

**REPORT TITLE: Update on Homes England Strategic Partnership,
Development Portfolio Approach, Arbury Court and Kingsway
Redevelopments & Davy Road Redevelopments**

Lead Member: Gerri Bird, Cabinet Member for Housing

Report by: Benedict Binns, Assistant Director, Development Tel: 01223 450000 Email:
ben.binns@cambridge.gov.uk

Wards affected: Arbury, King's Hedges, West Chesterton, East Chesterton, Coleridge

Director Approval: Lynne Miles Director of Economy and Place confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Cabinet/Cabinet Member for decision.

Draft Cabinet

1	Recommendations
1.1	That Cabinet Notes: I. That the council were one of only three councils outside London that were successful in securing a Strategic Partnership with Homes England winning £96m. Winning the bid also unlocks £584m funding previously committed by the council to deliver 1,400 council homes with at least 60% of these at social rent. This programme represents the biggest investment in social housing in a generation and will significantly increase availability of social housing in Cambridge. II. Once the Strategic Partnership contract is signed the most immediate use of that funding will be allocated to fund 11 of the 45 council homes (11 at social rent) at Fanshawe and 72 council homes (44 at social rent) at Hanover & Princess

1.2	That Cabinet approves the following recommendations in addition to the <i>25/42/Cab Cabinet Report on 21/10/2025 - Cabinet (Item 42) Cambridge North Framework for Change</i>: I. Approves the expansion of the Kingsway, Brackley Close, Rutland Close and Verulam Way redevelopment, to include additional Council properties at 2-48 (evens) Brackley Close and 2-48 (evens) Rutland Close. II. Approves the increase of Arbury Court and Kingsway redevelopment project budget to £103,200,000 to account for the increase in site boundary, and a projected increase in affordable (council) homes delivered, compared with the existing project boundary, approved in October 2025. This will increase the Affordable Homes Agreement to purchase 245 homes from the council's development partnership with Hill - Cambridge Investment Partnership (CIP). III. With Homes England Strategic Partnership funding secured by the council, approves, with effect from October 26th, 2026, the: a) Council tenants will be offered emergency banding status, with leaseholders and freeholders able to sell their properties in accordance with the council's regeneration policy. b) the issue of Home Loss and Disturbance payments to qualifying Council occupiers and Home Loss, Basic Loss and Disturbance payments to qualifying owners at the addresses at Arbury Court, Kingsway, Brackley Close, Verulam Way and Rutland Close as approved in <i>Cabinet Report on 21/10/2025 - Cabinet (Item 42) Cambridge North Framework for Change</i>, and the additional addresses detailed in this report. IV. Approve to add the above addresses in I to the existing approvals in the cabinet report II to IV and VII to XIII in section 2.1 of the <i>Cabinet Report on 21/10/2025 - Cabinet (Item 42) Cambridge North Framework for Change</i> https://democracy.cambridge.gov.uk/documents/s70770/Item%206.%20North%20Cambridge%20Cabinet%20Report.pdf . These are approvals on variations to the scheme, to be developed through Cambridge Investment Partnership (CIP) or through an alternative procurement route, land transfer, CPO and Demolition Notices. V. Approves the increase of Davy Road redevelopment project budget to £20,242,000 to account for an increase in the number of council homes that will be delivered. VI. Approves this update report – Appendix 1 - on the council's Portfolio approach for the Ten-Year New Homes Programme
-----	---

2	Executive Summary This report provides an update on the Strategic Partnership, two redevelopment projects and the Council's Portfolio approach to development. Officers are required to come back to cabinet if budget increases are required for proposed developments. Secondly, the 2024 HSC Report on the council's Portfolio approach to the Council's ten-year development programme requires a formal update on progress.
2.1	Strategic Partnership
2.1.1	The council were one of only three councils outside London (the others being Eastleigh and Newcastle councils) that were successful in securing a Strategic Partnership with Homes England winning £96m.
2.1.2	The Strategic Partnership will finance 803 council homes, 723 of which will be offered at social rent, the lowest tier of rent at just 40-45% of the market rate. Winning the bid also unlocks a £584m funding package previously committed by the council to deliver a bigger programme of nearly 3,000 new homes by 2036, 1,400 of which will be new council homes with at least 60% of these at social rent.
2.1.3	This programme represents the biggest investment in social housing in a generation and will significantly increase availability of social housing in Cambridge.
2.1.4	The announcement is a strong endorsement of Cambridge City Council's track record of home building. The council has delivered nearly 900 council homes over the last eight years and has been a top ten council home builder for two of the last three years. The new homes will all be built to CAM Standard which is higher than national building standards for the environment, energy and space. All homes will be accessible and adaptable and 5% of all council homes will be designed specifically for wheelchair users. The council has a number of shovel ready schemes, including Fanshawe Rd, Hanover and Princess Court and if planning permission is granted, Ekin Rd. This new funding will enable social and affordable (council) homes to be included in the above redevelopment schemes, with work underway or expected to start early next year.
2.2	North Cambridge Framework for Change – Arbury Court and Kingsway Redevelopment
2.2.1	Referenced in this document as Arbury Court and Kingsway redevelopment for ease, the North Cambridge Framework for Change was approved by Cabinet in October 2025.

