



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

JAMES PALMER
CAMBRIDGESHIRE &
PETERBOROUGH MAYOR

Housing and Communities Committee Minutes

Date: Monday 9 November 2020

Time: 2.00pm – 4.08pm

Present: Councillor Steve Allen, Councillor David Ambrose-Smith, Councillor Chris Boden (Chairman), Councillor Ryan Fuller, Councillor Roger Hickford, Councillor Mike Sargeant and Councillor Bridget Smith

Apologies: None

Part 1 - Governance Items

104. Announcements, Apologies for Absence and Declarations of Interest

No apologies received or declarations of interest made.

105. Minutes of the Housing and Communities Committee meeting on 14 September 2020

The minutes of the meeting on 14 September 2020 were approved as an accurate record. A copy will be signed by the Chairman when it is practical to do so.

106. Action Log

In reviewing the action log:

- Councillor Sargeant highlighted action 9.6 in terms of the definition of additionality that was circulated to the Committee. He stated that more structure was needed for each scheme put forward to the Committee that drew on the information that was circulated and gave a clear understanding of the additionality for each scheme. The Chairman stated that he would review this with officers for future reports. (Action)

The action log was noted.

107. Petitions

No petitions were received.

108. Public Questions

No public questions were received. Seven questions were received from the Overview and Scrutiny Committee. The Chairman explained that the questions would be addressed at the relevant item on the agenda.

109. Housing and Communities Committee Agenda Plan

In reviewing the committee agenda plan:

- Councillor Sargeant explained that he had been discussing the remit of tourism in the Skills Committee meeting he had attended that morning. He stated that clarity was needed in terms of whether tourism would be in the remit of the Housing and Communities Committee going forwards and was interested to see the report scheduled for the January meeting. The Chairman stated that there was a lot of work currently ongoing within the Covid recovery phases in relation to Tourism and Tourism was included within the Local Economic Recovery Plan that was in the process of being finalised and approved by the Combined Authority Board.

It was resolved to note the agenda plan.

110. Combined Authority Forward Plan

It was resolved to note the forward plan

Part 2 – Programme Delivery

111. £100 million Affordable Housing Update

The Committee received a report that provided an update on the £100 million Affordable Housing Programme being led by the Combined Authority.

The Committee received seven questions from the Overview and Scrutiny Committee on this report and the written response was read out by the Chairman and can be found at appendix 1 of the minutes.

Introducing the report the Director of Housing and Development explained that that there was a significant uplift expected on starts on site before March 2021. He clarified that point 5.5 in the report showed the profile of the affordable housing tenancy. He highlighted the new section six of the report which updated members on the performance of the £40 million revolving fund loan book.

In discussing the report:

- Councillor Sargeant expressed his concerns that the Combined Authority had not hear back from the Department for Business, Energy and Industrial

Strategy (BEIS) and the Minister for Housing, Communities and Local Government (MHCLG) about the funding position of the programme and that £15m of the monies due for the £100m programme for the year 2019/20 was deferred following last year's review. He explained that he had been looking at the original business case for the £100 million Affordable Housing Programme and was of the view that what had been carried out so far in terms of the programme was not in line with the original business case. He questioned whether this was the reason why the funding was not coming through from government and highlighted the concerns that government had expressed regarding Mere Fen. He explained that the original business case had highlighted that the Combined Authority should be using other funding streams and taking a strategic and collective view and he felt that this had not been reflected in any proposals for grant funding and there had been no discussions about what the assessment criteria should be. He requested an urgent report that reviewed the gaps in relation to the original business case against the current strategy. The Chairman explained that from his personal experience recently MHCLG had capacity problems themselves in relation to responding to issues during the pandemic. He highlighted that no response on the issue since the September meeting was consistent with his current experience. The Director of Housing and Development highlighted that he had circulated a copy of the minutes from the meeting with BEIS and MHCLG in September to the Committee, in which they had stated that they had no issue with the £40 million revolving fund along with an email from MHCLG stating that Ministers were heavily focused on current lockdown arrangements. He highlighted that the original business case was dated March 2017 and was coming to the end of its period, and there had been no issues raised by government against non-performance during this time. The Chairman requested that officers review the original business case and the policies the Combined Authority had followed and give a written response to the Committee. (Action)

