

Item

## **REPORT ON REDEVELOPMENT SCHEME AT EKIN ROAD**

**To:**

Councillor Gerri Bird, Executive Councillor for Housing

Housing Scrutiny Committee 18/06/2024

**Report by:**

Ben Binns, Assistant Director (Development) Housing Development Agency

Tel: 07947 157707 email: ben.binns@cambridge.gov.uk

**Wards affected:**

Abbey

Appendix 4 to the report contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

### **Key Decision**

## 1 Executive Summary

- 1.1 In September 2021 HSC received a report that Ekin Road had been identified as an area where estate regeneration is being actively considered. An initial appraisal of the estate by Potter Raper in August 2020 led to the estate being identified as an area where redevelopment may serve favourable estate regeneration to tie in with the broader work considering East Barnwell
- 1.2 It was considered that although the overall condition was assessed as fair the feasibility of maintaining the estate in its current condition should be investigated in depth due to the ongoing issues with stock not meeting modern standards, particularly in relation to condition and sustainability. The flat blocks in particular – which form 72 out of the 122 homes on the estate - are of a pre-cast concrete form of construction with significant maintenance issues and little opportunity to improve insulation. Accessibility to the flats is poor. The estate layout has various deficiencies, and possibilities for increasing the number of homes while also improving the quality of the accommodation and offering a better environment should be considered.
- 1.3 In September 2022 it was reported to HSC that a tenant consultation event had taken place, that there was majority support for redevelopment, but a significant minority was opposed. A Liaison Group was created to meet with residents on a quarterly basis. In May 2023 Jones Lang LaSalle (JLL) were appointed to carry out a two-stage options appraisal. This included the employment by JLL of Marengo to carry out resident consultation.
- 1.4 This report sets out an overview of the process, presents the outcome of the JLL appraisal, the case for intervention and makes recommendations for the next steps. A consistent feature of the appraisal process was assessment against 11 Critical Success Factors (CSFs) based on the Council's policies.
- 1.5 Stage 1 of the JLL report was a high-level assessment of seven options to identify a reduced number of options for more detailed assessment. This was reported to HSC in September 2023. The three options taken forward were:
  - 1.5.1 Option 2 – Retain the buildings in existing form and undertake essential repairs and retrofitting.
  - 1.5.2 Option 6 – Partial Redevelopment involving retention of houses to the south and east.
  - 1.5.3 Option 7 – Full Redevelopment

- 1.6 A further survey was held in November 2023. This survey reinforced the view that there was majority support for redevelopment across the estate as a whole, but that a majority of residents in the houses were opposed to redevelopment.
- 1.7 JLL issued a Draft Stage 2 report in February 2024. This indicated that Option 3 (Full Redevelopment) with a flat led 100% affordable housing is the “least-worst” option as it delivers the greatest number of homes and achieves the best result when measured against the Council’s objectives (assessed in detail through the analysis of ‘Critical Success Factors’ - CSFs. This option also has the lowest financial deficit (c. -£16m) when considering capital cost and capitalised rental income. However, it assumes Homes England grant which is not guaranteed. It also requires the council to fund the initial cost which totalled nearly £90million including on costs which exposed the council to significant financial risk.
- 1.8 As part of the JLL Draft Stage 2 report the Council was advised by JLL to examine the affordability and financial risk of this option in relation to the Housing Revenue Account (HRA) against a backdrop of build cost inflation and a higher interest rate environment.
- 1.9 In response to JLL’s advice, the Council also put forward an alternative mixed tenure housing led scheme which achieved key objectives while significantly reducing the capital outlay and risk. This is an emerging scheme which offered these benefits; it:
  - Secures the provision of an increased number of high-quality homes
  - Provides for an increased number of three and four bedroom homes
  - Although the number of affordable homes is lower it maintains the same level of habitable rooms for the council homes as the baseline
  - Allows for improvements in design quality and place-making
  - Fits with overall regeneration objectives in the East Barnwell area
  - Reduces capital outlay and risk

1.10 The JLL Draft Stage 2 Report and the council's response was presented to the Liaison Group in March 2024. A resident consultation together with a public consultation (open to respondents beyond Ekin Road) was carried out in March – May 2024. This continued to show support from residents for redevelopment of much of the estate but continuing opposition from some residents - primarily from those living in the houses.

1.11 The results of this consultation were fed into **JLLs Final Report (Stages 2 and 2b)** which informs this report to HSC and the recommendation to the Executive Councillor. The recommendation is to proceed with a mixed tenure scheme which excludes the 14 houses to the south of the estate (Option 4).

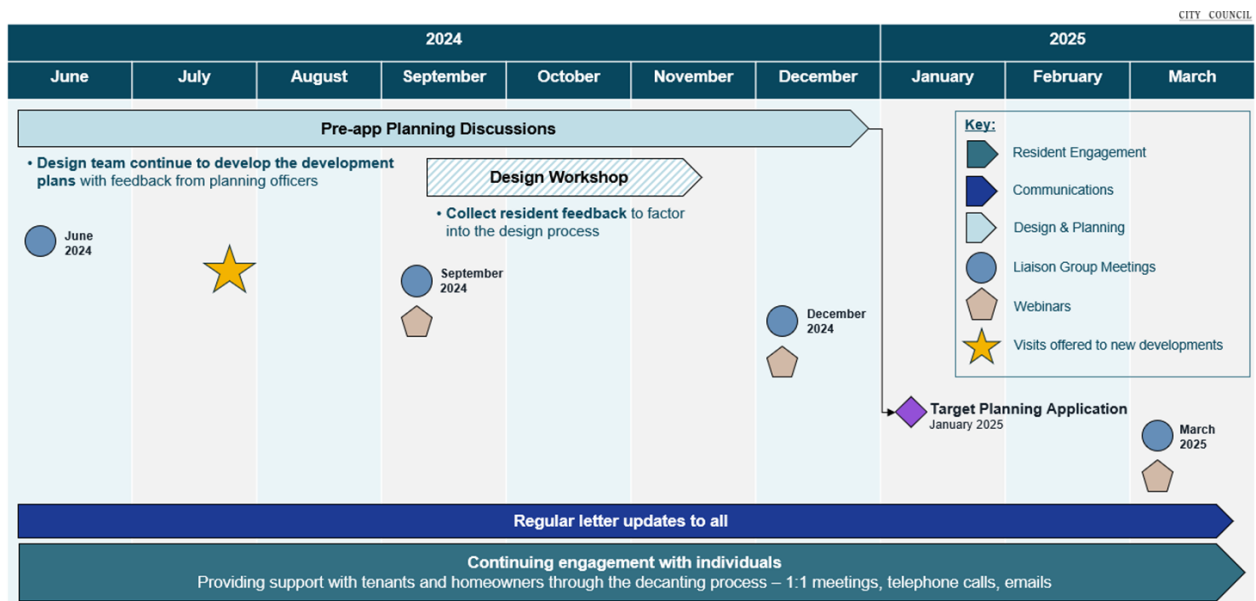
1.12 The scheme will require further pre-application discussions with the planning authority and there will be further engagement with residents. The overall provision of the emerging design compared to the existing scheme is as follows:

	<b>Baseline</b>	<b>Proposed scheme</b>
Private	24	67
Affordable	98	64
Total	122	131
Affordable Habitable Rooms	300	302
Retained Affordable Houses	0	7

- 1.13 The council has undertaken a review of the financial exposure of mixed tenure and 100% affordable options for Option 4 and has concluded that the mixed tenure option as proposed offers the lowest financial risk in terms of upfront capital costs at a time when interest rates are unusually high.
- 1.14 The financial commitment from the Council including decant and repurchase costs and the purchase of 64 units together with the on-costs on that purchase is £19,859,734., which is the net estimated cost to the HRA. This is a lower upfront financial exposure to the HRA compared the 100% affordable option (c.£90m to deliver 236 units) outlined in the JLL Draft Stage 2 Report. The financial deficit is very similar to the 100% affordable option at c£16m.
- 1.15 With the proposed East Barnwell redevelopment nearby, this will mean the council is investing in 251 new homes in Abbey with 73% –184 – being council homes, a net gain of 76 new council homes. Together, both developments would deliver a mixture of one, two, three and four bed homes to respond to local housing need.
- 1.16 The scheme will require further pre-application discussions with the planning authority and there will be further engagement with all residents on the estate. There are currently 94 households (82 council tenants, 9 leaseholders and 3 freeholders) that will require decant.
- 1.17 It is proposed to offer emergency banding to all affected council tenants and to start decanting as soon as possible for the whole estate. Tenants required to decant are given highest priority on the Council's choice-based lettings system (Home-Link). The emergency banding status will be applied to all existing secure tenant applications from 18th June 2024.
- 1.18 This report sets out details of how the decant process will be managed. Special consideration will be given to applicants where there is damp, condensation and mould (DCM) in the property that has been inspected by the council.
- 1.19 In terms of new homes available to tenants, the Council has 130 new homes to be handed over by Dec 24 and it also has shared nomination rights with South Cambridgeshire District Council on a 50/50 allocation basis at two fringe development sites close by to Ekin Road. It is also proposed to arrange visits for tenants to view new Council developments. Tenants also have a right to return to the redeveloped scheme.

