

# APPENDIX 6

## DRAFT AFFORDABLE HOUSING PRINCIPLES

### CONSULTATION RESPONSES FROM THE SEVEN CA LOCAL AUTHORITIES

10 August 2021

The Combined Authority's (CA's) current Affordable Housing Programme will expire in April 2022. At a recent leader's strategy meeting it was proposed that the CA should adopt eight affordable housing delivery principles that will support a bid for Government funding to deliver affordable housing from 2022 to 2025.

Constituent authorities were consulted about the proposal on 29 June 2021 using an internet platform called 'Smart survey'. Subsequent informal workshop meetings were then offered to each consultee to ensure that issues and observations were understood and recorded clearly. Final responses were invited by 30<sup>th</sup> July 2021.

The table below summarises the responses that were received and the content of each response can be found in this document.

| <b>Consultee</b> | <b>Officer Contact</b> | <b>Written response</b> | <b>Workshop</b> | <b>Pages</b> |
|------------------|------------------------|-------------------------|-----------------|--------------|
| Cambs County     | Emma Fitch             | Received                | 16 July 2021    | 2-7          |
| SCDC             | Peter Campbell         | Received                | Not requested   | 8-11         |
| Cambridge City   | Claire Flowers         | None submitted          | 22 July 2021    | 12-14        |
| FDC              | Dan Horn               | Received                | Not requested   | 15-19        |
| HDC              | Frank Mastrandrea      | Received                | Not requested   | 20-23        |
| ECDC             | Kim Langley            | Received                | Not requested   | 24-26        |
| PCC              | Michael Kelleher       | Received                | Not requested   | 27-30        |

## **CONSULTATION RECORD**

### **DRAFT AFFORDABLE HOUSING PRINCIPLES**

Consultee: Cambridgeshire County Council

A written submission was received from Cllr Nethsingha, Leader of the Council and a follow up workshop was attended by Emma Fitch, Assistant Director – Planning, Growth and Environment, Place and Economy.

The following comments were made in response to each of the proposed draft principles:

1. Affordability for those on lowest incomes as top priority, plus quality of new indoor environments and the contribution of new housing to enhance and create community will be assessed on all Phase Two projects.

Consultee comments:

A balance will need to be made to address housing needs across all those unable to afford housing, rather than just those on low income. The mix of tenure will also influence the level of associated infrastructure requirements, which will in turn impact on the Section 106 (S106) contribution provision sought (see our response to Principle 2 'Additionality' and Principle 4 'Reviews and developer contributions in other areas of the CA' below).

It would be helpful to understand what is meant by 'quality of new indoor environments', as this could relate to minimum space standards and / or accessibility standards – including access to digital infrastructure etc.; so it would be helpful to clarify.

The County Council is committed to addressing social immobility, eradicating poverty, and ensuring there is equality of opportunity for our residents to thrive. Fundamental to that is the ability for residents to live in warm, affordable, permanent, and secure housing, in communities that feel, and are, safe and connected. We want all of our residents to live in a community that gives them security and social interaction, and where they can access services and support locally in ways that make most sense to them.

This proposed core principle is key to achieving this ambition. Those on the lowest incomes are often in vital frontline roles, including those in the health and care sectors, the hospitality industry, and in the distribution and supply chain sector. These sectors require a stable and secure workforce spread across all of the CPCA footprint, with genuinely affordable housing being at the very core of achieving this.

Affordability must also cover Fuel Poverty. If the Affordable Housing (AH) provision is not viewed from the lens of energy efficiency and decarbonised heating systems, the vulnerable and poor in our society will have unnecessary future costs for fuel.

In principle 8 below on Net-Zero Carbon, we suggest it is ranked the highest priority in this list. The vulnerable and poor are the most at risk communities from the costs and impacts of climate change impacts yet the least able to pay.

2. The core focus is additionality to delivery by others, to maximise additional new affordable housing in line with

- a) funding opportunities and requirements, including any support from MHCLG to assist from the original 2017 funding allocation if not fully committed
- b) the adoption of an updated and revised CA housing strategy
- c) additionality opportunities to be identified, including assisting councils review upwards affordable housing %s where worth reviewing on major developments.

Consultee comments:

This is something that Cambridgeshire County Council officers have been suggesting for some time on S106 sites in Fenland, where the District Council prioritises affordable housing over infrastructure. We have seen this most recently with the Wisbech Road, March development, where the Education service is being asked to cross-subsidise the Housing Association to provide affordable housing in excess of policy. In cases like this it is entirely right, as we have suggested, that agencies like the Combined Authority (CA), Homes England (HE) and local housing authorities step up and provide the grant and gap funding to deliver projects and their policy objectives and not pass the cost to other organisations; particularly where the S106 contributions increase based on the tenure and can deem projects unviable.

To help clarify what is being proposed and in what circumstances it would also be helpful to understand if the reference to 'major developments' in point c) will be taken from the planning definition for housing set out in the Town and Country Planning (Development Management Procedure) (England) Order 2010 (as amended) i.e. (c)(i) the number of dwellinghouses to be provided is 10 or more; or (ii) the development is to be carried out on a site having an area of 0.5 hectares or more and it is not known whether the development falls within sub-paragraph (c)(i); or whether this has an alternative meaning in this context? Also, whether the driver is seeking to address under provision levels in some areas or more to address viability?

3. The CA will be realistic about what it can best add, and communicate that clearly to Government, partners and the whole community.

It will follow on from winning MHCLG confidence in the quantity, value and quality of Phase One delivery, followed by discussions on further Government funding for CA AH delivery, including from MHCLG, Homes England and the Arc. Depending on funding anticipated to be available, the CA will engage councils, Registered Providers and Housing Associations/charities particularly local ones, developers and other providers of AH but only where the CA can provide real additionality.

Consultee comments:

In addition to the eight key core principles set out and the opportunities that exist within them to support the viability and delivery of affordable housing, we would recommend that six more areas are considered by either building them into the existing eight core principles or creating additional ones. These six areas are described at the end of this document\*.

In addition to the above it would also be helpful to understand what is meant by 'only where the CA can provide real additionality' – once defined how will this be measured, and how will it influence what parts of Cambridgeshire will receive such support?

4. Where it can add value and this is supported by councils/developers, the CA will offer reviews with Local Planning Authorities, councils, developers and others for larger developments on maximising the % of affordable housing in other development in the CA area as a central part of developer contributions, recognising that %s of up to 50% are possible in some high value locations with additional potential development value, plus potential for higher %s in most other CA areas too. Discussion on re-phasing such schemes to achieve earlier development of AH is a further opportunity.

Consultee comments:

The County Council is often in a position where there is a challenging viability balance between

- (i) policy compliant affordable housing, and
- (ii) infrastructure requirements to enable sustainable/safe/capacious development.

A key example is Waterbeach, where officers have dealt with this challenge in two different ways, the first consent (Urban and Civic) leaning more to Affordable Housing (AH), and the second (RLW) providing mechanisms to help restore the infrastructure balance.

Our officers certainly support the AH mission and do what we can to unlock sites that can facilitate AH. However, we would emphasise that the planning gain pie is finite, and the County Council cannot avoid the other infrastructure cost burdens (transport/education) that are essential to enable credible development. Close work with the Local Planning Authorities (LPAs) and the CA will be key to ensure we all strike the right balance and deliver across the priorities.