- Councillor Sargeant queried whether the Combined Authority were getting value for money in relation to the £40 million revolving fund as currently there were only 48 homes approved through this fund. He expressed his concern that the Combined Authority were not taking the strategic approach that was set out in the original business case. He commented that the original business case stated that partnerships should be struck with housing associations particularly local housing associations and stated that he was not happy with the report today unless there was more justification for the approach and that he would not note the report, he would vote against it.
- Councillor Smith expresses her support of Councillor Sargeant's concerns and commented that she felt that the Committee had lost its way and it felt like the Committee was just a grant giving body and that it was crucial to understand whether the Committee had a greater role. She asked that the original business case be shared along with the written response back to Committee. The Chairman commented that he would be in a stronger position to comment on this after the next Committee meeting.

- Councillor Sargent queried whether all applicants on the list for £100k homes were receiving notifications when homes became available to apply for, in particular in relation to the Fordham Scheme. The Director of Housing and Development stated that he would get a clear answer to this question following the meeting and report back to the Committee. (Action)

It was resolved by majority to:

Note the progress of the delivery of the £100m programme.

112. £70m Cambridge City Council Affordable Housing Programme Update

The Committee considered a report on the spend and outputs for the £70 million Affordable Housing Programme.

It was resolved unanimously to:

Note the report on spend and outputs for the £70 million Affordable Housing Programme, and the next report will be provided in January 2021.

113. Housing Market Dynamics across the Cambridgeshire & Peterborough Combined Authority Area.

The Committee received a report that gave an overview of the different housing market issues across Cambridgeshire and Peterborough, and the impact on delivery of affordable housing, setting the work of the Housing and Communities Committee in context.

Introducing the report the Director of Housing and Development highlighted that it was important to note that many of the issues outlined in the report were subject to national or local policies outside the control of the Combined Authority. He explained that the report was a summary of issues that were set out in more detail in the Combined Authority's Housing Strategy (approved by the Combined Authority Board in September 2018). He clarified that the report highlighted the key role that Local Plans had in addressing these issues.

In discussing the report:

- The Chairman commented that it was a very helpful report and that it would be very tempting to get into a discussion about land values in different areas but that this was not a discussion to be had at Committee.
- Councillor Sargeant explained that he was struggling as the information in the report did not allow him to analyse what was fully going on. He explained that he would like to see the sale price, the cost of the land value, the build cost and the value of the sale/rental price. He would then be able to establish whether 30-40% would be reasonable. He stated that it would be good to have an average figure for each district. The Chairman explained that it was

the case that in half of Fenland they were not able to provide affordable housing at all. The Chairman agreed to set up a meeting with Members and officers to discuss the difficulties with viability in Fenland. The Director of Housing and Development stated that he was happy to set up a technical workshop with Members and officers to discuss the issues raised in the report with specific examples. (Action)

- Councillor Smith welcomed the offer of a workshop and commented that she would like to understand how the Combined Authority could influence housing process in the medium and long term and exceed housing numbers. She highlighted the need to involve the SME market. The Director of Housing and Development stated that the Greater Manchester Combined Authority had a £300 million fund to support housing and housing development in the area and that he would like to see something similar for Cambridgeshire and Peterborough Combined Authority. He explained that he was in early discussions on this matter. Councillor Smith commented that she would be very interested in such a scheme.

It was resolved unanimously to:

- a) To note the comments made within the report.

114. £100m Affordable Housing Programme Scheme Approvals – November 2020 – Sandpit Road, Thorney

The Committee considered a report that sought £237,804 of grant funding from the £100m Affordable Housing programme to enable delivery of a further five additional shared ownership homes at Sandpit Road, Thorney, Peterborough.