1.20 The Council will need to buy back all 9 leaseholder and 3 freehold properties which will be undertaken through negotiation with property owners. Leaseholders and Freeholders also have a right to return to the redeveloped scheme. It is recognised that sale prices of properties may be beyond the means of some leaseholders and freeholders. Consideration will be given to a shared equity option for displaced resident leaseholders and freeholders where this is necessary to make their return to the estate possible financially.

1.21 The council will be engaging with residents on the estate as set out in the plan below resident engagement strategy:



## 2 Recommendations

- 2.1 Note the completion of **JLL Final Report (Stages 2 and 2b)** of the options appraisal for Ekin Road.
- 2.2 Approve that a mixed tenure scheme be brought forward, and a planning application submitted in line with the emerging design proposals set out in this report for the redevelopment of the Ekin Road estate excluding the 14 houses to the south of the estate. The development of the proposals to include further engagement with residents of the estate.
- 2.3 Authorise the Chief Operating Officer (COO) in consultation with the Executive Councillor for housing to approve variations to the scheme including the number of units, tenure, mix of property types and sizes outlined in this report.
- 2.4 Authorise the Chief Operating Officer in consultation with the Executive Councillor to approve the transfer of the land known as Ekin Road and Ekin Walk (excluding nos. 33-59 odd Ekin Road and 1 – 6 Ekin Close) and shown edged red on the attached plan in Appendix 1, to Cambridge Investment Partnership (CIP) for redevelopment. The transfer will be at a value provided by a further independent valuation.
- 2.5 Authorise the Chief Operating Officer in consultation with the Executive Councillor to approve an Affordable Housing Agreement with CIP for the purchase of 64 affordable homes. This agreement will be at a value provided by an independent valuer.
- 2.6 Approve draw down of a budget of £19,859,734 from the budget approved for the delivery of new homes, to fund the purchase of the affordable homes and associated development costs including on costs, the purchase of freehold and leasehold properties and the costs of decant for residents of the estates.
- 2.7 Approve giving 82 affected council tenants required to decant the highest priority on the Council's choice-based lettings system (Home-Link). The emergency banding status will be applied to all existing secure tenant applications from 18th June 2024.
- 2.8 Delegate authority to the Chief Operating Officer to take steps preparatory to the making of a Compulsory Purchase Order (CPO) in respect of any Leasehold and Freehold properties required in order to deliver the scheme.  
Hab

2.9 Delegate authority to the Chief Operating Officer to make a CPO in respect of any leasehold or freehold interests that cannot be acquired by private treaty within a reasonable timescale and at a reasonable cost subject to the Chief Operating Officer being satisfied that there is a compelling case in the public interest for the use of compulsory purchase powers, and that all legal and policy requirements for the making and confirmation of a CPO have been met;

2.10 Delegate authority to the Chief Operating Officer

2.11 to serve initial Demolition Notices under the Housing Act 1985.

2.12 Delegate authority to the Chief Operating Officer to investigate and approve a scheme of works to improve the seven Council owned properties that will be retained.



### 3 Overview of process to date

#### 3.1 Initial Appraisal by Potter Raper

3.1.1 An initial appraisal of the estate by Potter Raper in August 2020 led to the estate being identified as an area where redevelopment may serve favourable estate regeneration to tie in with the broader work considering East Barnwell in a report to HSC in September 2021. Residents were informed of this.

#### 3.1.2 Existing Homes<sup>1</sup>

Type	Total	Council Tenancy	Leasehold / Freehold
Flats	72	62	10
Maisonettes	8	5	3
Bungalows	10	10	0
Houses	32	21	11
<b>TOTAL</b>	<b>122</b>	<b>98</b>	<b>24</b>

#### 3.1.3 Layout of estate

Green = Flats  
Pink/Yellow = Maisonettes  
Purple = Bungalows  
Blue = Houses (Freehold)  
Brown = Houses (Council Tenancy)



<sup>1</sup> The baseline for the appraisal is the Potter Raper report completed in 2020. 6 flats and 1 house have been purchased by the Council since the Potter Raper report was completed but the Potter Raper report represents the effective commencement of the project and the configuration of the estate at that date has been retained.

### 3.2 Consultation June 2022

- 3.2.1 A consultation event for the estate was held in June 2022. This was reported to HSC in September 2022. This showed majority support for redevelopment but significant opposition from residents in the houses. The report noted that “The challenges involved in redeveloping or refurbishing the blocks of flats only will be further explained and explored in the next stage of the consultation.”
- 3.2.2 To take the options appraisal process forward a Liaison Group was established on the estate to meet quarterly and BPTW (architects) drew up options that retained different configurations of the existing houses.
- 3.2.3 The comprehensive scheme provided for 238 homes on the estate and a substantial new central park. Options that retained some of the houses inevitably provided a lower quantum of new homes. These options were presented to the Liaison Group in March 2023.

### 3.3 Appointment of JLL May 2023

- 3.3.1 In May 2023 Jones Lang Lasalle (JLL) were appointed to carry out a full options appraisal including the option to do nothing (except continue repairs) and the option to carry out a major refurbishment. The appraisal was to be carried out in two stages. The first stage would be a high-level appraisal to reduce the number of options that would be subject to more detailed evaluation.

### 3.4 JLL Stage 1 Report: September 2023

- 3.4.1 JLL’s stage 1 report was presented to the Liaison Group and to HSC in September 2023. This reduced the number of options for detailed consideration from seven to three. The option to do nothing except ongoing maintenance was rejected as inconsistent with the Council’s objective to provide good quality homes for its tenants. Of the options that retained some of the houses the retention of houses to the south (14 houses) and the east (6 houses) was taken forward for further analysis. This was on the basis that the impact of the exclusion of these areas was lower than the impact of the areas that remained within the partial scheme.
- 3.4.2 JLL employed Marengo as sub-contractors – a firm specialising in consultation processes – produced a resident engagement programme to provide clarity on the steps from September 2023 to June 2024 including a second survey to take place in October 2023 (Appendix 2). This plan was also published in the September 2023 HSC report.

### 3.5 Second Survey: November 2023

3.5.1 Details of the outcome of the survey are to be found in the JLL report Appendix 1. This survey reinforced the view that there was majority support for redevelopment but that there was opposition from residents of the houses, some of whom wished to see the existing houses retained.

3.5.2 “Save Ekin Road” - the campaign group which had been formed primarily by residents in the houses – changed its position in December 2023 to support the redevelopment of the estate on the basis that all the existing houses are retained. It also became clear at the Liaison Group that there was significant frustration with the slow progress towards a decision on redevelopment. The Council has worked with JLL to seek to ensure that the timetable set out in the summer of 2023 is followed and this has been substantially achieved.

### 3.6 JLL Draft Stage 2 Report: February 2024

3.6.1 In February 2024, the Draft Stage 2 report by JLL was published. The evaluation of the three shortlisted options indicated that Option 3 (Full Redevelopment) with 100% affordable housing delivers the greatest number of homes and achieves the best result when measured against the Council's objectives (assessed in detail through the analysis of 'Critical Success Factors' - CSFs. This option was the “least-worst” option as it has the lowest financial deficit (c. -£16m) when considering capital cost and capitalised rental income.

3.6.2 However, this flat led 100% affordable scheme requires the council to fund the initial cost of the development estimated at nearly £90million which exposes the council to significant financial risk. It also assumes Homes England grant which is not guaranteed.

3.6.3 However, whilst it was identified as the “least-worst” option, the Council was advised by JLL to examine the affordability and risk of this option in relation to the Housing Revenue Account (HRA) against a backdrop of build cost inflation and a higher interest rate environment.

3.6.4 In response to JLL's advice the Council also put forward an alternative mixed tenure housing led scheme which achieved key objectives while significantly reducing the capital outlay and risk. This is an emerging scheme which offered these benefits; it:

- Secured the provision of an increased number of high-quality homes
- Provided for an increased number of three and four bedroom homes
- Although the number of affordable homes is lower it maintained the same level of habitable rooms for the council homes as the baseline
- Allowed for improvements in design quality and place-making
- Fitted with overall regeneration objectives in the East Barnwell area

- Reduced financial outlay and risk

### 3.7 Public Consultation March-May 2024

3.7.1 A public consultation (open to respondents beyond Ekin Road) was carried out in March – May 2024.

3.7.2 The public consultation drew in participants from further afield and recorded greater opposition including from members of the public opposed in principle to regeneration of the area. These consultations have been taken into account.

#### 3.7.3 Summary of the consultation:

- There were 111 survey responses, 107 gave postcodes as respondents were asked to do. 62% of respondents gave postcodes for the Ekin Road estate, the others lived out of the estate including 16% which lived more than 3 miles from the area.
- 76% of all respondents agree that proposal should focus on building lower, prioritising delivering more family homes
- 44% of the Ekin Road respondents agree with the emerging designs for full redevelopment compared to 33% of all respondents.
- When asked about what respondents liked about the proposals, the top 5 comments received include demolish the flats, support full redevelopment, improved living standards, more family homes and good housing mix.
- When asked what respondents would change about the proposals, the top 5 comments received include keep the houses, object in principle, more parking, concern about tenant relocation, more play areas.

