



HOUSING AND COMMUNITIES COMMITTEE	AGENDA ITEM No: 3.2 (i)
27 APRIL 2020	PUBLIC REPORT Appendix 1 to this report is exempt from publication because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act. It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information.

**£100M AFFORDABLE HOUSING PROGRAMME: BRAMPTON PARK,
BRAMPTON, HUNTINGDONSHIRE**

PURPOSE

- 1.1. As part of the Devolution Deal, the Combined Authority successfully secured £100 million from Government to deliver 2,000 affordable homes across Cambridgeshire and Peterborough.
- 1.2. This report provides the Committee with one scheme for approval of grant funding in the context of the overall investment pipeline for the Combined Authority's £100m programme.
- 1.3. Grant from the Combined Authority Affordable Housing programme of £270,002 is sought for 6 shared ownership homes, at Brampton Park, Brampton, Huntingdonshire. A Business Case for this proposal is attached as exempt Appendix 1.

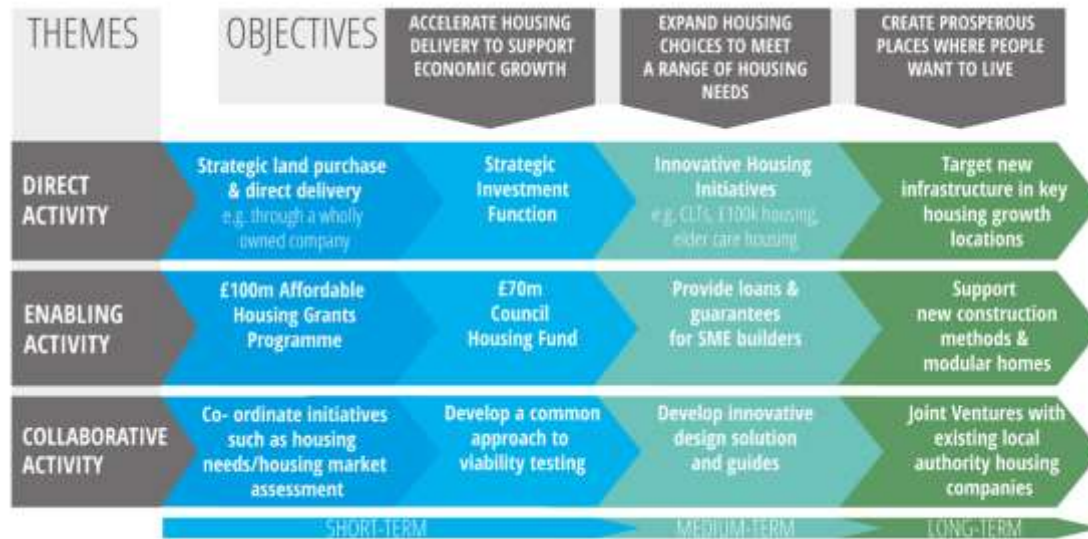
<u>DECISION REQUIRED</u>	
Lead Member:	Cllr Chris Boden, Lead Member for Housing and Chair of Housing and Communities Committee
Lead Officer:	Roger Thompson, Director of Housing and Development
Forward Plan Ref: 2020/004	Key Decision: Yes
<p>The Housing and Communities Committee is recommended to:</p> <p>(a) Commit grant funding of £270,002 from the £100m Affordable Housing programme to enable delivery of 6 additional shared ownership homes at Brampton Park , Brampton, Hunts.</p>	<p>Voting arrangements:</p> <p>Simple majority of all Members</p>

2. BACKGROUND

- 2.1. The Mayor and the Combined Authority are committed to accelerating affordable housing delivery to meet local and UK need and support economic growth in the region.

