

Item

**PURCHASE OF NEW AFFORDABLE HOUSING,
Eddeva Park, Worts' Causeway**



To:

Councillor Gerri Bird, Executive Councillor for Housing

Report by: Ben Binns, Interim Assistant Director, Development, Place Group

Email: ben.binns@cambridge.gov.uk

Wards affected:

Queen Edith

Key Decision

1 Executive Summary

- 1.1 The Eddeva Park site is being developed by This Land on the south-east fringes of Cambridge. The development will be located on the sites between Worts' Causeway and Babraham Road on Cambridge's urban edge.
- 1.2 Unanimous approval was given to the development by Cambridge City Council on 13 June 2023 which has secured reserved matters planning for 80 homes. The site will contain a mix of new family homes, including the provision of 48 private and 32 affordable homes to meet local demands and needs.
- 1.3 The report seeks approval for a capital budget to purchase 32 affordable units from This Land, for rent as Council homes. These will consist of the following:
 - 1 x 4 bed, 6 Person House
 - 5 x 3 bed, 5 Person House (2 of which adaptable)
 - 2 x 3 bed, 3 Person Maisonette (both adapted)
 - 7 x 2 bed, 4 Person Duplex Maisonette
 - 17 x 1bed, 2 Person Maisonette
- 1.4 The properties will be purchased via a fixed price works contract with City Council Employers requirements, signed between Cambridge City Council and This Land™.

- 1.5 The agreed upon purchase price for the 32 properties is £7,400,000 with further costs for legal, clerk of work, employees agent and other fees making the total budget £8,021,000.00.

2 Recommendations

The Executive Councillor is recommended to:

- 2.1 Approve the purchase of 32 new Council homes at the Eddeva Park, Worts' Causeway and delegate Authority to the Assistant Director of Asset and Property to approve contract terms with This Land™ in respect of this transaction.
- 2.2 Delegate Authority to the Assistant Director to vary rental tenures in line with Council Policy and planning consents for the Eddeva Park Affordable Housing.
- 2.3 Approve a total budget of **£8,021,000.00** to enable the development of 32 homes at the Eddeva Park, Worts' Causeway, with this budget bid subject to approval in the forthcoming November 2023 Mid Term Financial Strategy.

3 Background

- 3.1 Eddeva Park is located between next to Worts Causeway and Babraham Road just south-east of Cambridge city border and adjacent to the Babraham park and ride. It is situated within the Cambridge City Council boundary, and located within Queen Edith's ward, southeast of Cambridge Central.
- 3.2 It is adjacent to Newbury Farm which has recently been purchased by Cambridge Investment Partnership (CIP) from This Land to develop 150 homes of which it is expected that 60 affordable homes will be recommended for approval to be purchased by the council at January 24 HSC. A reserve matters application is expected to be submitted in the Autumn of 2023.
- 3.3 To the west of the site existing suburban development forms the current Cambridge southern urban edge. In close proximity is Addenbrookes Hospital site.



3.4 200m east of the site is located The Babraham Road Park, and the closest transport service is the Babraham Park and Ride service, which runs a service into central Cambridge. Transport links mainly consist of buses located near the site. The closest railway stations to the site are Cambridge and Shelford which both run services to London.

3.5 The affordable homes on site are outlined below and include:

- 1 x 4 bed, 6 Person House
- 5 x 3 bed, 5 Person House (2 of which adaptable)
- 2 x 3 bed, 3 Person Maisonette (both adapted)
- 7 x 2 bed, 4 Person Duplex Maisonette
- 17 x 1bed, 2 Person Maisonette

4.1 MASTERPLAN OVERVIEW

Affordable And M4(3) Accessible Units

Affordable Housing Provision has been allocated within two masterplan areas, (Zone H and J). The design of the affordable housing provision has been coordinated with a registered affordable housing provider, and aims to create high quality housing that engenders a sense of community. As per CCC planning policy 2 affordable housing units are designed to Part M4 (3) accessible standard.



