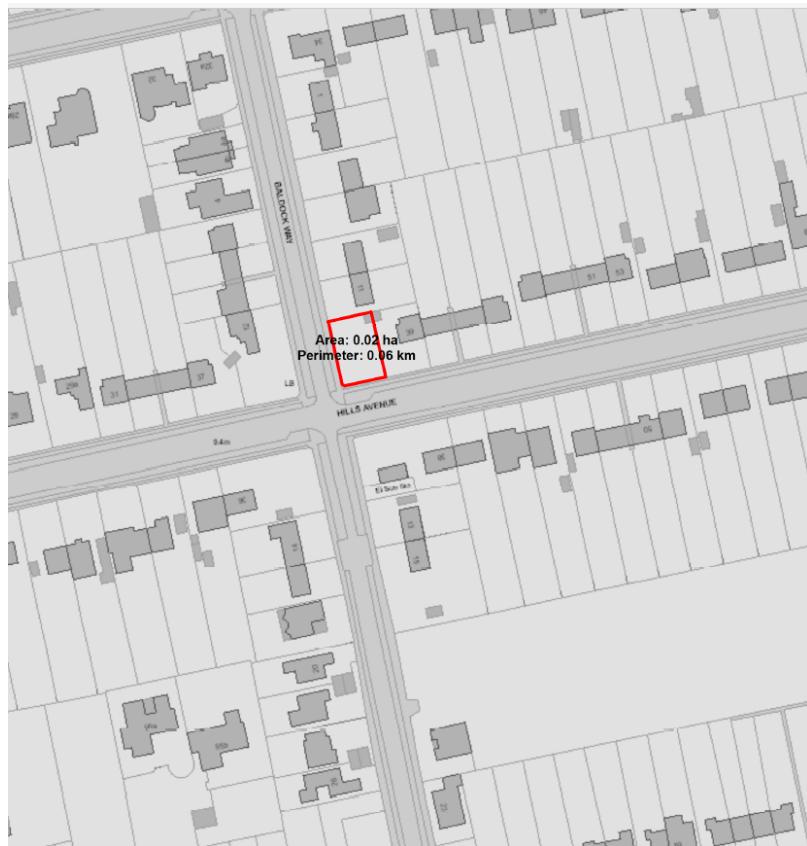
A further letter was sent informing residents that the Council would be erecting hoarding to the site boundary to minimise the risk of fly tipping occurring. There was no further correspondence following the issue of this letter.

Should this scheme receive approval to proceed at committee, then the Housing Development Agency (HDA) will continue to work closely with neighbouring residents to ensure they are involved and informed on the development of the vacant land.

4. Feasibility:

The Site

The below plan shows the area for the proposed scheme:



The table below shows the proposed mix approved of new homes for the site.

Option	Scheme Proposal
1	1 x 3B5P Flat

Site Constraints

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

Some conclusions to the planning appraisal undertaken are noted below:

- Site is within close proximity to neighbouring property at 39 Hills Avenue.
- Protected trees located on site frontage

Therefore proposed design will need to minimise impact on the protected trees and the neighbouring property from an overlooking perspective and the proposed layout plan included in the appendix of this document is indicative only, of what could be accommodated on the site.

Local Housing Need

There is a recognised need for more affordable housing across the city. The table below demonstrates the number of households on the Housing Needs Register. There are currently 235 households in need of a 3 bedroom property, and the progression of this scheme would help in meeting the needs of those on the list.

Cambridge City	1bed	2 bed	3 bed	4 bed
	1746	734	235	51

5. Proposed scheme

The indicative redevelopment scheme proposed for this site is as follows:

1no. 3 bed 5 person house

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.

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 approximately £249,216. This fee includes for planning and architect and all other associated on costs, broken down as follows.

Works costs	£211,200
On costs including professional fees	£31,680

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.

Pay-back period –

Year 1

Rent Levels (net of Service Charge) –
3 bed £168.45

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.

Other implications

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