Noting the challenge on viability set out above in relation to this core principle, the suggestion that the AH % can be increased in areas of high value is too simplistic. If the % is increased that is a cost to the developer. More affordable housing will not be paid for by increasing gross development value (GDV) on market units and will only be achieved by lower margins (which are effectively protected) or with a reduction in other planning gains. Perversely increased AH would lead to more school aged children than market housing but with less planning gain to mitigate, making “Additionality” important in high and low value areas, as already noted under core principle two above.

The delivery of AH should be the key emphasis here and support to the viability issues already set out in principle two above, to avoid the County Council needing to pick up the infrastructure bill as a result of this outcome. The Government methodology for viability economics for new developments are outdated, they do not reflect the existential crisis of Climate Change and Biodiversity Emergencies. It will be important to discuss with government a new model for development economics starting with AH.

5. There will be an additional focus on

- co-operation with partners and councils, including in helping secure external funding and resources, land or scheme approvals
- working with existing partnerships. Councils, voluntary organisations and funding sources to assist people who are unintentionally homeless, and to assist rough sleepers off the streets.

This will be an additional proposal to Government seeking funding plus building on established support and generosity from several developers, and the wider development sector

- a CA-wide strategy and dataset with all partners that recognises the wide ranging other AH challenges including key worker housing, and opportunities for employers with land directly to assist their staff.

Consultee comments:

Reference is made to homelessness, rough sleepers and key workers, but there is currently no mention of Special Needs housing (elderly persons, dementia care, care leavers, disabled and mental health etc), all of which fall to some extent within the social care elements within the County Councils remit. More effort is therefore needed on delivering accessible and adaptable housing standards.

We welcome the commitment set out in this principle to work alongside and as part of existing partnership arrangements that seek to address and prevent homelessness. This is a complex area, with many people facing multiple challenges which, combined, result in their homelessness. For others, the impact of the pandemic on their employment, and the impending reduction in Universal Credit payments, will likely lead to a rise in homelessness presentations to local housing authorities. For some, the direct and immediate support of their local housing authority is sufficient to address their situation, but for many a more collaborative approach across the public and not for profit sectors is often required, and the CPCA's role in supporting this through the attraction of inward investment to increase housing supply, the support of the system to increase employability and earnings, and investment in community infrastructure to create opportunities would be very welcome.

The County Council also has statutory responsibilities for both adults and children's social care. For children, this includes those being cared for as they transition into adulthood and independence, and those with special educational needs and disabilities. For adults, this includes older people, people with additional needs or disabilities, victims of domestic abuse, and carers. In all cases, a joined-up strategy to meet the long term housing needs of these vulnerable groups is vital if we are to establish strong, diverse and resilient communities, and a county where all of our residents have an equal set of opportunities to succeed.

6. There will be an ongoing focus on Community Land Trusts plus housing co-operatives that deliver affordable housing, but with revised expectations on outputs and governance, so they are community-led and focused on greatest AH challenges in their location as their two central objectives, and existing CLT projects and commitments by the CA will be reassessed against a new set of principles.

Consultee comments:

Community Land Trusts (CLTs) represent just one option available to deliver AH, so alternative delivery opportunities should not be ignored at this stage. Furthermore, it would be helpful to understand what the 'new set of principles' is likely to include and if these will include access to green infrastructure and connectivity to existing community services etc.

7. The earlier CA work on modular housing delivery will be reassessed and the CA will target opportunities for partnerships along with district councils, social enterprises/charities and private sector partners, including tendering for a lead modular production and skills development partner, with the aim of producing low carbon, improved living and community environments for tenants and residents, and with a particular focus on opportunities with constituent councils to help

- single people and couples
- people made unintentionally homeless or in temporary accommodation or currently rough sleeping

and make use of land which would not otherwise be available for housing, permanently or temporarily.

Consultee comments:

All forms of modern methods of construction should be explored and linked in with principle eight below and the need to ensure that digital connectivity for such projects is not missed. This is closely linked to supply chain capability and capacity. Investment into the skills agenda, in particular for low carbon and environmental services for new developments as well as greater numbers of off-site manufacturing facilities, along with a better understanding of the carbon emissions reductions this can bring for the construction industry.

8. There will be an increased focus on achievement of net zero carbon, and low energy usage in all future development that the CA funds, assisted by expected improved Government regulations and incentives, and improved design and technology opportunities.

Consultee comments:

This core principle is fully supported and should appear higher up the list to avoid it being considered as a bolt on or lower priority, especially given the climate change aspirations of the County and the declared climate change emergency in our area. Local Area Energy Planning, including connections to district heating should be scoped for new AH. How will housing design and construction reduce energy demand, for example, passivhaus energy standards for AH to reduce future fuel poverty and where and how will low carbon energy supplies be planned and delivered on-site. It will be important to look for the opportunities to link to existing and proposed energy developments being brought forward by the County Council, and other organisations, through private wires; especially as it is noted that reducing the carbon footprint of new houses is expensive. The cost of carbon must be included in the economic models for AH and their development. This core principle must be factored into the other seven core principles. An understanding of how this core principle will be balanced with 'additionality' for example, particularly in areas of the county where viability is already an issue, will need to be explained further and new models found.

\*Continuation of response to principle 3 above:

In addition to the eight key core principles set out and the opportunities that exist within them to support the viability and delivery of affordable housing, we would recommend that six more areas are considered by either building them into the existing eight core principles or creating additional ones:

1. Reference to digital infrastructure is currently missing. Without the inclusion of this important element of infrastructure delivery there would be a lost opportunity; especially as there is already poorer connectivity for social housing, which is why it should be specifically referenced. As the Housing and Communities is the overseeing Committee for Connecting Cambridgeshire, this important element of work needs to be added, and emphasis placed on its delivery.
2. Using our environment to create great places. Fundamentally people want to live in nice places. That means greening and culture. The County Council has had some great experiences with U&C planning to use heritage to develop a sense of place at Alconbury and Waterbeach. We would therefore also suggest promotion of open space, tying into the social and green prescribing agendas that are becoming more important by the day. The pandemic has also shown the importance of green and open spaces in peoples' physical and mental health and wellbeing, and this needs to be available to all if we are to deliver a sustained economic and social recovery. Adding high quality Natural Capital, e.g. trees and planting into places also helps manage heat island effect from Climate Change (urban areas overheating such as experienced in Canada this summer) which is likely to become more prevalent. This also helps with the natural capture and storage of carbon emissions.

