

Item

REPORT ON NEW COUNCIL HOUSING AT FANSHAWE ROAD



To:

Councillor Gerri Bird, Executive Councillor for Housing

Report by: Benedict Binns, Senior Development Manager Housing Development Agency

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Wards affected: Coleridge

Key Decision

1 Executive Summary

- 1.1 This report seeks budget and approval to proceed with the redevelopment of Fanshawe Road flats, adjacent houses, and garages to provide 93 new highly sustainable, affordable homes on the site, with enhanced open space, as well as improvements to the community pavilion on neighbouring Coleridge recreation ground.
- 1.2 Fanshawe Road sits in the Coleridge Ward in the southeast of Cambridge. The site is currently residential use consisting of 33 dwellings in the form of three small flat blocks of 3 storey, 2 adjacent houses and 39 garages. 10 are leasehold and the remaining 22 are council tenants with one house is currently in use as temporary accommodation. The unit mix is 5 no. 1bed flats, 26 no. 2bed flats, 1 no. 2 bed house and 1 no. 3 bed house.
- 1.3 The site has been identified for redevelopment due to future maintenance costs, its poor environmental performance, and the site's potential to support the Council's housing programme.
- 1.4 This report seeks approval to draw down from the budget earmarked for the delivery of new homes, a capital budget of £27.9 million for the scheme, based on the indicative capacity study which has been undertaken for the site and the outline appraisals referenced in this report, and for the delivery route to be adopted.

It is recommended that the development is delivered as 100% affordable housing (option a) subject to grant.

- 1.5 Due to uncertainties in grant funding, there will be a need for flexibility to ensure delivery and to manage the risks. An option b is proposed as an alternative delivery route. This option would deliver 44 (approx. 47%) affordable homes for affordable rent and 49 (53%) market homes for private sale, still providing a net increase of 22 affordable rented units. Having this alternative option means development works can progress whilst grant is negotiated and helps manage the risks to the investment.
- 1.6 A resident engagement meeting was held at Fanshawe on May 25th to inform residents that there will be a report to HSC seeking approval for redevelopment, to explain their rights as a tenant and leaseholder and to get their feedback. Approximately 40 people attended, and all were asked to fill in a questionnaire about the proposed redevelopment. To date, 11 questionnaires were returned with 72% in favour of redevelopment.
- 1.7 The scheme is indicative and subject to further review, public consultations, and pre-application planning consultation.

2 Recommendations

The Executive Councillor is recommended to:

- 2.1 Approve that the scheme be brought forward and included in the Housing Capital Programme, with an indicative capital budget of **£27,937,291.53** to cover all site assembly, construction costs, professional fees and further associated fees, to deliver a 100% affordable housing scheme which meets the identified need in Cambridge City. Budget will be drawn down from the sum already ear-marked and approved for investment in new homes.
- 2.2 Authorise the Strategic Director in consultation with the Executive Councillor for housing to approve variations to the scheme including the number of units and mix of property types, sizes and tenure as outlined in this report.
- 2.3 Authorise the Strategic Director in consultation with the Executive Councillor for housing to adopt option b; to deliver a minimum of 44 (approx. 47%) affordable homes for Council rent and the balance as market homes for private sale, should grant not be available once the scheme is at a deliverable point, subject to continued financial viability.

- 2.4 Approve that delegated authority be given to the Executive Councillor for Housing in conjunction with the Strategic Director to enable the site to be developed through Cambridge Investment Partnership (CIP) subject to a value for money assessment to be carried out on behalf of the Council.
- 2.5 Delegate authority to the Strategic Director to commence Compulsory Purchase Order (CPO) proceedings on leasehold properties to be demolished to enable the development, should these be required.
- 2.6 Delegate authority to the Strategic Director to serve initial Demolition Notices under the Housing Act 1985.
- 2.7 Delegate Authority to the Head of Housing to amend the local lettings plan for Cromwell Road to allow for the proposed decant from Fanshawe Road to be accommodated.

3 Background

3.1 This Development opportunity addresses all the Council's key Corporate Priorities for 2022-27:

3.1.1 Priority 1 - Leading Cambridge's response to the climate change and biodiversity emergencies

This proposal is to replace inefficient existing homes with highly sustainable, low energy homes. The new homes will provide overheating management and reduced water consumption, as well as being low carbon and gas free. A minimum of 20% biodiversity net gain will also be targeted across the site.