3.7.4 In the light of the revised scheme, the case for excluding any or all of the four groups of houses was considered. BPTW were asked to assess the design impact of exclusion of each of the four groups of houses.

3.7.5 BPTW advised that the option proposes to retain the south houses only as BPTW indicates from both “traditional” urban and architectural design perspectives, the south houses and the urban block can be integrated within the overall arrangements of the new emerging layout to form a cohesive, successful urban design that complements the wider new, contemporary architectural language proposed.

- 3.7.6 The redevelopment of the east, north and central houses is considered required for the following reasons:
- 3.7.6.1 Redevelopment of the north houses allows for new plot boundaries and frontages which enable the primary east west street to move northwards by approximately 10 metres which creates more space for the central urban blocks. This allows for approximately three homes per urban block (i.e 15-18 homes increase across the site). Therefore, retention of the four north houses would restrict reorganisation and improvement to the urban block.
  - 3.7.6.2 The eight central houses would restrict the reorganisation and improvement to the rest of the urban block should the north houses be removed, and the primary east west street move northwards. It would result in deep front gardens and a misalignment to the surrounding new houses adjacent to them as they would be designed to a more efficient and tighter arrangement. Additionally, there would be restrictions in the creation of a focal point building to act as a wayfinding point and the provision of a key public amenity should the central houses be retained.
  - 3.7.6.3 With the adjacent apartment block demolished, should the six east houses be retained, especially given the irregular plot boundary to house number 23 and angle of the site boundary, there is a very limited opportunity to propose an efficient arrangement of homes in place of the flat block. The eastern area also presents an opportunity to better connect the passageways to the southeast of the site to Ekin Close and re-provide the quantum of open space.
- 3.7.7 The results of this consultation fed into **JLLs Final Report (Stages 2 and 2b)** which informs this report to HSC and the recommendation to the Executive Councillor. The recommendation is to proceed with a mixed tenure scheme which excludes the 14 houses to the south of the estate (Option 4). The scheme will require further pre-application discussions with the planning authority and there will be further engagement with residents.
- 3.7.8 The council has undertaken a review of the financial exposure of mixed tenure and 100% affordable options for Option 4 and has concluded that the mixed tenure option as proposed offers the lowest financial risk in terms of upfront capital costs.
- 3.7.9 The proposed scheme results in a deficit of -£16,314,102. This compares to the base case scenario of refurbishing the existing properties which resulted in a deficit of -£21,365,171 This scheme results in a £5,051,069 improvement in comparison to the base case.

## 4 The Case for Intervention

4.1 The JLL Final Report has reviewed the concerns that caused the Council to consider intervention. This is set out at para. 3.4 of the JLL Final Report.

### 4.2 Maintenance Concerns

4.2.1 Several investigations have been carried out to determine the condition of the buildings on the estate.

#### 4.2.2 Potter Raper Options Appraisal Report

4.2.2.1 The Potter Raper report identified areas of concern with the flat blocks. The flats are Easiform Type 2 construction, typically defined as non-traditional construction. JLL note that Easiform Type 2 construction has not been designated 'defective' under the Housing Defects Act 1984 (Part XVI Housing Act 1985) but these structures can have the common inherent defect of all Pre-Cast Reinforced (PRC) structures whereby the carbonation of concrete may cause structural issues that could impact the health and safety of flat residents.

4.2.2.2 Some structural movement was also noted alongside a range of other concerns. Some of the urgent safety issues – such as balustrade heights – have been addressed.

4.2.2.3 The initial investigations concluded all the building typologies on the estate are in a fair standard and have an anticipated remaining life of in excess of 30 years, if maintained to their present standard. The Potter Raper report noted the flats would require considerable investment to ensure a life span similar to those of the houses.

#### 4.2.3 JLL Ekin Road Estate Refurbishment Feasibility Assessment

4.2.3.1 In October 2023, JLL Building Consultancy were engaged to carry out further investigations to establish the current standard and expected life expectancy of each building typology by inspecting and reporting on the condition of the traditional construction building archetypes. Inspections were conducted in one property from each of the four archetypes on the estate.

4.2.3.2 The report concluded the houses, bungalows, and maisonettes are of traditional construction with most likely strip foundations, uninsulated concrete ground floor slab, cavity walls and cut timber roofs. Windows and doors have been replaced in the past although these are now at the end of their economic life and repairs will likely increase over the coming years if not replaced. The roof tiles on the house and bungalow inspected have been replaced, although this is not typical of those archetypes. Internally, the house and bungalow are in fair condition and kitchens have been renewed since construction. The Ekin Walk flats are of later construction than the houses and bungalows and have some storey height window frames, and tiled pitched roofs. Windows and doors have been replaced since construction and again these are at the end of their economic life.

4.2.3.3 During the resident engagement and the survey many residents have stated that they are experiencing issues in their current living conditions which is impacting upon their health and wellbeing.

#### 4.2.4 Curtins Ekin Road Estate Structural Survey

4.2.4.1 Curtins Consulting were engaged to carry out structural investigations of the non-traditional flats on Ekin Road through a high-level, non-intrusive survey. The Curtins report (Appendix AH of the JLL Report, Appendix 1) acknowledged that in 2019, Millward Integrated Engineering Consultants carried out a visual inspection to assess the condition of the six blocks and identified cracked concrete on external walls and balconies. Intrusive tests were also conducted to check for the depth of concrete cover to reinforcement and carbonation depths. The tests concluded the depth of carbonation was found to be greater than the cover to reinforcement in the majority of the test locations, indicating a high risk of corrosion due to carbonation. For the chloride content tests, the balcony edge beams in two blocks showed a moderate risk of chloride induced corrosion while the rest of the blocks showed low risk of chloride induced corrosion.

4.2.4.2 There were widespread repairs carried out to all six flat blocks to address cracks caused by the corrosion of the steel reinforcement. The repairs done in 2019 appear to have generally been carried out successfully to a high standard, but similar problems have occurred in the intervening five years. Curtins observed new defects during their inspections including:

- The presence of diagonal cracking in the render beneath windows / window boxes at all levels across the six buildings. In some locations there has been deterioration to window surrounds, with spalling of concrete and exposed reinforcement visible. There is section loss and corrosion to the underside of the external store roof slabs, along with cracks in the masonry wall of the main building which supports these roof slabs.
- Common reports of water ingress, damp, and cosmetic cracks in plaster finishes. Water ingress around windows is one of the routes by which water is entering the concrete walls and causing the steel reinforcement to

corrode. No damage to the primary structural frame of the building was observed.

4.2.4.3 Based on these findings, it was concluded the embedded steel reinforcement is no longer adequately protected from corrosion. This is in part due to the age of the building, as carbonation of the concrete is well advanced which removes protective alkaline zone around the steel. While this alone does not cause corrosion, the scale of issues in both 2019 and the present day indicates widespread water ingress in the concrete frame. The rate of corrosion is unpredictable, and it might take several years for it to cause cracking.

4.2.4.4 The buildings are also not suitable for installing external wall insulation. Installing external wall insulation to the buildings would mean that the outer leaf of the concrete construction is permanently enclosed so future defects would not be visible nor accessible. Given there is a high degree of certainty that there is ongoing corrosion throughout each block, which can lead to further cracking and, if left unattended, spalling, and potential instability, it is not practicable to install external wall insulation.

4.2.4.5 Key points from the maintenance assessment:

- The traditional construction properties have been kept in fair order with improvements carried out on a cyclical basis.
- Improvements can be done to improve aesthetic, bring all homes to a good standard of repair, and improve energy efficiency. This should extend the life expectancy of those buildings in the longer term.
- The non-traditional construction flats are at the end of their useful life. In terms of long-term planning, Curtins concluded demolition is the most appropriate solution for redevelopment of the estate.
- In the short term, if the buildings are to be kept in operation for a lengthy period, another programme of repair works should be considered. Investment would be needed to improve the standard of the flat blocks.

### 4.3 Fire Safety Concerns

4.3.1 Cambridge City Council carried out Fire Risk Assessments in 2022<sup>2</sup>. There are a total of five risk levels ranging from Trivial Risk to Intolerable Risk. The assessment rated the buildings at the level of Tolerable Risk which ranks number two on the scale. Tolerable Risk is defined as requiring no major additional fire precautions. However, there might be a need for reasonably practicable improvements that involve minor or limited cost.

---

<sup>2</sup> Cambridge City Council Housing Services, Regulatory Reform (Fire Safety) Order 2005 Fire Risk Assessment (November/December 2022)



4.3.2 There are also issues with the compliance with current safety standards in particular of Building Regulations Part B Emergency Egress. Whilst there is no requirement to bring the building up to current building regulations, these findings demonstrate where the buildings fall short of current standards.

#### 4.4 Health and Wellbeing Concerns

4.4.1 There are several health and wellbeing concerns on the estate caused by the living conditions, the anti-social behaviour and the uncertainty relating to the estate's future including:

##### 4.4.2 Condition of accommodation

4.4.2.1 During the ongoing resident engagement and in the second survey, many residents have voiced their concerns surrounding the severity of the issue of damp, mould, and condensation in their homes. Many are worried about the impact this will have upon both their and their children's health. Due to the level of concern regarding the condensation related issues on the estate, a specialised team has been created by the Council to handle cases. As of January 2024, the Damp, Mould, Condensation (DMC) team have reported 18 reports of condensation related mould in different properties on the estate since 9<sup>th</sup> December 2022<sup>3</sup>.