3. Managing flood risk and climate change. We're being told that in the future most of our rainfall will come in two months of the year. Houses incorporating property level resilience (PLR) for example and natural flood risk management on major developments will therefore be key and link into our climate change emergency principles. Increasing foul drainage capacity, stopping development where the systems cannot handle it and stopping shared drainage solutions are also key to ensuring that we get the right infrastructure, in the right place, at the right time to support these AH principles.
4. Water. We need to manage our water resources properly and need to ensure our housing stock delivers this, with water capture, differentiation between grey and drinking water etc. We need a way of capturing heavy rainfall events for use, not shoving it all out to sea, so should all developments in future have large scale rainwater capture and storage as part of their flood management and natural capital such as trees and planting to capture and hold as much rainwater as possible to benefit locally. Given that many of the occupants of AH will be on lower incomes it is even more important to ensure that we get this element right from the outset.
5. The Biodiversity Emergency applies to all development. AH has a role delivering into biodiversity net gain and the 'Doubling Nature' commitment. This is an important element that must not be ignored when planning for the delivery of AH.
6. At present the core principles do not reference 'climate change' or the need to ensure that the AH delivered takes account of this.

## **CONSULTATION RECORD**

### **DRAFT AFFORDABLE HOUSING PRINCIPLES**

**Consultee: South Cambridgeshire District Council**

A written response was received from Peter Campbell, Head of Housing that was copied to Cllr John Batchelor, Lead Cabinet Member for Housing.

The consultee hopes these comments are helpful and seen as constructive, and looks forward to developing these issues further.

The following general comment was made:

Whilst we are pleased to see a set of principles for the Affordable Housing Programme and are pleased to be able to contribute to the consultation we feel that the principles presented are a mix of principles and potential policy actions.

We would prefer that the principles of the policy are set out initially and the policy actions derived from these.

We suggest that the principles of the Programme should be explicit and be based around:

1. Transparent Decision Making
2. Decision making backed by evidence.
3. Developing a strategy that establishes the priorities for the CA housing programme
4. Demonstrable value
5. Increased quality of new homes, and
6. Focussing on projects where the CA investment can make a difference.

In order to meet these principles, we suggest the following actions:

1. That priority is given to developing a CA housing strategy which will identify the priorities for the next five years. This recognises that differences exist across the CA region and look at a more flexible approach
2. That a scoring matrix (based on the agreed priorities of the CA and a common financial assessment) is developed for all requests for funding to ensure that all bids are assessed on the same basis.
3. That clear business cases are developed using a standard template and metrics and these, together with the scoring matrices, are presented to members to assist the decision making
4. Consideration should be given to a funding model that moves away from fixed grant funding and towards a more flexible system that considers gap funding to make supported schemes viable.
5. That the CA develop a standard minimum specification for new housing this could include, for example space standards, an assessment of accessibility and energy efficiency measures. This specification should be above any standards contained within local plans.
6. There needs to be consideration given to what is considered as additionality, does this just mean additional number of properties, or could it mean more energy efficient, more affordable (for example social rent rather than affordable rent) etc.



The following comments were made in response to each of the proposed draft principles:

1. Affordability for those on lowest incomes as top priority, plus quality of new indoor environments and the contribution of new housing to enhance and create community will be assessed on all Phase Two projects.

Consultee comments:

Yes we agree there should be a focus on lowest income. We are unsure what is meant by indoor environments, but if this suggests a move towards higher quality homes, we support this.

2. The core focus is additionality to delivery by others, to maximise additional new affordable housing in line with

- a) funding opportunities and requirements, including any support from MHCLG to assist from the original 2017 funding allocation if not fully committed
- b) the adoption of an updated and revised CA housing strategy
- c) additionality opportunities to be identified, including assisting councils review upwards affordable housing %s where worth reviewing on major developments.

Consultee comments:

- a. Agree
- b. Agree
- c. Assume that this means focussing on additionality above what can be achieved through s.106 agreements we agree, but please see the point above that additionality may be more than just an increase in numbers.

3. The CA will be realistic about what it can best add, and communicate that clearly to Government, partners and the whole community.

It will follow on from winning MHCLG confidence in the quantity, value and quality of Phase One delivery, followed by discussions on further Government funding for CA AH delivery, including from MHCLG, Homes England and the Arc. Depending on funding anticipated to be available, the CA will engage councils, Registered Providers and Housing Associations/charities particularly local ones, developers and other providers of AH but only where the CA can provide real additionality.

Consultee comments:

Agree, great communication and developing a joint vision are essential.

4. Where it can add value and this is supported by councils/developers, the CA will offer reviews with Local Planning Authorities, councils, developers and others for larger developments on maximising the % of affordable housing in other development in the CA area as a central part of developer contributions, recognising that %s of up to 50% are possible in some high value locations with additional potential development value, plus potential for higher %s in most other CA areas too. Discussion on re-phasing such schemes to achieve earlier development of AH is a further opportunity.

Consultee comments:

Whilst we support a move to increase the number of s106 affordable housing on schemes it is unclear what role the CA is proposing for itself. Further clarification is required.

5. There will be an additional focus on

- co-operation with partners and councils, including in helping secure external funding and resources, land or scheme approvals
- working with existing partnerships. Councils, voluntary organisations and funding sources to assist people who are unintentionally homeless, and to assist rough sleepers off the streets.

This will be an additional proposal to Government seeking funding plus building on established support and generosity from several developers, and the wider development sector

- a CA-wide strategy and dataset with all partners that recognises the wide ranging other AH challenges including key worker housing, and opportunities for employers with land directly to assist their staff.

Consultee comments:

Agreed. However, in many cases there are established partnerships and joint working across the CA area. We welcome the opportunity to work with others, but recommend that where possible this is done through existing structures.

6. There will be an ongoing focus on Community Land Trusts plus housing co-operatives that deliver affordable housing, but with revised expectations on outputs and governance, so they are community-led and focused on greatest AH challenges in their location as their two central objectives, and existing CLT projects and commitments by the CA will be reassessed against a new set of principles.

Consultee comments:

It is unclear why CLTs are given particular attention. More clarification is required.

7. The earlier CA work on modular housing delivery will be reassessed and the CA will target opportunities for partnerships along with district councils, social enterprises/charities and private sector partners, including tendering for a lead modular production and skills development partner, with the aim of producing low carbon, improved living and community environments for tenants and residents, and with a particular focus on opportunities with constituent councils to help

- single people and couples
- people made unintentionally homeless or in temporary accommodation or currently rough sleeping

and make use of land which would not otherwise be available for housing, permanently or temporarily.

Consultee comments:

Whilst we agree that modular housing is a solution that can work to provide accommodation quickly and easily especially in confined sites in urban areas and meanwhile use, it is not always the best option for all locations. We are also aware that there are several organisations offering this solution (including building their own homes) across the region.

Our preference would be to reword this issue along the line of “we will aim to support innovation solutions that offers accommodation to groups of people who have high or complex needs”. This feel this will give more flexibility.

The proposed new housing strategy should draw out the groups of people with high and unmet housing needs, but these may include people who are homeless, rough sleepers, gypsy and travellers and people fleeing domestic violence

We are also very aware that in some cases that capital spend on innovative new housing also needs to be matched by revenue funding to keep services running.

8. There will be an increased focus on achievement of net zero carbon, and low energy usage in all future development that the CA funds, assisted by expected improved Government regulations and incentives, and improved design and technology opportunities.

Consultee comments:

Agreed, reducing carbon use is increasingly important and we would hope that the standard minimum specification referred to earlier would reflect this.

## **CONSULTATION RECORD**

### **DRAFT AFFORDABLE HOUSING PRINCIPLES**

**Consultee:** Cambridge City Council

A workshop was attended by Claire Flowers, Head of Housing Development.