- 3.6 This project contributes to the Council’s key Corporate Objectives of tackling the City’s housing crisis.
- 3.7 The affordable housing units are being delivered as part of the S106 agreement between This Land and the local planning authority. Subsequently, the Council’s proposal to purchase these homes has been accepted by This Land, pending Approval by the HSC and finalisation of the purchase agreement.
- 3.8 Cambridgeshire County Council is a shareholder in This Land and is committed to building high quality homes and help drive the delivery of new communities across Cambridgeshire and the surrounding counties in the east of England.
- 3.9 Local Housing Need
 - 3.9.1 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 2023. There are currently 2,429 households in need of housing, %78 of them seeking 1 or 2 bedroom homes, while %21 of them are in need of 3 and 4 bed properties to call home.

Date	Applicants 1 bed	Applicants 2 bed	Applicants 3 bed	Applicants 4 bed+	Unknown size need	Total applicants
Mar-23	1,328	581	405	115	0	2,429

4 Site Details

- 4.1 4.1 Development was approved unanimously by Cambridge City Council on 13 June 2023 which has secured reserved matters planning for 80 homes.
- 4.2 The site is identified in Cambridge City Local plan as an area suitable for development to contribute towards Cambridge's 2031 aspirations. The site and an adjoining field to the north of Worts Causeway are identified as GB1 and GB2 (GB2 being the current site). These sites are allocated as to be released from Cambridge Green Belt for residential development.
- 4.3 The current S106 agreement for the site identifies affordable and intermediate homes as a 75%/25% split of the 32 home affordable component. This does not align with the Council internal policy which identifies homes delivered as part of planning obligations to be let at 60% of market rent or Local Housing Allowance. Officers are reviewing opportunities to ensure agreement on tenures and discussions have confirmed that agreement can be reached. This acquisition is currently based on a variation to the S106 agreement to see all 32 homes to be let at 60% of market/LHA, but discussions remain in progress.
- 4.4 The scheme will deliver:
- 4.4.1 New highly sustainable homes in compliance with Future Homes Standards (gas free and utilising Air Source Heat Pumps) with lower running costs.
 - 4.4.2 Combination of unit sizes including provision of family homes/maisonettes ranging from 1 to 4 beds responding to the current increasing housing needs.
 - 4.4.3 Promotes sustainable by providing cycle and pedestrian access onto Babraham Road (A 1307), a major road link into Cambridge City Centre
 - 4.4.4 Enhance the existing green spaces and improved green and open space for residents
 - 4.4.5 Biodiversity
 - 4.4.6 Secure cycle parking
 - 4.4.7 parking per dwelling/ disabled parking
 - 4.4.8 secured by design
- 4.5 The proposed scheme layout is included as Appendix 1
- 4.6 This Land have agreed to deliver the scheme to meet the Councils Employers Requirements. The Council would employ an Employers Agent and Clerk of Works to ensure quality is monitored throughout. NHBC (or equivalent) build mark choice warranty provision will be in place.

5 Planning Application

- 6.1 Development was approved by Cambridge City Council on 13 June 2023 (Decision notice to be issued and the documents within the conditions to be fully confirmed). Planning application reference is 22/02646/REM,

6 Programme

- 6.1 The indicative start on Site for the development is Feb 2024, with a 26 month build period scheduled.

7 Financial Implications

- 7.1 The total indicative capital cost of the Eddeva Park affordable housing is estimated at **£8,020,500** This includes the purchase price of the dwellings and all associated internal and external fees.
- 7.2 It is proposed that the investment will be jointly met from HRA resources and use of Right to Buy receipts.
- 7.3 This will result in the following initial mix of funding:

Right to Buy receipts:	£2,005,250
Devolution Grant:	£0
HRA resources:	£6,015,750
General Fund	£0
Total:	£8,021,000

- 7.4 The housing capital budget will be £8,021,000, with this budget bid subject to approval in the forthcoming November 2023 Mid Term Financial Strategy.

