

Item

Update on new build council housing delivery



To:

Councillor Gerri Bird, Executive Councillor for Housing
Housing Scrutiny Committee 19/09/2023

Report by:

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Wards affected:

All

1 Executive Summary

- 1.1. This is a regular quarterly report showing progress on the City Council's new housing and the housing development programme.
- 1.2. 847 new build homes have been completed across 18 sites under the City Council programmes, with 457 being net new Council homes. A further 6 existing homes have been acquired into council stock. The 847 includes handovers of completed homes at Campkin Road (75), Clerk Maxwell Road (14) and Histon Road (9).
- 1.3. While a submission for the funding of the 100% affordable regeneration scheme at Aylesborough Close Phase 2 was expected to have been resolved prior to this Committee, this has been subject to revision following Homes England's June 2023 announcement that replacement homes are now eligible for funding consideration.
- 1.4. Revised funding submissions are in process with Homes England to cover Aylesborough Close (net new and replacement) and Colville Road Phase 3 (replacement homes). Outcomes of these bids will be reported to this Committee as received.
- 1.5. Following an out of cycle urgent decision approved in June 2023, the Council has been formally allocated £840,000 of Round 2 funding by DLUHC to fund delivery of housing catering to refugees at risk of

homelessness. This sum is in addition to the funding of £4,968,683 previously allocated toward the delivery of homes earmarked for Afghan and Ukrainian refugees in Round 1.

- 1.6. Following outputs of detailed design and associated cost implications which mean that the Tedder Way scheme fails to evidence required Value For Money, the decision has been agreed to remove this 1-home scheme from the programme.
- 1.7. *In parallel with this committee report quarterly update statistics for the Councils Affordable housing delivery will be published to the Councils website to facilitate public perusal.*

2. Recommendations

The Executive Councillor is recommended to:

- 2.1. Note the continued progress on the delivery of the approved housing programme.

3. Delivery Programme

4.1 The current delivery programme confirms

- the 500 devolution programme consisting 929 (including market sale) homes in total and 537 net affordable homes.
- the 10-year New Homes Programme consisting of 534 homes with scheme approval. This 534 is made up of:
 - 134 net new Council rented HRA homes at Social rent or 60% of Market rent (Subject to Final Design ahead of formal planning submission).
 - 4 modular homes to be held, let and funded as Roughsleeper accommodation by It Takes a City
 - 169 net new home to be let at 80% of Market rent. (Subject to Final Design ahead of formal planning submissions).
 - 56 homes earmarked for market sale.
 - 18 market acquisitions earmarked for refugee accommodation, funded through the Local Authority Housing Fund, to be let at 60% of market rent..
 - 153 Replacement homes on regeneration sites.

4.2 While work has been progressing to date to deliver the Tedder Way scheme as a single large accessible home, Investigations undertaken to finalise designs have revealed that there were some substantial costs, most specifically related to a new requirement for foundation piling. While this single home was accepted to be a significant expenditure this was validated by the need for bespoke accessible housing. The additional costs which are now evident however, mean that this scheme fails to meet Value for Money criteria required to justify its delivery. As such the decision has been taken to remove this scheme from the development pipeline. 3 further bespoke accessible homes being delivered at Kendal Way (1) and Fen Road(2) remain deliverable and are making progress.

The tables below show the breakdown of homes and the stage they are at:

500 Homes Programme	Completed	On site	Approved	Totals
Total Homes	838	90	1	929
Replacement homes	76	0	0	76
Market Sale	314	2	0	316
Net new Affordable HRA homes	448	88	1	537
% of target				108%

10 Yr New homes programme	Completed	On site	Approved	Totals
Total Homes	15	229	290	534
Replacement homes	0	49	104	153
Intermediate (80% of market rents)	0	104	65	169
Market Sale	0	0	56	56
Net new Affordable homes	15	76	65	156
Net new 3rd Party Affordable	Breakdown below - Modular			4
Total Net New held in HRA	Includes all net HRA rental			339

Modular Homes Project	Completed	On site	Approved	Totals
Total Homes	16	0	4	20
Replacement homes	0	0	0	0
Market Sale	0	0	0	0
Net new HRA homes	16	0	0	16
Net new 3rd party homes	0	0	4	4