2.2.2	Since cabinet in September 2025, a consultation has been carried out on the extension of the redline boundary at the Kingsway redevelopment site. A majority of 79% of residents responded in favour of the inclusion of additional addresses at Brackley Close and Rutland Close as part of redevelopment plans. This would allow for an increase in the delivery of affordable (council) homes from 206 to 245 (and an increase from 410 to 487 homes overall). The expansion would also provide greater benefit to the wider community by providing new high-quality opens spaces and trees, which were key points raised by residents in the North Cambridge Framework for Change engagement in 2025. This report seeks approval to formalise this change, and the budget increase required.
2.2.3	Learning from previous developments, officers have set up a Community Panel made up of local residents in the area to assist in design feedback and to help co-design the park and civic space at Arbury Court. To date, the panel have met in June, July, September and the next meeting is scheduled for October. The success of this co-design approach with a Community Panel will now be replicated on future developments going forward.
2.3	Davy Road Redevelopment
2.3.1	Davy Road was approved for development at Housing Scrutiny Committee, September 2024. The initial budget approval was for the purchase CIP - of 45 affordable (council) homes with 5 homes at Social Rent.
2.3.2	Since then, scheme design has progressed and increased in density. There is an increase in the number Affordable (council) Homes proposed from 45 to 57 (78%) and with the Homes England Strategic Partnership funding secured, the number of council homes at Social Rent will increase from 5 to 34.
2.3.3	A budget increase to £20,242,000 is required for the purchase of these council homes from CIP.
2.4	Portfolio Approach

2.4.1	An update to the Council Portfolio approach to development is attached as Appendix 1 A key update is the successful outcome of the Council's bid for strategic partnership funding which allows affordable (council) housing to be provided additional to that captured by S106 obligation at Hanover and Princess Court – that is 72 council homes (44% of the homes) with 44 of those council homes at social rent.
2.4.2	In September 2024 the Cambridge City Council's Executive Councillor for Housing approved the formal adoption of a Portfolio approach to the Council's ten-year development programme. This approach takes into account the Council's ambitions in line with Corporate Objectives, HRA Business Plan, the Local Plan and the Greater Cambridge Housing Strategy
2.4.3	The council's target is to deliver at least 50% affordable (council) housing across its development portfolio whether delivered by Cambridge Investment Partnership or through direct delivery. In working to achieve the target the cumulative proportion of affordable (council) housing delivered by the programme will at no time fall below 40%.
2.4.4	At the time of writing, the council is achieving 55% affordable (council) homes across its portfolio of development sites.
2.4.5	Officers are confident that with the Strategic Partnership in place the council will maintain its rolling target of 50% affordable (council) housing across its developments and across its programme. Subject to planning and with the Strategic Partnership funding affordable (council) homes additional to that captured by S106 obligation, Ekin Road, Stanton House, Davey Rd, Kingsway and Arbury are all on track to maintaining the 50% rolling target.
2.4.6	This Portfolio update will be incorporated as a material consideration to forthcoming planning applications, as it captures the full scope of council commitment to affordable (council) housing delivery as captured by Planning obligations or additionality.
3	Alternative options considered

3.1	Arbury Court and Kingsway - Do Nothing Proceeding with the existing red line boundary for Kingsway and deliver 206 affordable (council) homes across the two sites. This would not be in keeping with the results of the consultation held in July, where residents' responses indicated strong support for redevelopment of Brackley Close and Rutland Close apartment blocks. Many residents reported issues with their existing homes such as damp and mould, and poor insulation, and redevelopment would eradicate these issues for all affected households in the long term. Not expanding the boundary would be a missed opportunity to maximise use of guaranteed grant funding to increase the number of homes delivered at the site at a time when the need for housing in the city is significant, and housing delivery targets for Cambridge are not being met. If the Council does not use the £96.3m Strategic Partnership funding, it would have to be paid back. Davy Road – Do Nothing Proceed with the purchase from CIP of 45 Affordable Homes at Davy Road. Since HSC approval in September 2024, scheme designs have progressed significantly and the site has increased in density to make better use of the land, which was key feedback from Design Review Panel and Planning process. Reducing the scheme density would be against the advice of Design Review Panel and the Planning service and would therefore present a risk to achieving planning approval. The Council would also incur abortive design fees to make such significant changes at this late stage. Another impact would be further project delays, resulting in increased design and build costs, which would adversely affect the Council's value for money for the project. As with Arbury Court and Kingsway, doing nothing would be a missed opportunity to maximise use of guaranteed grant funding and increase the number of homes delivered at the site at a time when the need for housing in the city is significant, and housing delivery targets for Cambridge are not being met.
4	Background and key issues
4.1	Arbury Court and Kingsway Redevelopment - Kingsway Expansion
4.1.1	In October 2025, Cabinet approved the purchase from CIP of 206 affordable homes as part of the North Cambridge Framework for Change project. The current budget is £84,113,335.34.

