



Agenda Item No: 3.3

## 24 High Street, Wisbech, Fenland

- To: Housing and Communities Committee
- Meeting Date: 7 October 2022
- Public report: This report contains appendices which are exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.
- Lead Member: Councillor Lewis Herbert, Lead Member for Housing and Chair of Housing Committee
- From: Roger Thompson - Director for Housing and Development
- Key decision: Yes
- Forward Plan ref: 2022/048
- Recommendations: The Housing and Communities Committee is recommended to:
- a) Note the previous Affordable Housing programme 2017-2021, whereby grant was awarded to Bretton Court, Peterborough, has failed to proceed due to the planning permission expiring. The CPCA has been informed that the project would not fully start with construction and completion in the given time noted in the GFA.
  - b) Approve the use of the funds of £210,000 (from £1,687,500 funding from Bretton Court) to provide 6 one bed affordable rented units at 24 High Street, Wisbech, Fenlands.
- Voting arrangements: A simple majority of all Members present and voting

# 1. Purpose

- 1.1 Medesham Homes requested a grant in November 2019 to redevelop Bretton Court, Peterborough. The scheme was awarded £1,687,500 and commenced in September 2020 after a COVID lockdown. The site has since remained empty pending further discussions to proceed, and many objections were raised from members of the public. The planning permission was for a permitted development that expired in July 2022.
- 1.2 Medesham Homes have confirmed they are no longer proceeding with the scheme at Bretton Court and CPCA are looking to reinvest the funding. Fenland District Council then approached CPCA and applied for funding to provide 6 units for affordable rent at their site at 24 High Street, Wisbech.

# 2. Background

- 2.1 24 High Street, Wisbech was proposed by Fenland District Council, as part of their National Lottery Heritage Fund Townscape Heritage Scheme, and this site was considered a priority site for development for FDC. The site is currently vacant and falls within the Wisbech Conservation Area and, has been earmarked for the National Lottery Heritage Fund to restore the historic character of the streetscape.
- 2.2 The site is of key importance to the High Street, and the wider town in general. Since it has been vacant for several years and with its difficult position with poor site access, it has not been seen as a commercially viable site for development. FDC want to remedy this to, by revitalise the site and the surrounding area, and to increase footfall. The scheme will include the construction of a new four storey mixed use development, comprising of a retail unit and studio apartment on the ground floor and three upper floors for residential accommodation, totally of 6 one-bedroom flats, the scheme has full planning permission, and currently have planning conditions discharged. Tenders for contractors is being considered.
- 2.3 The main scheme maximises the full footprint of the existing site and will overlook the High Street and will incorporate the historical features of the building, e.g., cornice detail, and glazed brick stalls. The design team are adhering to the “Wisbech Shopfront Guidance” document – compiled specifically for the National Lottery Heritage Fund High Street project, to assist with creating shopfronts that are suitable and sympathetic to the Conservation Area.
- 2.4 The scheme has undertaken a significant amount of preparatory works and is at the stage to include a full tender exercise, planning approval and ongoing prep of the site to begin development. As from November 2021, the estimated cost for the development was around £1,300,000, however due to the ongoing external factors affecting the construction industry and a rise in costs of materials and labour shortages and the ongoing pandemic, FDC are looking for further assistance with grant.
- 2.5 The NLHF grant is £238,000 towards the capital development costs of the project. FDC is contributing £1,999,000. With the new estimate of £2,447,000, for build. They are hoping that the CPCA can assist with the funding and ensured that the units provided will be affordable rented units.
- 2.6 CPCA would agree to fund 6 one-bedroom units for affordable rent, and these flats align

with the CPCA housing strategy to help utilise & create affordable housing and tackling the severe shortage of housing across the CPCA area. All 6 units funded would attract affordable rent, set at a level of no more than 80% of the local market rent. The units will have a rental level of £400pcm, this is below the LHA rate for Wisbech. The flats created will encourage residents to live in the town centre helping to reduce the housing shortage across Wisbech and encourage spend in the town centre. All these units are one bedroom – one person accommodation.

- 2.7 The Housing Enabling Office from Fenland District Council does support the project coming forward. Of the 1,504 households currently on the Fenland’s housing register, the greatest need is for a one-bedroom accommodation with 626 households waiting for this size of accommodation. This scheme will not only help with regeneration in Wisbech but also assist with meeting identified.

## Significant Implications

### 3. Financial Implications

#### 3.1 Additionality case for Combined Authority Funding

The following:

- The CPCA have to support the relinquishment of the Bretton Court, Peterborough - a site of 45 units.
- To consider using the grant funding remaining on an additional 6 units for 24 High Street, Wisbech.

Proposed Condition of Grant Approval.

- It is proposed that the grant required of £210,000 will help acquire the additionality of 6 affordable one bedroom rented units proposed.
- After execution of the grant funding agreement 50% of the initial grant will be released, with the remaining 50% will be paid on completion.

- 3.2 The table below will show the financial commitment to the project suggested. Each unit will acquire £35k per unit, which equates to £210,000.

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Previous Schemes SOS (Start on Site) from 2017-21	32	735	£26,094,770.00
Total of schemes approved 21-22	8	716	£29,280,450.00
Remove Bretton Ct	1	45	£1,687,500.00
Remaining units for 2017-2021		690	

<b>PROPOSED SCHEME FOR SEPTEMBER 2022 COMMITTEE APPROVAL</b>			
Given total for 17-21 returned grant			£26,094,770.00
current total			£1,687,500.00
<b>24 HIGH STREET, WISBECH, FENLAND</b>	1	6	£210,000.00
<b>Remaining grant left</b>			£1,477,500.00
Total Affordable Housing Grants if approved by Board Sept 22, for 2017-21 schemes and units	32	696	£27,572,270.00

Affordable Housing:  
AVERAGE GRANT RATE PER UNIT\* £19.5k

<b>TOTAL IF SEPTEMBER 2022 SCHEME IS APPROVED</b>	<b>40</b>	<b>1,412</b>	<b>£27,572,270.00</b>
---	-----------	--------------	-----------------------

3.3 This would amount to 696 units for the schemes between 2017- 2022, and the total units count would be 1,412.

## 4. Legal Implications

4.1 A termination of the GFA for Bretton Court is in progress and currently being signed off. A new GFA will be proposed on the outcome of Housing Committee's decision, for the new additional 6 units, at 24 High Street, Wisbech.

## 5. Public Health implications

5.1 These units are refurbished units with funds from NLHF and will benefit the health and wellbeing of the people of Wisbech, whereby new opportunities of much needed housing are a positive outcome for public health. This will help people to live within the town centre and provides carefree accommodation too. All the necessary energy efficiencies and renewable sources will be in line with building regulations.

## 6. Environmental and Climate Change Implications

6.1 The project will deliver 6 new car free residential properties, in the heart of the town centre with secure cycle storage for each apartment. Photovoltaic panels on the flat roof to provide energy to power the building through renewable sources. Internally, water saving toilets and LED lightning will be installed in each flat and proximity detection lighting in the communal areas to avoid lights being left on for prolonged periods. This will help with the use of renewable energy sources, solar, and using technology to help with lighting and other energy saving devices.

## 7. Other Significant Implications

- 7.1 No further significant implications, such as Equalities and Risk, Engagement and Consultation which have not been dealt with under the legal or financial implications.

## 8. Appendices

- 8.1 Exempt Appendix 1 – Application Form and Business Plan (commercially sensitive).

## 9. Background Papers

- 9.1 None