LAHF Refugee Housing	Completed	In process/ On site	Approved	Totals
Total homes	22	11	1	34
Existing pipeline (accounted separately)	16	0	0	16
Acquisitions	7	11	0	18

LAHF Refugee Housing	Completed	In process/ On site	Approved	Totals
Net new Affordable HRA homes	7	11	0	18

- 4.3 Appendix 1 shows the total housing provided per programme and scheme as well as the net gain of affordable rented Council homes. The HRA Budget Setting report approved by full Council in February 2023 includes all financial information for respective scheme budgets and net cost to the Council's Housing Revenue account.
- 4.3 A breakdown per scheme of home size and rental tenure of the ten year new homes programme is attached overleaf:



10-year new homes programme - Unit size mix as at August 2023

Scheme	Units	Social				60% Median/LHA				80% Median				Private				Decant/Replacement				
		1bed	2bed	3bed	4bed+	1bed	2bed	3bed	4bed+	1bed	2bed	3bed	4bed+	1bed	2bed	3bed	4bed+	1bed	2bed	3bed	4bed+	
The Mews, Histon Road	10					3	7															
L2 orchard park revised	75	25	5																			
Colville 3	48	12	18	2						8	8							3	13			
Fen Road	12		8	3	1																	
Ditton Fields	6		2	4																		
Borrowdale	3		3																			
Aragon and Sackville	14										14											
Aylesborough Close	70	24	14	3						13	15	1						22	11			
Paget Road	4			2								2										
St Thomas Road	8						4	4														
Fanshawe	84	23	13	9						1	30	8							21	1		
East Road	40	10	6							16	6	2										
Hanover and Princess Ct	138	51	31											25	31			47	35			
ITAC Modular Homes	4					4																
LAHF acquisitions	18							16	2													
TOTAL	534	145	100	23	1	7	11	20	2	73	83	13	0	25	31	0	0	72	80	1	0	
		1bed	2bed	3bed	4bed+					Percentage	1bed	2bed	3bed	4bed+								
Net new affordable	156	80	31	42	3					Affordable	51%	20%	27%	2%								
Net new 80% Rented	169	73	83	13	0					80% rented	43%	49%	8%	0%								
Pre-planning schemes unit and tenure subject to change in line with existing HSC Approvals																						

5 Profile of Start on Sites

Table 1: Start on Site Forecast Profiles for Council rented affordable homes in HRA

500 Programme (net of replacements)

Progress to 500 starts on site	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Starts by year	2	159	158	203	14	0	1
Cumulative total	2	161	319	522	536	536	537

10yr New Homes Programme (net of replacements and 80% market rents)

New programme affordable starts on site	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Starts by year	10	67	30	49	0	0	0
Cumulative total	10	77	107	156	156	156	156

6 Scheme details

6.1 Schemes Completed:

Scheme Name	Net Affordable	Market Sale	Replacement	Delivery	Completion Date
Total	457	293	76		
Uphall Road	2	0	0	E&F	Jan-18
Nuns Way & Wiles Close	10	0	0	Tender	Aug-19
Ditchburn Place Community Rooms	2	0	0	Tender	Sep-19
Queens Meadow	2	0	0	CIP	Jun-20
Anstey Way	29	0	27	CIP	Jun-20
Colville Garages	3	0	0	CIP	Jul-20
Gunhild Way	2	0	0	CIP	Jul-20
Wulfstan Way	3	0	0	CIP	Sep-20
Markham Close	5	0	0	CIP	Sep-20
Ventress Close	13	0	2	CIP	Feb-21
Akeman Street	12	0	2	CIP	May-21
Mill Road	118	118	0	CIP	External works and handover of underground car park remain ongoing. Final external works and landscaping forecast across summer 2023.
Cromwell Road	118	175	0	CIP	In progress
Colville Phase 2	43	0	20	CIP	In progress
Meadows and Buchan	22	0	0	CIP	In progress
Campkin Road	50	0	25		Completed homes and community centre handed over in July 2023 and now in 1yr defects period.