4.1.2	Further consultation was carried out in November/December 2025 and feedback from some residents on Brackley Close and Rutland Close was that the boundary of the Kingsway redevelopment site should be expanded to include more homes on these roads. In July 2026, tenants and leaseholders of 2-48 (evens) Brackley Close and 2-48 (evens) Rutland Close were subsequently consulted on whether they think these addresses are in need of redevelopment. It was explained to residents what redevelopment might mean for them, which includes having to move out of their home.
4.1.3	Council Officers carried out two door-knocking sessions, and two resident and leaseholder drop-in sessions were held at Meadows Community Centre during the consultation period. Responses were received from 69% of households. 79% of responses were in favour of redevelopment, 11% were against, and 10% unsure. The results of this survey indicate that, on aggregate, residents strongly support the expansion of the Kingsway redevelopment boundary.
4.1.4	The key issues residents raised about their properties include: • Home too hot in the summer (reported by 57% of responders) • Damp, mould or condensation (50%) • Home too cold in winter (45%) • Anti-social behaviour or personal safety issues (32.5%)
4.1.5	By increasing the boundary to include additional addresses at Brackley Close and Rutland Close, the number of Affordable (council) homes that can be delivered increases from 206 to 244. Including market sale or rent, the total number of homes expected to be delivered increases from 410 to 487. The Council also heard at prior consultations that residents feel there is a shortage of high quality, usable open space in this area of the city. Some initial designs carried out by architects PRP indicate that the extension of the red line boundary at Kingsway to include these new addresses presents an opportunity to provide a significant open space in this area. This would mean more trees, biodiversity and climate resilience, which can provide long term health benefits for the wider community.

4.1.6	Current designs show that 287 homes can be provided at Kingsway, and 200 at Arbury Court. Arbury Court also includes the provision of 12 commercial units, a library and 'affordable workspace' for local charities, in addition to significant improvements to the park and civic space. The scheme is boosted by the Council's recent successful Homes England Strategic Partnership Bid, which provides the Council with £96.3m to support its Affordable Homes programme. The Council is reviewing its options as to how the number of affordable homes across the two sites should be split to make best use of this grant funding opportunity. The council Portfolio approach to housing delivery will aim to maximise grant funding for the schemes. However, the target affordable (council) homes percentage will be at least 50% across the sites.
4.1.7	Including the expanded scheme, 223 households would be asked to move out of their homes, and we expect it will take several years for this process to be complete. Previously, it was communicated to residents that they would first be able to apply to move home from any of the already included properties (Arbury Court, Kingsway, Brackley Close, Rutland Close, Verulam Way) at the point when a planning application for Arbury Court is submitted. The timeline for planning submission target is now Spring 2027 for both Kingsway (brought forward) and Arbury (now later). However, the increased project assurance as a result of the Homes England Strategic Partnership means that the Council has the confidence to invite residents who wish to move sooner rather than later to start the process from now. We have therefore written to all residents to confirm that they can apply to move from 26 October 2026.

4.1.8	If the expansion of the Kingsway red line boundary is approved, then residents of the newly affected properties at Brackley Close and Rutland Close can also apply to move from this date. Council tenants will be offered emergency banding status, with leaseholders and freeholders able to sell their properties in accordance with the council's regeneration policy. Residents who do not wish to move as quickly will not be expected to move before Summer 2028. Given the number of households involved in this process, the management of the moving process will involve Council officers prioritising residents based on the following: 1) Earliest redevelopment 'start on site' date (should tenants moving from more than one estate place a bid). 2) Home-Link application priority date including those elsewhere already on priority banding. 3) 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. Due to the number of people involved, this process will take time. Council Officers will manage this moving process as smoothly as possible.
4.1.9	Learning from previous developments, the project team led significant engagement with the community throughout the North Cambridge Framework for Change project, and since the last Cabinet report this has continued and expanded with focus on Arbury Court and Kingsway. Appendix 2 outlines the extensive engagement sessions that council officers and CIP have held since the last report. Officers have set up a Community Panel to assist in design feedback and to help co-design the park and civic space at Arbury Court. Representatives of core stakeholder groups are on the panel and include Immediate neighbours; Older People; Parents/carers of young children; Accessibility needs; Council tenant; Parents/carers of young people, parents/carers of children 6-11; and young people. To date, the panel have met in June, July, September and the next meeting is scheduled for October. The success of this co-design approach with a Community Panel will now be replicated on future developments going forward.

