



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

## **HOUSING AND COMMUNITIES COMMITTEE**

**Date: Friday, 07 October 2022**

**Democratic Services**

Edwina Adefehinti  
Deputy Monitoring Officer

72 Market Street  
Ely  
Cambridgeshire  
CB7 4LS

**10:00 AM**

**Civic Suite, Pathfinder House, St Mary's Street,  
Huntingdon PE29-3TN  
[Venue Address]**

### **AGENDA**

**Open to Public and Press**

#### **Part 1: Governance Items**

**1.1 Apologies for Absence and Declarations of Interest**

**1.2 Housing and Communities Committee Minutes - 11 July 2022**

**5 - 14**

**1.3 Public Questions**

Arrangements for asking a public question can be viewed here

- [Public Questions - Cambridgeshire & Peterborough Combined Authority \(cambridgeshirepeterborough-ca.gov.uk\)](https://www.cambridgeshirepeterborough-ca.gov.uk/public-questions)

## **Part 2: Recommendations to Combined Authority Board**

- |            |   |                |
|------------|---|----------------|
| <b>2.1</b> | <b>Winding up Angle Holding &amp; Angle Developments (East) Ltd</b> | <b>15 - 18</b> |
| <b>2.2</b> | <b>Community Led Housing Support Funding</b>                        | <b>19 - 38</b> |

## **Part 3 : Programme Delivery**

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|------------|---|----------------|
| <b>3.1</b> | <b>Affordable Housing Programme – Update on Implementation</b>      | <b>39 - 46</b> |
| <b>3.2</b> | <b>Affordable Housing Programme Loans Update</b>                    | <b>47 - 52</b> |
| <b>3.3</b> | <b>24 High Street, Wisbech, Fenland</b>                             | <b>53 - 58</b> |
| <b>3.4</b> | <b>Housing and Communities Committee Agenda Plan - October 2022</b> | <b>59 - 60</b> |

## **Part 4: Date of Next Meeting**

14 November 2022

### **COVID-19**

The legal provision for virtual meetings no longer exists and meetings of the Combined Authority therefore take place physically and are open to the public. Public access to meetings is managed in accordance with current COVID-19 regulations and therefore if you wish to attend a meeting of the Combined Authority, please contact the Committee Clerk who will be able to advise you further.

The Housing and Communities Committee comprises the following members:

*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

Councillor Lewis Herbert

Councillor Jackie Allen

Councillor David Ambrose-Smith

Councillor John Batchelor

Councillor Denise Laws

Councillor Tom Sanderson

Councillor Alison Whelan

Clerk Name:	Tamar Oviatt-Ham
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**CAMBRIDGESHIRE  
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COMBINED AUTHORITY

## Housing and Communities Committee Minutes

Meeting: Monday 11 July 2022

Venue: Civic Suite, Huntingdonshire District Council

Time: 2.00pm – 2.50pm

### Present:

Councillor Jackie Allen - Peterborough City Council

Councillor David Ambrose-Smith - East Cambridgeshire District Council

Councillor John Batchelor - South Cambridgeshire District Council

Councillor Lewis Herbert - Chair and Member for Cambridge City Council

Councillor Lucy Nethsingha - Cambridgeshire County Council

Councillor Tom Sanderson - Huntingdonshire District Council

### Apologies:

Councillor Denise Laws - Fenland District Council

Councillor Alison Whelan - Cambridgeshire County Council

## Part 1 - Governance Items

### 54. Apologies for Absence and Declarations of Interest and Announcements

Apologies received from Councillors Denise Laws and Alison Whelan substituted by Councillor Lucy Nethsingha.

### 55. Minutes of the Housing and Communities Committee meeting on 9 March 2022 and Actions

The minutes of the meeting on 9 March 2022 were approved as an accurate record.

The action log was noted.

### 56. Public Questions

No public questions were received.

## Part 2 - Programme Delivery

### 57. Partial Release of Legal Charge

The Committee considered a report that sought a decision from the Committee following a request to release part of a legal charge that was held by the Combined Authority as security for a loan that was made from the 2021-2022 Affordable Housing Programme (AHP).

Introducing the report officers updated the Committee on a number of points including:

- On 28 November 2018 the Combined Authority Board approved the grant of a loan of £24.4M from the AHP to East Cambridgeshire Trading Company Limited (ECTC) to refurbish 92 former Ministry of Defence (MOD) homes including 15 affordable homes adjacent to the Princess of Wales Hospital in Ely
- The loan was secured by way of a legal charge affecting the whole of the residential site.
- A request had recently been received from the borrower requesting that the Combined Authority release part of its charge.
- The borrower had agreed terms with Cambridgeshire Community Services NHS Trust to transfer part of the site which included a derelict former social club. The NHS Trust would then commence the construction of a multi storey carpark to service the Princess of Wales Hospital that would be redeveloped.
- The land for the carpark needed to be transferred free from encumbrances, hence the request to release the charge.
- Under the arrangement the NHS Trust would simultaneously transfer a parcel of land, considered to be capable of future residential development. Both parcels of land were comparable in site area.
- A monitoring report dated 15 June 2022 confirmed that repayments were £3.5M behind anticipated cash flow. The report stated that repayment of the loan would depend on how quickly the remaining properties could be sold, and that 19 properties were yet to be reserved.
- Officers recommended that members grant conditional consent to release part of the charge, this would involve the Combined Authority benefiting from a replacement charge to be put on the land that was to be acquired by the borrower. This would mean that the CA loan security would be replaced and the NHS Trust could implement the first phase of the hospital redevelopment.

In discussing the report Members:

- Sought clarity on if the land would be transferred to East Cambridgeshire Trading Company or one of the Combined Authorities trading companies. Officers confirmed that as East Cambridgeshire Trading Company were transferring land that they owned and in return would be in receipt of an equivalent plot of land, so it was effectively a land swap. Officers explained that the land would come back to the Combined Authority if the loan was defaulted.
- Requested the legal advice on recommended option. Officers confirmed that the legal charge would be in favour of the Combined Authority. So if there was a default and the Combined Authority had to take enforcement action, and would be able to reclaim any monies owed.

It was resolved unanimously to:

- a) Grant conditional consent to release part of a legal charge applied to land at the former MOD housing site at Ely.

## 58. The Future of CPCA Housing Purpose and Function

The Committee received a report that sought to present Members with the potential opportunities to carry forward progress around the delivery of housing in the Combined Authority geography. The report presented a number of activities for consideration and discussion. Decisions were now required about reviewing the level of CA Housing impact and areas of focus in line with the more limited resources available in the immediate future.

In particular, the Director of Housing and Development highlighted that:

- Workshops have been held with officers throughout the CA area and Leaders. A summary of key points from the Leaders workshop held on 6 April 2022 was detailed in appendix 1 of the report. The key housing challenges were identified as being skills, specifically including those required for modern methods of construction and housing retrofit, strategic co-ordination around specialist housing, co-ordination with infrastructure planning, development viability and funding.
- Feedback from the officer and partners workshop held on 29 March 2022 was detailed in Appendix 2 of the report.
- There was a need to maintain the oversight of the build out of the affordable housing programme and the re-payment of the Loan Book.
- The Board and Committee now needed to consider the housing purpose and function beyond this programme, taking into consideration that there was no revenue or capital support outside of the Combined Authorities existing resources.