Scheme Name	Net Affordable	Market Sale	Replacement	Delivery	Completion Date
Clerk Maxwell Road	14	0	0	S106 CIP	Completed homes handed over in July 2023 and now in 1yr defects period.
The Mews, Histon Road	9	0	0	S106 Laragh	9 homes handed over in July 2023 with final 1 home completed in September 2023.

6.2 Schemes on Site:

Scheme Name	Social, LHA and 60% of Market rent	80% Market Rent	Market Sale	Replacement	Practical Completion	Programme status
Total	239	104	2	49		
Cromwell Road	0	0	2	0	Dec-23	Block B (23 units) was handed over on April 2023. Block C handed over May 2023. External roadway and landscaping works will continue through Summer 2023, with final market homes for completion in December 2023 (former sales office use).
Colville Phase 2	4	0	0	0	Aug-24	Remaining 4 completions to coincide with Colville Phase 3 completion.
Meadows and Buchan	84	0	0	0	Dec-24	Foundations completed at both sites with sub structure blockwork and drainage progressing.
Aragon Close	9	0	0	0	Sep-23	Final 1 home to be completed in September 2023.
L2 Orchard Park	30	45	0	0	Feb-24	Contract extension under review to February 2024, following significant delays related to subcontractor liquidation and staffing shortages.
Fen Road	12	0	0	0	Jan-24	Subject to significant delays encountered reaching targetted airtightness levels, with associated implications for delayed associated works.
Colville Road Phase 3	32	16	0	16	Jul-24	On programme. Handover reforecast to contract end date
Ditton Fields	6	0	0	0	Feb-24	Subject to significant delays encountered reaching targetted airtightness levels, with associated implications for delayed associated works.
Borrowdale	3	0	0	0	Feb-24	Subject to significant delays encountered reaching targetted airtightness levels, with associated implications for delayed associated works.

Scheme Name	Social, LHA and 60% of Market rent	80% Market Rent	Market Sale	Replacement	Practical Completion	Programme status
LAHF Refugee Housing	18	0	0	0	Nov-23	6 Purchases completed, 11 further acquisitions in process/agreed subject to survey. 16 homes reallocated across existing pipeline now completed with first residents in occupation (excluded here to avoid duplication of figures).
Aragon Close	0	7	0	0	Jun-23	Demolition complete and Archaeological investigations being undertaken under Minor Works Contract, however formal Main contract commencement remains at risk of delay.
Sackville Close	0	7	0	0	Jun-23	Demolition complete and Archaeological investigations being undertaken under Minor Works Contract, however formal Main contract commencement remains at risk of delay.
Aylesborough Close Phase 2	41	29	0	33	Jul-23	Demolition commenced in July 2023 under Minor Works Contract, with Main works contract commenced in August 2023.

6.3 Approved schemes;

Scheme Name	Social, LHA and 60% of Market rent	80% Market Rent	Market Sale	Replacement	Start on Site	Programme status
Total	158	41	80	104		
Kendal Way	1	0	0	0	Oct-23	Way forward agreed to move this site toward commencement and address boundary dispute which is ongoing.
Paget Rd	2	2	0	0	Oct-24	Planning submission reforecast to allow further scheme design.
St thomas Rd	8	0	0	0	Oct-24	Planning submission reforecast to allow further scheme design.
Fanshawe Road	45	39	0	22	Aug-24	Decanting of tenants progressing well. Planning Authority Design Review Panel has required amendments to development plan. Now forecast for planning submission September 23.
East Road garages	16	0	24	0	Aug-24	Separate reporting being brought to this board to outline scheme design movement which has taken place to date
Hanover and Princess	82	0	56	82	Jun-25	Work in progress to review the scheme options and to consider

Scheme Name	Social, LHA and 60% of Market rent	80% Market Rent	Market Sale	Replacement	Start on Site	Programme status
						how housing might be best delivered.
Hills Avenue Roughsleeper Pods	4	0	0	0	Nov-23	Resolution to grant Planning agreed in August 2023. Firm SOS date may proceed ahead of schedule.