##### 4.4.3 External areas

4.4.3.1 Around the current estate, there are poor amenities for residents to use and enjoy with only small areas of grass in the centre of the estate that is surrounded by parking and adjacent to Wadloes Road. The flats only have small balconies. Residents have indicated in both the second survey and public consultation that they would like to see more green space to provide areas for their children to play.

4.4.3.2 The existing buildings do not make a positive contribution to improving the green corridors, biodiversity and connectivity across the estate given their current position and layout. There are opportunities presented from redevelopment of the estate to make improvements in these areas. (As noted below there are a number of existing trees in various conditions on the estate and the Green Corridor running along the west side of the estate is also important.

##### 4.4.4 Anti-social behaviour

---

<sup>3</sup> Cambridge City Council DMC Team Report

4.4.4.1 The current layout of the estate means there are a number of alleyways and circulation routes with low visibility on the estate. This does not meet Secured by Design Gold Standard that would be applied to a new development and therefore indicates there is room for improvement. There is also poor legibility for a pedestrian on the estate because of the number of dead ends and poor visibility in alleyways due to the lack of lighting. This is a security concern as these areas can be prone to anti-social behaviour which directly impacts the safety and enjoyment of the residents and their visitors. Some residents have communicated feeling unsafe on the estate with instances of anti-social behaviour in these areas being noted by residents and the Council. In the second survey, drug dealing was noted as a significant problem on the estate, particularly in these low visibility areas such as the garages.

#### 4.4.5 Uncertainty around the future of the estate

4.4.5.1 Some residents have communicated feeling uncertain and concerned about the future of the Ekin Road Estate. Responses from the second survey shows that the mental health of some residents is being impacted by the decision process. There is uncertainty and stress around the redevelopment options, the prospect of moving and the potential loss of community.

4.4.5.2 The local GP surgery has felt the impacts of the deprivation and health and wellbeing issues in the local area which includes the Ekin Road Estate. The area in which the Ekin Road Estate is located has an IMD of 40.29<sup>4</sup>. IMD also known as the Indices of Multiple Deprivation is the official measure of relative deprivation for small areas in England based on the number of domains. This shows there is a high level of deprivation in the area. As a result of the deprivation levels, Ditton Walk Surgery have had to look to increase their financial investment per patient to handle the increase in residents' issues.

4.4.5.3 Four additional consulting rooms have also been created for additional staff to work from and increase patient access. A report on poor housing by BRE concluded improvements in the home to make it healthy and safe has long-term benefits for residents and society including health and wellbeing benefits and a reduction in direct care<sup>5</sup>. Based on this, it could be assumed improvements on the Ekin Road Estate could improve the health and wellbeing of local residents and therefore decrease the number of residents visiting the GP surgery.

---

<sup>4</sup> Cambridgeshire and Peterborough ICS

<sup>5</sup> BRE, The Cost of Poor Housing in England 2021

## 4.5 Sustainability Concerns

- 4.5.1 The current buildings were developed in the 1950s-1970s and are not aligned with the Council's vision of being a net zero carbon council by 2030 and delivering sustainable housing solutions. A review of the EPC ratings of the current units was conducted by Potter Raper and concluded an EPC rating of B and C for the existing flats, houses, and bungalows. B and C was noted as a good score for this type of property.
- 4.5.2 Cambridge City Council have proposed to potentially improve EPC ratings of existing properties to Band B<sup>6</sup>. The continuing presence of properties below this standard is impacting the operating carbon of the buildings and the energy costs that are being incurred by the residents. 41 residents selected improving sustainability as the top priority for the Ekin Road Estate in the second survey with many listing specific sustainability improvements such as insulation. Many are also experiencing problems relating to temperature control, mould, damp, and condensation.

## 4.6 Accessibility

- 4.6.1 The maisonettes and flat blocks are not currently accessible to meet the needs of occupants with differing needs including some older or disabled people. Currently, the flats are only accessible by communal staircases and there is no lift option.
- 4.6.2 The current layout of the estate is limits legibility and wayfinding within the estate making accessibility for both residents and their visitors poor. Additionally, existing paths and hardstanding to the communal entrances and garden areas throughout the estate are uneven, containing potential trip hazards.
- 4.7 Stage 1 of the JLL report included the option 'Do Nothing'. This was defined as "No additional capital work done to the buildings to address concerns, however there will be a continuation with standard ongoing maintenance and repairs (under decent homes)."

This option was considered unviable as it is not feasible to maintain the estate in its current condition due to the ongoing issues with stock not meeting modern standards, particularly in relation to condition and sustainability. The maintenance costs on these units are also increasing and many flat blocks are nearing end of life meaning significant improvements were required. This option was discounted as it was unable to facilitate these improvements.

---

<sup>6</sup> Cambridge City Council Climate Change Strategy Action Plan 2021-2026

## 5 Jones Lang Lasalle Report

- 5.1 Jones Lang LaSalle (JLL) were instructed to undertake an options appraisal in two stages.
- 5.2 The council's policy objectives were captured through a series of Critical Success Factors (CSFs). These were then assigned a RAG rating Green (Good), Amber (Acceptable) or Red (Unacceptable). The CSFs identified were:

#	Critical Success Factors	Evaluation Methodology
1	<b>Increasing the number of homes</b>	Determine the volume change in the delivery of homes per option by examining the capacity, layout, and height of the buildings for each option.
2	<b>Diversify the housing market and accelerate delivery</b>	Determine the ratio of council and market homes delivered to the housing market per option by aligning with the Cambridge housing demand.
3	<b>High standard of design and quality for the homes and communities</b>	By using the recommended high standard of design, determine which option provides the ability to meet the required standard and the cost associated with each to assess the viability.
4	<b>Improve housing condition</b>	The current condition of the buildings on the Estate will be used as a baseline to compare each option's proposed new building condition to determine the level of improvement.
5	<b>Innovate and maximise available resources</b>	Determine which option will make the best use of the resources on the land in a sustainable way to enhance biodiversity, reduce water consumption and improve air quality.
6	<b>Meet energy efficiency criteria to align with Net Zero Carbon ambitions</b>	Determine which option best achieves the Council's Net Zero Carbon ambitions and the standards outlined in the Sustainable Housing Design Guide through making improvements in energy efficiency, design and Net Zero retrofit.
7	<b>Reduce planned and preventative maintenance costs</b>	Compare the current and predicted future maintenance costs produced from each option alongside any costs to achieve the reduction.

<b>8</b>	<b>Provide an accessible, safe, and secure environment</b>	Compare each option's layout and design of the Estate and its buildings to determine their ability to secure Secured by Design Gold Standard Certification and provide an accessible, safe, and secure environment for the residents and community.
<b>9</b>	<b>Comply with current fire safety standards</b>	Determine each option's ability to comply with the latest fire safety requirements through examining the proposed buildings' design, safety features and accessibility.
<b>10</b>	<b>Improve resident amenities and community benefits</b>	Compare each option's placemaking strategy and ability to improve the amenities on the Estate and the accessibility for the residents and community both in the buildings and around the Estate.
<b>11</b>	<b>Improve the health and wellbeing of residents</b>	Assess each option's ability to improve the health and wellbeing of the residents, through providing open green spaces, accessibility, and healthy living environments, whilst also examining the impacts on the community.

5.3 The CSFs were discussed in the Liaison Group in July 2023 and were amended to include CSF 11 as a result. The CSFs remained unchanged through Stages 1, 2 and 2b.

5.4 **Stage 1** published in September 2023 was an evaluation of seven options by assessing each from a high-level strategic, economic and financial perspective. This included assessment against the CSFs. Three options were selected for full appraisal

5.5 Options taken forward for Stage 2 assessment:

5.5.1 Option 2 – Retain the buildings in existing form and undertake essential repairs and retrofitting.

5.5.2 Option 6 – Partial Redevelopment involving retention of house to the south and east.

5.5.3 Option 7 – Full Redevelopment

- 5.6 A Draft Stage 2 Report was published in March 2024 along with a Council response. An alternate option was developed and the emerging designs were assessed in the same way as the earlier options in the **Final Report (Stage 2 and Stage 2b)**. The design selected for evaluation excluded the 14 semi-detached houses to the south of the estate – Option 4. 7 of these are owned by the Council and seven are privately owned. The assumption within the JLL report is that the seven Council owned homes will be refurbished in the way set out in that option but that the privately owned homes will not be renovated by the Council.
- 5.7 As noted above the opposition to demolition of the houses and the costs and risks associated with the alternative schemes were considered. The reasoning for the inclusion of the 18 existing houses that are to be demolished and redeveloped as part of the scheme are set out in a design note from BPTW. This is summarised in the JLL report as follows:
- 5.7.1 Redevelopment of the north houses allows for new plot boundaries and frontages which enable the primary east west street to move northwards by approximately 10 metres which creates more space for the central urban blocks. This allows for approximately three homes per urban block (i.e 15-18 homes increase across the site). Therefore, retention of the four north houses would restrict reorganisation and improvement to the urban block.
- 5.7.2 The eight central houses would restrict the reorganisation and improvement to the rest of the urban block should the north houses be removed, and the primary east west street move northwards. It would result in deep front gardens and a misalignment to the surrounding new houses adjacent to them as they would be designed to a more efficient and tighter arrangement. Additionally, there would be restrictions in the creation of a focal point building to act as a wayfinding point and the provision of a key public amenity should the central houses be retained.
- 5.7.3 With the adjacent apartment block demolished, should the six east houses be retained, especially given the irregular plot boundary to house number 23 and angle of the site boundary, there is a very limited opportunity to propose an efficient arrangement of homes in place of the flat block. The eastern area also presents an opportunity to better connect the passageways to the southeast of the site to Ekin Close and re-provide the quantum of open space.