4.1.10	Future Engagement Sessions will include: <table border="1" data-bbox="231 264 1428 1433"> <thead> <tr> <th>Engagement</th><th>Dates</th></tr> </thead> <tbody> <tr> <td>'We Are Arbury' Community Panel Workshops</td><td>to run until planning submission</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Shaping North Cambridge</td><td>7th Oct – Meadows Community Centre</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Resident meetings for residents at Arbury and Kingsway directly affected by redevelopment proposals:</td><td>19th Oct - Good Shepherd Church of the Good Shepherd</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Second Public Consultation for Arbury and Kingsway</td><td>provisional dates</td></tr> <tr> <td>Survey Launch</td><td>Wed 28th October</td></tr> <tr> <td>Key Stakeholder Presentations –</td><td>Wed 28th October - 1:30 to 3:30 - Church of Good Shepherd (CGS)</td></tr> <tr> <td>Arbury Consultation 1</td><td>Wed 28th October - 4:00 to 7:00 – CGS</td></tr> <tr> <td>Kingsway Consultation 1</td><td>Wed 4th November - 4:00 to 7:00 – CGS</td></tr> <tr> <td>Arbury Consultation 2</td><td>Sat 7th November - 11:00 to 13:00 – Meadows Community Centre</td></tr> <tr> <td>Kingsway Consultation 2</td><td>Sat 7th November - 13:30 to 3:30 – Meadows Community Centre</td></tr> <tr> <td>Arbury Webinar</td><td>Thur 12th Nov - 5:30 to 6:30 – online</td></tr> <tr> <td>Kingsway Webinar</td><td>Thur 19th Nov - 5:30 to 6:30 - online</td></tr> <tr> <td>Close of survey -</td><td>Fri 20th November</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Third Public Consultation for Arbury and Kingsway</td><td>January 2027</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Target date for planning submission</td><td>Spring 2027</td></tr> </tbody> </table> Next Steps If the increased budget is approved, we will write to residents of the newly included blocks to confirm the Council's decision, and meetings and drop-in sessions will be held to guide residents through the moving process.	Engagement	Dates	'We Are Arbury' Community Panel Workshops	to run until planning submission			Shaping North Cambridge	7th Oct – Meadows Community Centre			Resident meetings for residents at Arbury and Kingsway directly affected by redevelopment proposals:	19th Oct - Good Shepherd Church of the Good Shepherd			Second Public Consultation for Arbury and Kingsway	provisional dates	Survey Launch	Wed 28 th October	Key Stakeholder Presentations –	Wed 28 th October - 1:30 to 3:30 - Church of Good Shepherd (CGS)	Arbury Consultation 1	Wed 28th October - 4:00 to 7:00 – CGS	Kingsway Consultation 1	Wed 4th November - 4:00 to 7:00 – CGS	Arbury Consultation 2	Sat 7 th November - 11:00 to 13:00 – Meadows Community Centre	Kingsway Consultation 2	Sat 7 th November - 13:30 to 3:30 – Meadows Community Centre	Arbury Webinar	Thur 12th Nov - 5:30 to 6:30 – online	Kingsway Webinar	Thur 19 th Nov - 5:30 to 6:30 - online	Close of survey -	Fri 20th November			Third Public Consultation for Arbury and Kingsway	January 2027			Target date for planning submission	Spring 2027
Engagement	Dates																																										
'We Are Arbury' Community Panel Workshops	to run until planning submission																																										
Shaping North Cambridge	7th Oct – Meadows Community Centre																																										
Resident meetings for residents at Arbury and Kingsway directly affected by redevelopment proposals:	19th Oct - Good Shepherd Church of the Good Shepherd																																										
Second Public Consultation for Arbury and Kingsway	provisional dates																																										
Survey Launch	Wed 28 th October																																										
Key Stakeholder Presentations –	Wed 28 th October - 1:30 to 3:30 - Church of Good Shepherd (CGS)																																										
Arbury Consultation 1	Wed 28th October - 4:00 to 7:00 – CGS																																										
Kingsway Consultation 1	Wed 4th November - 4:00 to 7:00 – CGS																																										
Arbury Consultation 2	Sat 7 th November - 11:00 to 13:00 – Meadows Community Centre																																										
Kingsway Consultation 2	Sat 7 th November - 13:30 to 3:30 – Meadows Community Centre																																										
Arbury Webinar	Thur 12th Nov - 5:30 to 6:30 – online																																										
Kingsway Webinar	Thur 19 th Nov - 5:30 to 6:30 - online																																										
Close of survey -	Fri 20th November																																										
Third Public Consultation for Arbury and Kingsway	January 2027																																										
Target date for planning submission	Spring 2027																																										
4.2	Davy Road Redevelopment																																										