3.1.2 Priority 2 - Tackling poverty and inequality and helping people in the greatest need

An increase in new council homes will benefit low-income residents across the city. The sustainability standard should mean increased energy efficiency will help to reduced energy consumption within these homes and therefore energy bills are expected to be lower for residents.

3.1.3 Priority 3 - Building a new generation of council and affordable homes and reducing homelessness

There is a recognised need for more council housing across the city. As of December 2021, there were 1,920 households in need of affordable homes across the city; progressing this scheme will help in meeting the needs of those on the waiting list.

3.1.4 Priority 4: Modernising the council to lead a greener city that is fair for all

A target of 20% biodiversity net gain will contribute towards this. Increased diversity of planting such as wildflower meadows and different species of trees will be explored as part of the landscaping. Green roofs, bird boxes, bat boxes and insect hotels are also likely to be included.

In addition to this, modern methods of heating and cooling will be included, such as mechanical ventilation and heat recovery, underfloor heating, triple glazed windows, extra thick wall cavities.

Further innovation and future proofing will also include electric vehicle chargers and consideration of underground 'iceberg' bins. Promotion of sustainable methods of transport such as cycling, walking and car sharing will also be a key aspect of this development.

3.2 This development also meets the objectives of:

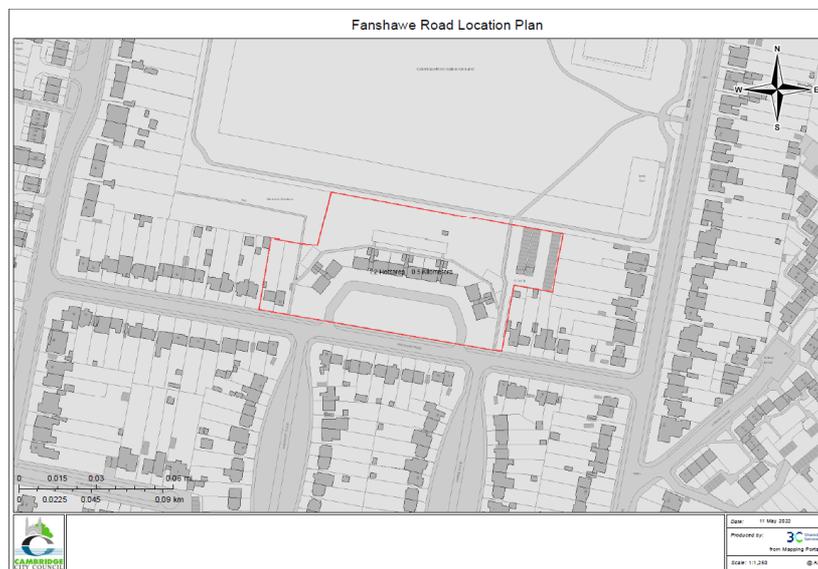
3.2.1 The Greater Cambridge Housing Strategy 2019-23: Building the right homes in the right places that people need and can afford to live in; enabling people to live settled lives; and building strong partnerships

3.2.2 The Council's Homelessness & Rough Sleeping Strategy 2021-26

3.3 The Site

3.3.1 12-34 Fanshawe Road is situated to the Southeast of Cambridge City Centre. Fanshawe Road is part of the circa 1950's post war housing development. This land had historically been acquired by Jesus College, probably during the enclosures of the early nineteenth century, and transferred to the borough of Cambridge around 1910. Like many other cities during the inter-war period, Cambridge was expanding fast and there was an urgent need for new housing.

3.3.2 The new roads were named after prominent historical figures connected to Jesus College – Davy, Fanshawe, Corrie. On Fanshawe Road, 32 no. two-bedroom flats were built, arranged in three blocks, each of three storeys, around a central green. Similar blocks were built in Davy Road.