5.8 The HM Treasury Green Book Approach was used by JLL to appraise the options by assessing the costs, benefits and risks in a five-case model

- The Strategic Case
- The Economic Case
- The Commercial Case
- The Financial Case
- The Management Case

5.9 For details of how these assessment methodologies were applied to different options please refer to the JLL report. This report highlights some of the key points and conclusions particularly in relation to the emerging design 'the house-led' option).

## 5.10 The Strategic Case

5.10.1 As noted above, the Strategic Case confirmed there is a case for change to meet the Council's strategic objectives which remains unchanged. The Ekin Road Estate in its current form and layout requires improvement. There are general issues in relation to the buildings' standards, health, and wellbeing as well as anti-social behaviour and accessibility across the estate.

5.10.2 The broader strategic objectives of the Council are not being met with the estate in its current form. This highlights the need for issues to be properly addressed through the transformation of the Ekin Road Estate that provides new homes, better land use and improved placemaking while resolving issues regarding housing condition and quality. It is important that the preferred option ensures the estate is fit for purpose in the long term and fulfils the needs of the residents and the Council.

5.10.3 This strategic case for change points to the need for the whole of the estate to be considered. The form of development proposed has an impact on the way in which the strategic objectives are met. In particular JLL draw attention to:

- The estate is a mix of one, two and three storey buildings The scale and massing of the estate will be important in both the context of character, housing provision and residential amenity. If the entire estate is developed, there will be greater opportunities to accommodate taller buildings especially to the south of the estate.
- There are a number of existing trees in various conditions on the estate. There are no Category A trees but there are 12 Category B trees and 37 Category C trees. Consideration is needed for the existing trees on the estate when assessing the options.
- The Green Corridor running along the west side of the estate must also be retained.
- The need to provide affordable housing and the requirement to provide 40% affordable housing at least on a development of this size
- Affordability more generally – JLL say the average house price in Cambridge is £565,016 which is significantly above the national average of £284,950. The area with a 1-mile radius of the estate is below the Cambridge average at £455,723, but this is still above the national average. In terms of the rental market, the growing gap between supply and demand is resulting in rents increasing.
- Building costs are forecasted to rise by just over 3% in the year to Q4 2024, while tender prices are expected to increase by just over 2% in the same period (BCIS).



- Viability and financing –This is a complex judgement involving financial appraisal of alternative proposals, the availability of external funding and an overall assessment of the Council’s financial position.

5.10.4 The Strategic Case points to the need for redevelopment. These factors will influence the form of that redevelopment including whether it is necessary to demolish the whole of the estate or whether there is some role for retention and refurbishment while addressing the key concerns and meeting the Council’s strategic objectives.

### 5.11 The Economic Case: Critical Success Factors

5.12 The Critical Success Factor evaluation of the house-led option was as follows:

#	Critical success factor	Options Response
1	The buildings should positively contribute to increasing the delivery of homes, and in particular affordable housing	This option increases the number of units across the estate (including new and retained) to 145 of which 131 of these are new units. The increase in units also reflects a change in habitable affordable rooms from 272 to 274 rooms. However, the number of affordable units decreases from 91 to 71 (including new and retained). Therefore, there is an ability to accommodate fewer but larger households. The blended tenure of the scheme includes 50% of the estate will be affordable housing units.
2	The buildings should contribute to diversifying the housing market and accelerating housing delivery	The Council has specified that there is a shortage of 3 and 4 bed family affordable housing homes in Cambridge. This option addresses this requirement by increasing the number of 3 and 4 bed units on the estate whilst still providing diversity by provisioning some flats and maisonettes. More widely, the local area surrounding Ekin Road generally comprises houses but the 100+ unit 100% affordable flat scheme almost adjacent to the estate can complement the proposed housing mix in Option 4 and therefore contributes to diversity.
3	The buildings should achieve a high standard of design and quality of new homes and communities	This option should deliver new homes that will be built to modern home standards aligned to Cambridge City Council’s Sustainability Housing Design Guidelines.
4	The buildings should improve housing conditions	This option should improve the housing condition in the majority of the homes on the estate which are currently (primarily flats, maisonettes and bungalows) that do not align with the required Cambridge standard.
5	Working with key partners to innovate and maximise available resources	This option may provide opportunities for innovation within the current building and

#	Critical success factor	Options Response
		<p>planning requirements. In terms of existing infrastructure and attributes, a small number of trees may be removed however all category B trees are likely to remain, providing a mature tree filled landscape to be utilised by placing homes within. New trees will also be planted alongside the mature trees.</p> <p>However, due to the current design of the scheme, the road will need to be altered which limited the ability to maximise the existing resources on the estate. Additionally, due to the type of materials, complexity and cost it is unlikely that many building resources will be reused in the new development.</p>
6	The buildings should meet the required energy efficiency criteria that aligns with Cambridge's ambition to have net zero carbon housing stock by 2030 and reduce energy usage for residents	All new homes will be built to a standard that aligns with the Cambridge Sustainability Housing Design Guide and the Council's low carbon ambitions. It is assumed retained council homes will also be refurbished in alignment with the Design Guide. This should support improving the energy efficiency of units which in turn could lower residents' energy bills.
7	The buildings should result in a reduction of planned and preventative maintenance costs compared to the current level	General maintenance of the new builds will be required but it is likely to be lower than the current buildings on the estate. The buildings and equipment will also be subject to warranties which should reduce replacement and repair costs in the short to medium term. However, the specialised sustainability equipment may require higher maintenance costs and the retained units will likely require more costly and frequent maintenance.
8	The buildings should provide a safe and secure environment for all residents and visitors	Safety around the estate may be improved as the orientation of the new houses should provide a greater natural surveillance and create a more welcoming entrance to the site by having the new houses directly overlooking the site entrance. The option also proposes new homes orientated north south which faces onto Ekin Close to provide increased natural surveillance and activity while bringing the houses of Ekin Close into the neighbourhood. Areas prone to anti-social behaviour, such as the alleyways and central garage area would be removed, and secure boundary treatment and block access (for the flats) should provide additional security.
9	The building should be bought up to standard in terms of fire safety compliance	All buildings on the estate will be improved in alignment with the latest fire safety regulations.
10	The buildings should provide improved resident amenities and wider community benefits	<p>By redeveloping the majority of the estate, there is some improvement to the open spaces on the estate for residents to enjoy. There will be a new green link as well as a new pocket park to the southeast of the estate. The green space to the northeast will also be retained.</p> <p>While the overall increase in the amount of green space and number of trees is low, the</p>

#	Critical success factor	Options Response
		flow of circulation routes and the new spaces will be useable outdoor space for residents to enjoy which should make the estate feel more connected and foster a community feel.
11	Improve the health and wellbeing of residents	<p>This option requires the decanting of residents which may negatively impact current residents' health and wellbeing due to the associated stress and uncertainty from moving. As well as moving out of their current home, some residents may potentially lose their sense of community and support networks.</p> <p>To minimise these potential associated impacts, the Council has a comprehensive decanting process to support tenants in finding their new home. Current homeowners will also be supported throughout the process. Although this option is likely to have a significant short-term impact on current residents, it is expected to create future long-term improvements across the whole estate. As a result, returning and new residents' health and wellbeing is ultimately likely to benefit in the long-term from the improved living conditions including improved accessibility, outdoor space, and safety.</p>

5.13 The JLL report concluded: “Based on the critical success factor evaluation, Option 4 (house-led) can transform the estate, providing improvements in a range of CSFs whilst still retaining the south houses. There is an overall improvement in the condition, quality and design of units on the estate with the majority of units being redeveloped in alignment with modern home standards and the retained council houses being refurbished . Some additional green space can be provided including a green link, pocket park and additional trees due to the ability to reconfigure the layout of the estate. This will help the estate feel more connected and foster a community feel. Whilst this option is not producing the same number of additional units as option 3, it still positively impacts the quantum of units and increases the number of habitable rooms on the estate by providing 3 and 4 bed family units urgently required by the Council. From a “traditional” urban design perspective, the south houses can also be integrated within the overall arrangements of the new layout to form a cohesive, successful urban design.”.

