

<b>SHAREHOLDER CABINET COMMITTEE</b>	AGENDA ITEM No. 6
<b>1 March 2021</b>	<b>PUBLIC REPORT</b>

Report of:	Executive Director, Place and Economy	
Cabinet Member(s) responsible:	Cllr Peter Hiller, Cabinet Member for Strategic Planning and Commercial Strategy and Investments	
Contact Officer(s):	Steve Cox, Executive Director, Place and Economy	Tel. 01223 715660

## MEDESHAM HOMES 2020 UPDATE

RECOMMENDATIONS	
<b>FROM:</b> <i>Executive Director, Place and Economy</i>	<b>Deadline date:</b> <i>N/A</i>
<p>It is recommended that Shareholder Cabinet Committee:</p> <ol style="list-style-type: none"> <li>Note the contents of this report for 2020</li> <li>Continue to support the Council's involvement in Medesham Homes</li> </ol>	

### 1. ORIGIN OF REPORT

- 1.1 This report is submitted to Shareholder as an annual review.

### 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is provide a brief annual review of Medesham Homes' (MH's) activities over the last year and set the scene for the year ahead.
- 2.2 This report is for Shareholder Cabinet Committee to consider under its Terms of Reference No. 3.3.2 (a), *'To monitor performance and financial delivery of the companies, partnerships and charities set out above in line with Cabinet approved business plans...'*

### 3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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### 4. BACKGROUND AND KEY ISSUES

- 4.1 Although the previous twelve months have presented significant difficulties due to the COVID pandemic and travel lockdowns at various times, Medesham Homes has still managed to maintain a reasonably steady programme of activity throughout 2020.
- 4.2 The first handovers of the year took place in January and February with the completion of the scheme at Belle Vue, Stanground. This scheme consisted of 24 two- and three- bedroom houses and six one-bedroom flats. All properties were let within days of handover at affordable rent levels with the on-going management provided by Cross Keys Homes, on behalf of Medesham Homes, under a long-term lease structure. This arrangement gives tenants added benefits both in terms of security of tenure and also direct, easy access to high quality management services. This was

the second scheme to be completed by Medesham, following on from the Midland Road development that was handed over in 2019.



*Figure 1: Photo of completed homes at Belle Vue*

4.3

Medesham Homes then completed its third project in June 2020 with the handover of 35 two- and three-bedroom houses at Crowland Road, Eye Green. These much-needed family homes have also been leased on to Cross Keys Homes and all the properties were let immediately. With the completion of this scheme Medesham Homes has now completed and let 94 new homes for affordable rent since 2017/18.



*Figure 2: Photo of completed homes at Crowland Road*

- 4.4 The three projects have been delivered using a combination of funding from accumulated “Right to Buy” receipts from the Council, S106 receipts for Midland Road, and external grant funding of £1.61million provided by the Cambridge and Peterborough Combined Authority for Belle Vue and Crowland Road.
- 4.5 Medesham Homes also owns the site at Bretton Court, which is a property made up of a former Council-owned office block and the Roundhead public house. This project has the potential to be either a refurbishment / conversion development creating a residential scheme of 45 flats, or a more significant demolition and redevelopment project to build in the region of 90-120 new homes, subject to planning. Both development options have been appraised with regards to the level of future funding required and also the level of recycling of grant funding that can be achieved by re-financing within Medesham itself. The new-build option would be a significant regeneration proposal with improvements to the commercial, residential and public realm aspects of the estate and if developed it would have a transformational effect on the whole Bretton Centre.
- 4.6 In advance of development, enabling works have been undertaken on site at Bretton Court to remove asbestos and other non-structural materials from the building, and this work was completed at the end of January 2021.
- 4.7 Medesham has also agreed “Heads of Terms” with the Council for the purchase of the site at 7-23 London Road and the conditional contract is currently in draft form pending resolution of a couple of outstanding legal points. Conditional exchange is expected to take place in the near future and then the project will move into the detailed design and planning stage.
- 4.8 The sites currently under consideration would bring the potential future pipeline in Medesham up to between 160 and 210 more units and these would hopefully be delivered in phases during the years 2022 and 2023.

**5. CONSULTATION**

- 5.1 None on this report, though of course the planning applications mentioned in it will be consulted on thoroughly in the usual way with a wide-range of stakeholders.

**6. ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 That the Shareholder Cabinet Committee will note the contents of the report and support MH going forward.

**7. REASON FOR THE RECOMMENDATION**

- 7.1 MH is a unique partnership between the Council and the largest residential social landlord in the area, Cross Keys Homes. It has delivered a significant number of purely affordable rent homes already, and has a potential pipeline that can continue this work well over the coming period. These new homes will be a substantial help in addressing the city’s need for housing of this type.

**8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 N/A; this report is mainly for information.

**9. IMPLICATIONS**

**Financial Implications**

- 9.1 None directly from this report. The latest consolidated accounts for Medesham Homes LLP are attached for information.

**Legal Implications**

- 9.2 None directly from this report.

## **Equalities Implications**

9.3 None directly from this report.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

10.1 None.

## **11. APPENDICES**

11.1 6Appendix A - Medesham Homes LLP - Signed Accounts Final 27.01.2021