3.3.3 The development site is approximately 1.23 hectares in size. It consists of 32 dwellings in the form of three small flat blocks of 3 storey, 2 adjacent houses to the west, and 39 garages. Of the 32 households, 10 are leasehold and the remainder 22 are occupied by council tenants. The current unit mix is as follows:

Unit Type	Number
1B2P Flat	5
2B3P Flat	26
2B4P House	1
3B5P House	1
Total	33

3.3.4 The site has been identified for redevelopment due to future maintenance costs, its poor environmental performance, and the site's potential to support the Council's housing programme.

3.3.5 The houses were built in 1952 and the flats were built directly adjacent to Coleridge Recreation ground in 1954. As part of this scheme there is an opportunity to redevelop the pavilion on the rec to provide which will provide further benefit to the community immediately surrounding Fanshawe. There is also an opportunity to enhance the poorly designed link between Fanshawe and the recreation park.

3.4 Condition of flats

3.4.1 The three flat blocks at Fanshawe Road are all the same design and appear to be in fair condition. The Easiform Type 2 Pre-Cast Reinforced non-traditional structure has not been designated 'Defective' under the Housing Defects Act 1984 (Part XVI Housing Act 1985); however, the common inherent defect of all Pre-Cast Reinforced (PRC) structures is carbonation of the concrete, which can lead to component failure. Structural movement/cracking is evident to the external wall of the inset balconies above the rear access door(s).

3.4.2 Some asbestos containing materials have been identified and associated works are required to repair and seal these materials.

3.4.3 Over the last five years the Council has spent £115k on non-routine repairs to the residential blocks. Further structural works were planned but these have been put on hold.

3.4.4 Estimated future maintenance costs at Fanshawe Road as of January 2021(not including any retrofit)

	Estimated cost of work	Fees	Contingency	Total
Fanshawe	£210,000	£40,000	£20,000	£270,000

12-14b				
16-26b				
28-30b				

3.5 Garages and Access

3.5.1 The garage block has no significant problems identified. However, older garages such as those within this block, tend to be small when compared with the average modern car and are therefore not commonly used for their original intended purpose. They are mostly used for storage. ~50% of the garages are currently let to residents with an address in the Coleridge ward.

3.5.2 Adjacent to the garage block are an existing electrical substation as well as rear access to 8 Fanshawe Road, which is a historically licenced access. Access to both is proposed to be retained.

3.5.3 Access to Coleridge rec from Fanshawe Road runs in between the garage block and the flats. This would be retained and enhanced as part of the proposed development.

3.6 Protected Open Space

3.6.1 There is currently a drying area behind the flats which is protected open space the this is closed off to the public and not well-used. The design proposals include retention of the same amount of open space. However, this will be significantly enhanced in design, layout, and accessibility to provide additional benefit to residents/public in terms of amenity and biodiversity. The access route to Coleridge rec will also be improved as part of this.

3.7 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 as of March 2022. This scheme will help in meeting the needs of those on the register.

Cambridge City	1bed	2 bed	3 bed	4+ bed	Total
	1,178	556	322	85	2,141

3.7.1 The proposed tenure is as follows:

Tenure	Number	Percentage of Total
Social Rent (40%) of median market rent	44	47%
Intermediate Affordable Rent (80% of median market rent)	49	53%

This mix is in alignment with the proposed changes to rent levels as outlined in the Update on New Build Council Housing Delivery Report being submitted to this Committee.

- 3.7.2 There is a specifically identified need for an increase in social rent housing. Given the current economic climate in terms of inflation and cost of living rising significantly in recent months, this would benefit low-income families at a much-needed time. By delivering social rent homes, a significant number of tenants will pay between £20-£50 less per week than affordable rented homes at 60% median market rent including service charges.
- 3.7.3 Homes at full affordable rent, which is 80% of median market rent, will not only help scheme viability but also addresses an identified market gap. Cambridge has a higher-than-average proportion of private rented accommodation, which are of poorer quality than national averages. While there are many good private rental providers in the city, the data is clear that social stock is delivering to a higher standard on average.
- 3.7.4 A detailed affordability analysis conducted by Savills in 2017, suggested a large gap in terms of affordable housing for incomes of around £25-£45k in Cambridge. An affordable rented product offered at an increased 80% market rental would allow the council to target this marginalised demographic which currently falls between products being delivered by Registered Housing Providers and the market.
- 3.7.5 Located in an area of existing housing stock, the development would bring some more units to the area, supporting sustainable communities.

