

## POST COMPLETION PROJECT REVIEW

**PROJECT:** FLEDGLINGS (LAND AT THE SHADE), SOHAM, CB7 5DE

**DATE:** November 14<sup>th</sup> 2018

**AUTHOR:** Head of Property and Development / Finance Manager

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### THE DEVELOPMENT

The development created 13 residential units. 65% of the development was affordable housing delivered for Soham Thrift CLT. The mix of houses comprised:

- 3 x 1bed flats (Market sale)
- 6 x 1bed flats ( CLT Affordable rent)
- 2 x 3bed Houses (Market sale)
- 1 x 2bed house (Affordable CLT Shared ownership sale)
- 1 x 3 bed house (Affordable CLT Shared ownership sale)

### THE SITE

ECDC owned an existing unused parcel of rough grassland adjacent to The Shade Primary School in Soham. There were existing safety risks for parents and children accessing the school from a busy road and a positive outcome of our development was that it facilitated a safer pathway access to the school.

### WORKING WITH THE COUNCIL

In accordance with the original plan the land was purchased from the Council for £10,000. The Council subsequently awarded a £400,000 grant towards the provision of additional affordable housing within the scheme. This grant was received in September 2017.

### CONSTRUCTION PROGRAMME

**The contractors E N Suiter worked well with the design team to bring the project in on time and on budget.** The contractor worked collaboratively and was exceptionally helpful in providing solutions during the project. However, more defects have been raised since completion than would have been expected. This is being monitored closely.

## SALES

Of the five properties in the scheme for market sale, four have been sold at the time of writing. Total revenues will be fractionally above plan assuming the final plot is sold on or about the current market valuation (£265,000).

### ***Lessons for future projects:***

***There were some issues with completion of the market properties being held up by needing to complete on the sale of the CLT units to Thrift Soham CLT. This was a consequence of the way that the legal transfer process had been set up at the start and it could have been avoided. There was a slight danger that this could have derailed a market sale and needs to be avoided on future projects.***

## S106 / S38 /S278 FEES & COMMUNITY INFRASTRUCTURE LEVY (CIL)

CIL payments totaling £16,000 were made, which was slightly above plan. Payments of £2,400 were made under S106, S38 and S278 agreements, slightly less than forecast.

## CLT AFFORDABLE HOMES

The CLT units were transferred to Soham Thift CLT for £643,000 again fractionally above plan. The six one-bed flats are now all occupied by tenants with a waiting list of sixteen at the time of writing and expressions of interest from a further half a dozen prospective tenants that need to be evaluated. The two houses transferred to the CLT for shared-ownership sale have now been sold.

As well as the £400,000 grant mentioned in 2 above, a further £120,000 grant was received from Cambridgeshire & Peterborough Combined Authority to aid scheme viability. This had not been formally confirmed at the approval of the business plan but was expected.

Overall the CLT has been impressed with the quality of the finish to the properties and feel that it is a good addition to the town. It is appreciated that there is no discernible difference between the market sale properties and the affordable homes.

### ***Lessons for future projects:***

***Arranging the funding for the CLT turned into a lengthy process, not helped by a change in staffing at the lending bank (Triodos). In the future this ought to be streamlined in some way, perhaps by building relations with various ethical lenders over a period in order that both sides (CLT and lender) understand each other's processes a little better.***

***Communication between the development team and Thrift Soham could possibly have been better. It may have been simply the lack of understanding by Thrift Soham of the processes and timescales of a development. Some CLT's will have more understanding of this than others so thought could go into an appraisal of this at the start.***

### FINANCIAL APPRAISAL

	Plan	Actual	Variance
Revenues	2,098,308	2,110,730	12,422
Costs (Pre interest)	1,772,867	1,655,335	(117,532)
Gross profit	325,441	455,395	129,954
Interest		16,589	
Overhead absorption		80,276	
<b>Net Profit</b>		<b><u>358,530</u></b>	

As can be seen from the table above, the project was more profitable than forecast due to costs being lower than planned. The absorption of Palace Green Homes and East Cambs Community Housing overheads has been estimated based on the cost of sales of this project in relation to the costs on other projects. Work is ongoing to apportion these in a different method going forward.

### EXTERNAL RECOGNITION

The development has been nominated in the 'Small Development of the Year' category at the upcoming Cambridge Property Awards 2018, the results of which will be announced on November 29<sup>th</sup>. The submission for this award, prepared by Sarah Woods, is below.



The Fledglings,  
Soham



### The Fledglings, Soham

#### A landmark development that's no ordinary home-building scheme

In a landmark community-led development project that pulled together funding from East Cambs District Council and Cambridgeshire & Peterborough Combined Authority, The Fledglings in Soham is no ordinary home building scheme. Significant community engagement - before, during and after the planning application process – has ensured this development of 13 new homes was a true collaboration between local people who formed a local Community Land Trust, the wider local community, and the Ely-based Palace Green Homes team. Though small in size, as its first project, The Fledglings is a milestone site for Soham Thrift Community Land Trust. It also serves as a successful model to demonstrate what can be achieved through a strong partnership between a local authority and its local community by delivering high-quality homes of all tenures where residents played a significant part in deciding the size, layout and design.

Development of the site itself, a neglected piece of waste ground that had attracted undesirable (anti-social) behaviour in the past, was welcomed by the adjacent primary school. Designers also incorporated a new, safer route for children and parents that walk and cycle to school. Unobstructed countryside views can be enjoyed from the development's large windows, which allow plenty of natural light to flood in. The design is an inspired, contemporary aesthetic with the two three-bedroom homes

offering open-plan living spaces, private gardens and parking as well as communal gardens and secure parking.

8 of the 13 new properties at the Fledglings are now community-owned assets that are legally protected from the right to buy, ensuring genuinely affordable housing is available in perpetuity for future generations. Surpluses generated by the Land Trust from rents over time will be re-invested into new projects that benefit the needs of the local community. Priority was given to applicants with a strong local connection to Soham in the affordable housing allocation decisions. This has strengthened the local community and benefited local employers that were struggling to retain key staff as local people on local wages can continue live close to work and family, irrespective of future property market fluctuations.

Construction work started in mid-September 2017 and was completed in autumn 2018. At less than one mile from the town centre, The Fledglings is perfectly positioned close to Soham’s shops, pubs and restaurants.

Developer	East Cambs Trading Company t/a Palace Green Homes The Grange, Nutholt Lane, Ely, Cambs CB7 4EE Tel: 01353 616397 – Sarah Woods
Architects	The Design Partnership / Gary Johns Architects
Project Manager / QS	Henry Riley LLP
Contractor	E.N Suiter Ltd