- The recommendation was to maintain a housing presence, retaining housing officer capability and potential influence with more capability to respond to future housing Initiatives, opportunities and potential impact upon stalled sites.
- There was also a recommendation to continue to Support Community Led Housing Initiatives.
- There was no future need or justification to retain the two wholly owned companies and the recommendation was that the companies be wound up.
- As part of the future transformation programme, ask the Chief Executive organise the required resources and skills to enhance the links to growth, skills and infrastructure in the CA and to manage the resources in relation to this.

In discussing the report Members:

- Queried the time period in relation to the Chief Executives review of the required resources to undertake future activity. The Director of Housing and Development stated that there was a sense of urgency and the Interim Chief Executive was currently looking at the senior roles within the organisation, with a report to Board in July. There would be an update to Committee at its next meeting in September.
- Sought clarity on the Boards position in relation to the future purpose and function. The Chair explained that the overall position of the Board was that it there was a recognition that the role of the CA in relation to Housing had changed and there was a particular concern that the excellent work done by the Housing team on the Affordable Housing Programme so far needed to be resourced as there was £40 million of ongoing commitment. The Chair explained that the ongoing resourcing of the work could be within the CA or as an agency agreement with one of the Constituent Authorities. He explained that the Board was interested in Community Housing and there was still a specific budget that could be allocated to deliver these projects. He highlighted that there was an ongoing shortage of skilled staff in the construction sector. He commented that there were changes to some of the existing projects and the affordable housing programme and there was likely to be further changes going forwards. He clarified that there had been a good relationship with DLUC in terms of substitutions and variations, within the overall allocation of funding that they had given to the CA. He explained that the role of the Housing and Communities Committee would be part of a Governance Review at the CA in terms of the role of the Committee in the future.
- Questioned if the Chief Executive would be looking to the Constituent Authorities in relation to their expertise as part of the resourcing for future activities. The Chair explained that the CA needed to carry out the review and determine whether they still wished to carry out the Housing function internally. **ACTION**



- Queried if the loan money coming back in to the CA was already allocated to different projects. The Director of Housing and Development stated that all of the loan money was being recycled in to the grant programme.

It was resolved unanimously to:

- a) Note the proposed role for the CA in supporting the future delivery of housing, specifically to;
  - i. Maintain the oversight of the build out of the affordable housing programme and the re-payment of the Loan Book.
  - ii. Maintain a housing expertise and skills presence, retaining some housing officer capability and skills, providing capability to respond to future housing Initiatives and Opportunities, including those identified at the Member workshop.
  - iii. Ask the Chief Executive to consider how best to reduce and reorganise resources to deliver these functions as part of the future transformation programme.
- b) Recommend that the Combined Authority Board approves the wind up of the Combined Authority 100% owned company, Angle Developments (East) Limited.
- c) Recommend the Combined Authority Board approves the wind up of the Combined Authority 100% owned company, Angle Holdings Limited.

## 59. Affordable Housing Programme – Update on Implementation

The Committee considered a report that provided an update on the Implementation of the Affordable Housing Programme.

Introducing the Director of Housing and Development updated the Committee on a number of points including:

- There had been a strong end to the programme
- The outturn showed an achievement of an additional 1,449 units in the period to the end of March 2022, which was 72% towards the target of 2,000 units.
- Issues that had been encountered within the programme had been detailed in section 2.8 to 2.13 of the report.
- Monitoring of the programme would continue to all of the units had been completed.

In discussing the report Members:

- Queried the format of appendix 1 of the report which showed starts on site and whether this could now be simplified now that all schemes had started on site. The Director of Housing and Development acknowledged that the spreadsheet could now be refined and would be reviewed and recirculated to the Committee. **ACTION**

It was resolved unanimously to:

- a) Note the report.

## 60. Affordable Housing Programme Loans Update

The Committee considered a report that gave an update on the progress on the Affordable Housing Programme Loans.

Introducing the report the Director of Housing and Development updated the Committee on a number of points including:

- Since the last meeting the loan for the scheme at Alexander House, Forehill, Ely, by Laragh Developments for 25 units with 4 affordable units at a total of £4.84M had been repaid.
- The forecast for the loan repayment at the Former MoD site, Ely was still behind. However since the last meeting there had been a substantial number of receipts from sales on the site and were catching up with the original payment profile, with a receipt of approximately £7 million since the last meeting.

It was resolved unanimously to:

- a) Note the current position in respect of outstanding loan repayments required to fund the 2021-2022 Affordable Housing Programme.

## 61. £100 Million Affordable Housing Programme: Heylo Bayard Plaza, for replacement with Roman Fields, Paston, Phase 2, Peterborough

The Committee considered a report detailing

Introducing the report officers updated the Committee on a number of points including:

- The site at Bayard Plaza had only sold 12 out of 40 units to date due to valuers giving the units a low rating, compounded by the area of Peterborough in which the development was located, as this part of Peterborough was going through a regeneration and many mortgage lenders had refused buyers mortgages.

- In March 2022 Heylo approached the CA after a year of trying to encourage further sales, and requested that they relinquish the balance of 28 of the original of 40 units, but would still count the 12 units that they had sold at Bayard Plaza.
- Heylo had contacted Keepmoat who had developments at JMS Scholars and Roman Fields Paston. They came up with an agreement to reuse the grant to acquire shared ownership units at Roman Fields. The units at Roman Fields were 9 flats and 21 homes, for shared ownership, through the Heylo model of shared ownership. They would reuse the remaining grant of £896,625, plus, £109,548 from the clawback from the Larkfleet sites. This provided a grand total of £1,006,173, towards a swap of units, with the same provider, same tenure type shared ownership, for the people of Peterborough.

In discussing the report Members:

- Sought clarity on if there were proper procedures and processes in place for the transfer to happen as there had been previous issues with DLUC. The Director of Housing and Development clarified that they had approached DLUC in relation to the proposals which they had agreed to. A Member stated that Heylo were currently under investigation in relation to governance issues and queried if this would create complications for the CA. The Director of Housing and Development stated that they had received communications from Heylo regarding the situation. He had been advised that this was a first stage process and was not abnormal and currently he had no reason to believe that they would not pass the test in due course.

It was resolved unanimously to:

Approve and agree the variation to the grant agreement to account for the lack of sales at Bayard Plaza:

- a) Due to the lack of sales on the site, Heylo wishes to vary its grant agreement, as the site has not sold many, and wishes to hand the units at Bayard Plaza back to Brightfield, the developer.
- b) There is a replacement proposal to instead deliver the additional affordable units with Keepmoat, to provide new shared ownership homes, which will replace the units lost at Bayard Plaza, Peterborough, with units at Roman Fields, Paston, Peterborough.

## 62. Housing and Communities Committee Agenda Plan

It was resolved to note the agenda plan.

## Part 3 – Date of the next meeting

63. It was noted that the next meeting would take place on 12 September 2022.





## Housing and Communities Committee Action Log

### Purpose:

The action log records actions recorded in the minutes of the Housing and Communities Committee meetings and provides an update on officer responses.