Unit Type	Units
1B2P Flat	48
2B4P Flat	26
2B3P Flat	3
3B5P Flat	4
3B5P House	12
Total	93

3.8 Budget and tenure

- 3.8.1 This report seeks approval of a capital budget for the scheme, based on the indicative capacity study which has been undertaken for the site and the outline appraisals referenced in this report, and for the delivery route to be adopted. The design ambition is to deliver the scheme at Passivhaus or equivalent level of sustainability, but at least at a minimum of 35% below 2013 building regulations, and to be gas free.
- 3.8.2 It is recommended that the development is delivered as 100% affordable housing (option a). It is proposed that the rent level to be adopted will deliver 44 Social rent homes, and 49 affordable rented homes to be let at 80% of median market rent. Delivering to a range of housing needs in the City and supporting what is viable and is most likely to attract grant funding.
- 3.8.3 Under this proposal all homes will be owned and managed by Cambridge City Council and let on Cambridge City Council tenancies. The indicative mix of the proposed scheme (see Appendix 2) will provide 93 Council rented homes, with an overall net gain of 61 Council rented homes.
- 3.8.4 Should grant not be available there is an alternative option without grant, option b which based on current costs would deliver would be to deliver 44 (approx. 47%) affordable homes for Council rent and 49 (53%) market homes for private sale. Having this option helps mitigate risk to the Council and allows for the development to progress whilst grant negotiations take place- the L2 Orchard Park example has shown this model to be successful.
- 3.8.5 The scheme is indicative and subject to further review, public consultations, and pre-application planning consultation.
- 3.8.6 The total indicative cost of this development is **£27,937,291.53**. This includes decant, legal, and Section 106 costs, Clerk of Works and Employer's Agent fees and H.D.A project management allowance.
- 3.9 Further surveys and investigations will be undertaken by Cambridge Investment partnership.

3.10 Site Options

- 3.10.1 As part of the feasibility study and options analysis work undertaken in assessing the viability of delivering affordable housing on the site two alternative options were considered which are set out below.

	Redevelop	Retain	Retrofit
No. of dwellings	93	32	32
National Guidelines for space standards	✓	✗	✗
Amenity Space – balcony or private garden	✓	✗	✗

Accessibility for wheelchair users	✓	✗	✗
Wheelchair user adapted homes	✓	✗	✗
Security – crime designed out	✓	✗	✗
Heating	Air Source Heat Pump	Gas	Air Source Heat Pump
Energy Bills	Low	High	Low
Ventilation	Mechanical	✗	Mechanical
Bike Storage	✓	✗	✗
EV charging	✓	✗	✗
Water lpd	90	>110	>110
Biodiversity Net gain	+20%	0%	0%
Underground bins	✓	✗	✗
Improvements to car parking, landscaping, and external works	✓	✗	✗
Fire Safety above building regulations	✓	✗	✗

3.11 Retain as existing

3.11.1 The current blocks were built circa 1950's and are of traditional brick construction.

The age of these units will lead to the need for further investment and increased on-going maintenance. A programme of works will be required if the scheme does not proceed including remedial works to walkway and, balconies, walls, reinforced concrete, rainwater goods and underground drainage. There is the need for the replacement of the landlord's electrical distribution system and to upgrade the buildings fire safety standards.

3.11.2 Much of the day-to-day repairs and planned replacement where building elements have reached the end of its serviceable life and have H&S implications require immediate attention.

3.11.3 The standards of the existing flat blocks and maisonettes are poor and do not meet the current new build standards in internal space standards, amenity space, accessibility, security, heating, energy bills, ventilation bike storage, EV charging, water conservation, biodiversity, refuse, external landscaping, and fire safety.

3.11.4 Retrofit the estate

3.11.5 To reach equivalent performance standards of Passivhaus to those of the council's new build delivery programme would require the installation of triple-glazed windows and doors, air source heat pumps, additional insulation, mechanical ventilation heat recovery, and solar PV.