4.2.1	In September 2024, the Council's Housing Scrutiny Committee (HSC) approved the purchase of 45 affordable (council) homes from CIP as part of Davy Road redevelopment. The current budget is £17,840,740.95. Since the scheme budget was approved, designs have progressed significantly and the site has increased in density to make better use of the land, which was key feedback from Design Review Panel and pre-application planning process. There is now an opportunity to increase the number of affordable (council) homes from 45 to 57 (78% affordable (council)). With the Homes England Strategic Partnership funding secured, the number of council homes at Social Rent will increase from 5 to 34.
4.2.2	To purchase 57 affordable (council) homes, we propose to increase the budget to £20,242,000. This will include construction costs, professional fees and further associated fees. Previous approvals will remain the same. Subject to approval of a new budget, a planning application will be submitted in Autumn 2026. If planning approval is granted, we expect work will start on site by Summer 2028.
5	Corporate plan
5.1	<u>Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council</u> The council's Corporate Plan for 2022-2027 sets out 4 key priorities. 1) Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030; 2) Tackling poverty and inequality and helping people in the greatest need; 3) Building a new generation of council and affordable homes and reducing homelessness; 4) Modernising the council to lead a greener city that is fair for all All items in this report paves the way for: 1) A more sustainable built environment – both residential and commercial buildings 2) Investment in an area which includes some of the most deprived LSOAs in Cambridge 3) Building new council homes 4) promoting a local, place-based approach to the Council's work including measures to encourage environmentally friendly forms of travel and improved green spaces
6	Consultation, engagement and communication
6.1	Details of Consultation, engagement and communication for North Cambridge and Davy Road are provided in the Background sections above
7	Anticipated outcomes, benefits or impact

7.1	Increase in affordable (council) housing and social rents across the city.
8	Implications
8.1	Relevant risks
8.1.1	Risks reported in previous HSC and Cabinet Reports for Davy and North Cambridge are still relevant.
8.2	Local Government Reorganisation (LGR)
8.2.1	N/A
8.3	Financial Implications
8.3.1	Budget increases are in accordance with MTFS but with a change in profile. See previous report.
8.4	Legal Implications
8.4.1	See previous Cabinet and HSC reports
8.5	Equalities and socio-economic Implications
8.5.1	The EQIAs that have previously been provided for North Cambridge and Davy Road projects and there are no further equalities issues compared with previous approvals
8.6	Net Zero Carbon, Climate Change and Environmental implications
8.6.1	There are no changes to the design ambition which is to deliver all affordable (council) homes 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 in September 2024 HSC.

8.7	Procurement Implications
8.7.1	There are no further procurement implications compared with existing approvals.
8.8	Community Safety Implications
8.8.1	There will be no further community safety implications compared with existing approvals.
9	Background documents Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
9.1	HSC 21 January 2022: Appendix B Hanover Princess and Kingsway Consultation HSC 18 June 2024: Update on New Build Council Housing Delivery HSC 17 September 2024: Appendix 5 NorthCambridgeFrameworkforChangeFINAL.pdf HSC 17 September 2024: Redevelopment of 2-28b Davy Road, including associated land and Garages HSC 11 March 2025: Update on New Build Council Housing Delivery Cabinet 21 October 2025: Cambridge North Framework for Change
10	Appendices
10.1	Appendix 1: <i>Portfolio approach for the Ten-Year New Homes Programme post September 2024</i> Appendix 2: <i>North Cambridge Engagement</i> Appendix 3 - <i>Arbury Court Redevelopment EqIA</i> Appendix 4 - <i>Kingsway, parts of Brackley Close, Rutland Close and Verulam Way EqIA</i> Appendix 5: <i>Davy Road EQIA</i>
	To inspect the background papers or if you have a query on the report please contact Ben Binns, Assistant Director, Development, email: ben.binns@cambridge.gov.uk