### Minutes of the meeting on 10 January 2022

Minute	Report title	Lead officer	Action	Response	Status
40.	Digital Connectivity Strategy 2022-25 Business Case	Noelle Godfrey	Queried whether the roll out of Public Access Wi-Fi to Village Halls and Community Centres, as part of the Access and Inclusion Workstream, could be accelerated. Officers explained that currently Public Access Wi-Fi had been rolled out to 40 village halls using funding from health to support health outcomes. Officers explained that more funding would be required to accelerate the roll out and this was a complex area. The Chair requested an update on the roll out in the next Digital Connectivity report to Committee.	To be included in the next report to Committee - TBC	Ongoing

## Minutes of the meeting on 11 July 2022

Minute	Report title	Lead officer	Action	Response	Status
58.	The Future of CPCA Housing Purpose and Function	Chief Executive	Questioned if the Chief Executive would be looking to the Constituent Authorities in relation to their expertise as part of the resourcing for future activities. The Chair explained that the CA needed to carry out the review and determine whether they still wished to carry out the Housing function internally.	Ongoing	Ongoing
59.	Affordable Housing Programme – Update on Implementation	Roger Thompson	Queried the format of appendix 1 of the report which showed starts on site and whether this could now be simplified now that all schemes had started on site. The Director of Housing and Development acknowledged that the spreadsheet could now be refined and would be reviewed and recirculated to the Committee.	Refined for September report	Complete



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Agenda Item No: 2.1

## Winding up Angle Holdings Ltd and Angle Developments (East) Ltd

To: Housing and Communities Committee

Meeting Date: 7 October 2022

Public report: Yes

Lead Member: Councillor Lewis Herbert, Lead Member for Housing and Communities

From: Roger Thompson, Director of Housing and Development

Key decision: No

Forward Plan ref: N/A

Recommendations: The Housing and Communities Committee makes the following recommendation:

A. To recommend to the CPCA Board for officers to undertake the actions required to wind up Angle Holdings Ltd and Angle Developments (East) Ltd and for the appointment of a senior member of the CPCA finance team as a Director of both companies in order to oversee and support the orderly closure of both companies.

Voting arrangements: A simple majority of all Members present and voting.

## 1. Purpose

- 1.1 This report follows the commentary in the Future of Housing paper considered and approved at the July Committee where both companies were provisionally identified as not being required as a part of a future Housing purpose.

## 2. The Process to Winding Up & Indicative Timetable

- 2.1. There are pre-requisites for the process to voluntarily strike-off the two companies. The companies must not be subject to any ongoing formal insolvency proceedings or a scheme of arrangement and it must not in the preceding three months have:
  - changed its name;
  - traded or otherwise carried on business;
  - made a disposal for value of property or rights used in carrying on its business; or
  - engaged in any other activity except one necessary or expedient to concluding the affairs of the company, making or deciding upon the strike off application or complying with any statutory requirements.
- 2.2 The companies will require a formal Board meeting to approve the strike-off and it is possible to have the strike off approved at the same meeting where the directors declare the interim dividends (if any) which are to be paid pre-strike off.
- 2.3 The director/s, on behalf of each of the companies complete and file a strike off application (Companies House Form DS01) with the Registrar, together with the requisite fee. Following this application, the Registrar notes the application on the public record, confirms receipt to the company (to ensure that the application is *bona fide*) and publishes notice of the application in the Gazette and invites any person to show cause why a strike off should not proceed. A copy of the application must be given to all members, creditors, directors and any employees of the companies and any company pension fund managers and trustees.
- 2.4 Absent any objection, not less than two months after publication in the Gazette the Registrar will strike the companies names off the register and publish notice of the strike off in the Gazette. The companies would be officially dissolved upon such publication.
- 2.5 The chairman of the two companies has resigned following the Board's approval last month of the future of housing paper which identified that the two companies should be closed down, subject to this report and committee and board approval This has saved costs from continuing to be incurred.
- 2.6 The Shareholder Agreements for both companies state that any decision to close them down are subject to final approval from the Combined Authority Board.



## **ANGLE DEVELOPMENTS (EAST) LIMITED**

- 2.7. Angle Development (East) limited has no other share holding or interests and should immediately be wound up.
- 2.8. Following the resignation of the independent Chair of the company, Roger Thompson is the only current director. It is recommended that a senior member of the CPCA finance team is appointed as a director in order to oversee the closing down of the company.

## **ANGLE HOLDINGS LIMITED**

- 2.9. Angle Holdings Limited still retains a single share in the Cambridgeshire & Peterborough Business Growth Company Ltd. (Growth Co.) so that will need to be disposed of before the company can be wound up.
- 2.10. Following the resignation of the independent Chair of the company, the Mayor Dr Nik Johnson is the only current director. It is recommended that a senior member of the CPCA finance team is also appointed as a director in order to oversee the closing down of the company.

## **Significant Implications**

### **3. Financial Implications**

- 3.1 There will need to be a write off of the costs of setting up and operating the companies. The total costs to be written off will be approximately £42,000 once both companies are wound up.

### **4. Legal Implications**

- 4.1 As the CA has no ambition to engage in either direct development or potential joint ventures then it has no reason to retain these internal companies.

### **5. Public Health implications**

- 5.1 There are no additional public health implications

### **6. Environmental and Climate Change Implications**

- 6.1 There are no additional environmental or climate change implications

### **7. Other Significant Implications**

- 7.1 None.

### **8. Appendices**

- 8.1 None





Agenda Item No: 2.2

## Community Led Housing Support Funding

To:	Housing and Communities Committee
Meeting Date:	7 October 2022
Public report:	Yes
Lead Member:	Councillor Lewis Herbert, Lead Member for Housing and Communities
From:	Roger Thompson, Director of Housing and Development
Key decision:	No
Forward Plan ref:	N/A
Recommendations:	<p>The Housing and Communities Committee is recommended to:</p> <p style="text-align: center;">Recommend that the Combined Authority's Board allocates further funding of £100,000 to support community led housing initiatives across Cambridgeshire and Peterborough.</p>
Voting arrangements:	A simple majority of all Members present and voting.

## 1. Purpose

- 1.1 This report seeks a recommendation from the Housing and Communities Committee for the Combined Authority's Board to allocate funding of £100,000 to support established community led housing groups across Cambridgeshire and Peterborough.

## 2. Background

- 2.1 On 8 June 2022 the Combined Authority's Board approved the Community Homes Strategy as previously approved by the Housing and Communities Committee at its meeting on 10<sup>th</sup> January 2022 (attached at Appendix A to this report).
- 2.2 In accordance with the approved strategy the Combined Authority's advisors Eastern Community Homes have been engaging with Community led housing groups across Cambridgeshire and Peterborough with the exception of East Cambridgeshire where these groups are assisted by a dedicated officer resource independently provided by East Cambridgeshire District Council (ECDC).
- 2.3 In July 2022 officers from ECDC approached the Combined Authority for additional funding to support established community led housing groups within East Cambridgeshire.
- 2.4 Eastern Community Homes were consulted and confirmed that similar appetite for support funding exists across the whole of the Combined Authority's (CA) region.

## 3. Matter for Consideration

- 3.1 The Community Homes Strategy provides a start-up grant facility to support community homes groups during the initial stages of a proposal, and this can facilitate the incorporation of community groups as legal entities.
- 3.2 Further funding challenges are often met by incorporated community led housing groups in the early stages of a project. Examples include meeting the costs of viability appraisals, addressing legal and planning issues, addressing site specific issues such as ground investigations, entering into arrangements for securing a legal interest in a site, conveyancing and preparation of partnership arrangements.

Other organisational development needs include community consultation, training on working as a team, and business planning.

In addition, as a group evolves governance complexities emerge such as finance and taxation issues, contracting and partnership options, and other business planning work that requires professional input.

- 3.3 The proposal is to provide a source of follow-up funding in circumstances where it can be demonstrated that funding could provide a useful resource to address challenges and maintain project momentum.

Applications for funding will be expected to fulfil the criteria specified at Appendix B and applications shall be assessed initially by the CA's community homes advisors.

- 3.4 Applications will be submitted using an application form on a rolling basis to suit project timescales.

The CA and its community homes advisors will promote grant availability to ensure awareness across the CA's region.