3.10.7 The 2021 Feilden and Mawson report to the council on achieving net zero has identified an estimated cost per unit for these installations as £65,000 per unit, or £2,210,000 in total. This figure excludes additional fire safety improvements, external works improvements and decanting costs.

3.11.8 Whilst there would be significant improvements to the energy and carbon performance of the existing flat blocks and maisonettes there will be no improvements in internal space standards, amenity space, accessibility, security, heating, energy bills, ventilation bike storage, EV charging, water conservation, biodiversity, refuse, external landscaping, and fire safety. A significant decanting programme would also be required to move residents out whilst works take place, and back in when complete.

3.11.9 The applicability of these measures (for example additional insulation) is reliant on structural integrity of the buildings and viability of such an improvement route would require validation through detailed surveys.

4 Design and Sustainability

4.1 Building on the lessons learnt from the Passivhaus pilot schemes, the design ambition is to deliver the scheme at as close to Passivhaus level of sustainability but at least at a minimum of 35% below 2013 building regulations and to be gas free. There are also sustainability targets for water, biodiversity, car park ratios and EV charging which are all significant improvements on the current local plan. This will follow principles of the updated Sustainable Housing Design Guide (SHDG) which was approved at January 2021 HSC.

4.2 The sustainability targets for this site are set out on the matrix below. The scheme is at design stage and the actual performance of the building/detail will be developed over time against this aspiration. There may be financial, viability or technical constraints which will mean the exact targets set out cannot be met; they may also be exceeded. There needs to be the intent for Cambridge Investment Partnership to be focused on design solutions which achieve the carbon emissions reduction, energy bills and annual maintenance costs to these standards.

4.3 For this scheme, the orientation of the current layout is designed to maintain and enhance the open space which is considered a key part of the development. A key lesson from the Passivhaus pilot schemes is the importance of the orientation of the building in making Passivhaus certification financially viable therefore it is very likely that it will be difficult to achieve Passivhaus certification without incurring significant increases in costs. The design team will aim to be as close to Passivhaus certification that is financially viable focussing on carbon emissions reduction, lower energy bills and annual maintenance costs.

SHDG Range of Targets		This Development targets
	Local Plan	Passivhaus
Units		93
PHPP kWh/m ²	65	Up to 28 – as close to Passivhaus certification
Water l/d	110	90
Biodiversity Net gain	10%	20%
Car Parking ratios across schemes	0.7-0.9	0.5 or less
Are there technical constraints?	PHPP: This scheme will aim to deliver as close to Passivhaus certified Flats. These principles have been incorporated from the outset, but it is likely that certification will not be financially viable.	
	Water: The target is 90lppd but the detailed design to deliver this has not yet been developed.	
	Biodiversity: The opportunities for improvement are included and a 20% improvement is being targeted	
	Car Parking: The target is 0.5 or less	
Are there financial constraints	Estimated costs for the programme have included a cost allowance for Passivhaus, but there are technical constraints that make it unlikely to attain Passivhaus certification.	
Recommended Sustainability Target	As close to Passivhaus Certification as financially viable	
Additional measures included to meet Net Zero Carbon in the future	Future proofing - Measures in future are likely to include Solar PV and battery storage	

5 Programme

5.1 The indicative programme for the development is as follows:

May-June	2022	Resident consultation events
June	2022	Committee Report on possible redevelopment
September	2022	Pre-App consultation with residents
December	2022	Planning Submission
May	2023	Planning Approval

September 2023 Start on Site
June 2025 Practical Completion

5.2 Demolition notices

5.2.1 Service of Initial Demolition Notices under the Housing Act 1985 suspends the Right to Buy. Should a tenant make an application to buy their home (a leasehold interest in a flat) they would normally be sold at a discount. To allow the regeneration scheme to progress the council would then have to buy back these properties at market value plus 10% of the owner's interest and a disturbance allowance and none of the discount granted would be repayable. Should many additional homes be sold under the Right to Buy this would add significantly to the costs of the scheme and compromise its financial viability.

5.2.2 By serving the Initial Demolition Notice the council sets out its intention to proceed with the regeneration and this removes the obligation to complete Right to Buy sales for a maximum period of 7 years while the notice is in place. At the end of the notice period if the council has not completed the demolition of the property a tenant could ask for compensation arising from not being able to exercise their right to buy.