7 New Programme Funding

7.1 Funding is being provided for the following schemes through the Grant Agreement with Homes England as signed for the 21-26 HE Affordable Homes Programme for Continuous Market Engagement:

- L2 Orchard Park, Colville Road Phase 3, Fen Road, Ditton Fields, Borrowdale, Aragon Close, Sackville Close.

7.2 Funding has been allocated to support demolition and infrastructure costs at the 100% affordable housing scheme at Aylesborough Close Phase 2 through the Brownfield Land Release Fund 2 (BLRF2), delivered by the One Public Estate (OPE).

7.3 Funding of £1,000,000 has been allocated through the CPCA to fund Capital Investment at the Fanshawe Road Redevelopment Scheme.

7.4 An additional funding bid has been submitted to Homes England for the 100% affordable regeneration scheme at Aylesborough Close Phase 2. Further submissions for grant funding will be submitted to Homes England as additional schemes receive Resolution to Grant Planning, and outcomes of these bids will be reported to this Committee as received.

7.5 Homes England Funding for replacement homes

7.5.1 On 27 June 2023 Homes England officially announced that replacement homes being delivered on regeneration schemes are now considered eligible for funding submissions.

7.5.2 This does have a positive effect on current financial viability of the new homes programme, but it must be noted that this may be marginal where we have already been allocated high grant levels.

7.5.3 There are a number of conditions which remain in effect, most specifically

- Schemes must include overall net gain of new homes.

- Financial viability and overall need for the grant levels needs to be well evidenced.
- Funding still cannot be jointly used with Right to Buy receipts – Where RTB expenditure has occurred homes remain ineligible for grant.
- Favour is given to schemes which will commence on site by March 2025,
- A completion date requirement remains in line with the Current Homes England CME Programme completion date of end-March 2026.

Given the size and complexity of many of the councils regeneration schemes there is a limited number of properties which meet these criteria.

7.5.4 In line with the changed to CME eligibility, revised Bids are in process to Homes England for the following schemes:

- Colville Road Phase 3 – 16 no. replacement homes
- Aylesborough Close – 33 no. replacement homes. The in-process funding submission for the net new homes at Aylesborough Close has been subject to delay given this new need to revise it to include this new opportunity.

7.5.5 Council officers will continue to engage with Homes England to ensure that this opportunity for additional funding is best implemented, and outcomes of these additional and ongoing funding submissions will be reported to this Committee in due course.

7.6 Funding for Refugee Housing

7.6.1 In February 2023 Funding of £4,968,683 from DLUHC through the LAHF was formally allocated to the Council to fund delivery of homes earmarked for Afghan and Ukrainian refugees. This delivery is being progressed through a mix of existing on-site housing delivery and open market housing acquisitions.

7.6.2 In March 2023, it was announced that the Local Authority Housing Fund would be expanded by £250 million for a second round of funding (LAHF R2), with the majority of the additional funding used to house those on Afghan resettlement schemes (ARAP/ACRS) currently in bridging accommodation and the rest used to ease wider homelessness pressures.

7.6.3 DLUHC provisionally identified Cambridge City as eligible for this Round 2 capital grant funding (under section 31 of the Local

Government Act 2003), with an indicative additional allocation of £840,000. This funding covers two distinct elements as below:

- o Resettlement element: to fund the provision of a minimum of 3 homes.
- o TA element: to fund the delivery of a minimum of 1 home.

7.6.4 Delivery is required to be part funded / financed by local authorities, amounting to 60% of costs to be met by the Council. This requires council top up funding of £1,140,000.

7.6.5 Given the need to respond rapidly to funding opportunities, and to allow that tight programme deadlines can be met, an Urgent Decision was circulated and approved by the Executive Councillor for Housing in June 2023. This decision included approval that

- the delivery of accommodation to cater for recent humanitarian schemes identified within the second round of LAHF funding be delivered as part of the Councils 2022-2032 New Build Housing Programme.
- an indicative budget of £1,980,000 be drawn down in 2023/24 from the sum already ear-marked and approved for investment in new homes, to cover the costs associated with delivering 4 homes to serve as longer term accommodation catering for eligible families, and to recognise grant funding of £840,000 towards this expenditure. Following the meeting of this need the properties delivered will become general needs housing held within council stock.