Introducing the report officers clarified that further potential to convert market units to affordable units had arisen at the Sandpit Road, Thorney site, in addition to the Larkfleet proposal approved earlier in the year. Officers explained that Heylo Housing would acquire the properties once shared ownership purchasers had been identified at the stage of onward sales completion. The property would be simultaneously transferred to Heylo Housing Registered Provider Limited who would issue a shared ownership lease to the purchaser.

In discussing the report:

- Councillor Smith commented that one of the units did not meet the national space standards and she reiterated that there was a need to deliver high quality homes that met the nationally described space standards and that she did not find this acceptable. The Chairman explained that there were problems with viability in some parts of the County but that he accepted her point in principal. The Director of Housing and Development stated that as this scheme was a conversion from market units to affordable the authority did not have the opportunity early in the process to influence this.

- Councillor Sargeant highlighted that some of the schemes at the Committee today had all achieved 100% against the nationally described space standards and he did not think that this was necessarily tied down to a district area. He stated that more detail was needed on how schemes were assessed.
- Councillor Fuller reiterated his comments from previous meetings that it would be a distraction and would have detrimental consequences to have a one size fits all policy. He stated that there was a need to be flexible and that there needed to be an agreement on a way forward on this matter so that the same discussion was not repeated at every meeting. The Chairman explained that he would not stop members raising points but that there should be some degree of self-control by all members.

It was resolved by majority to:

- a) Commit grant funding of £237,804 from the £100m Affordable Housing programme to enable delivery of a further 5 additional shared ownership homes at Sandpit Road, Thorney, Peterborough - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

115. £100m Affordable Housing Programme Scheme Approvals (November 2020) - British Sugar Way Site, Oundle Road, Peterborough

The Committee considered a report that sought £3,040,000 of grant funding from the £100 million Affordable Housing Programme for a tenure conversion of 74 additional units, from Market Sale to a combination of Affordable Rent and Shared Ownership homes, at the British Sugar Way site, Peterborough.

Introducing the report officers stated that the scheme would be a 100% affordable housing site of 74 units, with a combination of Affordable Rent and Shared Ownership homes. Officers stated that the original scheme had 52 market units and 22 affordable units and that the whole site would be managed and controlled by Cross Keys Homes

It was resolved by majority to:

- a) Commit grant funding of £3,040,000 from the £100m Affordable Housing programme to enable delivery of 45 Affordable Rent and 29 Shared Ownership (74 homes in total) homes at British Sugar Way, Oundle Road, Peterborough - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

116. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Husk Sites (Garage & In Fill Sites), Peterborough

The Committee considered a report that sought £665,000 of grant funding from the £100 million Affordable Housing Programme to support the delivery of 19 bungalow

units for affordable rent from five infill and garage sites in and around Peterborough.

Introducing the report officers stated that the proposal would enable 19 new affordable bungalows to be developed for people over the age of 55 years old and would be managed and controlled by Cross Keys Homes. Officers explained that the homes would be developed using Modern Methods of Construction (MMC). All of the homes would be delivered in modular form, with off-site manufacture of 'pods' that were designed to utilise the existing footprint of the garage blocks and where possible the existing foundations and external brick walls. Officers clarified that the Affordable Rent homes would be let through Cross Key Homes, at Local Housing Allowance rates

In discussing the report:

- Councillor Smith commented that four units were at 92% of the nationally described space standards so she could not support the scheme. She also queried why, as they were being built in modular form, the homes did not conform to the space standards.
- Councillor Sargeant highlighted the use of the term windfall and asked that officers use a clearer term in future.
- Councillor Ambrose-Smith queried the need for two bedroomed, three person homes on the site as the homes were for those aged over 55. Officers stated that the second bedroom would be a lot smaller and would mainly be for equipment handling and care purposes.