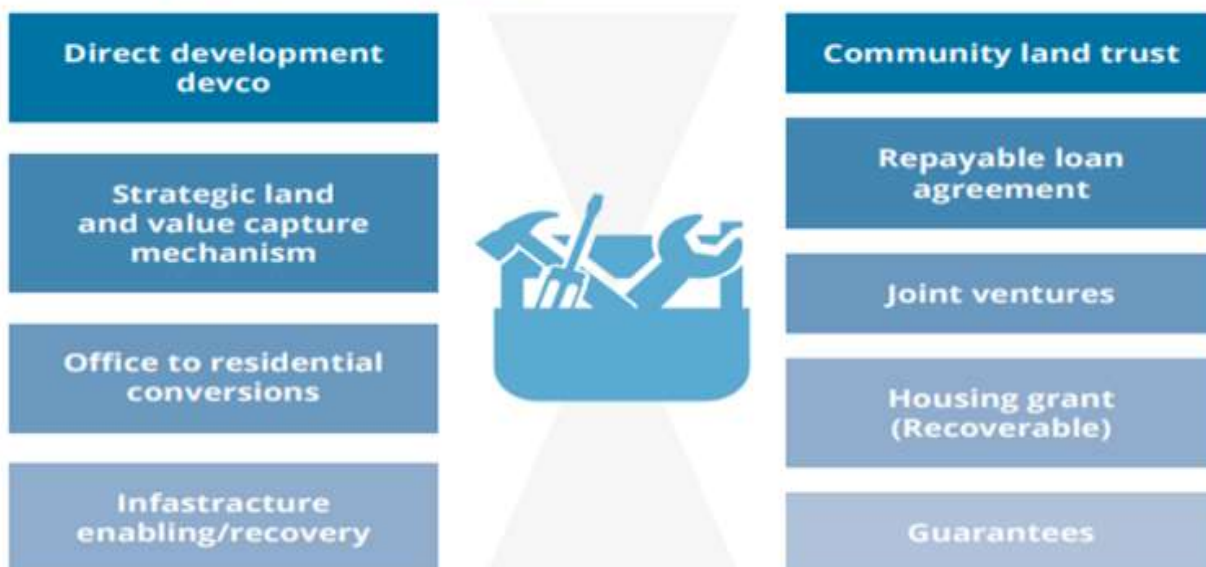
Combined Authority Housing Programme

- 2.2. In 2017, the Combined Authority successfully negotiated £170 million from Government for delivery of an ambitious housing programme providing 2,500 new affordable homes by March 2022.
- 2.3. Within this programme, £100 million is available to be used across the Combined Authority area to deliver 2,000 affordable homes and £70m is available to Cambridge City Council to deliver 500 new council homes.
- 2.4. The Housing and Development Team at the Combined Authority is working with officers in all partner local authorities (via the Cambridgeshire and Peterborough Housing Committee) to identify new schemes to come forward for support from the Affordable Housing Programme. The Team is also building relationships with landowners, developers and housing providers to seek opportunities to influence, enable and accelerate delivery of new affordable housing across the Combined Authority area.
- 2.5. The Combined Authority Housing Strategy was approved by the Board in September 2018 and included three core objectives as illustrated in the figure below:



2.6. The Housing Strategy also approved a flexible multi toolkit approach as the most effective way of accelerating affordable housing delivery. The use of grant as a tool to help unlock sites and deliver additional affordable housing is one of these tools:

A flexible multi-toolkit approach



2.7. Full performance updates relating to the programme are presented to the Housing and Communities Committee on a quarterly basis with the most recent provided as a report on today's agenda. Both the £100m & £70m programmes (within the overall £170m programme) are still on track to achieve their targets by March 2022.

3. PROPOSED SCHEME FOR APPROVAL

BRAMPTON PARK, BRAMPTON, HUNTS.

- 3.1. ReSI Housing has applied to the Combined Authority for £270,002 grant to deliver 6 shared ownership units as part of a development site hosting approximately 118 new homes. These are additional units to 39 shared ownership units already provided on the site.
- 3.2. The initial planning consent was approved on 9th September 2016.
- 3.3. The new site is part of a wider scheme called Brampton Park, Brampton, and 118 new homes are being delivered. The 6 additional shared ownership units are being presented to the Combined Authority as additionality by converting market homes into shared ownership.