The following comments were made in response to each of the proposed draft principles:

1. Affordability for those on lowest incomes as top priority, plus quality of new indoor environments and the contribution of new housing to enhance and create community will be assessed on all Phase Two projects.

Consultee comments:

This principle is agreed. Cambridge City Council (Cambridge CC) would be willing to assist in developing an appropriate assessment methodology if required.

2. The core focus is additionality to delivery by others, to maximise additional new affordable housing in line with

a) funding opportunities and requirements, including any support from MHCLG to assist from the original 2017 funding allocation if not fully committed

b) the adoption of an updated and revised CA housing strategy

c) additionality opportunities to be identified, including assisting councils review upwards affordable housing %s where worth reviewing on major developments.

Consultee comments:

This principle is agreed.

3. The CA will be realistic about what it can best add, and communicate that clearly to Government, partners and the whole community.

It will follow on from winning MHCLG confidence in the quantity, value and quality of Phase One delivery, followed by discussions on further Government funding for CA AH delivery, including from MHCLG, Homes England and the Arc. Depending on funding anticipated to be available, the CA will engage councils, Registered Providers and Housing Associations/charities particularly local ones, developers and other providers of AH but only where the CA can provide real additionality.

Consultee comments:

This principle is agreed.

4. Where it can add value and this is supported by councils/developers, the CA will offer reviews with Local Planning Authorities, councils, developers and others for larger developments on maximising the % of affordable housing in other development in the CA area as a central part of developer contributions, recognising that %s of up to 50% are possible in some high value locations with additional potential development value, plus potential for higher %s in most other CA areas too. Discussion on re-phasing such schemes to achieve earlier development of AH is a further opportunity.

Consultee comments:

This principle is agreed.

5. There will be an additional focus on

- co-operation with partners and councils, including in helping secure external funding and resources, land or scheme approvals
- working with existing partnerships. Councils, voluntary organisations and funding sources to assist people who are unintentionally homeless, and to assist rough sleepers off the streets.

This will be an additional proposal to Government seeking funding plus building on established support and generosity from several developers, and the wider development sector

- a CA-wide strategy and dataset with all partners that recognises the wide ranging other AH challenges including key worker housing, and opportunities for employers with land directly to assist their staff.

Consultee comments:

This principle is agreed.

6. There will be an ongoing focus on Community Land Trusts plus housing co-operatives that deliver affordable housing, but with revised expectations on outputs and governance, so they are community-led and focused on greatest AH challenges in their location as their two central objectives, and existing CLT projects and commitments by the CA will be reassessed against a new set of principles.

Consultee comments:

Cambridge CC officers consider that it may be appropriate for the Combined Authority (CA) to lead on CLT issues across the whole of the CA's area.

7. The earlier CA work on modular housing delivery will be reassessed and the CA will target opportunities for partnerships along with district councils, social enterprises/charities and private sector partners, including tendering for a lead modular production and skills development partner, with the aim of producing low carbon, improved living and community environments for tenants and residents, and with a particular focus on opportunities with constituent councils to help

- single people and couples
- people made unintentionally homeless or in temporary accommodation or currently rough sleeping

and make use of land which would not otherwise be available for housing, permanently or temporarily.

Consultee comments:

Cambridge CC officers agree the principle but identify a need to address construction skills as recognised in the construction agenda.

Cambridge CC has provided modular units on former garage sites to provide accommodation for homeless people and is willing to share knowledge of these initiatives.

8. There will be an increased focus on achievement of net zero carbon, and low energy usage in all future development that the CA funds, assisted by expected improved Government regulations and incentives, and improved design and technology opportunities.

Consultee comments:

This principle is agreed.

Cambridge City officers emphasise the need to support such schemes from pre-planning stages as costs have to be factored into initial design work.

Cambridge City have developed schemes that far exceed mandatory energy standards and would be willing to share knowledge.

## CONSULTATION RECORD

### DRAFT AFFORDABLE HOUSING PRINCIPLES

Consultee: Fenland District Council

A written response was received from Dan Horn, Head of Housing and Community Support and this was copied to Cllr Boden, Leader of the Council and Cllr Hoy, Portfolio Holder for Housing.

The following comments were made in response to each of the proposed draft principles:

1. Affordability for those on lowest incomes as top priority, plus quality of new indoor environments and the contribution of new housing to enhance and create community will be assessed on all Phase Two projects.

Consultee comments:

This principle is not agreed.

Fenland is pro housing growth and have ambitious plans to drive housing of all tenures in the area to raise the quality of life and ensure the growth is inclusive. the Combined Authority's principal remit is to achieve GVA Growth. The most effective way within the CPCA's Housing Policy to achieve that growth is not to give top priority to those on lowest incomes, but to give priority to those unable to access suitable housing who are in employment or seeking to move into or within the area for employment, which is a very different (although not mutually exclusive) target group. Such prioritisation would mean providing a broad range of affordable housing types, from social landlords and affordable rented products and below market rate private landlords, through part own-part purchase schemes, through to low cost affordable housing for purchase. Quality matters, including utilisation of space standards, are absolutely matters for each individual authority to decide upon, within the law. It should not be the function of the CPCA to seek to override those local decisions. Housing development in Fenland is more difficult to deliver than other parts of Cambridgeshire despite lower land values because house prices are lower alongside rapidly increasing construction costs remaining as high as other parts of the CPCA area. Therefore, cross subsidy is harder to achieve than other areas within CPCA and results in developers successfully reducing planning gain % levels for new affordable housing on new permissions. Despite the lower average house prices, we have great demand for affordable housing. This is because the average wage level in Fenland is lower than other parts of the CPCA area, so home ownership remains as out of reach for many Fenland residents as areas with much higher house prices. Many residents are on zero hours contracts, therefore, demand for affordable housing is growing rapidly as evidenced with our housing waiting list figures (HomeLink). In June 2020 there were 1682 Fenland HomeLink applicants (live and pending) rising to 2082 HomeLink applicants (live and pending) in June 2021, an increase of 24%. There is also significant pressure on residents being supported by the Council as they are at risk of homeless. At the time of writing we have over 24 households in bed and breakfast which is further evidence of the need for new supply to help meet the growing demand pressures. We are also concerned on new homelessness pressures falling out of the ending of the Furlough scheme leading to an increase in unemployment alongside the ending of the suspension of court action for rent arrears. As the grant supports investment over and above the planning gain obligations the grant is also important to our smaller to

medium size developers as they can risk manage the build out better through improved cash flow and reduced peak debt by a partnership with a Registered Provider partner who has secured CPCA grant. So alongside helping to meet significant demand pressures for Fenland residents in housing need it also helps drive our wider growth ambitions to deliver more market housing in the district. In summary CPCA grant investment helps speed up delivery of housing of all tenures.

2. The core focus is additionality to delivery by others, to maximise additional new affordable housing in line with

- a) funding opportunities and requirements, including any support from MHCLG to assist from the original 2017 funding allocation if not fully committed
- b) the adoption of an updated and revised CA housing strategy
- c) additionality opportunities to be identified, including assisting councils review upwards affordable housing %s where worth reviewing on major developments.