5.3 Tenant Decants

5.3.1 Fanshawe Road tenants will be offered first refusal on brand new low energy 1 & 2 bed homes at CIP's Ironworks development Cromwell Road. These homes have been identified as they are in close proximity to Fanshawe Road and there are like-for-like opportunities in terms of unit mix.

5.3.2 If tenants wish to move elsewhere then they will be given highest priority on the Council's Homelink housing system, where they can bid for like-for-like Council properties. The Council has dedicated staff to help tenants in the moving process.

5.3.3 Tenants will receive £7,100 Home loss payment when they move, in addition to up to £1,250 to cover moving costs or the amount as guided by updates in legislation.

5.4 Leaseholder Decants

5.4.1 Leaseholders will be offered market rate for their homes plus 10% if they live in the property, or 7.5% if they live elsewhere. The Council has dedicated staff to help leaseholders in the moving process.

5.4 Compulsory Purchase Order

5.4.1 There are ten leaseholder properties on the scheme. The Council will need to buy back these properties. This will be done through negotiations however if these are unsuccessful the only route available to the Council would be to instigate a CPO.

6 Financial Implications

6.1 Budget / Funding

- 6.1.1 The total indicative cost is currently estimated at £27,937,291.53 (In addition to the demolition and construction costs, this includes pre and post statutory planning fees, professional consultant fees, survey and site investigation costs, other associated costs and HDA fees (leaseholder buy-back, home loss and disturbance payments)
- 6.1.2 It is proposed that the investment will be met from a combination of HRA resources and government funding as below.

This will result in the following mix of funding:

Right to Buy receipts:	£0
Grant Funding:	£5,509,000
HRA resources and borrowing:	£27,937,291.53
Total:	£27,937,291.53

- 6.1.3 The indicative capital cost to the HRA, subject to grant funding, is expected to be £22,428,291.53
- 6.1.4 The appraisal assumes that Grant will be secured, and funding bids are proposed to be submitted to Homes England through Continuous Market Engagement. Alternative funding streams will be investigated as these become available. Grant assumptions used in this budget are projected based on discussions with Homes England and grant identified to date, and exact levels which may be agreed are subject to variation.
- 6.1.5 Due to the uncertainties in receiving grant there will be a need for flexibility to ensure delivery and manage the risk. Should sufficient grant not be identified, then option b would be to deliver 44 (approx. 47%) affordable homes for Council rent via an affordable housing agreement and 49 (53%) market homes for private sale, to be delivered through the Cambridge Investment Partnership. The council is requesting delegated authority allowing the Executive Director in consultation with the Exec Councillor to deliver the scheme with market sales should grant not be available once the scheme is at a deliverable point.
- 6.1.6 Inability to secure grant funding and a move to a market sale tenure on the scheme will additionally have budgetary implications in respect of SDLT and Section 106 planning contributions, which will need to be quantified and re-appraised in line with the latest market assumptions at the point at which option b may need to be adopted.

7 Implications

(a) Staffing Implications

The development scheme will be managed by the Housing Development Agency which will also provide the Council's staffing contribution to the development of the scheme. The scheme will be developed by the Cambridge Investment Partnership (CIP) which is a 50-50 partnership.

(b) Equality and Poverty Implications

A scheme specific EQIA has been completed and is awaiting approval.

(c) Environmental Implications

A scheme specific Climate Change Rating Tool has been completed and is awaiting approval. The overall impact is expected to be Net Low Positive.

(d) Procurement Implications

The package of schemes will be delivered by the Cambridge Investment Partnership (CIP). The report on the New Programme being presented to this meeting of the Housing Scrutiny Committee sets out the proposed approach to delivery of the programme. These schemes will be the first Passivhaus homes the Council will deliver. The Council will both draw on the experience which Hill can bring to CIP of delivering Passivhaus projects and will ensure that the learning is captured. The project will be subject to an independent Value for Money assessment by the Employers Agent for the Council.

(e) Community Safety Implications

The scheme will be built in accordance to Secure by Design guidelines as set out within the City Councils Design Brief.