It was resolved by majority to:

- a) Commit grant funding of £665,000 from the £100m Affordable Housing programme to enable delivery of 19 Affordable Rent bungalows for people over 55 at HUSK sites, Peterborough - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

117. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Perkins (Phase 2), Newark Road, Peterborough

The Committee considered a report that sought £3,740,000 of grant funding from the £100 million Affordable Housing Programme for 96 additional homes comprising 38 affordable rent and 58 shared ownership units on Perkins site Phase 2, Newark Road, Peterborough.

Introducing the report officers explained that the neighbouring Perkins Phase 1 site has completed earlier in the year (July 2020). The whole site would be managed and controlled by Cross Keys Homes but was formerly owned by Perkins Engines. Officers explained that the proposal would benefit the local communities, by way of utilising disused/redundant/void brownfield sites, within the city. Officers clarified

that the site had full planning consent and planning conditions had been discharged. Officers stated that there was a Deed of Variation to provide 30% of affordable housing, however the intention now was for the whole site to be made 100% affordable housing site. Officers highlighted that start on site would be in quarter one 2021/2022, with practical completion in quarter four 2022/2023, with 38 homes at affordable rent and 58 as shared ownership homes.

In discussing the report:

- Councillor Sargeant queried the planning situation and sought clarification from officers that the planning consent had been given. Officers stated that Cross Keys Homes had clarified that the planning consent had been agreed

It was resolved by majority to:

- a) Commit grant funding of £3,740,000 from the £100m Affordable Housing programme to enable delivery of 96 additional affordable homes, with a mix of rented and shared ownership at Perkins site, Phase 2, Peterborough - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

118. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Old Motel Site, 16 North Street, Stilton, Huntingdonshire.

The Committee considered a report that sought £420,000 of grant funding from the £100 million Affordable Housing Programme for 10 additional homes, with a mix of five affordable rent and five shared ownership units at The Old Motel Site, 16 North Street, Stilton, Huntingdonshire.

Introducing the report officers explained that the development opportunity was on an old motel site which was no longer in use. The whole site would be managed and controlled by Cross Keys Homes. Officers clarified that all of the units achieved a minimum of 100% of the nationally described space standards, nine units would be delivered to M4(2) accessible and adaptable building regulations standard, with 1 unit delivered to M4(3) wheelchair standards.

It was resolved unanimously to:

- a) Commit grant funding of £420,000 from the £100m Affordable Housing programme to enable delivery of 10 additional affordable homes, with a mix of rented and shared ownership, at Old Motel Site, Stilton, Huntingdonshire - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

119. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Station Road, Littleport, Ely. East Cambridgeshire.

The Committee considered a report that sought £1,448,000 of grant funding from the £100 million Affordable Housing Programme to enable delivery of 39 affordable

homes, with a mix of rented and shared ownership at Station Road, Littleport, East Cambridgeshire.

Introducing the report officers explained that the site was next to the old unused railway goods yard, part of a greenfield site, and the whole scheme would be managed and controlled by Cross Keys Homes. Officers clarified that Cross Keys Homes Limited had agreed terms for the acquisition of the freehold site subject to securing an implementable reserved matters planning consent. Officers explained legal work was currently underway in terms of full due diligence, and preparation of contracts and it was hoped that outline planning consent would be granted shortly. Officers highlighted that the site would be 100% affordable housing a variation to the requested planning consent that originally included a mix of affordable and market housing.

In discussing the report:

- Councillor Ambrose-Smith queried whether officers were working with East Cambridgeshire Housing colleagues and the housing association to ensure that the units were being put through the East Cambridgeshire allocations policy. Officers clarified that they had been speaking with East Cambridgeshire colleagues but would feedback on actions taken to ensure that the policy was followed. (Action)
- Councillor Sargeant queried whether officers were still seeing an increase of market housing conversions to affordable housing. The Director of Housing and Development stated that there had been an increase but it was difficult to say whether it would continue.