Consultee comments:

This principle is neither agreed nor disagreed.

Fenland District Council has difficulties in securing policy level affordable housing % on new development for the viability issues highlighted above. As part of the local plan development the Council have received a viability report that concludes asking for any contribution for affordable housing north of the A47 at Guyhirn is not viable. Even in the rest of the District, contributions for affordable housing were shown by the viability report to be viable only at minimal levels. This reality needs to be accepted as our starting point. It's not a starting point which may be liked by anyone, but it is a reality. The only way in which any significant affordable housing of any type will be delivered in Fenland is through subsidy using cold, hard cash, whether that is generated via the CPCA or Homes England. Insistence upon developer funded policy compliant affordable housing contributions will only result in schemes not going ahead at all, or refusals being successfully appealed on viability grounds. The current co-operation between FDC Officers and CPCA Officers in identifying developments where additionality may be achieved through selective financial intervention is the most effective way to continue.

3. The CA will be realistic about what it can best add, and communicate that clearly to Government, partners and the whole community.

It will follow on from winning MHCLG confidence in the quantity, value and quality of Phase One delivery, followed by discussions on further Government funding for CA AH delivery, including from MHCLG, Homes England and the Arc. Depending on funding anticipated to be available, the CA will engage councils, Registered Providers and Housing Associations/charities particularly local ones, developers and other providers of AH but only where the CA can provide real additionality.

Consultee comments:

This principle is agreed.

Any funding available through the combined authority is welcome and in Fenland there are opportunities for additionality to be achieved through your funding to assist the Council and partners to increase the number of affordable homes to offset those lost through successful section 106



viability challenges. The low land / property values combined with build costs that are the same as elsewhere in the CPCA area sometimes means assessment of schemes in Fenland represent poor value for money by way of average grant rate compared to higher value areas. However the need is as great if not greater when linked with some of the deprivation challenges we face compared to higher value areas. Some form of weighting for Fenland schemes to offset such a disadvantage would help mitigate against this. A one-size-fits-all approach to the assessment of the financial viability of affordable housing support schemes across the CPCA area is clearly inappropriate given the massive differences in housebuilding viability across the Combined Authority area.

4. Where it can add value and this is supported by councils/developers, the CA will offer reviews with Local Planning Authorities, councils, developers and others for larger developments on maximising the % of affordable housing in other development in the CA area as a central part of developer contributions, recognising that %s of up to 50% are possible in some high value locations with additional potential development value, plus potential for higher %s in most other CA areas too. Discussion on re-phasing such schemes to achieve earlier development of AH is a further opportunity.

Consultee comments:

This principle is neither agreed nor disagreed.

In Fenland, there are relatively few large strategic residential development sites where this approach would potentially be helpful. Nevertheless, continuation of support from the CPCA on large strategic sites in Fenland would be welcome to assist the Council on achieving its policy objectives.

5. There will be an additional focus on

- co-operation with partners and councils, including in helping secure external funding and resources, land or scheme approvals
- working with existing partnerships. Councils, voluntary organisations and funding sources to assist people who are unintentionally homeless, and to assist rough sleepers off the streets.

This will be an additional proposal to Government seeking funding plus building on established support and generosity from several developers, and the wider development sector

- a CA-wide strategy and dataset with all partners that recognises the wide ranging other AH challenges including key worker housing, and opportunities for employers with land directly to assist their staff.

Consultee comments:

This principle is agreed.

Co-operation with constituent Councils is always welcomed. CPCA to recognise that there are impending changes in the planning system that will lead to more home ownership products that constitute affordable housing for the purposes of the planning system and the resultant S106 agreements. We welcome that although this will contribute to meeting some need, and we wish to see such provision expand. However, there is also significant of the housing need in Fenland is for affordable rented as shown in the large waiting list number. The consequences of not providing enough new affordable rented is pressure on Fenland council financially to meet the needs of those threatened with homelessness, through silting up of our temporary accommodation through lack of

affordable homes supply coming available to rehouse. Therefore consideration of how additional CPCA funding can contribute to meeting this need would be welcome. We do not believe that the Housing Association Social Rented Model is the only route that should be used to address these pressures.

6. There will be an ongoing focus on Community Land Trusts plus housing co-operatives that deliver affordable housing, but with revised expectations on outputs and governance, so they are community-led and focused on greatest AH challenges in their location as their two central objectives, and existing CLT projects and commitments by the CA will be reassessed against a new set of principles.

Consultee comments:

This principle is neither agreed nor disagreed.

As yet we have no CLT activity in Fenland...instead we have had success in securing exception site development through support from RPs and parish councils. If a community would like to explore a CLT opportunity it is something the council would support through our enabling work.

7. The earlier CA work on modular housing delivery will be reassessed and the CA will target opportunities for partnerships along with district councils, social enterprises/charities and private sector partners, including tendering for a lead modular production and skills development partner, with the aim of producing low carbon, improved living and community environments for tenants and residents, and with a particular focus on opportunities with constituent councils to help

- single people and couples
- people made unintentionally homeless or in temporary accommodation or currently rough sleeping

and make use of land which would not otherwise be available for housing, permanently or temporarily.

Consultee comments:

This principle is not agreed.

The Council is currently working with an RP and a charity to develop 6 modular homes for rough sleepers and those at risk of rough sleeping and would be welcome to share the learning (subject to funding submission being successful). We have also been working with the CWA to explore new training centre to create opportunities for our residents to develop skills in MMC / green skills etc.

However, and contrary to the implication within this question, we do not view so-called "modular homes" as being second-class alternative housing provision for use of those excluded from all other housing opportunities. Modern Methods of Construction extend well beyond mere modularity. For example, for those areas with potential flooding issues, now or in the future, consideration needs to be given to homes constructed from metallic pre-constructed waterproofed shell-elements.

8. There will be an increased focus on achievement of net zero carbon, and low energy usage in all future development that the CA funds, assisted by expected improved Government regulations and incentives, and improved design and technology opportunities.

Consultee comments:

This principle is neither agreed nor disagreed.

Although supportive of the principle, the challenge in Fenland is that as a result of the viability issues mentioned earlier in this response, this principle will cost more and therefore will place pressure on average grant rates and therefore lead to further viability challenges. We would therefore suggest exploring what can be done towards net zero as an ambition rather than an absolute requirement to ensure the ability to maximise new affordable housing is not constrained.

## **CONSULTATION RECORD**

### **DRAFT AFFORDABLE HOUSING PRINCIPLES**

**Consultee:** Huntingdonshire District Council

A letter was sent directly to the Mayor from Cllr Ryan Fuller, Executive Leader of Huntingdonshire District Council who made the following comments:

Huntingdonshire welcomes proposals that will deliver additional affordable housing in our district but there is significant concern regarding some of the principles below, particularly where statements are made without the provision of evidence, such as achieving up to 50 per cent affordable housing.

The Combined Authority must recognise that planning powers sit with the individual local authorities, and the primacy of Local Plans in decision making. For that reason, the Combined Authority must be realistic in its ambition, ensure principles are deliverable and recognise the viability challenges across the whole geography in delivering much needed affordable housing and the necessary infrastructure to support our new and existing communities

The letter included an appendix with responses to each of the proposed draft principles:

1. Affordability for those on lowest incomes as top priority, plus quality of new indoor environments and the contribution of new housing to enhance and create community will be assessed on all Phase Two projects.