- 3.5 Groups should have established status as an incorporated body to access funding and will need to demonstrate a clear and deliverable plan to undertake pre-development work and progress towards a new housing scheme.

Applicants' track record or knowledge of the development process can help to evidence deliverability. However where applicants do not hold a track record for previous development, a plan for accessing appropriate support and advice from experts or professionals will be required at the time of the application.

- 3.6 The amounts of grant funding awarded for applications is likely to vary, so there will be no stated ceiling on the amount of funding that can be applied for. However, the underlying principle is that the whole of the allocated funding is intended to serve multiple schemes across the CA's region.

## Significant Implications

### 4. Financial Implications

- 4.1 The Medium-Term Financial Plan (MTFP) for 2021 – 2025 included a budget of £100,000 per annum for 2 years towards community housing and the £100K homes projects. The draft MTFP for 2022-23 includes a revised budget for community housing of £70K per annum until 2025 – 2026 to reflect the closure of the £100K Homes project. There is further funding that is yet to be approved of £50K for 2022-2023 and £50K for 2023-2024 and Board are asked to approve this budget to fund the proposal.

- 4.2 There is sufficient headroom in this budget to cover the costs of appointing community homes advisors and to provide funding of £100K.

### 5. Legal Implications

- 5.1 The recommendations accord with CPCA's powers under Part 4 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251). The CPCA will issue grant funding agreements to successful applicants.

### 6. Public Health implications

- 6.1 No associated public health implications have been identified.

### 7. Environmental and Climate Change Implications

- 7.1 The report recommendations have neutral implications for the environment and climate change.

## 8. Appendices

Appendix A – Community Homes Strategy

Appendix B – Funding Criteria

## 9. Background Papers

[Combined Authority Housing & Communities Cttee 10 Jan 2022](#)

[Combined Authority Board 8 Jun 2022](#)

## **COMMUNITY HOMES STRATEGY**

### **Introduction – What is community-led housing?**

Community-led housing (CLH) involves local people playing a leading and lasting role in solving housing problems, creating genuinely affordable homes and strong communities. It can involve building new homes, returning empty homes to use and managing existing homes. These homes are usually either owned by the community or by the residents themselves.

CLH is a different approach to mainstream housing development in terms of development process, ownership of land and the end management of homes. Whilst there are several different approaches to CLH development they all have several things in common. They usually all have qualitative, social benefit and environmental features within a scheme, are not-for profit and are designed to involve residents in addressing the local and/or their own housing needs. CLH schemes are for the benefit of a community, whether that is defined geographically such as with Community Land Trusts (CLTs) or an *intentional* community of like-minded people, such as with cohousing schemes.

The national organisations representing the community-led housing sector have agreed on what constitutes a community-led housing scheme. It can be summarised as follows:

- A requirement that meaningful community engagement and consent occurs throughout the process.
- The community does not necessarily have to initiate and manage the development process, or build the homes themselves, though some choose to do so.
- The local community group or organisation owns, manages or stewards the homes and in a manner of their choosing.
- Includes a requirement that the benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity; e.g. through asset lock.

### **Community Homes, CLT's and the Devolution Deal**

The devolution deal under the section on New Homes and Sustainable Communities stated that to support delivery of the commitments the Combined Authority and Government agreed under section 22.e. to:

*Work with Community Land Trusts to deliver new schemes recognising the benefits these schemes bring to the community.*

And under 22.d.

*Work with local areas' ambitions for new housing settlements. This includes .....a new Community Land Trust Scheme in East Cambridgeshire (Kennett 500 – 1,000 new homes)*

## **CPCA Policy Position and Strategy to Date**

The combined authority's Housing Strategy of September 2018 recognised a need to deliver genuinely affordable housing across the combined authority area. CLTs were referenced as a mechanism that could enable the combined authority to contribute towards meeting housing objectives.

On 27 January 2021 the combined authority board received and approved a full CLT business case. Board also approved the Medium-Term Financial Plan (MTFP) 2021 – 2025, which included a budget of £100,000 per annum for 2 years towards project costs including the provision of £5,000 community homes start-up grants and the former £100K Homes project that has now closed. The draft MTFP for 2022-23 includes a revised budget for community housing of £70K per annum until 2025 – 2026 to reflect the closure of the £100K Homes project.

## **Recent and current activity**

Potential community housing groups are recognised in the majority of constituent authority areas in Cambridgeshire and Peterborough. There are formally established CLT's in East Cambridgeshire, South Cambridgeshire, Cambridge City, and Huntingdonshire.

Following the election of Mayor Dr Nik Johnson in May 2021 East Cambridgeshire District Council (ECDC) became aware of a pending resourcing issue with all of the then CPCA Community housing team leaving in August and September 2021 and did not wish to lose impetus on the development of CLTs within their district, so they recruited a dedicated officer to continue this work themselves at local district level.

As the staff from the Community Homes team left the combined authority the CPCA put into place an interim support arrangement with an existing CPCA officer resource from the wider CPCA housing team. CPCA has looked at support options and identified that support services could be provided to an equivalent or better standard externally by Eastern Community Homes (ECH) that specialise in supporting community homes groups across eastern England. This also has the benefit of being an independent external supplier for purposes of impartiality and transparency.

Authority has been obtained to appoint ECH to provide support to Community Homes groups across the combined authority's area (excluding ECDC who still intend to offer direct support) from November 2022 to April 2023.

## **Objectives and Activities**

Eastern Community Homes are to provide support services to community groups independently from the Combined Authority.

Technical support shall be provided by an accredited community-led housing advisor to community groups from project inception to completion and typical activities shall include:

- Advising groups on establishing themselves as an appropriate legal entity.
- Promoting the community housing start-up grant of £5,000 per group available through, and administered by, the Combined Authority.
- Supporting groups to obtain further grant/loan funding to deliver community housing schemes.
- Assisting with the development and delivery of community engagement strategies.



- Providing independent informal guidance, or access to professional advice relating to planning matters and partnership building.
- Providing advice on occupation and management of properties.

The agreed objectives of the support services to be provided by ECH are summarised in the table below:

<b>Objective</b>	<b>Actions</b>	<b>Outputs</b>	<b>Outcomes</b>
Work with existing portfolio of 13 community-led housing groups and identify delivery priorities	Contact all existing community-led housing groups within the Combined Authority's portfolio.	Contact made with all groups to establish relationship and build on the work already done.	Existing groups are reassured that high quality advice and support remains available.
	Assess each group's needs and devise plan of action to support.	Identify the number of groups requiring support at each stage of the Community-Led Housing process (Group, Site, Plan, Build, Live).	Groups receive appropriate support relative to the stage of their project.
	Sign-up groups to Eastern Community Homes.	Support given to groups in priority order to ensure continued development of community-led housing schemes.	Community-Led Housing Advisor is able to prioritise workload to ensure group receive the support they need at the point they need it.
	Deliver identified support.	Quarterly Report made to Combined Authority on support provided on its behalf to existing groups.	Combined Authority is able to report on how its support for community-led housing in contributing to meeting its housing agenda.
Identify and support new community-led housing groups within the Combined Authority area	Promote community-led housing as a concept to communities so they understand how they might step forward to lead development.	Online webinar delivered to local councils and community groups within Combined Authority area to introduce them to concept of community-led housing.	New and potential CLH groups have an improved understanding of how to deliver their projects.

