



To: Executive Councillor for Housing: Councillor Kevin Price  
Report by: Amelia Norman  
Relevant scrutiny Housing 21/09/2017  
committee: Scrutiny Committee  
Wards affected: Queen Edith

## **New Social Housing on Housing Revenue Account Infill Site at Wulfstan Way**

### **Key Decision**

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#### **1. Executive summary**

This report provides details of the indicative capacity study to develop the vacant land to the rear of 53 and 55 Wulfstan Way to provide up to 6 new homes. The site is to be brought forward in the Council's social housing programme, to be included in the Housing Revenue Account (HRA) and is recommended to be delivered through CIP.

The report requests approval to a capital budget for the HRA in relation to the site at Wulfstan Way based on the appraisals outlined within this report.

Option 1 relates to 6 x 1 bedroom units on an extended site, whilst Option 2 relates to 2 x 2 bedroom units on a smaller site.

#### **2. Recommendations**

The Executive Councillor is recommended to:

- Note the indicative mix of the proposed scheme
- Approve the capital budget of £819,500 for site option 1, detailed in the report to cover construction costs, professional fees and on costs to deliver a scheme that meets identified needs of the City.
- Approve that delegated authority be given to the Strategic Director to enable the site to be developed through Cambridge Investment Partnership (CIP)

#### **3. Background**

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 240 new council homes so far with a further 114 to be completed in the coming year. This includes those homes that are significantly progressed on the Quad scheme on the Southern Fringe that will deliver a total of 104 homes.

Officers have identified sites to provide more social housing and have categorised 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 part of the devolution deal Cambridge City Council have committed to providing 500 new homes over 5 years and sites such as this enable progression towards reaching this target.

The proposed project is a site previously identified in the 3 Year Rolling Programme. The site does not require the redevelopment of existing housing. The new social housing has been assessed as being for rent at Affordable Rents set at Local Housing Allowance levels.

The site at Wulfstan Way has been vacant for a significant period of time and as such has been identified as a site suitable for redevelopment. It is proposed that there is possible scope to increase the size of the site and the number of units that can be accommodated by taking back garden land from existing CCC tenanted properties, subject to discussion with residents.

Appendix 1 provides location plan for this site.

## 4. Implications

### (a) Financial Implications

The capital budget required for the Wulfstan Way Site is **£819,500** for site option 1.

The costs presented are indicative and budgets are based on recently approved infill sites.

Based on these indicative viability assessments the budget for the sites is broken down as follows;

| Site         | Proposed House Type | Number | Indicative Budget | Payback Year |
|--------------|---------------------|--------|-------------------|--------------|
| Wulfstan Way | 1 bed flat          | 6      | £819,500          | 1            |

The indicative budgets provided above are fully inclusive of works costs and all associated professional fees.

The Housing Revenue Account Mid-Term Financial Review captures the funding available for the ongoing social housing programme. The budget for this scheme will utilise funding of £245850 (30% of the total indicative scheme costs) from Right to Buy receipts, which must be expended to prevent them from being lost. It is then proposed to utilise devolution grant to fund the remaining 70% of the total indicative scheme costs.

It is possible to bring forward this small site for development, before previously identified schemes that are currently on hold, due to the relatively small financial resource required for delivery. This small site also has the benefit that it does not require any decanting of existing residents or purchase of leasehold properties that impact on the financial costs of the scheme and the timescales for delivery. It is hoped that by including this site in a package of works with other small infill sites that savings can be made to deliver at costs less than those identified above.

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.

### (b) Staffing Implications (if not covered in Consultations Section)

The schemes will be managed by the Housing Development Agency following liaison with City Homes; the Estates and Facilities Service and the Legal Services Team.

There are no other significant staff implications.

**(c) Equality and 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.

**(d) Environmental Implications**

The social housing will be built in accordance with the Cambridge Sustainable Housing Design Guide, which equates to the equivalent of code Level 4 for sustainable homes.

**(e) Procurement**

It is proposed that the site will be brought forward through the Cambridge Investment Partnership to maximise value for money and to ensure delivery of the scheme is brought forward in a timely manner.

**(f) Consultation and communication**

This scheme does not involve the redevelopment of existing residential accommodation. However, neighbouring residents whose homes adjoin the site have been made aware that the Council is considering the site for redevelopment. The Council will propose to work closely with neighbouring residents to ensure they are well informed of the development proposals. There is possibility that garden land may have to be taken back from CCC tenanted properties to accommodate the full potential of this development scheme. Tenants who may be required to give up some garden land have been contacted by City Homes and made aware of this possibility. Further discussions will continue with residents if this site is approved for development.

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 recognised implications on Community Safety with the proposed developments.

**5. Background papers**

None

**6. Appendices**

Appendix 1 Provides location plans for the site.

Appendix 2 Provides a project appraisal

Appendix 3 Potential layout

**7. Inspection of papers**

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

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