



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

HOUSING AND COMMUNITIES COMMITTEE	AGENDA ITEM No: 2.2 (i)
11 NOVEMBER 2019	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 SCHEME APPROVALS

GREAT WHYTE, RAMSEY - PLATFORM HOUSING GROUP

1. 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 £600,000 is sought for 15 affordable units at 94 Great Whyte, Ramsey, to be delivered by Platform Housing Group. A Business Case for this proposal is attached as exempt Appendix 1.

<u>DECISION REQUIRED</u>	
Lead Member:	Cllr Graham Bull, Lead Member for Housing and Chair of Housing and Communities Committee

Lead Officer:	Roger Thompson, Director of Housing and Development
Forward Plan Ref: 2019/051	Key Decision: Yes
<p>The Housing and Communities Committee is recommended to:</p> <p>(a) Commit grant funding of £600,000 from the £100m Affordable Housing programme to enable delivery of 15 new affordable homes at 94 Great Whyte, Ramsey.</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.

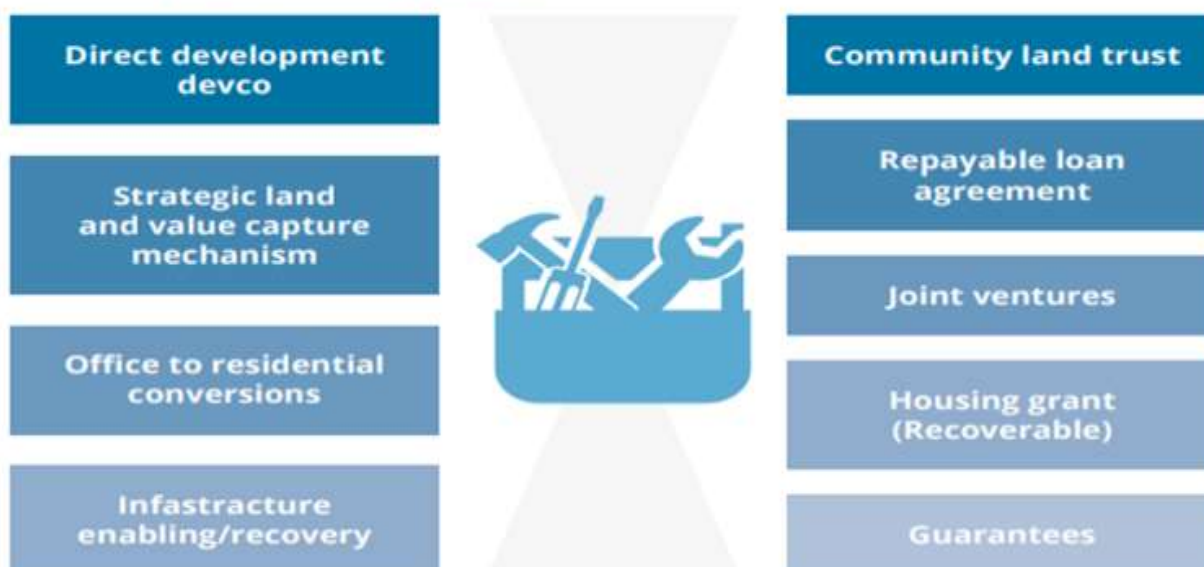
Combined Authority Housing Programme

- 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 on track to achieve their targets by March 2022.

3. PROPOSED SCHEME FOR APPROVAL

94 GREAT WHYTE, RAMSEY – PLATFORM HOUSING GROUP

- 3.1. Platform Housing Group has applied to the Combined Authority for £600,000 grant to deliver 15 new affordable homes as part of a development of 32 new homes.
- 3.2. Planning application 15/02384/FUL was regarding a Change of use of land, demolition of existing warehouse/store buildings and portable cabin. Construction of a housing development consisting of 32 dwellings with associated vehicular/pedestrian access and landscaping. 94 Great Whyte Ramsey received full planning consent in June 2018.
- 3.3. 94 Great Whyte, Ramsey, is next to the local Fire Station and Elsie Court. It is one of the main streets in Ramsey, with an array of alternative shops, and businesses. To the south east of Peterborough and north east to Alconbury, Ramsey is set in the countryside within easy reach of the A1 (M).



- 3.4. Platform Housing is working in conjunction with Minster Developments which has agreed a purchase price with the land owner. Solicitors have been appointed by all parties and are working towards exchange. Completion is targeted for mid-November.