## 5.14 Carbon Impact Assessment

5.14.1 The strategic analysis included consideration of the carbon impact. Details are to be found in the JLL report. The overall Carbon Impact Assessment is as follows: “The balance of highly efficient homes will have a positive effect due to increasing the number of carbon-efficient housing units within the Council. Refurbishing or redeveloping houses will have a very positive operational carbon impact due to the roof area available to install PVs. New Flats will provide a high number of energy efficient housing units but will not be able to achieve the same energy efficiency as Houses due to the limited rooftop area available to install PVs. As such, Option 4 can utilise the increased roof area available to install PVs and achieve higher operational efficiency. Overall, Option 4 produces the best operational carbon performance and carbon per sqm but compromises on the embodied carbon, resulting in a higher footprint per unit than the baseline (refurbishment). This is because Option 4 has more larger units, significantly increasing the residential floor area provided.”

## 5.15 Benefit-Cost Ratio (BCR)

5.15.1 The Benefit-Cost Ratio (BCR) analysis found that the House-led option is not able to deliver a favourable BCR result over a 10-year period for both all economy and the public purse. However, over a 30-year period, Option 4 delivers a favourable BCR result for all economy as it has a BCR of 1.66, effectively delivering £1.66 in value for every £1 spent.

5.15.2 The public purse has a BCR of 0.70. JLL comment: “Ultimately, this reflects that Option 4 should be considered an investment by the Council into the broader community as it prioritises broader benefits over its own return.”

## 5.16 Overall conclusion to Economic Case

5.16.1 Stage 2 concluded “Option 3 (Full Redevelopment) provides the greatest opportunity to achieve a positive transformation of the estate, aligning with strategic objectives while delivering long-term benefits for residents.”

5.16.2 Having gone on to consider the alternate emerging design JLL concluded: Overall, the economic evaluation in the Final Report concludes Option 4 (house-led) can still deliver on the strategic objectives, while retaining the south houses and balancing the needs of the residents and local community. This option reduces the number of people decanted, thus minimising the immediate impact on residents. Furthermore, a suitable level of benefits can be produced. When compared to the current state, Option 4 can deliver an estate transformation that achieve the Council’s strategic objectives and enhances the quality of life in the estate.

## 5.17 The Commercial Case

5.17.1 In Stage 2 the assumed commercial delivery routes were as follows:

- Option 1: Refurbishment – Cambridge City Council self-delivers via contractors
- Option 2: Partial Redevelopment – a blended mix of using a developer for the redevelopment and contractors for the refurbishment work
- Option 3: Full Redevelopment – A JV partnership

5.17.2 For the Final Report, it was assumed the commercial delivery model for Option 4 (house-led) is a blend of a developer for the redevelopment elements alongside contractors for the refurbishment work.

5.17.3 JLL concluded “All of the delivery options would provide the Council with an acceptable level of control over delivery and timings whilst ensuring the Council’s vision and Critical Success Factors are suitably met. By maintaining satisfactory control and leveraging resources and expertise, delivery can be executed effectively to result in a successful transformation of the estate.”

5.18 On this basis in the original appraisal the all-affordable comprehensive redevelopment represented the least-worst option at a deficit of £16,063,546 when considering capital cost and capitalised rental income. This compared with a base case option for a full refurbishment of the estate of minus £21,365,171. The total capital commitment of the all-affordable option for the Council of 236 units would have been £86,648,547. The forecast return relied on receipt of grant of £20,230,000 from Homes England.

5.18.1 Considering the financial risks of the ‘least worst’ option, the council consulted on an alternate mixed tenure housing led scheme (Option 4). With further planning, consultant and consultation feedback a final design was reviewed by JLL in the Final Report.

5.18.2 For Option 4, the deficit is very similar to the ‘least-worst’ 100% affordable option at circa minus £16m. It remains therefore better than the base case by circa £5m. The capital outlay by the Council will be focussed on the decant costs to secure vacant possession of the site and the purchase of the 64 new affordable units. This will total c £19m. Other costs and risks will be shared through the JV partnership and risks on construction costs will potentially be offset by market sales. The cost per unit is higher at £241,127 but these are larger family homes.

## 5.19 The Management Case

5.19.1 The Management Case reviewed decant, phasing, delivery, programme and risks.

5.19.2 The JLL report details assumptions about decant phasing and programme for the appraisal. There is particular concern among residents regarding decant and this is considered separately in this report. Otherwise as the JLL report notes “Through effective planning, project management, contract management and risk mitigation, the Council aims to ensure the chosen option is implemented in a timely and efficient manner in line with best practices to deliver a positive outcome for residents and the Council.”

## 6 Consultation

6.1 The Consultation has taken the form of

- Quarterly Liaison Group meetings to which all residents have been invited. All material presented has been placed on the website and lodged at the local library.
- Contact details have been provided to residents in all correspondence as to how the Council can be contacted to discuss individual or wider concerns. Council officers have been in contact with the majority of residents as a result.
- Confidential appointments have taken place with council officers throughout the process to discuss personal circumstances.
- Shaping Abbey event held at The Christ the Redeemer Church on 13<sup>th</sup> March 2024.
- Information made available at the Abbey People Big Lunch community event on 9<sup>th</sup> June 2024.
- Ongoing liaison with resident groups including ‘Save Ekin Road’ and ‘Redevelop Ekin Road’.

6.2 There have been three surveys of residents at Ekin Road

6.2.1 June-Sept 2022 First Survey

6.2.2 112 people attended in person, there were 11 webinar attendees, 2,771 website views and 63 survey responses.

6.2.3 Key findings from the first survey consultation provided insight into the current state of the Ekin Road Estate<sup>7</sup>. Summary findings included:

- 46.2% of respondents believing their current home meets their requirements, 30.8% responding their homes do not meet their requirements and 23.1% saying they were ‘unsure’.

---

<sup>7</sup> Ekin Road Resident Questionnaire Final Report (14th September 2022)

- 35.8% of respondents wanting new public spaces and other improvements including improved security (22.0%), improved connectivity (6.6%) and other (35.8%) such as better insulation, improve accessibility and reduced anti-social behaviour.
- Residents liking: the lack of traffic on the Estate; the GP surgery; and connectivity.
- Residents disliking: the security; parking; accessibility; damp/ mould; and energy inefficiency in the buildings.

#### 6.2.4 In response to questions about the possibility of redevelopment

- Out of the 63 survey responses, 58.1% strongly agreed Ekin Road needs redevelopment, 19.4% 'agreed', and 6.5% responded 'strongly disagree' and 4.8% said 'disagree'. 4.8% and 6.5% of residents who responded to the survey said 'neutral' or 'unsure' respectively.
- 33.9% of respondents said they would return to the Estate after redevelopment.

### 6.3 October-November 2023 Second Survey

6.3.1 Completed surveys were returned from 63 households on the estate, representing a response rate of 52% of total households. Out of the total number of units per tenure, the response rates were 56% of Council tenants, 60% of leaseholders and 70% of freeholders.

- Many residents experiencing issues relating to the condition of their homes;
- Some residents having accessibility and overcrowding problems;
- Differing personal experiences living on the estate, with some enjoying living there while others have experienced instances of conflict with neighbours and anti-social behaviour; and
- A minority of residents have family/support networks in the area.

6.3.2 JLL comment: Based on these findings, it is clear many residents, particularly those in the flat blocks, are unhappy with their current living conditions. Many residents (42 respondents) are experiencing issues with mould, damp, condensation as well as accessibility issues (17 respondents) and overcrowding. 43 respondents communicated discontent in regard to personal safety with issues of anti-social behaviour occurring on the estate while 22 expressed there's a lack of available open spaces. This suggests the buildings may not be fit for purpose and therefore increasing in the quality of council accommodation was the second most important priority for residents.

6.3.3 In relation to the future of the Ekin Road Estate, the majority of residents believe there is a need to prioritise increasing the quality of Council accommodation, improving sustainability to assist in decreasing energy bills and reducing crime.

- *57% of responding households to the survey expressed support for a redevelopment of the estate, with some in opposition (41%).*
- *49% of responding households voiced a preference for a full redevelopment, while 24% preferred partial redevelopment.*
- *27% responded with no preference. However, from further analysis of the results, it must be noted the strong support for redevelopment is primarily from the responding leaseholders (83%) and Council tenants (62%). Among the responding freehold houses there is a high level of opposition to redevelopment (72%). This group of residents want to preserve their homes and community.*

6.4 Consultation on a full redevelopment, house-led design March-May 2024

6.4.1 This consultation was also open to the wider public. This coincided with the Local Election campaign period which attracted interest from beyond Cambridge. There was some opposition to redevelopment and regeneration within Barnwell generally. These repeat a standard formulation of "objection in principle" comments in multiple survey responses. These comments represent a small sample of the population beyond Ekin Road and do not accord with earlier surveys for the Framework for Change or the surveys for the East Barnwell proposals.

6.4.2 The survey received 111 responses, of which 62% were from Ekin Road/Ekin Walk residents.

- 76% of all respondents supported building lower, prioritising delivering more family homes and 15% of Ekin Road residents indicated a priority for maximising density.
- 29 (44%) of respondents from the Ekin Road estate supported the emerging proposals, 25 (38%) opposed them, 9 (14%) neutral, and 3 (4%) not answering the question.