	Sign-up groups to Eastern Community Homes.	General advice and support provided	CLH groups are supported throughout their community-led housing journey and able to progress their projects right through to 'live' stage.
	Advise groups on how to progress their community-led housing project.	Technical advice provided to groups.	Local authorities see an increase in community-led housing development in their Districts.
	Signpost groups to relevant technical advice including legal incorporation, business planning and viability assessments.	Links made to local authority officers and members.	
	Assist groups in accessing funding to support their project.	Quarterly Report made to Combined Authority on support provided on its behalf to new groups.	
	Facilitate discussions with relevant parties e.g. local authorities, developments, registered providers.		

### **Monitoring and Review**

The out-sourcing arrangement with ECH is to be controlled by a memorandum of understanding and monitored regularly by the Housing team with reports issued by ECH each quarter and at financial year end. The overall performance of ECH and the requirement for continued support to community groups shall be reviewed at 2022 – 2023 financial year end.

### **Grant Application Process**

Community Groups interested in applying for a community homes start-up grant for up to £5,000 should contact Eastern Community Homes for initial guidance and support. A grant application can then be submitted to the Housing team and an example of an application form can be found at Annex A.

The combined authority will require a commitment for groups to form a legally incorporated organisation if they have not already done so, and funding will only be released when this status is achieved. This condition applies to ensure that funding is spent responsibly and for intended purposes.

Some community homes groups are likely to be in their infancy and may not have determined their preferred legal status when applying for a start-up grant. This presents a 'chicken and egg' complication that has been considered in detail by the combined authority.

In order to alleviate any burden to community housing projects the costs of legal incorporation are included as eligible expenditure that can be incurred from the date grants are approved by the Housing and Communities Committee. Therefore, a representative of a community housing group that is not yet incorporated can still apply for a grant. The group may then meet its own costs of legal incorporation, and these costs may be recoverable from grant funding that is paid to the group at a later stage when it becomes legally incorporated.

### **Strategic Direction**

The CPCA will be considering its wider Housing strategy in the context of updating Mayoral priorities, organisational objectives and the existing affordable housing programme coming to an end in March 2022.

As part of that new housing principles are being considered by the combined authority as part of a future strategy evolution to support housing in future years .

It is envisaged that there will be an ongoing focus on supporting community groups to deliver affordable housing, but with revised expectations on outputs and governance. Supported groups shall be community-led and focused on the greatest affordable housing challenges in their location as central objectives.

Support for community homes is already part of the existing housing strategy and this community homes strategy is likely to continue to be a significant part of the wider future CPCA Housing strategy for 2022 and beyond.

Annex A – Example Application Form.

## **Application Form**

### **Community Homes Start-Up Grant Funding**

The community homes start-up grant of up to £5,000 is intended to assist with the initial stages of community housing projects. Funding can be used to contribute towards professional fees and technical costs associated with legal incorporation, developing business plans, and costs associated with preliminary investigations of potential development sites.

The Combined Authority has appointed Eastern Community Homes to provide support to community housing groups across Cambridgeshire and Peterborough except for proposals within East Cambridgeshire that are to be supported by East Cambridgeshire District Council.

Community groups interested in applying for a start-up grant should seek support from Eastern Community Homes who can provide guidance through the application process.

Eastern Community Homes can be contacted by the following means:

Telephone: 01353 860850

Email: [enquiries@easterncommunityhomes.com](mailto:enquiries@easterncommunityhomes.com)

Post: Eastern Community Homes, c/o Cambridgeshire ACRE, e-space North, 181 Wisbech Road, Littleport, Ely, Cambridgeshire, CB6 1RA.

To be eligible for a set-up grant a community-based organisation should meet the following criteria:

1. Applicants must demonstrate a clear intention to form an independent group that is legally recognised, and funding may only be released to legally incorporated organisations. Further detail on this can be found in the Community Homes Strategy.
2. The applicant group must be representative of the community, with an open democratic membership structure.
3. The applicant group must have clear objectives directed towards serving their local community.
4. Any assets that are to be retained by the CLT in the long-term are expected to be permanently affordable for local people on local wages.
5. The organisation must intend to embark on meaningful public engagement and demonstrate their proposals have general community support.

Any available supporting documentation such as a vision or mission statement, evidence of need, letters of support, etc, will assist the application process.

Applications received may then be submitted to the Combined Authority for processing where they may then be presented to the Housing & Communities Committee for a final decision.

If a grant application is approved, then funding will only be released on completion of a formal grant agreement between the Combined Authority and the applicant.

Completed applications are to be submitted by email to: [housing@cambridgeshirepeterborough-ca.gov.uk](mailto:housing@cambridgeshirepeterborough-ca.gov.uk)

<b><u>ABOUT THE ORGANISATION</u></b>		
COMMUNITY GROUP		
LEGAL STATUS		
<p>Please confirm whether the group is legally recognised as an independent organisation, and if so, provide those details below. If the group is not yet legally recognised, please provide details of the principal representative acting as Applicant.</p> <p>The group <b>is / is not</b> legally recognised as an independent organisation.            (Please delete as appropriate)</p>		
APPLICANT		
ADDRESS		
MAIN CONTACT		
TELEPHONE		
EMAIL ADDRESS		
POSITION HELD		
GROUP MEMBERSHIP  (if not yet incorporated)	NAME	POSITION

**ABOUT THE PROJECT**

LOCATION

PARISH COUNCIL

DOES A NEIGHBOURHOOD PLAN  
EXIST?

**BRIEFLY DESCRIBE YOUR PROJECT**

Please specify the number and type(s) of affordable community homes your organisation is looking to deliver.

**PROJECT JUSTIFICATION**

Please describe why the project is necessary and provide any supporting documentation, e.g., the results of a housing needs survey.

**INITIAL SHORT-TERM OBJECTIVES**

Please indicate your objectives for the first six months following the award of a funding allocation.

**MEDIUM TERM OBJECTIVES**

Please indicate your objectives from the first six months until a period of three years following the award of a funding allocation.

**FUNDING REQUIRED**

Please state the amount of funding required and describe the anticipated items of expenditure.

**POTENTIAL DEVELOPMENT SITE OPPORTUNITIES**

Please advise if any potential development sites have been identified; and if so, provide ownership, occupier and current site use details.

**COMMUNITY ENGAGEMENT**

**ACTIVITIES**

Please provide details of any previous or proposed activity that demonstrates active engagement with the local community.



**LOCAL SUPPORT**

Please provide detail to demonstrate how the proposal is supported by the general local community, e.g., expressions of support from an external body such as a Parish Council.

**ADDITIONAL INFORMATION**

Please list additional documents submitted as part of this application.

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Please add any further relevant information in support of this application.

<b><u>DECLARATION</u></b>	
I confirm that all information provided in support of this application is accurate and correct.	
Name	
Signature	
Date	
Position	

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## **Community Homes Grant Assessment Criteria**

**All applications to the grant fund will be assessed against the following criteria:**

### **1 Definition of Community Led Housing**

Although the legal form and activities of each community-led housing scheme differ, schemes that are genuinely community-led all share three common principles. These principles will be used by the Combined Authority (CA) as the definition of community-led housing for the purposes of the fund:

- Meaningful community engagement and consent occurs throughout the development process.
- There is a presumption that the community group or organisation will take a long-term formal role in the ownership, stewardship, or management of the homes.
- The benefits of the scheme to the local area and/or specified community group are clearly defined and legally protected in perpetuity.

Although these three principles will be seen consistently across all schemes supported by CPCA, the delivery model and legal form chosen by community groups may vary.

Applicants will need to demonstrate that their proposal supports community-led housing as defined above.