It was resolved by majority to:

- a) Commit grant funding of £1,448,000 from the £100m Affordable Housing programme to enable delivery of 39 affordable homes, with a mix of rented and shared ownership at Station Road, Littleport, East Cambridgeshire – Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

120. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Former East Anglia Galvanising Works, Oundle Road, Peterborough, Cambridgeshire.

The Committee considered a report that sought £3,830,725.00 of grant funding from the £100 million Affordable Housing Programme to enable delivery of 77 additional affordable homes comprising 54 affordable rent and 23 shared ownership units on Oundle Road, Peterborough, Cambridgeshire.

Introducing the report officers explained that the homes were to be developed on a redundant brownfield site within the urban area, adjacent to the city centre and close to good transport links.

In discussing the report:

- Councillor Sargeant requested that information for the allocations policy for each proposal be included in reports. (Action)
- Councillor Fuller explained that he agreed with Councillor Sargeant to a degree but that there was a bigger debate to be had about understanding the role of the committee and agreeing determining factors for approvals. The Chairman explained that he would review this with officers and update the Committee on next steps. (Action)
- Councillor Smith welcomed the proposal to review the role of the Committee in particular in relation to scheme approvals. She suggested a strategy meeting to discuss this further. She queried the size of the scheme and if the local authority supported the scheme. Officers confirmed that the local authority were fully supportive of the scheme.

It was resolved unanimously to:

- a) Commit grant funding of £3,830,725.00 from the £100m Affordable Housing programme to enable delivery of 77 additional affordable homes, with a mix of rented and shared ownership units at Oundle Road, Peterborough – Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

121. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Land East Of North End, Meldreth, South Cambridgeshire.

The Committee considered a report that sought £630,000 of grant funding from the £100m Affordable Housing programme to enable delivery of 14 additional affordable homes, with a mix of rented and shared ownership homes at North End, Meldreth, South Cambridgeshire.

Introducing the report officers explained that the development would be a greenfield site the local authority supported the application as a rural exception site. Officers clarified that the site would be managed by the Paradigm Housing Group, who are based in Buckinghamshire.

It was resolved unanimously to:

- a) Commit grant funding of £630,000 from the £100m Affordable Housing programme to enable delivery of 14 additional affordable homes, with a mix of rented and shared ownership homes at North End, Meldreth, South Cambridgeshire - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

122. £100m Affordable Housing Programme Scheme Approvals (November 2020) - High Street, Needingworth, Hunts, Cambridgeshire.

The Committee considered a report that sought £1,775,000 of grant funding from the £100m Affordable Housing programme to enable delivery of 45 additional affordable homes comprising 20 affordable rent and 25 shared ownership units on Land at the rear of High Street, Needingworth, Huntingdonshire.

Introducing the report officers clarified that the site was to the rear of the High Street in Needingworth and was a greenfield site. Officers explained that Cross Keys Homes Limited acquired the freehold of the site in January 2020 and outline planning consent was granted by Huntingdonshire District Council but no planning conditions had yet been discharged. Officers highlighted that the rented units would be capped at Local Housing Allowance (LHA) rates or 80% of market rent rates, to ensure affordability.

In discussing the report:

- Councillor Sargeant queried the capping of rent and sought clarity on whether this would mean that the rent was capped at whichever was the lowest rate. Officers clarified that the rate would be capped at whichever was the lowest rate and this would be the same for all sites.

It was resolved by majority to:

- a) Commit grant funding of £1,775,000 from the £100m Affordable Housing programme to enable delivery of 45 additional affordable homes, with a mix of rented and shared ownership homes at Land rear of High Street, Needingworth. Huntingdonshire – Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

123. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Land Rear of 9-17 Hawes Lane, Wicken, East Cambridgeshire.

The Committee considered a report that sought £640,000 of grant funding from the £100m Affordable Housing programme for 16 additional units, 11 affordable rented and five shared ownership on a greenfield site.