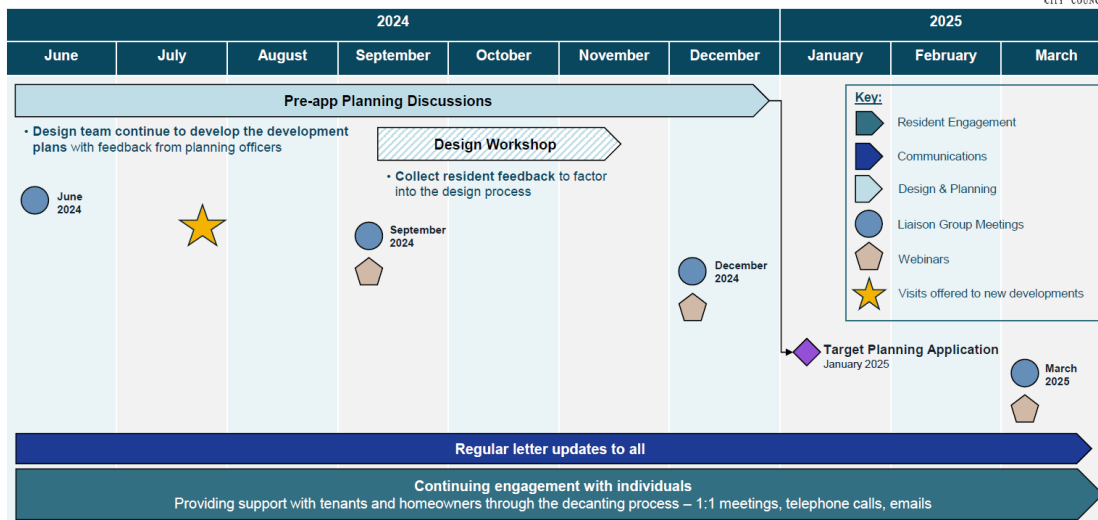


- When asked ‘what would you change about the proposals to redevelop Ekin Road’, a desire to retain the houses on the estate was expressed by 47 (42%) of all respondents.

6.5 The design is an emerging design at this stage. Engagement with residents affected by the proposals will continue and there will be further consultations with the Local Planning Authority prior to submission of a planning application. The LPA will then carry out its own consultation exercise.

6.6 The plan below highlights the resident engagement plan:

## Resident Engagement Strategy



1 | © 2023 Jones Lang LaSalle IP, Inc. All rights reserved. \*The timeframes outlined above have been devised with an awareness that progress will depend on pre-app planning discussions JLL

## 7 Decant

7.1 There are currently 94 households (82 council tenants, 9 leaseholders and 3 freeholders) that will require decant. The tenure breakdown is set out below and also includes properties currently let as temporary accommodation and those that are void.

Property Type	Tenancy	Numbers
Bungalows	Introductory tenancy	1
	Secure tenancy	8
	Temporary accommodation	1
Maisonettes	Introductory tenancy	1
	Secure tenancy	4
	Temporary accommodation	1
	Leasehold	1
	Void	1

<b>Property Type</b>	<b>Tenancy</b>	<b>Numbers</b>
Flats	Introductory tenancy	10
	Secure tenancy	46
	Temporary accommodation	7
	Leasehold	8
	Void	1
Houses	Secure tenancy	12
	Temporary accommodation	3
	Freehold	3

## 7.2 Tenant Decant

7.2.1 The decant programme will allow sufficient time to ensure that all tenants can move to an eligible property of their choosing. This will include existing council stock and forthcoming new build developments.

7.2.2 Tenants have a right to return. It is proposed to arrange visits for tenants to view Council properties which have been developed in recent years.

7.2.3 Tenants required to decant are given highest priority on the Council's choice-based lettings system (Home-Link). The emergency banding status will be applied to all existing secure tenant applications from 18th June 2024.

7.2.4 Tenants not registered on Home-Link will be advised how to make an application and support will be provided where required. One form of identification must be submitted with the application and processing will be undertaken on a fast-track basis within an approximate three-week timescale.

7.2.5 Bedroom eligibility will be assessed at point of application and will be in accordance with the Council's Lettings Policy.

7.2.6 Introductory tenants will have emergency banding status applied one year after their tenancy start date.

7.2.7 Shortlisting of applicants that have placed bids on properties will be undertaken in the following order: -

1. Earliest redevelopment 'start on site' date (should tenants decanting from more than one estate place a bid)
2. Home-Link application priority date

7.2.8 Special consideration will be given to applicants where there is damp, condensation and mould (DCM) in the property that has been inspected by the council. Priority for shortlisting of council properties will be allocated based on severity of the DCM and the age and vulnerability of household members. These cases may supersede the two priority categories listed above.

7.2.9 Tenants will receive £8,100 home-loss payment once they have moved, less any housing-related debts. An initial £1,250 payment will be made to cover moving expenses. These amounts will be guided by updates in legislation.

7.2.10 There are currently 28 secure tenant households on the Ekin estate that are already registered on Home-Link. The majority of these are placed within bands B and D.

7.2.11 See table below for the households in the Abbey ward with band A allocation (this includes two non-homeless households from the Ekin estate). Most of these have been placed on the register in the last 1-2 years and are seeking moves to three bedroom parlour / four bedroom properties and above or require a move out of area.

Time on register	2-bed need	3/4 bed need	5-bed need	Requires move out of area
1 year	1	3	1	1
2 years			2	2
3 years		1		1
4 years +	2			

### 7.3 Supply

7.3.1 The council has advertised 261 properties across Cambridge in the previous six months, with an average of around ten properties listed per week.

7.3.2 The following new build developments are scheduled for handover from July 2024 onwards: -

Development	Affordable Homes	Scheduled Handover
Colville Road Phase 3	7 x 1B2P Flats	July 2024
	2 x 2B3P Flats	
	8 x 2B4P Flats	

<b>Development</b>	<b>Affordable Homes</b>	<b>Scheduled Handover</b>
	1 x 2B4P House	
	2 x 3B5P Houses	
Colville Road Phase 3	3 x 1B2P Flats	August 2024
	1 x 2B4P Flat	
Colville Road Phase 2	4 x 2B4P Houses	August 2024
Colville Road Phase 3	8 x 1B2P Flats	October 2024
	2 x 2B3P Flats	
	9 x 2B4P Flats	
The Meadows Block A	12 x 1B2P Flats	October 2024
	1 x 1B2P Flat (WC)	
	12 x 2B4P	
	1 x 2B3P	
The Meadows Block B	14 x 2B4P Flats	October 2024
	1 x 2B3P (WC)	
Buchan Block E	8 x 1B2P Flats	October 2024
	4 x 2B4P Flats	
	1 x 2B3P Flat (WC)	
Buchan Block F	9 x 1B2P Flats	October 2024
	6 x 2B4P Flats	
Aragon Close	7 x 2B4P	December 2024
Sackville Close	7 x 2B4P	December 2024
Aylesborough Phase 2	34 x 1B2P Flats	October 2025
	3 x 1B2P Flats (WC)	
	4 x 2B3P Flats	
	25 x 2B4P Flats	
	4 x 3B5P Flats	
Paget Road	4 x 3B5P Houses	October 2025
East Barnwell	16 x 1B2P Flats	December 2026
	2 x 2B3P Flats (WC)	
	30 x 2B4P Flats	
	6 x 3B5P Flats	

7.3.3 The Council has shared nomination rights with South Cambridgeshire District Council on a 50/50 allocation basis at two fringe development sites. Although we do not anticipate significant interest from estate residents, this information has been included due to the location of each development.

<b>Development</b>	<b>Affordable Homes</b>	<b>Scheduled Handover</b>
Springstead Phase 1	70 flats	TBC
	71 houses	TBC

Marleigh Phase 1b	48 flats	TBC
	39 houses	TBC
Marleigh Phase 2	109 flats	TBC
	17 houses	TBC

#### 7.4 Leaseholder and Freeholder Decant

- 7.4.1 Leasehold and freehold property owners will be offered market rate for their homes based on a property valuation by a RICS (Royal Institution of Chartered Surveyors) valuer. In addition, statutory compensation payments are made (10% of property value if resident in the property, 7.5% for those non-resident) alongside reasonable disturbance costs.
- 7.4.2 The Council will need to buy back all leasehold and freehold properties (excluding the freehold properties located to the south between numbers 33 to 59) to redevelop the site. This will be undertaken through negotiation with property owners however if these negotiations are unsuccessful the only route available to the Council will be to instigate a Compulsory Purchase Order (“CPO”). The CPO will be considered a last resort action, and all efforts will be made to purchase both leasehold and freehold interests through agreement.
- 7.4.3 It is recognised that sale prices of properties may be beyond the means of some leaseholders and freeholders. Consideration will be given to a shared equity option for displaced resident leaseholders and freeholders where this is necessary to make their return to the estate possible financially.
- 7.4.4 Private tenants of leaseholders and freeholders will be contacted as part of the council’s engagement with estate residents during the decanting process. This may include assistance from the council’s Housing Advice Service on the options available based on individual circumstances.