8 Consultation and communication considerations

- 8.1 There has been communication with residents prior to this report being presented. All tenants and leaseholders were written to, with an offer to meet at a resident engagement meeting that was held on May 25th and on an individual basis to explain what the Council is planning to do and what their rights and entitlements are as a Tenant or Leaseholder. These meetings were offered at convenient or flexible times for the occupiers not tied to conventional working hours and followed current Government COVID guidelines

- 8.2 A resident engagement meeting was held at Fanshawe on May 25th to inform residents that there will be a report to HSC seeking approval for redevelopment, to explain their rights as a tenant and leaseholder and to get their feedback. Approximately 40 people attended, and all were asked to fill in a questionnaire about the proposed redevelopment. To date, 11 questionnaires were returned with 72% in favour of redevelopment.
- 8.3 Fanshawe Road tenants will be offered first refusal on brand new low energy 1 & 2 bed homes at CIP's Ironworks development Cromwell Road. These homes have been identified as they are in close proximity to Fanshawe Road and there are like-for-like opportunities in terms of unit mix.
- 8.4 There has been consultation with Ward Councillors about the proposals.
- 8.5 Consultation and communication with existing tenants and leaseholders will continue in accordance with the City Council's Home Loss Policy This policy along with National Policy sets out the Council's commitment to those affected by regeneration and the compensation and support available.
- 8.6 The HDA continues to liaise closely with colleagues in City Homes, to ensure timely and accurate information is made available to all parties affected by the proposal.
- 8.7 There will be formal consultation through the planning process

9 Risks

9.1 Below is a table setting out key risks associated with the project:

Description of risk	Likelihood	Impact	Mitigation
Design Risk – constraints	Med – There is a risk in balancing preserving the open space, height and massing and sustainability. Pavilion design for low cost may cause delays if design not agreed	Delays to planning submission or planning rejected	Regular meetings with LPA, council officers, members, and residents throughout the design process. Consider a simple design option that may not use so much developable area.
Passivhaus – challenging to achieve the accreditation, very stringent requirements	High – Achieving the levels of insulation required is demanding on all elements of the supply chain. Errors can have significant cost and delay implications.	High Reputational risk if not achieved. Higher energy costs for tenants.	Training, draw on Hill experience of Passivhaus pilots to get to as close to passivhaus certification as possible. To employ specialist consultant (Qoda) to make a final decision at pre-planning on the financial viability of certification.

Decant and leaseholder buy-back delays	Med - There is a limited risk on costs against the assessment that has been made; the risk of delay is minimised with the new Regeneration policy	Med – CPO and NOSP's can take time and delay the project.	Officer in place to manage the decant process and to liaise between all relative parties. The Council has a policy in place in relation to home loss. There is a statutory process through a CPO should negotiations not be successful
Cost: Market conditions in the construction industry can also impact on estimated costs.	High- further site investigations could uncover unknown issues; current supply chain issues may mean rising costs continue into the 2023	High-. If costs go beyond approved budget this could lead to delays to start on site and contract negotiations leading to the potential increase in costs.	The HDA will engage an Employers Agent to scrutinise costs. CIP will be tasked on providing information on impact on life-cycle costs.
Grant funding is not successful	Med – Low risk if pre-planning. Med risk if post planning.	High – will require a change of tenure to option b which may mean abortive works, a s73 application post planning, delays to planning application	Option b would be to deliver 44 (approx. 47%) affordable homes for Council rent and 49 (53%) market homes for private sale. Design will be tenure blind from the start allowing for tenure change. Aim for clarity before a planning application.
Planning: The planning application will be subject to the observations of consultees, the assessment of planning officers, and ultimately the decision of the Planning Committee.	Med- current scheme has been through a Pre-application discussions with Planning. There is a need to balance planning policy and views of the local people and ward members.	Med- Potential change in unit mix and reduction in numbers	CIP will continue to be developed in response to the comments received from the pre-application discussions with the LPA which have been carried out. Further discussions will be carried out.

10 Background papers

19/42/HSC Approval for CIP scheme delivery routes

21/48/HSC: Report on progress toward HRA estate regeneration programme.