8 Implications

(a) Staffing Implications

The development scheme will be managed by the Housing Development Agency, Development, Place Group.

(b) 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 and reducing the impact of fuel poverty.

(c) Environmental Implications

A Renewable Energy Assessment informed the Development proposal This Land as approved. PV panels were the preferred option, and these are required through a Planning Condition.

(d) Procurement Implications

n/a. This Land have selected the Council as its affordable housing provider as required by the S106, and acquisition will be supported by a RICS Valuation.

(e) Community Safety Implications

There are no recognised implications on Community Safety with the proposed developments. The scheme will be built in accordance to Secure by Design guidelines as set out within the City Councils Design Brief.

9 Risks

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

Description of risk	Likelihood	Impact	Mitigation
Cost Risk – Construction works	Low – the council aims to enter into a fixed-price work contract.	Increased build cost.	Fixed work costs agreed on signing of contract mitigate this risk.
Construction - Delivery	Med- Market led development therefore may be affected by market factors. However, Planning Approval is in place and underlying demand in Cambridge remains strong.	Failure to deliver the council rented homes. A risk of some delay to the programme but risk of non-delivery is low.	Confirmation planning approvals are in place. Due diligence before contract and payment structure to ensure Council payment is on certificates of actual work.
Construction -Quality	Med- risk of CCC design & spec requirements not being met, and Risk of poor quality control on site during construction. The Council have not worked with this developer before due diligence will be undertaken prior to contracting as well as quality control.	Med- will impact potentially on quality standards of completed buildings; increased defects.	CCC to employ EA and Clerk of Works to oversee scheme. Contract will include agreed specification and drawings for the units.
Developer insolvency	Med- the construction and development industry may be impacted on further by changes to the economy.	Med- would delay delivery and potentially increase costs whilst administrators managed process.	Undertake financial checks on company, include performance bond and parent company guarantee and NHBC contractor insolvency in requirements

Description of risk	Likelihood	Impact	Mitigation
Resources	Low- Allocation of resource is within CCC control	Low	Project management of scheme can be contained within current HDA resourcing

10 Background papers

Further detail on the proposed development may be accessed through the Greater Cambridge Planning portal using reference 22/02646/REM.

11 Appendices

Appendix 1 – The proposed scheme 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, email: ben.binns@cambridge.gov.uk

Appendix 1 – Proposed Scheme Layout



- NOTES**
1. It is a binding to be read in conjunction with all other relevant documents to this plan. The design is subject to change without notice. It is the responsibility of the client to ensure that the design is suitable for the intended use.
 2. The user should be checked at all times and all measures taken to ensure that the design is suitable for the intended use.
 3. All dimensions are in millimetres unless stated otherwise.
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KEY

BOUNDARY AND FENCING	
	Phase 2 Boundary
	Outline Planning Boundary
	Boundary Type 1 In-line hedge with 1.8m high to provide privacy Gate: 1.8m to max 1.8m high Height: 1.8m, unless specified
	Boundary Type 2 In-line hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 3 In-line hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 4 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 5 In-line hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 6 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 7 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 8 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Boundary Type 9 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Gate Type 1 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Gate Type 2 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified
	Gate Type 3 Tall hedge with 1.8m high to provide privacy Gate: 1.8m high Height: 1.8m, unless specified

Reserve Matters Application
 Conditions 1
 Conditions 6
 Conditions 7
 Conditions 9

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PLANNING
 THIS LAND
 EDDEVA PARK
 80 HOMES - PHASE 2
 BOUNDARY PLAN

DATE: 15/11/2023
 DRAWN BY: MAA
 CHECKED BY: MAA
 PROJECT NO: 788-FH-02-00-DP-L-501
 SHEET NO: P4

NOTE: Phase 2 planning and outline only