7.6.6 For further details, members may reference report **23/Urgency/HSC/12** - Local Authority Housing Fund Refugee Scheme Round 2 – Approval to deliver 2ND round humanitarian scheme accommodation through the 2022-32 new build housing programme, partly funded by Central Government

7.6.7 Update on delivery of these homes is now incorporated into this reporting to the board.

8 Delivering Accessible Housing

8.1 Cambridge City Council is committed to providing a range of housing options for residents with limited mobility. The Council adheres to the accessibility standards laid out in the Local Plan 2018. This requires

100% of new build Council homes to be M4(2) (accessible and adaptable dwellings), and 5% of new build affordable homes to be M4(3) (wheelchair user dwellings). Some of the developments attained planning on the pre-2018 local plan but the designs were changed to ensure M4(2) was adhered to and an enhanced M4(2) was also provided.

8.2 Housing schemes which remain under pre-planning design are noted as TBD and firm figures will be incorporated as these proceed or Planning Consideration.

8.3 There are currently 33 fully adapted wheelchair user dwellings and 5 enhanced M4(2) adapted homes held within the HSC-approved delivery schemes as per below:

Table 2: Wheelchair user homes

	Total Council rented homes (at least 100% M4 (2) wheelchair adaptable)	Of which M4 (3) wheelchair user homes	Of which Enhanced (M4(2) 1 bed	Total 1 bed M4 (3)	Total 2 bed M4(3)	Total 3 bed M4(3)	Total 4 bed M4(3)
TOTAL	1018	33	5	15	15	2	1
500 programme							
Mill Road phases 1 & 2	118	3	5	3	0		
Anstey Way	56	3		3	0		
Cromwell Road	118	6		4	2		
Colville Road Ph 2	69	4		0	4		
Campkin Road	75	4		1	3		
Meadows & Buchan	106	5		2	3		
Kendal Way	1	1				1	
Clerk Maxwell*1	14	0					
10 Yr New homes programme							
L2 Orchard Park*2	73						
Colville Road Phase 3	48	2			2		
Histon Road*1	10						
Fen Road	12	2				1	1
Ditton Fields	6						
Aragon Close	7						
Sackville Close	7						
Borrowdale	3						
Aylesborough Close Phase 2	70	3		2	1		
Paget Rd	4	0					
St Thomas Rd	8	TBD	TBD	TBD	TBD	TBD	TBD

	Total Council rented homes (at least 100% M4 (2) wheelchair adaptable)	Of which M4 (3) wheelchair user homes	Of which Enhanced (M4(2) 1 bed	Total 1 bed M4 (3)	Total 2 bed M4(3)	Total 3 bed M4(3)	Total 4 bed M4(3)
Fanshawe Road	93	TBD	TBD	TBD	TBD	TBD	TBD
East Road	16	TBD	TBD	TBD	TBD	TBD	TBD
Hanover and Princess	82	TBD	TBD	TBD	TBD	TBD	TBD
Hills Avenue Roughsleeper Pods	4	0					
LAHF Refugee housing *3	18	0					

*1: S106 acquisition

*2: South Cambridgeshire; 2x homes proposed originally for market sale do not conform to M4(2)

*3: Refugee housing indicates net new stock to avoid duplication of existing pipeline homes

9 Sustainability

9.1 The Council's 2021 Sustainable Housing Design Guide continues to guide all new schemes and the table below confirms that all schemes apart from two significantly exceed current Local Plan policy requirements. These are:

- Histon Road (The Mews) which meets the Local Plan is an off the shelf s106 scheme not designed by the council.
- LAHF Funded open market acquisitions, which are traditional build existing homes purchased off the open market and are to a variable standard.