### **2 Eligibility**

Applicants that are constituted as a corporate body, or an equivalent form of a constituted body are eligible to bid for funding. Eligible organisations include (but are not restricted to):

- a community benefit society.
- a co-operative society.
- a company limited by guarantee.
- a community interest company.
- a registered charity.
- an organisation of another type operating as a social enterprise and principally reinvesting their surpluses for social benefit.

The list above is not considered to be exhaustive, and applicants should seek clarification if further guidance is required.

### **3 Deliverability**

Groups will need to have reached a stage where they can demonstrate that their proposals are deliverable. Consideration will be given to the group's capacity to deliver the project. Projects which have progressed furthest towards the development phase are likely to submit a stronger case for funding on deliverability grounds.

Groups will need to demonstrate that they have a clear and deliverable plan to undertake pre-development work that will progress to housing development.

Deliverability can be evidenced by an applicants' track record or knowledge of the development process but plans that incorporate relevant professional advice will provide greater evidence of deliverability.

### **4 Value for Money**

Applications will be assessed against value for money and applicants should demonstrate that they utilised previous project expenditure responsibly. Funding will not be awarded to schemes that rely solely of the grant application to progress and applications that include match-funding will effectively demonstrate value for money.

The assessment will consider the potential impact of the project on deliverability of further homes in the future.

### **5 Strategic Fit**

Assessments will consider the extent to which the proposed scheme or activity is likely to contribute to the aims of the fund in delivering CA community led housing objectives.

Collaboration with the wider community is expected to deliver additional benefits in respect of social impact, design consideration, mix of tenures, financing and approaches to delivery.

To ensure the funding supports projects that are genuinely community led, applications will be assessed against the level of community control and engagement demonstrated prior to the application. Applications that can demonstrate greater levels of community control will be considered more favourably.



**CAMBRIDGESHIRE  
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COMBINED AUTHORITY

Agenda Item No: 3.1

## Affordable Housing Programme – Update on Implementation

To:	Housing and Communities Committee
Meeting Date:	7 October 2022
Public report:	No
Lead Member:	Councillor Lewis Herbert, Lead Member for Housing and Communities
From:	Roger Thompson, Director of Housing and Development
Key decision:	No
Forward Plan ref:	N/A
Recommendations:	The Housing and Communities Committee is asked to:  note the report.
Voting arrangements:	No vote required.

## 1. Purpose

- 1.1 This report is to update Housing Committee members on the progress of affordable housing programme

## 2. CPCA Programme April 2017 to March 2022

- 2.1. The Combined Authority's Affordable Housing programme ran until 31 March 2022 (schemes having to be started on site by that date).

### Affordable Housing Programme Delivery

- 2.2. 481 homes have now completed. See schedule of schemes up to 31<sup>st</sup> March 2021 in Appendix 1 and to 31<sup>st</sup> March 2022 in Appendix 2
- 2.3. Following the approval of the replacement scheme at the July housing committee, the additional affordable housing unit numbers being delivered has increased from 1,449 units to 1,451 units
- 2.4. The average grant rate per affordable housing unit is approximately £38,700.
- 2.5. Since last reporting to committee, we have been notified that although the scheme at Bretton Court in Peterborough comprising of 45 units had started on site with stripping out, the scheme will not be proceeding. The grant reserved was £1,687,500. Replacement schemes are being sought and one of those is being presented to committee today in item 3.3.
- 2.6. For committee's awareness, since our last meeting there has been a change of ownership and delivery partner on the scheme at Northminster in Peterborough where PIP have sold their interest to Crosskeys Homes. We are advised that Crosskeys are intending to deliver the planned 315 affordable housing units and we will continue to monitor their actions in delivering the scheme.

## Significant Implications

### 3. Financial Implications

- 3.1 There are no additional financial implications. The return of the loan monies from the 5 loans in the housing programme are being recycled into providing the grants in the grant funded schemes. The progress of the loan recovery is reported to Housing committee in a separate paper, but we can confirm that 2 of the 5 loans have now been fully re-paid with interest.

### 4. Legal Implications

- 4.1 There are no new legal implications.



## 5. Public Health implications

5.1 There are no additional public health implications

## 6. Environmental and Climate Change Implications

6.1 There are no additional environmental or climate change implications

## 7. Other Significant Implications

7.1 None.

## 8. Appendices

8.1 Appendix 1 – Affordable Housing Programme - Approved and Started on Site Schemes period to March 2021.

8.2 Appendix 2 – Affordable Housing Programme - Approved and Started on Site Schemes period April 2021 to March 2022.



## Affordable Housing Grants

Scheme Name	Provider / Lead Partner	Local Authority	No. of units funded	Start on Site Date	Final Completion Date	Actual Completions to Date	CPCA Funding	Paid to Date
Soham	PGH	East Cambs	8	01/09/2017	31/08/2018	8	£ 120,000	£ 120,000
Littleport	CHS	East Cambs	5	01/08/2017	18/11/2018	5	£ 97,500	£ 97,500
Victoria Way, Melbourn	CHS	South Cambs	8	01/08/2017	30/06/2019	8	£ 133,000	£ 133,000
Willingham	CKH	South Cambs	15	31/03/2018	15/07/2019	15	£ 525,000	£ 525,000
Burwell	Hastoe	East Cambs	8	15/02/2018	19/12/2019	8	£ 330,000	£ 330,000
Perkins, Phase 1, Newark Road, Peterborough	CKH	Peterborough	54	31/10/2018	30/06/2020	54	£ 1,700,000	£ 1,700,000
Snowley Park	CKH	Fenland	24	01/10/2017	09/12/2019	24	£ 150,000	£ 150,000
Belle Vue Stanground	Medesham	Peterborough	21	31/05/2019	14/02/2020	21	£ 735,000	£ 735,000
Luminus HDC Sites	Chorus (Luminus)	Huntingdonshire	14	27/01/2020	31/05/2022	14	£ 618,800	£ 464,100
Crowland Road, Peterborough	Medesham	Peterborough	25	31/07/2019	19/06/2020	25	£ 875,000	£ 875,000
Drake Avenue, Peterborough	CKH	Peterborough	33	19/01/2021	28/02/2023		£ 1,430,154	£ 715,077
Whaddon Road, Meldreth	Settle (NHH)	South Cambs	5	23/11/2020	28/03/2022	5	£ 215,000	£ 215,000
94 Great Whyte, Ramsey	Platform Housing	Huntingdonshire	15	17/03/2020	30/11/2021	15	£ 600,000	£ 600,000
Middlemoor Road, St Mary's, Ramsey	Places For People (ex-Chorus) (Luminus)	Huntingdonshire	11	25/03/2021	31/07/2022		£ 509,000	£ 254,500
Bretton Court, Bretton Centre	Medesham	Peterborough		16/09/2020	30/09/2022		£ 1,687,500	£ -
Alconbury, Alconbury Weald/ Manderville Place, Brampton	Heylo	Huntingdonshire	22	31/01/2018	31/6/2021	22	£ 819,800	£ 819,800
Alconbury Weald, Parcel 4, Ermine Street, Alconbury Weald.	CKH	Huntingdonshire	7	01/02/2020	31/10/2020	7	£ 245,000	£ 245,000
Brampton Park, Brampton, Hunts	ReSI	Huntingdonshire	6	01/02/2020	30/09/2020	6	£ 270,002	£ 270,002
St Thomas Park, Ramsey, Hunts. (Linden Homes)	Heylo/Linden Homes	Huntingdonshire	10	01/01/2020	30/03/2021	10	£ 476,997	£ 476,997
Whittlesey Green, Fenland (8), Harriers Rest, (Lawrence Rd) (4) Wittering & Sandpit Road, Thorney, Peterborough (8) & Cromwell Fields, Bury, Hunts (3)	Heylo/Larkfleet	Fenland/ Peterborough/Hunts	32	01/02/2020	01/04/2023	23	£ 1,367,766	£ 846,866
Roman Fields, Paston, Peterborough.	Keepmoat	Peterborough	23	01/01/2018	01/07/2022	23	£ 1,000,500	£ 750,375
JMS, Damson Drive, Peterborough, PE1	Keepmoat	Peterborough	10	09/02/2018	14/04/2021	10	£ 412,998	£ 412,998
Roman Fields, Paston, Peterborough.	Heylo	Peterborough	20	01/01/2018	01/08/2020	20	£ 645,000	£ 645,000
Alconbury Weald, Parcel 6, Alconbury.	MAN GPM	Huntingdonshire	94	07/01/2021	31/10/2022	19	£ 4,425,000	£ 2,212,500
Wicken, East Cambridgeshire	Cambridge Housing Society	East Cambs	16	31/03/2020	31/10/2021	16	£ 640,000	£ 637,666
More's Meadow, Great Shelford,	CLT/Parochial Charity	South Cambs	21	13/01/2021	31/12/2022		£ 1,008,000	£ 504,000
All Angels Park, Highfields, Caldecote.	Heylo	South Cambs	5	01/04/2020	01/10/2021	5	£ 247,999	
HUSK sites (5 infill sites)	CKH	Peterborough	19	22/03/2021	31/10/2023		£ 665,000	£ 332,500
Sandpit Road, Thorney, Peterborough	Heylo/Larkfleet	Peterborough	5	01/02/2020	01/05/2021	5	£ 237,804	
PFP HDC Sites, Phase 2	Chorus (Luminus) PFP	Huntingdonshire	15	05/03/2021	31/05/2022	14	£ 749,000	£ 374,500
Heylo 4 sites, Bayard Plaza (12), Pemberton Park (10), Alconbury Weald (2) & Judith Gardens (8)	Heylo	HDC,PCC, ECDC	32	01/01/2021	31/03/2022	32	£1,272,000	