11 Appendices

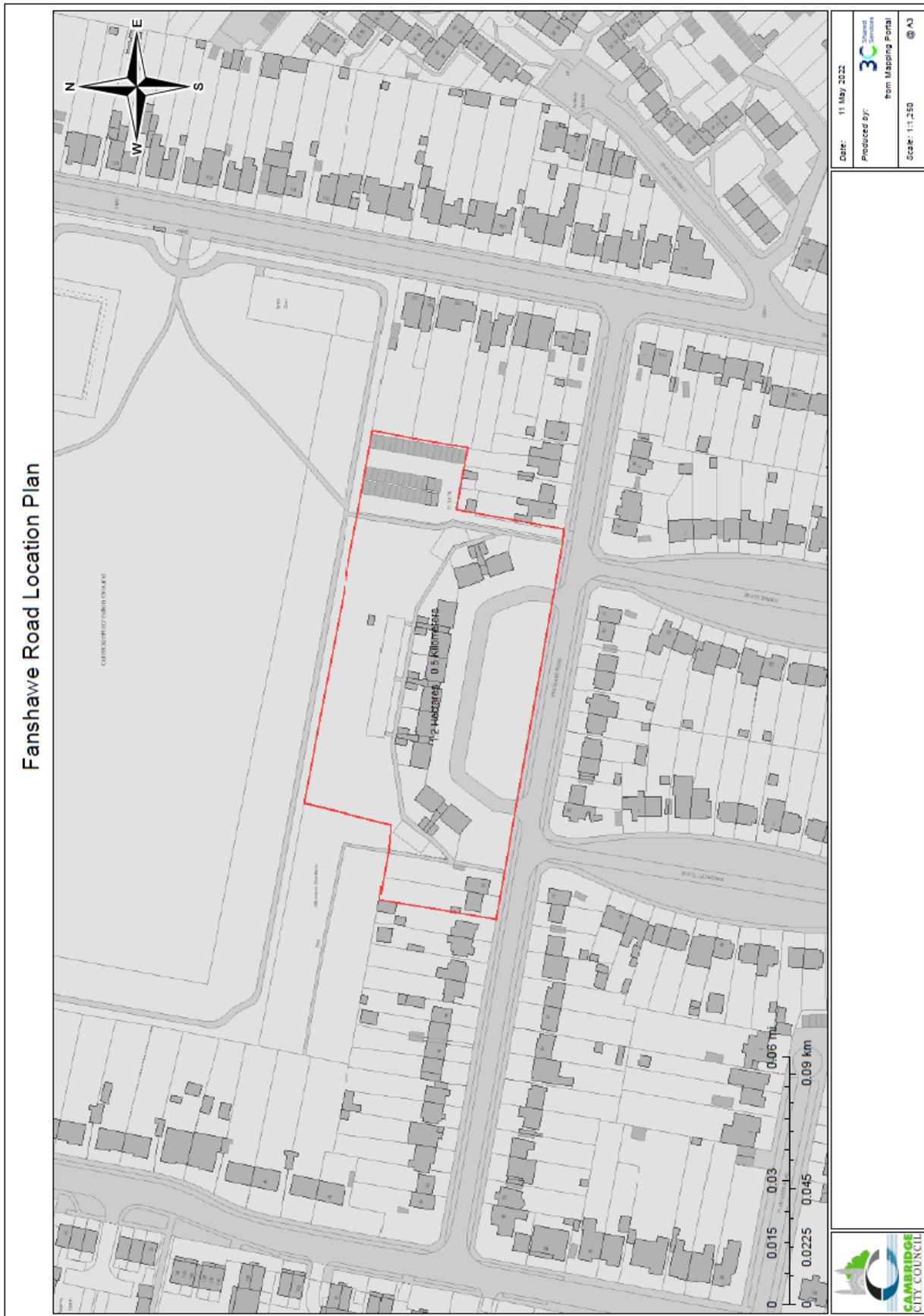
Appendix 1 – Site Location plan and red line of proposed transfer

Appendix 2 – Indicative Layout

12 Inspection of papers

To inspect the background papers or if you have a query on the report please contact Benedict Binns, Housing Development Agency, tel: 01223 457940, email: ben.binns@cambridge.gov.uk

Appendix 1 – Site Location plan



Appendix 2 – Indicative layout. Further pre-application planning advice is being sought on this layout.