#### 7.5 Demolition Notices

- 7.5.1 Service of Initial Demolition Notices under the Housing Act 1985 suspends the Right to Buy (“RTB”). This removes the Council’s obligation to complete RTB sales for a maximum period of seven years while the notice is in place. Should the Council not proceed with demolition, tenants are able to request compensation arising from not being able to exercise their RTB during this period.

## 8 Demolition Notices

8.1 The report proposes that the COO is authorised to serve Demolition Notices. Service of Initial Demolition Notices under the Housing Act 1985 suspends the Right to Buy (“RTB”). This removes the Council’s obligation to complete RTB sales for a maximum period of seven years while the notice is in place. Should the Council not proceed with demolition, tenants are able to request compensation arising from not being able to exercise their RTB during this period.

## 9 Estate Management

9.1 Tenants will be provided with guidance on the repairs that will be carried out during the decant period.

9.2 Following decant, all properties will be assessed for use as temporary accommodation. Should this not be feasible, hoardings will be installed to windows and entrance doors to increase safety and security.

9.3 The retained Council houses will not be included in the decant as a result of this report. The requirement for decant of the seven retained council houses will be considered as the programme becomes clearer.

## 10 Scheme details

10.1 The proposed new build units are summarised below

10.2 Within this total it is proposed to provide 64 affordable homes with 75% provided on a social rent basis and 25% on an affordable rent (80% of median market rent) basis.

Unit	Market	Council	Council Habitable Rooms
1b2p Flat	0	13	26
2b4p Flat	0	8	32
2b4p Maisonette	0	6	24
3b5p Maisonette	0	6	30
3b5p House	22	22	110
3B6P House	26	2	10
4B6P House	0	3	18
4B6P House	20	3	18

## 11 Programme

11.1 The approach to decant for retrofit of the seven retained council houses will be considered as the programme becomes clearer. The Council will seek to purchase freehold and leasehold interests by agreement. In the event that CPO proceedings are required the programme will be reassessed together with any cost implications.

11.2 This overall indicative programme will be subject to the development of a detailed construction strategy including the need to maintain access to retained properties and to the progress of decant across the site.

- January 2025 – Planning Submission
- June 2025 – Planning decision
- November 2025 – Start on site
- Completion – January 2028

## 12 Sustainability

12.1 The carbon impact of the proposals has been assessed within the JLL report.

12.2 The design ambition is to deliver all affordable units on the scheme to low energy standards close to Passivhaus levels of sustainability performance and to be gas free. There are also sustainability targets for water, biodiversity, car park ratios 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 2022 HSC.

12.3 The sustainability targets for the affordable portion of 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 associated with these standards.

SHDG Range of Targets		This Development targets	
	Local Plan		Passivhaus or equivalent level of sustainability
<b>Units</b>			64
<b>PHPP kWh/m<sup>2</sup></b>	65		Up to 28 – as close to Passivhaus level as achievable

SHDG Range of Targets		This Development targets
Water l/d	110	<99
Biodiversity Net gain	10%	20%
Car Parking ratios across schemes	0.7-0.9	<0.5 per affordable dwelling
Are there technical constraints?	<b>PHPP:</b> This scheme will aim to deliver Passivhaus or equivalent level of sustainability. These principles have been incorporated from the outset.	
	<b>Water:</b> The target is 90lppd but the detailed design to deliver this has not yet been developed.	
	<b>Biodiversity:</b> A 20% improvement is being targeted	
	<b>Car Parking:</b> Car parking provision for residential is below 0.5	
Are there financial constraints	Estimated costs have included a cost allowance for Passivhaus or equivalent standards and not certification	
Recommended Sustainability Target	Passivhaus or equivalent standards	
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	

## 13 Finance

- 13.1 Approval is sought to identify a budget to cover the cost of decant and repurchase costs and the purchase of 64 units together with the on-costs on that purchase. The budget requested is £19,859,734. and will be drawn down from the budget already approved for the delivery of the 10 Year New Homes Programme.
- 13.2 The cost of the options appraisal (already committed) is £300,000 and is outside of the budget currently sought. A revenue budget for this feasibility work was approved in September 2023, and the expenditure has therefore been accounted for in the HRA directly.
- 13.5 The recommended scheme, when compared to a 100% affordable scheme with Homes England grant, does not perform as well in terms of long-term value for the HRA and also results in a reduction in the number of affordable homes. However, Homes England grant is not guaranteed and the recommended scheme does significantly reduce the up-front investment at a time when borrowing costs are unusually high. It also reduces the financial risk to the authority at a time when the HRA is facing significant financial pressures in other areas of the business.



13.3 The Project Plan will be subject to approval by the CIP Board and assumes:

13.4 The appraisal of the site at present indicates a transfer value of £1 but there will be further development of the scheme and market movements prior to transfer. There will be an independent valuation prior to transfer to CIP.

13.4.1 40% of the costs being met by equity provided by the CIP partners (that is 20% Council and 20% Hill Investment Partnership). This equity investment by the council will be subject to formal approval in the 2024 General Fund Medium Term Financial Strategy.

13.4.2 The residual 60% being met by borrowings, as agreed by partners. If the council are to finance this scheme this will be to be subject to formal approval in the 2024 General Fund Medium Term Financial Strategy. The indicative interest is 5.4% (5-year PWLB rate), but the rate will be fixed once planning permission has been made. The current appraisal has 5% for equity finance and 7% for debt financing.

13.4.3 Profit in the appraisal is 17.5%, shared 50:50

13.5 The appraisal assumes a gross cost per unit to be paid by the Council's HRA for purchased homes to ensure relevant value provision to HRA, discounted by the Council's share of the above profit, recognising this is an HRA land site. The purchase cost will be at a value validated by an independent valuer.

13.6 As this is a land purchase on an HRA site the CIP Board will be approving an AHA agreement that includes the council's share of the projected CIP profit to be deducted from the AHA payments. In the event the profit is not realised then the Council (via the HRA) will, in the agreement, be liable to pay the full AHA amount. The council has sought legal advice to ensure this arrangement is appropriate.

13.7 The indicative investment plan included with the project plan contains commercially sensitive information and therefore is included as a confidential paper in Appendix 4

## **14 Implications**

### **(a) Staffing Implications**

The Council will deliver its role in the appraisal through the Housing Development Agency with support from other housing management, maintenance and finance teams.

### **(b) Equality and Poverty Implications**

An EQIA for this investigatory phase of the options appraisal has been completed and is attached in Appendix 3. This EQIA will evolve as work progresses.

(c) Environmental Implications

The options appraisal considers carbon issues for each of the options. A redevelopment scheme will be considered against the Cambridge Sustainable Housing Design Guide.

A council Climate Change Rating Assessment will be completed as part of the final proposals.

(d) Procurement Implications

The options appraisal was delivered by Jones Lang Lasalle who have been appointed through the Crown Commercial Services framework.

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. The project will be subject to an independent Value for Money assessment by the Employers Agent for the Council.

(e) Community Safety Implications

Options will be considered taking into account existing factors and Secured by Design guidelines as set out within the City Councils Design Brief.

(f) Consultation and communication considerations

See above, part 7

There has also been consultation with Ward Councillors about the process.

## 15 Risks

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

Risk	Probability	Impact		Mitigation
------	-------------	--------	--	------------

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. Risk of loss of units to accommodate feedback.	3	5	15	CIP will develop plans in response to comments received through the pre-application discussions with the LPA.
Cost – Market conditions in the construction industry, sale of market homes and decanting costs can all have an impact onto the feasibility of the scheme.	3	4	12	The HDA will engage an Employers Agent to scrutinise costs. The council will purchase the affordable units, which passes financial risk of market movement onto CIP. A contingency has been allocated for the decanting costs for tenants and homeowners.
Programme – Risk of delay of acquiring the properties that are not currently in Council ownership	3	4	12	Engagement with homeowners has been ongoing throughout the Options Appraisal process. Dedicated officers in place to manage the property acquisition process in line with the strategy as set out within this report together with the council's regeneration policy.
Programme – Risk of delay in relation to decanting council tenants.	2	4	8	Engagement with tenants has been ongoing throughout the Options Appraisal process. Dedicated officers in place to manage the decant process in line with the strategy as set out within this report together with the council's regeneration policy.
Sustainability – challenging to achieve Passivhaus accreditation, very stringent requirements. Risk of planning submission delay or planning rejected.	3	2	6	Training, draw on Hill experience of Passivhaus pilots to get to as close to Passivhaus certification as possible. To employ specialist consultant (Qoda) to meet high sustainability standards.

## 16 Background papers

16.1 21/48/HSC: Report on progress toward HRA estate regeneration programme.

16.2 22/46/HSC: Report on Proposed Development - East Barnwell

16.3 23/38/HSC: Update on Options Appraisal work At Ekin Road Estate

## **17 Appendices**

Appendix 1 – Jones Lang Lasalle Final (Stage 2 and 2b) Report

Appendix 2 – Marengo's Summary of Community Feedback

Appendix 3 – EQIA

Appendix 4 – CIP Appraisal – This appendix contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

## **18 Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Ben Binns, Housing Development Agency, tel: 01223 457924, email: [ben.binns@cambridge.gov.uk](mailto:ben.binns@cambridge.gov.uk)