

Item

CONVERSION OF KINGSWAY CLINIC INTO UNITS OF SOCIAL HOUSING

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

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Wards affected:

Arbury

Not a Key Decision

1. Executive Summary

- 1.1 A clinic has been provided on the ground floor at Kingsway Flats in Arbury since 1965. The current tenants, the NHS, are vacating the premises at the end October 2017. A current lack of demand for this type of property, combined with the poor layout and condition of the clinic and the re-provision of these NHS services elsewhere, makes it unlikely that a new tenant will be able to be found.
- 1.2 Whilst deciding the future of the site, it was deemed a suitable location to investigate the possibility of converting the clinic into further units of accommodation to let for general needs purposes.
- 1.3 A team of architects were commissioned to carry out a feasibility study and provide the estimated costs of carrying out the work.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Agree for the Kingsway Clinic to be converted into 2, 1-bed and 2, 2-bed flats for use as general needs housing, funding the works, estimated to be approximately £477,000, from the existing budget ear-marked for acquisition or new build housing using retained right to buy receipts.

3. Background

- 3.1 A site meeting was held on 7th June 2017 between representatives from Property Services, City Homes, Housing Finance and Estates & Facilities to discuss the future of the clinic currently housed on the ground floor of the HRA-owned Kingsway flats in Arbury ward. There has been provision for a clinic at the site since 1965, however the NHS, who currently occupy the site are vacating on 31st October 2017.
- 3.2 Discussions with Property Services suggest it will be very difficult to find new tenants for the site, due to a general lack of demand and the current condition and layout of the clinic.
- 3.3 The group requested a feasibility study to be completed to investigate the conversion of the site into new units of affordable housing accommodation for general rent.
- 3.4 It is anticipated that RTB receipts could be applied to this conversion as the development is new provision of affordable housing.
- 3.5 A feasibility study was commissioned by Estates & Facilities and carried out by Saunders Boston chartered architects on 3rd August 2017.
- 3.6 The architect put forward 3 options for the conversion of the site into various size units of general needs accommodation:
 - Option 1 – 4 X 1-Bed Flats
 - Option 2 – 2 X 1 Bed Flats and 2 X 2 Bed Flats
 - Option 3 – 3 X 2 Bed Flats
- 3.7 The costs provided used industry benchmarking data from BCIS.

(a) Financial Implications

The conversion of the units into any of the options listed above all pay back within the agreed 35-year timeframe for new build developments; Option 1 pays back in 33 years, Option 2 pays back in 26 years and Option 3 pays back in 30 years.

As no allowance in the costs provided by the architects have been made at this stage for structural services or asbestos removals, a 3% contingency has been included in the business case for each option, alongside 15% to cover all of the associated fees..

The cost of the works can be met from the £5,000,000 allocation in 2017/18 for acquisition or new build dwellings using retained right to buy receipts.

(b) Staffing Implications

The work will require permission for a change of use from Category D to Category A with the Planning Department; this, as well as the planning application, all other permissions required and the final design, will be undertaken by Saunders Boston Architects on Housing's behalf.

It is intended that the work onsite will be carried out by the Estates & Facilities Special Projects Team, who will bring in specialist sub-contractors as required.

(c) Equality and Poverty Implications

The design of the 4 ground-floor units will incorporate the 'lifetime homes' guarantee, as per all new development commissioned by the service. It is not deemed necessary to complete an EqIA on this individual conversion.

(d) Environmental Implications

Overall rating: Net medium positive: Conversion of a poorly laid out open plan clinic space into 4 new units of accommodation. Whilst there will be a level of disruption and movement of materials, this impact will be offset by effective recycling and reuse of materials where possible, and retention of internal walls and plumbing where possible. The new units of accommodation will adhere to the Council's levels of insulation, and will meet the lifetime homes guarantee.

(e) Procurement Implications

The work will be completed by the in-house Special Projects Team in Estates and Facilities. Any specialist sub-contractors required will be selected from existing suppliers or will be subject to appropriate procurement procedures.

(f) Community Safety Implications

Work on site will adhere to the Council's 'Considerate Contractors' health and safety standards.

5. Consultation and communication considerations

Once agreement for the conversion is in place, residents at Kingsway will be informed of the works by City Homes and provided with contact details of the relevant staff in Estates and Facilities, as per the 'Considerate Contractor' standards.

6. Background papers

No background papers were used in the preparation of this report.

7. Appendices

(a) Saunders Boston Architects Feasibility Study

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Julia Hovells, Business Manager / Principal Accountant, tel: 01954 - 713071, email: julia.hovells@cambridge.gov.uk.