- 3.5. Platform Housing are asking for a grant to be provided – to acquire 15 units for affordable housing on the site. This does entail 1 x 2b/3p bungalow, 8 x 2b/4p houses and 6 x 3b/5p houses at affordable rent rates.
- 3.6. Affordable rental levels will be capped at the local housing allowance level.
- 3.7. Platform is applying to the Combined Authority for a £600,000 grant to deliver 15 new affordable Homes for affordable rent. This represents an average grant per unit of £40,000.

Dwelling Type	m ²	Gross Sq.Ft	Quantity
1 x 2b/3p bungalow	67	67	1
8 x 2b/4p houses	64.6 -74.8	663.6	8
6 x 3b/5p houses	85-103.7	553	6
			15

Figure 2. Site plan,



Figure 3:- The Site

Entrance from the site to main road



Figure 4:- The Site

Currently occupied with derelict empty factories.



The site is brownfield

About Platform Housing Group

3.8. Waterloo Housing and Fortis Living joined forces as two strong and ambitious businesses, with a clear synergy and alignment in culture and vision, to create Platform Housing Group (PHG).

- 3.9. As one of the UK's biggest housing associations with a portfolio of over 44,000 homes. With a significant affordable homes' development programme, Platform Housing Group is well placed to play a lead role in helping the local communities where we work to flourish and grow.
- 3.10. To provide up to 2,000 new homes each year by 2023, over 18,000 new homes in their first 10 years and a mixed programme of new homes across a range of tenures for people in housing need.
- 3.11. Platform Housing propose starting on site in Quarter 4, 2019-2020, with practical completion to be Quarter 2, 2020-2021, which is a 9 month build programme.
- 3.12. The new affordable homes will be managed by Platform Housing Group formerly Waterloo Housing and Fortis Living.
- 3.13. The Housing Enabling officer for Huntingdonshire DC was happy with the mix of housing on the scheme.

Additionality / Case for Combined Authority funding

3.14. The proposed scheme offers the following additionality:

- The original planning consent required 40% of the units to be affordable, now 100% of the units will be affordable.
- The scheme will deliver 15 new homes for Affordable Rent in an area of housing need. The 15 affordable rental units will be available in accordance with the lettings policy agreed with Huntingdonshire District Council.
- The scheme is anticipated as being delivered by Quarter 2 2020/2021.
- The site is currently consented for 32 units of which 15 are affordable homes and the remainder will be shared ownership units for sale. The CA grant will enable 15 affordable rented units to be provided, with the remainder available for shared ownership sale.

Proposed Conditions of Grant Approval

3.15. It is proposed that the grant of £600,000 for delivery of 15 new affordable homes at 94 Great Whyte, Ramsey be approved subject to the following conditions;

Pre-contract:

Confirmation of development programme, with a back-stop start on site of main contract no later than 31st May 2020.

Post contract but pre draw-down of grant:

- i. evidence of site ownership due for Mid - November
- ii. evidence of start on site.

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 £600,000 grant from the Affordable Housing Programme at an average grant rate of £40k per unit for affordable rented units.
- 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	17	908	13,723,206
Total Loan & Toolbox capital committed (from £40m revolving fund)	3	38	35,740,000
TOTAL PRIOR TO NOV 2019 BOARD	20	946	49,463,206
PROPOSED SCHEME FOR SEPT 2019 BOARD APPROVAL			
Great Whyte, Ramsey Affordable Housing Grant (CPCA Board 11 November 2019: Agenda Item 3.1(a))	1	15	600,000
Total Affordable Housing Grants if approved by Board	21	923	14,323,206
Affordable Housing: AVERAGE GRANT RATE PER UNIT*			(14,323,206/923) =15,518
Loan & Toolbox capital committed (from £40m revolving fund)	3	38	35,740,000
TOTAL IF NOV 2019 SCHEME IS APPROVED	24	961	50,063,206

5. LEGAL IMPLICATIONS

- 5.1. The Combined Authority has authority under section 1 Localism Act 2011 to exercise a general power of competence. The Combined Authority can exercise this power by virtue of the Cambridgeshire and Peterborough Combined Authority Order 2017. This power permits the Combined Authority to make grants to 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	CA Board September 2018
£100m Affordable Housing Programme Update Oct 2019	CA Board Oct 2019