Response: Other - partial agreement

We would agree that there is a need for good quality affordable housing (AH) in the region. To achieve the level of numbers required to meet housing demand it is essential that we are not only supporting rented units, whether social or affordable, but recognising that low cost home ownership schemes including first homes and shared ownership play a role here. We also need to establish balanced communities, and this will not be achieved by purely supporting applications from the lowest income households.

We support the need for good design for internal and external environments, although not all authorities have adopted the optional space standards so there could be inconsistency in interpretation of this principle across the area; the optional standards need to be adopted through the local plan process. It will be important to understand how schemes will be assessed on this basis and whether there will be any similarity between other existing or evolving guides. For example, the NHF have published design guides, there are the HAPPI principles, and Homes England announced on the 29<sup>th</sup> June that they will be working with BRE and the Design Council (formerly CABE) to develop a framework of design principles. It would be helpful from a delivery perspective that there are not too many principles or design codes to follow, especially if this prevents the schemes that are brought forward by acquiring open market housing, which are then converted to AH that may not have satisfied these principles from the beginning.

2. The core focus is additionality to delivery by others, to maximise additional new affordable housing in line with

- a) funding opportunities and requirements, including any support from MHCLG to assist from the original 2017 funding allocation if not fully committed
- b) the adoption of an updated and revised CA housing strategy
- c) additionality opportunities to be identified, including assisting councils review upwards affordable housing %s where worth reviewing on major developments.

Response: Agree

We agree that there would be a benefit in reviewing the CA Housing Strategy but would query the practicality and resource implications of proposal 2c) for reviewing upwards the AH percentage on major developments in terms of revisions to S106 agreements and the willingness of developers to commit to increasing the percentage of AH in a permitted scheme unless this can be achieved through securing the additionality before planning permission is granted.

3. The CA will be realistic about what it can best add, and communicate that clearly to Government, partners and the whole community.

It will follow on from winning MHCLG confidence in the quantity, value and quality of Phase One delivery, followed by discussions on further Government funding for CA AH delivery, including from MHCLG, Homes England and the Arc. Depending on funding anticipated to be available, the CA will engage councils, Registered Providers and Housing Associations/charities particularly local ones, developers and other providers of AH but only where the CA can provide real additionality.

Response: Agree

We are supportive of this principle although would need further detail to fully understand what is meant by additionality.

4. Where it can add value and this is supported by councils/developers, the CA will offer reviews with Local Planning Authorities, councils, developers and others for larger developments on maximising the % of affordable housing in other development in the CA area as a central part of developer contributions, recognising that %s of up to 50% are possible in some high value locations with additional potential development value, plus potential for higher %s in most other CA areas too. Discussion on re-phasing such schemes to achieve earlier development of AH is a further opportunity.

Response : Other- partial support

We are uncertain about the cross-over between this and principle 2c) and what the 'other development' being referred to is. We would welcome understanding your definition of larger sites and seeing evidence that 50 per cent affordable housing on open market sites is achievable in Huntingdonshire while also delivering necessary infrastructure. We would welcome reviews of large scale proposed developments with the CA whilst still in the outline planning stage to maximise opportunities for delivery of AH and where the CPCA can provide additionality whilst recognising the need to ensure viability of delivery and the balance between providing AH and other essential infrastructure necessary to support future residents. However, the Local Plan Viability Assessment for Huntingdonshire indicated that sites in large areas of the district, particularly previously developed ones, were not viable when seeking 40 per cent AH we therefore believe that the statement regarding 'potential for higher percentages in most other CA areas too' needs to be evidenced. The rephrasing of schemes to allow for earlier AH delivery needs to take into account the desirability of balancing AH

provision with delivery of infrastructure and community facilities these are essential to start establishing new communities and sustainable transport patterns amongst residents; AH residents tend to be the bearer of issues in relation to build quality and defect management if they are the first to move on a new development and also have to live on a building site for longer than private residents.

5. There will be an additional focus on

- co-operation with partners and councils, including in helping secure external funding and resources, land or scheme approvals
- working with existing partnerships. Councils, voluntary organisations and funding sources to assist people who are unintentionally homeless, and to assist rough sleepers off the streets.

This will be an additional proposal to Government seeking funding plus building on established support and generosity from several developers, and the wider development sector

- a CA-wide strategy and dataset with all partners that recognises the wide ranging other AH challenges including key worker housing, and opportunities for employers with land directly to assist their staff.

Response: Other – partial support

We support the emphasis on additional cooperative working where this can maximise effective AH delivery. We generally welcome points raised in this section but would need further clarity on the scope of the proposed dataset to avoid duplication of existing resources. The proposal for additional focus on ‘opportunities for employers with land directly to assist their staff’ raises issues of concern regarding the sustainability and suitability of where such homes might be located, their relationship with surrounding existing land uses, access to other services and facilities for potential residents and the potential impact on surrounding locations where these are free-standing employment sites in the countryside.

6. There will be an ongoing focus on Community Land Trusts plus housing co-operatives that deliver affordable housing, but with revised expectations on outputs and governance, so they are community-led and focused on greatest AH challenges in their location as their two central objectives, and existing CLT projects and commitments by the CA will be reassessed against a new set of principles.

Response: Other – partial support

We are supportive of CLT's in principle albeit take up in the district has been low as Huntingdonshire supports the innovative delivery of affordable housing through our rural exceptions policy. We are concerned that additional assessment against a new set of principles will further discourage their delivery. Neighbourhood plans (NP) provide an alternative route for community-led identification of sites for AH but despite encouragement to explore this option no NP group in Huntingdonshire has yet wished to take on the workload involved in site selection and promotion. We would suggest that it would be sensible to commit the new principles to only new CLT's after a stated date. We would also need to be involved in the establishment of the new set of principles.

7. The earlier CA work on modular housing delivery will be reassessed and the CA will target opportunities for partnerships along with district councils, social enterprises/charities and private sector partners, including tendering for a lead modular production and skills development partner, with the aim of producing low carbon, improved living and community environments for tenants and residents, and with a particular focus on opportunities with constituent councils to help

- single people and couples

- people made unintentionally homeless or in temporary accommodation or currently rough sleeping

and make use of land which would not otherwise be available for housing, permanently or temporarily.

Response: Other – partial support

Local Planning Authorities, and Registered Providers are encouraged to support use of modular homes to speed up housing delivery, so this would be supported in principle but districts will need to be involved in the procurement process in selecting a modular contractor. We believe that a framework rather than one individual contractor would be best for this, there are already organisations that have set up frameworks that contractors can be pulled from for example LHC or National Framework Partnership (supported by the G15). We also need to understand the planning implications, especially in the siting of any modular homes and quality of the residential environment provided which should be reflected as a priority. Use of modular forms of housing construction as a method of expediting housing delivery is being investigated by the Modern Methods of Construction Taskforce established through the Budget in March 2021; outcomes from this should be explored to assist with finalising the principle. The last element of the principle is of great concern where it refers to ‘make use of land which would not otherwise be available for housing’, this would lead to direct conflict with Local Plan development strategy policies throughout the CA area and could result in housing vulnerable people in less suitable locations.

