

26 February 2024

Cambridge City Council's response to JLL's report on Ekin Road

The Ekin Road estate is part of the council's wider programme of work across Cambridge to improve accommodation standards for people living in existing council homes; to build additional council homes to meet local need; and to address wider housing supply issues, including much-needed larger family homes.

The Ekin Road estate was identified for assessment because some of the homes have significant maintenance and structural issues and are well below the current standards the council applies to new developments.

The council has a duty either to invest in refurbishment works to improve the quality of homes, or to invest in partial or full redevelopment to build new, high-quality homes for its tenants, and, where feasible, increase the overall number or size of affordable homes to help meet local housing need.

JLL was commissioned to further investigate the options available to the council to bring about homes at Ekin Road that are modern, sustainable and comfortable places to live with much greater energy efficiency, with consideration of the potential economic, social, environmental, financial, and strategic benefits to each option. JLL have now reviewed the three shortlisted options.

The council thanks JLL for the work that has gone into producing this report, which has been created with great care, taking into account the outcome of consultation with residents on the estate.

As is made plain in the report, none of the options available to the council are financially risk-free, but there is a housing crisis in the city and the council takes its responsibility seriously to deliver the best housing outcomes for the people of Cambridge.

The challenge is how to proceed in a way that delivers high quality, affordable homes for tenants, while being affordable to the council.

Summary

- The council accepts findings within the report that refurbishment cannot deliver homes to the standards the council requires and has to be ruled out: *the refurbishment option will provide short-term improvements but is unable to resolve the long-term issues*¹.
- The council notes the finding that partial redevelopment could bring some improvements such as to building safety and outdoor space, but that: *limitations arise from retaining the low-density houses. It results in a*

¹ JLL Conclusion p118

fragmented estate in terms of design and quality and causes constraints in meeting housing demands and needs as a lower number of homes can be delivered².

- The council also notes the report's finding that: *by ultimately redeveloping the whole estate, the council can deliver the highest level of benefits for residents and the wider community while aligning with strategic objectives³.*

The council therefore accepts that the benefits of refurbishment are too limited to justify the investment. Regarding partial or full redevelopment, the council also acknowledges that a full redevelopment scheme would deliver greater benefits compared to a partial redevelopment option.

However, there would be significant financial pressures for the full redevelopment option and the council would need to consider what could deliver best value for residents and council tenants, noting that the JLL report says:

Although the full redevelopment option with 100% affordable housing is the “least-worst” option, the financial viability of the option must be seriously considered. The council should examine the affordability and risk of this option in relation to the Housing Revenue Account (HRA) against a backdrop of building cost inflation and higher interest rate environment.

“With this in mind, alternate development or delivery options should be explored with a development partner should this option prove not to be financially viable for Cambridge City Council⁴.

The council does not believe that it is fair to residents' wellbeing to create delay and uncertainty. Therefore, as advised by JLL, the council is proposing to consult on emerging designs.

The emerging designs would increase the number of 3- or 4-bed family homes compared to what is currently available on the estate. This would support people who are currently in overcrowded 1- or 2-bed flats to have opportunities to access larger family homes in the area. This may mean fewer but larger council homes, to meet local housing need.

Emerging mixed tenure designs would also respond to the JLL advice by reducing the financial risk to the council.

Should the Ekin Road estate be fully redeveloped, alongside the nearby East Barnwell redevelopment, this would mean up to £100 million would be invested in Abbey, which could provide 275 new homes with over 70% council homes, create new jobs, support the local economy and improve the lives of our community.

By providing a range of low energy 1-bed and 2-bed flats as well as addressing the shortage of 3-bed and 4-bed houses, this would address housing need and create a balanced and mixed community across both of these developments.

²JLL Report Executive Summary p10

³ JLL Report Conclusion page 121

⁴ JLL Report Executive Summary, page 12

Next steps

Whilst 57% of residents were in favour of redevelopment and 49% in favour of full redevelopment, the council is very aware that all Ekin Road residents are looking for certainty on the next steps and what this means to them.

Now that the report is published, the next step is to discuss its findings with the Ekin Road Liaison Group on 4 March.

After that, the council intends to consult residents on emerging designs.

Consultation

Residents will be consulted on the emerging designs from 11 March to 3 May, and can access information at www.ekinroad.co.uk

There will be consultation events at Barnwell Baptist Church on:

- Saturday 16 March, 10am to 1pm
- Wednesday 20 March, 4pm to 7pm
- Online on Monday 18 March, 6pm to 7.30pm. Register online: www.ekinroad.co.uk

As always paper copies of the consultation material will be available at Barnwell Road Library and Abbey People Hub, from 12 March.

There is also an opportunity to hear about the wider plans for the ward and to help shape the future of Abbey at a meeting being held on 13 March from 5.45pm to 7.30pm at Christ The Redeemer Church.

Support for tenants

Confidential appointments are available for residents on request at Mandela House or in their home or online. If residents would like to arrange a meeting in person or over the phone, please contact Andrew Johnson on 07563 421031, ekinroad@cambridge.gov.uk or in writing to Cambridge City Council, PO Box 700, Cambridge, CB1 0JH.

As stated in the JLL report, if redevelopment is approved, there would likely be immediate impacts on tenants' health and wellbeing from relocating during any partial or full redevelopment.

However, long-term benefits would include improved housing conditions across Abbey for existing tenants who may return, or residents who find alternate housing options of a higher quality and better condition than their previous housing.

Residents who live on the estate following any approved redevelopment would benefit from a cohesive, modern estate with high-quality housing for all.

The council has considerable experience in working with tenants and homeowners in other redevelopment schemes where relocation has been needed. In other recent schemes, almost 150 tenant households have been supported to move to a home of

their choosing, and nearly 40 leaseholders have been supported to secure a new property after selling their home back to the council.

Tenants relocating are given the highest banding on the Home-link choice-based lettings system and support is provided to register and access the system on an ongoing basis. Tenants are able to bid on properties of their choosing and there is no limit as to how many properties are viewed. Financial assistance is provided with an initial payment of £1,250 to help with moving costs – or the council can make arrangements on the tenant's behalf, particularly if they are more vulnerable. A further statutory compensation payment is payable of £8,100. Special consideration is given to those tenants who require adapted properties, and these have been arranged in advance of a tenant moving, with full involvement of an OT and social care where applicable.

Homeowners have the reassurance of an independent market valuation that can be arranged by the council or with a RICS surveyor of their choosing. Once the valuation is agreed, resident homeowners receive compensation of a further 10% of the market value. Support is provided throughout the lease / property surrender process in terms of the conveyance and finding another property. Further payments are made to cover legal costs, stamp duty land tax, mortgage redemption fees and the various incidental moving costs.

Housing Scrutiny Committee

As stated on the resident engagement plan, the council is aiming to submit a report ahead of Housing Scrutiny Committee on 18 June 2024, on the recommended next steps.