Figure 1: -



- 3.4. The site is well situated within the region, with Peterborough to the north and Cambridge to the South East. It has good access to major roads, such as the A14, A1 and within a few miles to Huntingdon.
- 3.5. The six units are all shared ownership and of varying sizes ranging from 2 to 4 beds, in the southern point of the site. The details are provided below.

Dwelling type	M2	Tenure type	quantity
2 x 2 bed	80	Shared ownership	2
3 x 3 bed	85	Shared ownership	3
1 x 4 bed	122	Shared ownership	1
			6

About ReSI Housing

- 3.6. ReSI Housing Limited, a wholly owned subsidiary of ReSI, it is a for-profit Registered Provider of social housing regulated by the Regulator of Social Housing, providing a unique proposition to housing developers (private developers, Housing Associations and Local Authorities), being a long term private sector social housing landlord who will keep assets within the social housing regulatory environment.
- 3.7. As a Registered Provider, ReSI Housing can acquire properties designated as affordable accommodation under s106 planning obligations (such as Shared Ownership and Submarket Rental properties) and those that are funded by government grant.
- 3.8. This organization has under 1,000 homes under management
- 3.9. The units will be handed over to Metropolitan Thamesway as the managing company that will manage any issues raised from the shared ownership properties and they currently have a working and contractual relationship with ReSI.
- 3.10. The Housing Enabling officer for Huntingdonshire DC was consulted and was happy and supported the homes coming through, as it helps increase the need of suitable accommodation in their borough. This would benefit meeting the housing need in the area and the people in Huntingdonshire.

Additionality, Case for Combined Authority funding & Programme

- 3.11. The proposed scheme offers the following:
- Exchange and completion due for the end of May 2020.
 - The CPCA grant will enable an additional 6 affordable units to be provided, as part of the CPCA 2000 start on site homes target by March 2022.

Proposed Conditions of Grant Approval

- 3.12. It is proposed that the grant of £270,002 will help with the delivery of 6 new affordable homes at Brampton Park to be approved subject to the following conditions: -

Post contract but pre draw-down of grant:

- i. Evidence of site ownership through exchange and completion.

SIGNIFICANT IMPLICATIONS

4. FINANCIAL IMPLICATIONS

- 4.1. The applicant has provided a scheme Business Case and its supporting documentation, attached as exempt Appendix 1 to this paper.
- 4.2. Supporting this application will approve £270,002 grant from the Affordable Housing Programme at an average grant rate of £45,000 per unit for each unit of affordable housing.
- 4.3. The impact on this funding on the programme is set out below:

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Total Affordable Housing Grants approved by Board as at March 2020	25	1,176	24,096,506
Less: Sage Scheme no longer in prog	-1	-11	-330,000
Total before April 2020 Committee	24	1,165	23,766,506
PROPOSED SCHEME FOR April 2020 Committee APPROVAL			
Brampton Park, Hunts	1	6	270,002
Total Affordable Housing Grants if approved by Board	25	1,171	24,036,508

Affordable Housing:
AVERAGE GRANT
RATE PER UNIT* £20.5k

Loan & Toolbox capital committed (from £40m revolving fund)	5	53	51,167,000
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TOTAL IF MARCH 2020 SCHEME IS APPROVED	31	1,224	75,203,508
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5. LEGAL IMPLICATIONS

- 5.1. The Combined Authority Order 2017 granted the Combined Authority a general power of competence. This power permits the Combined Authority to make grants to housing providers in order to deliver the terms of the devolution deal signed with Government.

6. APPENDICES

Appendix 1 – Exempt from publication - Business Case including supporting evidence.

<u>Background Papers</u>	<u>Location</u>
Housing Strategy September 2018	<u>CA Board September 2018</u>
£100m Affordable Housing Programme Update Mar 2020	<u>CA Board Mar 2020</u>