9.2 The council now has 250 homes in development which are targeting Passivhaus or equivalent performance levels.

Current 2018 Cambridge Local Plan	65	19%	110	10%	n/a
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minimum target					
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	Development targets									
	HSC target					Progress to date against target				
	Energy	Carbon	Water	Bio-diversity	Car park ratios	Energy	Carbon	Water	Bio-diversity	Car park ratios
<i>What is it?</i>	<i>Energy per m²</i>	<i>Carbon Emissions below 2013 building regs</i>	<i>Litres per person per day</i>	<i>% uplift</i>	<i>No. of car bays per home</i>	<i>Energy per m²</i>	<i>Carbon Emissions below 2013 building regs</i>	<i>Litres per person per day</i>	<i>% uplift</i>	
Scheme										
L2	45	35%-40%	110	0%	0.34	45	35%-40%	110	0%-10%	0.34
Colville Road Phase 3	45	35%-40%	100-110	10%	0.5	45	35%-40%	100-110	10%	0.5
Mews Histon Rd	65	19%	110	n/a	0.7	65	19%	110	n/a	0.7
Fen Road	28	35%-40%	100	10%	1	28	35%-40%	100	10%	0.9
Ditton Fields	28	35%-40%	100	10%	1	28	35%-40%	100	10%	1
Aragon Close	28	35%-40%	100	10%	1	28-35	35%-40%	100	20%	1
Sackville Close	28	35%-40%	100	10%	1	28-35	35%-40%	100	20%	1
Borrowdale	28	35%-40%	100	10%	0.66	28	35%-40%	100	10%	0.66
Aylesborough	28	35%-40%	90	20%	0.5 or less	28-35	35%-40%	90-100	20% some offsite	0.4
Paget Road (Net Zero)	15	100%	80	20%	0.5 or less	15-28	50%-100%	90	20% some offsite	0.5-0.6
St Thomas Road (Net Zero)	15	100%	80	20%	0.5 or less	15-28	50%-100%	90	20% some offsite	0.5-0.6
Fanshawe	28	35%-40%	90	20%	0.5 or less	TBD	TBD	TBD	TBD	TBD
East Rd Garage	28	35%-40%	90	20%	0.5 or less	TBD	TBD	TBD	TBD	TBD
Hanover and Princess Court	TBD									

10.Risks

Risk	Likelihood	Impact	Mitigation
<p>Cost increases on approved projects</p>	<p>5 - Certain Risk of increased budget requirements due to Brexit, Ukraine War and inflation and supply chain cost increases are being encountered. Staffing and materials shortage and delays on SOS due to funding uncertainties increase potential for this risk.</p>	<p>4- Significant disruption 1. Committee approval needed for additional capital funding 2. Unplanned public expenditure 3. Loss of value for money 4. Reputation risk to Council 5. Reduction in overall delivery achievable</p>	<p>1. Cost plans are regularly reviewed and updated, and contracts are fixed price to the council. 2. Latest budgets consistently reviewed as part of BSR and MTFS Process. 3. Regular updated risk management budgeting completed as part of risk reviews work across the Council. Supply chain and materials concerns under close monitoring. 4. Committee approval to progress schemes ahead of firm grant certainty mitigates cost increases ahead of entering into build contracts. 5. Depending on the extent of the additional cost this may be managed within scheme level contingencies approved in Budget Setting Report.</p>
<p>Securing Planning Permission on new schemes</p>	<p>2 - Some possibility 1. Failure in obtaining planning permission or Conditions signoff cause delays and increase costs. 2. Delays in receiving a planning decision lead to increased costs being incurred and delays in submission of Funding Bids. 3. Additional time and effort required to redraft plans should revised applications be required.</p>	<p>3 - Noticeable effect Schemes are developed with planners through the pre-application process. Lack of planning resource and Planning Department staff shortages or substitution would lead to delays in arranging for the pre app meetings, and subsequently planning submissions and approvals.</p>	<p>1. Pre-app process used effectively, and schemes aim to be policy compliant. 2. Build in of additional lead time where required to ensure schemes progressing within target schedules 3. Ensuring officers and councillors are involved in decision making from project early stages</p>
<p>Sales risk – exposing Council cash flow forecast</p>	<p>1 - Little chance 1. deceleration of sales / purchase/ acquisition cycle while City Council is reliant on sales income to support programme currently, however bulk of sales now completed on committed sites. 2. Depreciation of assets</p>	<p>3 - Noticeable effect Housing market fluctuations are beyond council control and current circumstances may exacerbate such fluctuations or delay buyer activities in the short-medium term. Market sales have however performed well with all plots at Mill Rd now sold and over 90% of properties sold at Cromwell Rd.</p>	<p>1. Regular updates received in the market for sales of sites. All homes at Mill Road are now sold and Cromwell Road sales are progressing with reporting through CIP processes on sales(90% sold). Currently values are being achieved in line with appraisal and sales rate in line with expectations. 2. Close engagement with market through private sector partners 3. Share risk with private sector partners 4. Financial and sensitivity analysis for the new project site selections, before project starts.</p>