Introducing the report officers explained that Cambridge Housing Association proposed to deliver the whole site for Affordable housing provision, with rents set at LHA rates or 80% of market rents whichever was the lowest, including service charge (where applicable). Officers clarified that all of the units would be delivered to 100% Nationally Described Space Standards, accessible housing (Category 2) and all units would have air source heat pumps to help with lower carbon emissions.

It was resolved unanimously to:

- a) Commit grant funding of £640,000 from the £100m Affordable Housing programme to enable delivery of 16 additional affordable housing units, at

9-17 Hawes Lane, Wicken, Cambridgeshire - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

124. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Mores's Meadow, Great Shelford, South Cambridgeshire.

The Committee considered a report that sought £1,008,000 of grant funding from the £100m Affordable Housing programme for 21 additional affordable housing units, all at affordable rent.

Introducing the report officers explained that this was a Community-Led Housing Initiative designed to enable more community led affordable housing to come forward. Officers clarified that over the last few years, the Parochial Charity had been working with the Parish Council to consider how best to address the critical need for affordable housing in the village. Officers highlighted that a housing need assessment was conducted and there were 97 households who either lived in or have a local connection to Great Shelford. Officers explained that the new site would include 21 units all for rent, but these were target rents at 50% of market rent, which was even lower than normal affordable rent.

It was resolved unanimously to:

- a) Commit grant funding of £1,008,000 from the £100m Affordable Housing programme to enable delivery of 21 affordable rented additional units, at More's Meadow, Great Shelford, South Cambridgeshire - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

125. £100m Affordable Housing Programme Scheme Approvals (November 2020) All Angels Park, Highfields, Caldecote, South Cambridgeshire

The Committee considered a report that sought £247,999 of grant funding from the £100m Affordable Housing programme for a further five shared ownership additional units, at All Angels Park, Highfields, Caldecote.

Introducing the report officers explained that the proposal was to take five properties being built for open market sale and to undertake a tenure conversion to affordable housing as shared ownership units over and above any planning requirements. Officers clarified that properties would be built by Vistry under their Linden Homes brand to their standard market specification and sold alongside their market properties. Officers highlighted that Heylo Housing would acquire the property after purchasers had been identified at the stage of onward sales completion and the property would be simultaneously transferred to Heylo Housing Registered Provider Limited who would issue a shared ownership lease to the purchaser.

In discussing the report:

- Councillor Smith explained that she was not aware of when the planning permission had been granted for this scheme recently. The Director of Housing and Development stated that the All Angels development was an older scheme and this proposal was for a conversion from open market to affordable housing.

It was resolved by majority to:

- a) Commit grant funding of £247,999 from the £100m Affordable Housing programme to enable delivery of an additional 5 shared ownership homes at All Angels Park, Highfields, Caldecote - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

126. £100m Affordable Housing Programme Scheme Approvals (November 2020) - Springfield Avenue, March, Fenland.

The Committee considered a report that sought £1,560,000 of grant funding from the £100m Affordable Housing programme for a further 32 additional affordable rented units, at Springfield Avenue, March.

Introducing the report officers explained that the previously approved project of eight social rented units started to develop problems in delivery. After lengthy investigations by the developer and discussions with the District Council and the Combined Authority a proposal had come forward for the whole site to be converted to a 100% affordable rented site. Officers clarified therefore that an additional grant of £1,560,000 for 32 additional units was requested, making the total scheme 40 units with a grant total of £2,000,000 (£440,000 already approved and £1,560,000 of new grant money being requested). Officers highlighted that Clarion Housing had now acquired the site and had been in discussion with Fenland District Council. convert all 40 units to being affordable rented units.

Discussing the report

- The Chairman explained that there was no appetite for shared ownership in the area, hence the scheme had been proposed all as affordable rent.

It was resolved unanimously to:

- a) Commit grant funding of a further £1,560,000 from the £100m Affordable Housing programme to enable delivery of an additional 32 affordable rented homes at Springfield Avenue, March, Fenland. - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

Part 3 – Date of the next meeting

127. It was resolved to:

Note the date of the next meeting as Monday 11 January 2021.