8. There will be an increased focus on achievement of net zero carbon, and low energy usage in all future development that the CA funds, assisted by expected improved Government regulations and incentives, and improved design and technology opportunities.

Response: Agree

We would agree with this principle and be supportive of its implementation, it is in line with national carbon reduction commitments. The requirement for low energy usage will help reduce the running costs of the AH provided which will be of significant benefit to residents and help with fuel poverty initiatives. As stated in our response in Principle 4 we would not wish the AH residents to be the sole “guinea pigs” of new technology initiatives.

## **CONSULTATION RECORD**

### **DRAFT AFFORDABLE HOUSING PRINCIPLES**

**Consultee: East Cambridgeshire District Council**

The following comments were made directly to the Mayor by Cllr Anna Bailey, Leader of East Cambridgeshire District Council:

Thank you for giving East Cambridgeshire District Council the opportunity to respond to your proposed Affordable Housing Delivery Principles 2022-2025.

The Council is committed to ensuring that the widest range of tenures is available throughout the district and supports affordable rent, social rent, shared ownership and discounted market sale housing products. The district has a wide range of housing needs and it is not practical or appropriate to elevate one type of need above others. We also have a focus on delivering mixed communities, ensuring that our affordable housing is delivered alongside open market housing.

This is why the Council's preferred method of delivering affordable housing is through community led development. The land value capture mechanism enables the community to decide how that value should benefit their community and provides for well balanced developments with appropriate infrastructure as well as a wide range of affordable housing tenures to suit the needs of the local community.

Stretham is an excellent example of how Community Land Trusts (CLTs) work locally. It was the first genuinely community led development in East Cambridgeshire. It is a low density, high quality scheme providing additional open space, business space, a GP surgery and affordable housing that is genuinely affordable and prioritises the needs of the people of Stretham – providing them with an opportunity to live and work locally at prices they can afford. It provides housing for the local nurse, the postman, the local farm worker. Notably, it is done with no subsidy or grant from the public purse. The CLT charge rents that are lower than the Local Housing Allowance (social rent) level and the CLT has never increased the rent to their tenants. In recognition that their tenants had a difficult year because of COVID they gave a rent free December 2020 and they did this without any grant. The significant income from the CLT owned homes is used to benefit the local community and is available in perpetuity.

Kennett will be the largest CLT in the district. A high quality, low density, near carbon neutral, infrastructure first scheme that will deliver 150 mixed tenure affordable housing units with at least 60 of the units being owned and managed by the CLT. The scheme will deliver major highway infrastructure, a local centre, business use, a new primary school, protected space to improve visibility of an ancient monument, garden village principles and many other benefits. The infrastructure will commence ahead of the housing, ensuring that this is a true infrastructure first scheme.

There are many more examples of the fantastic work that is being done by our communities; Soham Thrift CLT, Haddenham CLT, Swaffham Prior CLT. Each community doing it the way they want to because that is the entire point, it is Community Led Development. The Council does not dictate to the community, they tell us what they want and we have a planning policy to support it. Our only requirement is that they demonstrate to us that the community is involved.



East Cambs was the first Local Authority in the country to adopt a Community Led Development policy through the local plan process and is undoubtedly leading the way on Community Led Development.

We have gone one step further as a Council. There are communities out there that want to do it but simply do not have the capacity or expertise within the community to bring about community led development. So, we enabled the establishment of East Cambs CLT. This is an umbrella CLT that operates for the benefit of people in need in East Cambridgeshire and the purpose is to support affordable housing to be secured for people who live and work locally. It does not operate in competition with other CLTs but supports areas that want to benefit from community led development. ECTC, our (Trading Company that is 100% owned by the District Council and includes the development arm Palace Green Homes), has transferred its affordable housing stock to East Cambs CLT from their developments in Ely because there isn't a CLT incorporated in Ely.

I could go on - there is much more to say - about CLTs and the many benefits that this model provides. I am a passionate advocate for Community Led Development, which is why it is frustrating, and I have to be honest Nik, also insulting to read in one of the proposed principles, that 'there will be an ongoing focus on Community Land Trusts...but with revised expectations on outputs and governance, so they are community-led...' This statement demonstrates that the author has absolutely no understanding of the actual principle of **Community** Led Development, (my emphasis). It is bottom up, not top down. The statement also implies that the existing CLTs are not community led which is wholly incorrect.

The Council recognises the importance of securing affordable housing but is realistic about what can reasonably be expected from a development. We build communities that have a balance of housing mix and infrastructure need. The latter is equally important. A well served development that enables people to live and work locally plays a huge part in reducing pressure on other aspects of social need.

Increasing affordable housing levels in a development would need huge levels of subsidy to off-set the loss of value from turning an open market house into an affordable housing unit and the level of subsidy required would depend on the tenure of the affordable housing unit; shared ownership needing the least amount and social rent needing the highest amount. The loss of open market value would make it difficult, if not impossible, to deliver other priorities within a given site, for example, community centres, GPs, green initiatives, cycleways, open spaces, etc. All of these things help us to deliver healthier more vibrant communities that cater to the needs of residents and we know it is what our residents expect and deserve.

I am sure that you are aware of the First Homes Policy, which in essence replaces the £100K Homes initiative as it is a broadly similar mechanism to secure discounted market sale housing. There is a mandatory requirement that 25% of the affordable housing to be delivered on-site must be a First Home and there is no discretion, it must be done. So, on a development delivering 4 affordable housing units, 1 of these must be a First Home. This will inevitably have an impact on scheme viability and delivering the differing priorities of a given site.

We already work closely and well with our development community to achieve balanced communities in East Cambridgeshire.

I just wanted to touch on a reference in the principles to homelessness and rough sleepers. Both of these issues pose a challenge for local authorities across the country and we must do all we can to address this challenge and end the problem for good. Indeed, back in 2013 my own authority was spending more than half a million pounds a year on bed and breakfast accommodation representing a significant percentage of our total budget. I am pleased to say that since 2013 we have not placed a single person in bed and breakfast accommodation. We have done this by focusing on prevention - getting to the route of the issue as early as possible and supporting people holistically and intensively, helping them to deal with the underlying issues in their lives, including support with financial issues that require licensed financial advice. We already have a strong and regular prevention presence in

our communities in all sorts of locations, where our approach is to find and support people and families early on, before they hit crisis. We are just about to go even further with this approach, and will soon be on the road visiting our communities with our new East Cambs Community Advice Bus. I would welcome the opportunity to share our prevention approach with you in more detail as it has been hugely successful in East Cambridgeshire.

As you are aware from my recent correspondence, the Council intends to present to you and your Chief Executive, a prospectus for joint working across our priorities, which will include how we can collectively deliver genuinely affordable housing across our District, housing that is right for East Cambridgeshire residents and communities.

We note your recent request for constituent Councils to put forward new schemes for possible funding from the future Affordable Housing Programme and of course we will consider submission of schemes in East Cambs as they come forward.

In addition to presenting this response to your consultation on your principles, my Council's representatives on the Housing and Communities Committee and myself, on the Board, will of course actively engage in discussions regarding the formulation of your revised Housing Strategy.