Risk	Likelihood	Impact	Mitigation
Decanting residents / leaseholders	<p>3 - Strong possibility</p> <p>1. regeneration schemes will not be progressed if residents are not decanted.</p> <p>2. complication in buybacks where Leaseholders face difficulties for obtaining new mortgages for their onward purchase, in non-portable cases</p> <p>3. Redevelopment of estates with high % Leasehold ownership poses greater risk of CPO proceedings being required</p>	<p>3 - Noticeable effect</p> <p>Full decant of schemes within the 500 programme has now been reached. Decant of Schemes under the 1,000 programme is on-going and if this is not achieved on time there will be impact on the costs of the project</p>	<p>1. Decant and rehousing officers regularly liaising with residents requiring decanting to ensure successful rehoming.</p> <p>2. Decanting and liaison with tenants started early on in the development process. CPO and NOSP process outlined to be proceeded as necessary on future schemes.</p> <p>3. Additional resource to support this work allocated.</p>
Not securing necessary grant for new schemes	<p>2- Some possibility</p> <p>In case the grant is not secured or at a lower level the business plan may need to be reviewed and the level of housing and tenure delivered may need to change.</p>	<p>3 - Noticeable effect</p> <p>HE Grant funding now secured on 7 schemes approved under the new 10yr programme, with additional funding allocated from separate streams at Fanshawe Rd, Aylesborough, and for Refugee housing. Remaining grant across new programme schemes not yet secured, other than that committed by the Council. The business plan for the MTFs and BSR assumes grant.</p>	<p>1. Continual discussions with Homes England and other funding bodies are providing greater security on grant funding ability. Issues in securing the level required to support the costs of developing in Cambridge are an issue, and we will continue to review assumptions in the business plan as negotiations develop.</p> <p>2. A recent report from DLUHC has additionally highlighted major risk to the governments Affordable housing programme if grant rates remain static against current inflation.</p> <p>3. The council has welcomed the recent announcement by Homes England allowing funding of replacement homes to be considered within the ongoing 21-26 CME programme. Two revised funding bids are in process to utilise this opportunity.</p>
Labour market/materials/build prices increasing	<p>5- Certain</p> <p>Situation is being proactively managed and is currently seen as a short-term risk, which must be managed, but may impact programme if not price</p>	<p>4 - significant disruption</p> <p>services or materials shortages may lead to delays in project delivery and an overall increase on programme cashflow. Fixed price Contracts where utilised are minimizing cost risks which lie with CIP.</p>	<p>1. Fixed price contracts and liaising working closely with Hill to ensure all materials are placed and ordered as soon as reasonably possible and stock-piled on site or using additional storage as required.</p> <p>2. Key packages are being procured as early as possible. Hills existing supply chain relationships are being used to ensure service.</p>
Insufficient Project Management Resource to complete programme	<p>1 - Little chance</p> <p>1. Inability to properly manage projects</p> <p>2. Council entering into contractual obligations without proper oversight</p>	<p>3 - noticeable effect</p> <p>Too many schemes brought forward to be managed by existing team and staff overworked. Also there are increased need in adding data and compliance and fire safety statutory requirements to the projects</p>	<p>1. Appointment of new consultants</p> <p>2. Resourcing fund for new recruitments to ensure capacity</p>

Risk	Likelihood	Impact	Mitigation
Future anti-development campaigns	4 - Probable 1.Potential for reputational damage for HDA and Cambridge City Council 2.unexpected extended time frame for the project 3. complications in submission of the scheme for planning consideration and funding approval	3 - Noticeable effect increase in number of leaseholders/ freeholders in new larger schemes increases risk of push back against potential redevelopment activities	1.Establishing focussed steering groups early where necessary 2.Focus on early public engagement via different events and consultations 3. potential development to be informed by detailed options appraisals

11.New programme

11.1 Work in progress

- **ATS/Murketts** - S&R Committee in March 2023 approved the financing of the land purchase of ATS/Murketts by CIP.

