

FOI Ref

11065

Response sent

16 Jun 2022

(CCC) HIFF Grant Homes England

Business Case - HIF/FF/000069/BC/01 submitted to Homes England by Cambridge City Council for what was then Cambridge Northern Fringe East (CNFE), states that Cambridge City Council will 'have an ongoing passive head leaseholder interest in the site'.

Under the freedom of Information Act please confirm:

1. What form this passive Head lease holding will take?
2. The anticipated benefits that will accrue on behalf of Cambridge City Council as the Head Leaseholder?

Please acknowledge receipt and respond electronically within the required 20 day timescale.

Response:

Thank you for your request for information above, which we have dealt with under the terms of the Freedom of Information Act 2000.

I hope the information below will answer your query.

Cambridge City Council formed a joint venture partnership with Anglian to develop the Core Site, North East Cambridge (jointly owned by Anglian Water and the City Council), should the development consent order (DCO) permission to relocate the Cambridge Waste Water Treatment Plant be granted. Cambridge City Council owns about 20% of the land subject of the HIF bid with the balance owned by AW.

The Council interest in using its asset base to serve the residents is to ensure the quality and sustainability of the development. To achieve the best outcome across the whole HIF funded site, viewing the Council's and AW's land as one ensures a more balanced and better master-planned scheme than either party could achieve in isolation. Due to the scale of the scheme, split ownership and as yet unknown final detailed design, the Council will not necessarily have an overarching head leaseholder interest on its current ownership. It will, however, have influence across the whole site through the joint venture approach that could not be achieved by other means.

The Council has indicated a potential interest in development of circa 500 council homes on the site. Under the terms of the joint venture, the exact legal mechanism for ownership or transfer of these is not yet agreed and they may not be located on its own site. It is though, for example, likely to have passive head lease holder interest in those parts of the site which it retains for council housing. This will generate rental income from its own tenants, which is accrued to the Housing Revenue Account and used for repairs and maintenance etc for

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tenanted homes. This council housing will also achieve high levels of environmental performance and sustainability through the Council's ability to influence aspects of this through the JV and retaining a legal interest in parts of the site.

Under the terms of the HIF agreement, the City Council and Anglian Water receive land value proportionate to its land put into the Joint Venture in order to meet its legal obligations in regard to its assets. The vast majority of any increase in value from the site, however, is recycled to the Cambridgeshire and Peterborough Combined Authority for reinvestment in housing across the area.

We aim to provide a quality service to you and hope that you are satisfied with this response, however if you have any questions, please contact us.

Further queries on this matter should be directed to foi@cambridge.gov.uk