I do believe that collectively we should not lose sight of the vision that Cambridgeshire and Peterborough local authorities, businesses, and universities set out to achieve. Our collective bold vision includes doubling GVA and accelerating the delivery of the mix of new homes and sustainable communities that Cambridgeshire and Peterborough residents demand.

## **CONSULTATION RECORD**

### **DRAFT AFFORDABLE HOUSING PRINCIPLES**

Consultee: Peterborough City Council

A written submission was received from Michael Kelleher, Assistant Director of Housing. The following comments were made in response to each of the proposed draft principles:

1. Affordability for those on lowest incomes as top priority, plus quality of new indoor environments and the contribution of new housing to enhance and create community will be assessed on all Phase Two projects.

Consultee comments:

Housing for people on low income is important, but this shouldn't be a priority over housing for people in greatest need. Whilst low income and housing need are often linked, they are not the same, and there are many people on medium incomes who cannot afford to buy or rent accommodation for multiple complex reasons for whom subsidised housing is essential. It is important, therefore, for affordable housing to be available for people at all price points.

It would be helpful to understand what is meant by 'quality of new indoor environments', as this could relate to minimum space standards and / or accessibility standards – including access to digital infrastructure etc.; so it would be helpful to clarify.

2. The core focus is additionality to delivery by others, to maximise additional new affordable housing in line with

- a) funding opportunities and requirements, including any support from MHCLG to assist from the original 2017 funding allocation if not fully committed
- b) the adoption of an updated and revised CA housing strategy
- c) additionality opportunities to be identified, including assisting councils review upwards affordable housing %s where worth reviewing on major developments.

Consultee comments:

Agree that additionality is crucial but what does this mean in practice over such a large geographic area given local cost differentials, existing delivery programmes and local housing need? Would a different metric, such as “return on public investment” or “cost to the public purse” be better?

What is meant by point c)? Is the reference to 'major developments' referring to the planning definition which means 10 or more dwellings or is it referring to large scale schemes like urban extensions? Is this relating to schemes where the intended affordable housing provision level is falling below policy compliant levels due to viability or just about increasing the % on schemes generally where this would be beneficial? Presumably, the assistance to local authorities would be grant funding although the funding would go to the relevant provider.

3. The CA will be realistic about what it can best add, and communicate that clearly to Government, partners and the whole community.

It will follow on from winning MHCLG confidence in the quantity, value and quality of Phase One delivery, followed by discussions on further Government funding for CA AH delivery, including from MHCLG, Homes England and the Arc. Depending on funding anticipated to be available, the CA will engage councils, Registered Providers and Housing Associations/charities particularly local ones, developers and other providers of AH but only where the CA can provide real additionality.

Consultee comments:

How will the CA determine what it can best add given that the local knowledge of housing markets and what is needed in local areas sits with each local authority? Yes, the CA will know how much funding is available and it will have funding criteria to follow, but it is only by having a mechanism of measuring the impact of its intervention at a local level that transparency on investment can be achieved. In other words, £1m in one location will not have the same impact as £1m in another location – how will these be measured and compared on an equal basis. Will local councils have the opportunity to inform how these decisions are made?

4. Where it can add value and this is supported by councils/developers, the CA will offer reviews with Local Planning Authorities, councils, developers and others for larger developments on maximising the % of affordable housing in other development in the CA area as a central part of developer contributions, recognising that %s of up to 50% are possible in some high value locations with additional potential development value, plus potential for higher %s in most other CA areas too. Discussion on re-phasing such schemes to achieve earlier development of AH is a further opportunity.

Consultee comments:

I am unclear how this principle is different from 2c) Also it talks about maximising the % of AH as a central part of developer contributions. If an increase is achieved as part of developer contributions, then the additional affordable dwellings achieved will not be eligible for grant so how will this work?

On site delivery of affordable housing should be the stated preferred position. Where a developer can demonstrate on an open book basis that viability is a block to on site provision, the off-site contributions should be ring fenced for that local authority area. As calculations for off-site contributions can, and often do, differ across local authority areas with each policy reflecting local needs and conditions it is unfair passport this to other areas. In extreme circumstances there could be time limits applied where, if off site contributions cannot be spent within the local authority in a specified time (e.g. three years) then it can be passported to another area.

5. There will be an additional focus on

- co-operation with partners and councils, including in helping secure external funding and resources, land or scheme approvals
- working with existing partnerships. Councils, voluntary organisations and funding sources to assist people who are unintentionally homeless, and to assist rough sleepers off the streets.

This will be an additional proposal to Government seeking funding plus building on established support and generosity from several developers, and the wider development sector

- a CA-wide strategy and dataset with all partners that recognises the wide ranging other AH challenges including key worker housing, and opportunities for employers with land directly to assist their staff.

Consultee comments:

Agree with the additional focus on this. A CA wide strategy is essential for the success of this and the strategy should be developed in partnership with all local authorities and key delivery partners. This sounds as if the CA is looking to develop a more enabling role which could be beneficial. More detail on what this would involve would be helpful.

6. There will be an ongoing focus on Community Land Trusts plus housing co-operatives that deliver affordable housing, but with revised expectations on outputs and governance, so they are community-led and focused on greatest AH challenges in their location as their two central objectives, and existing CLT projects and commitments by the CA will be reassessed against a new set of principles.

Consultee comments:

CLTs represent just one option available to deliver affordable housing and should be supported where local communities identify a need, however, if local communities reject the concept in favour of other models those areas should not be penalised. I would, therefore, recommend a wider review of local management options such as co-housing, tenant management organisations etc.

7. The earlier CA work on modular housing delivery will be reassessed and the CA will target opportunities for partnerships along with district councils, social enterprises/charities and private sector partners, including tendering for a lead modular production and skills development partner, with the aim of producing low carbon, improved living and community environments for tenants and residents, and with a particular focus on opportunities with constituent councils to help

- single people and couples
- people made unintentionally homeless or in temporary accommodation or currently rough sleeping

and make use of land which would not otherwise be available for housing, permanently or temporarily.

Consultee comments:

Alongside all forms of modern methods of construction, modular housing should be explored. Whilst MMC units are often more expensive to build (between 5% and 15%) they are often delivered in far shorter timeframes thereby generating income sooner and are built to precision standards which can help reduce fuel bills and the carbon footprint.

Schemes of modular units for homeless households, while a useful additional option and an attractive option in the short term. Over time if there are high concentration of such units in one area, issues with ASB and negative attention could follow. Schemes should be considered carefully and kept small.

8. There will be an increased focus on achievement of net zero carbon, and low energy usage in all future development that the CA funds, assisted by expected improved Government regulations and incentives, and improved design and technology opportunities.

Consultee comments:

This ambition – or core principle - is supported and should, in fact be the number one principle that feeds through everything else. Because reducing the carbon footprint of new houses is expensive, the cost implications of this core principle must be factored into the other seven core principles. So, for example, how will the principle of additionality compare to the principle of net zero carbon? If, for example, the CA can get more additionality by building traditional compared to the number it can achieve through MMC (which will have a lower carbon footprint), what will it aim for?