The combined site is allocated within the local plan and design development for a proposed scheme of 70-80 homes is underway, of which 40% will be provided as affordable homes.

CIP is targeting a planning submission for late November 2023. The City Council may seek to acquire the affordable homes from CIP and it is the intention that a report will be brought to a future HSC committee following finalisation of the quantum and mix of affordable homes.

- **East Barnwell local centre** – A separate report is being brought to this Committee.
- **Eddeva Park** - A separate report is being brought to this Committee.
- **Ekin Road** – A separate update report is being brought to this Committee.
- **Hanover and Princess Court** – At the HSC in March the Council approved the principle of redevelopment of Hanover and Princess Court.

Demolition, buildability, and arboricultural assessment reports are being reviewed by the design team. The design team are to progress a single scheme proposal which will need to be balanced with overall financial viability.

Decanting is well advanced but there are still a significant number of leasehold flats to be repurchased. The Council will as on other schemes

seek to proceed by agreement but a CPO in relation to some leasehold interests may well be required.

- **Newbury Farm** - CIP acquired the site from This Land in August 2023 following approval to purchase at S&R Committee in July 2022.

The combined site is allocated within the local plan and design development for a proposed scheme of 150 homes is underway, of which 40% will be provided as affordable housing.

A planning submission is targeted for late November 2023. The City Council will seek to acquire the affordable homes from CIP and it is the intention that a report will be brought to a future HSC committee following finalisation of the quantum and mix of affordable homes.

12 Implications

(A) Financial Implications

The HRA Budget Setting Report approved in February 2023 includes all financial information for respective scheme budgets and net cost to the Council's Housing Revenue Account.

Further review of overall budget and financial position will be incorporated into the HRA Mid Term Financial Statement, now to be considered in November 2023.

(B) Staffing Implications

All housing development schemes will be project managed by the Cambridge City Council Housing Development Agency in liaison with City Homes; Housing Maintenance & Assets; and the Council's corporate support teams. A large proportion of the schemes are being delivered through the Cambridge Investment Partnership which provides additional resources.

(C) Equality and Poverty Implications

The development framework for new housing by the Council, approved at the March 2017 Housing Scrutiny Committee was informed by an EQIA. Each scheme specific approval is now additionally informed by an EQIA as it proceeds for Committee approval.

(D) Net Zero Carbon, Climate Change and Environmental Implications

There are no environmental implications of this report. Each scheme specific approval will cover any specific implications.

(E) Procurement Implications

Advice specific to each project.

(F) Consultation and communication

The development framework for new housing by the Council approved at the March 2017 Housing Scrutiny Committee sets out the Council's commitment to involve residents in new housing schemes.

An updated Regeneration policy outlining procedure for resident engagement was approved by the September 2021 meeting of this Committee (21/48/HSC) and guides all resident involvement exercises.

(G) Community Safety

There are no community safety implications for this report. Each scheme specific approval will cover any community safety implications.

13 Background papers

Background papers used in the preparation of this report:

- 23/32/HSC - June 2023 Regular Update on new Build Housing Delivery.
- 23/4/CNLa - Executive Councillor for Housing: HRA Budget Setting Report (BSR) 2023/24.
- 23/Urgency/HSC/12 - Local Authority Housing Fund Refugee Scheme Round 2 – Approval to deliver 2ND round humanitarian scheme accommodation through the 2022-32 new build housing programme, partly funded by Central Government.
- 23/75/SR - Funding to Cambridge Investment Partnership Purchase of Land.
- 22/37/SR - New Site acquisition.

14 Appendices

Appendix 1: Programme milestone summary

15 Inspection of papers

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