Heylo - Roman Fields, Phase 2, Paston.	Heylo	PCC	30	01/01/2018	31/10/2023			£1,006,173	
Alconbury Weald	Rentplus	Huntingdonshire	22	01/01/2019	31/05/2021	22		£989,325	£989,325.00
			<b>635</b>			<b>436</b>		<b>£ 26,204,318</b>	<b>£ 16,431,706</b>

**Loan or other Toolbox Investments**

**Net Drawdown**

Haddenham CLT (Loan)	ECTC/PGH	East Cambs	19	05/09/2019	31/03/2023	19	£	6,500,000	£ 4,284,560
Ely MOD Site (Loan)	ECTC/PGH	East Cambs	15	31/07/2019	31/03/2023	15	£	24,400,000	£ 14,274,534
Alexander House (Forehill) Ely (Loan)	Laragh Developments	East Cambs	4	07/01/2020	07/02/2022	4	£	4,840,000	£ -
Linton Road, Great Abingdon (Loan)	Laragh Developments	South Cambs	7	28/02/2020	13/12/2021	7	£	5,780,000	£ -
Histon Road, Cambridge (Loan)	Laragh Developments	Cambridge City	10	08/04/2020	07/05/2023		£	9,647,000	£ 6,348,774
<b>Sub-total Loan book Investments</b>			<b>55</b>					<b>£ 51,167,000</b>	<b>£ 24,907,867</b>
<b>Programme Totals</b>			<b>690</b>			<b>481</b>		<b>£ 77,371,318</b>	<b>£ 41,339,573</b>

Appendix 2 - £100m Affordable Housing Programme 21/22. 8/8/22

Scheme Name	Provider / Lead Partner	Local Authority	No. of units funded	Start on Site Date	Final Completion Date	Actual Completions to Date	CPCA Funding	Paid to Date
Wisbech Road, March	SAGE	FDC	118	31/03/2022	31/10/2023		£5,248,700.00	£3,936,525.00
Stanground, Peterborough	CKH	PCC	26	31/03/2022	31/03/2024		£1,170,000.00	£585,000.00
British Sugar Way, Oundle Road, Peterborough	CKH	PCC	70	01/12/2021	31/03/2024		£2,830,000.00	£1,415,000.00
Perkins, Phase 2, Newark Road, Peterborough	CKH	PCC	96	10/09/2021	31/08/2023		£3,740,000.00	£1,870,000.00
Great Haddon, London Road, Yaxley, Peterborough.	CKH	PCC	49	14/03/2022	30/11/2024		£1,886,500.00	£943,250.00
			359				£14,875,200.00	
<b>JUNE 21 ONWARDS</b>								
Northminster, Peterborough	PIP	PCC	315	14/03/2022	31/01/2024		£12,521,250.00	£4,762,126.00
14-16 High Street, Girton, Cambridge. CB3 0PU	Girton TP	SCDC	15	02/08/2021	31/10/2022		£675,000.00	£337,500.00
Heylo - 2 sites SN Developments & Larkfleet	Heylo	PCC, ECDC, FDC	27	30/09/2021	31/03/2023		£1,209,000.00	
							£14,405,250.00	
<b>TOTALS</b>			<b>716</b>				<b>£29,280,450.00</b>	<b>£13,849,401.00</b>





**CAMBRIDGESHIRE  
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Agenda Item No: 3.2

## Affordable Housing Programme Loans Update

To:	Housing and Communities Committee
Meeting Date:	7 October 2022
Public report:	Yes
Lead Member:	Councillor Lewis Herbert, Lead Member for Housing and Communities
From:	Roger Thompson, Director of Housing and Development
Key decision:	No
Forward Plan ref:	Standing item
Recommendations:	The Housing and Communities Committee is recommended to:  a) Note the current position in respect of outstanding loan repayments required to fund the 2021-2022 Affordable Housing Programme.
Voting arrangements:	A simple majority of all Members present and voting

# 1. Purpose

1.1 This report seeks to inform the Housing and Communities Committee of the current position concerning receipt of loan repayments that are required to fund the 2021-2022 Affordable Housing Programme.

# 2. Background

2.1 As part of the Devolution Deal, the Combined Authority secured funding from Government to deliver an affordable housing programme that ended in March 2021.

2.2 The Combined Authority's Housing Strategy approved by Board in September 2018 divided the funding into two parts. £60M was allocated for traditional grant funding and £40M was to be used for the then Mayor's plan for a revolving fund to support the delivery of additional affordable housing.

2.3 The revolving fund initiative committed a total of £51.167M through 5 loans to development companies to fund delivery of 53 affordable units. In August 2020 the Combined Authority's Board approved loan extensions and interest free periods to reflect the detrimental impact upon delivery of projects caused by the Covid pandemic.

2.4 In March 2021 Government conditionally agreed to a new affordable housing programme for 2021-2022 on the basis that all loan repayments were allocated to support the delivery of additional affordable housing through grant funding.

2.5 The table below shows the headline detail of each loan:

<b><u>Scheme</u></b>	<b><u>Borrower</u></b>	<b><u>Total Units</u></b>	<b><u>Affordable Units</u></b>	<b><u>Loan Amount</u></b>	<b><u>Redemption Date</u></b>
Former MoD site, Ely	ECTC	92	15	£24.4M	31 Mar 2023
West End Gardens, Haddenham	ECTC	54	19	£6.5M	31 Mar 2023
Alexander House, Forehill, Ely	Laragh Developments	25	4	£4.84M	Now Repaid
Linton Rd, Gt. Abington	Laragh Developments	15	7	£5.78M	Now Repaid
Histon Rd, Cambridge	Laragh Developments	27	10	£9.647M	7 May 2023

2.6 The financial balance sheet showing an outstanding balance of the loans can be found at Appendix 1.

2.7 The status of the former MoD site project at Ely is reported at Section 3 below.

2.8 The project monitoring report for West End Gardens, Haddenham forecasts repayment of the loan by March 2023 and that some plots have been reserved at prices well above originally anticipated values.



- 2.9 The loan with Laragh Homes on the project at Alexander House, Forehill, Ely was fully repaid with interest on 20 June 2022.
- 2.10 The loan with Laragh Homes on the project at Linton Rd, Great Abington was fully re-paid with interest on January 2022.
- 2.11 The project at Histon Mews, Cambridge is progressing. The independent monitor suggests the project should be complete by March 23 and the agreed redemption date of the loan facility is 7 May 2023.

## Significant Implications

### 3. Financial Implications

- 3.1 Loans are repaid as a proportion of sale proceeds from each housing unit on completion of sale. The Combined Authority retains an element of control through its requirement to approve each sale prior to completion, and each development is monitored by officers. The financial balance sheet showing an outstanding balance of £20.4m as at the 16<sup>th</sup> August 2022 can be found at Appendix 1.
- 3.2 The largest loan of £24.4m was made to East Cambs Trading Company Ltd (ECTC) to refurbish 92 former MOD homes in Ely for use as private homes and this initiative funded delivery of 15 affordable units. As can be seen from Appendix 1 the balance of this loan on 16<sup>th</sup> August 2022 was £11.0m.
- 3.3 Since the last update to Housing Committee the balance of this loan has been reduced significantly due continued repayments, including £1.3m in the first half of August.
- 3.4 The most recent monitoring report advises that the cash flow is behind forecast, and that as construction is expected to be completed in August, repayment of the loan by March 2023 will depend on how quickly the properties can be sold.
- 3.5 ECTC have advised officers that they have access to a facility in the event of any shortfall in sales to repay the loan by end March 2023. Officers shall continue to monitor the situation and provide update reports to Housing Committee.
- 3.6 Members are advised that the borrower has until 31 March 2023 to repay the loan and no direct intervention can be taken by the Combined Authority unless default occurs on 31 March 2023.

### 4. Legal Implications

- 4.1 The recommendations accord with CPCA's powers under Part 4 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251) and with the Committee's Terms of Reference as set out in CPCA's Constitution Chapter 10 para.3.2.9(b).

### 5. Public Health implications

- 5.1 The report recommendations have neutral implications for public health.

## 6. Environmental and Climate Change Implications

- 6.1 The report recommendations have neutral implications for the environment and climate change.

## 7. Appendices

- 7.1 Appendix 1 – Housing Loans Activity Slides

## 8. Background Papers

[Combined Authority Board Report 5 August 2020](#)

[Combined Authority Board Report 26 January 2022](#)

# Housing Loans – update since last Committee

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	Position as at 27th June 2022			Activity to the 16th August 2022		
	Drawdowns	Repayments	Revised Balance	Drawdowns	Repayments	Revised Balance
ECTC - Ely MOD	26,956,798	12,264,686	14,692,112	111,209	3,837,639	10,965,683
ECTC - Haddenham	9,590,497	5,667,597	3,922,900	520,271	1,306,377	3,136,794
Laragh - Histon Road	6,426,183	-	6,426,183	221,918	-	6,648,101
<i>Completed loans</i>						
<i>Laragh - Alexander House</i>	<i>4,840,000</i>	<i>4,840,000</i>	<i>-</i>			
<i>Laragh - Gt Abingdon</i>	<i>4,746,938</i>	<i>4,746,938</i>	<i>-</i>			

# Housing Loans – forecast

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	Loan Payments					Total	Loan Repayments					Total
	ELY MOD	Haddenham	repaid 20/6/22 Alexander House	repaid 13/12/21 Gt Abington	Histon Road		ELY MOD	Haddenham	repaid 20/6/2 Alexander Ho	repaid 13/12/21 Gt Abington	Histon Road	
Aug-22	104,606	354,805	-	-	112,298	571,710	2,527,755	1,539,613	-	-	-	4,067,368
Sep-22	104,606	295,956	-	-	563,563	964,124	3,552,647	1,664,000	-	-	-	5,216,647
Oct-22	104,606	299,254	-	-	575,629	979,489	353,897	396,000	-	-	-	749,897
Nov-22	52,984	295,956	-	-	448,754	797,693	3,494,189	396,000	-	-	-	3,890,189
Dec-22	52,984	300,126	-	-	497,446	850,556	1,221,561	889,681	-	-	-	2,111,242
Jan-23	52,984	295,455	-	-	248,723	597,162	1,014,989	314,693	-	-	-	1,329,682
Feb-23	52,984	-	-	-	149,234	202,217	641,721	-	-	-	4,416,200	5,057,921
Mar-23	-	-	-	-	99,489	99,489	802,093	-	-	-	2,567,050	3,369,143
Apr-23	-	-	-	-	-	-	-	-	-	-	2,543,136	2,543,136
May-23	-	-	-	-	-	-	-	-	-	-	392,053	392,053
	525,753	1,841,551			2,695,136	5,062,441	13,608,852	5,199,987			9,918,439	28,727,278



Agenda Item No: 3.3

## 24 High Street, Wisbech, Fenland

- To: Housing and Communities Committee
- Meeting Date: 7 October 2022
- Public report: This report contains appendices which are exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.
- Lead Member: Councillor Lewis Herbert, Lead Member for Housing and Chair of Housing Committee
- From: Roger Thompson - Director for Housing and Development
- Key decision: Yes
- Forward Plan ref: 2022/048
- Recommendations: The Housing and Communities Committee is recommended to:
- a) Note the previous Affordable Housing programme 2017-2021, whereby grant was awarded to Bretton Court, Peterborough, has failed to proceed due to the planning permission expiring. The CPCA has been informed that the project would not fully start with construction and completion in the given time noted in the GFA.
  - b) Approve the use of the funds of £210,000 (from £1,687,500 funding from Bretton Court) to provide 6 one bed affordable rented units at 24 High Street, Wisbech, Fenlands.
- Voting arrangements: A simple majority of all Members present and voting

# 1. Purpose

- 1.1 Medesham Homes requested a grant in November 2019 to redevelop Bretton Court, Peterborough. The scheme was awarded £1,687,500 and commenced in September 2020 after a COVID lockdown. The site has since remained empty pending further discussions to proceed, and many objections were raised from members of the public. The planning permission was for a permitted development that expired in July 2022.
- 1.2 Medesham Homes have confirmed they are no longer proceeding with the scheme at Bretton Court and CPCA are looking to reinvest the funding. Fenland District Council then approached CPCA and applied for funding to provide 6 units for affordable rent at their site at 24 High Street, Wisbech.

# 2. Background

- 2.1 24 High Street, Wisbech was proposed by Fenland District Council, as part of their National Lottery Heritage Fund Townscape Heritage Scheme, and this site was considered a priority site for development for FDC. The site is currently vacant and falls within the Wisbech Conservation Area and, has been earmarked for the National Lottery Heritage Fund to restore the historic character of the streetscape.
- 2.2 The site is of key importance to the High Street, and the wider town in general. Since it has been vacant for several years and with its difficult position with poor site access, it has not been seen as a commercially viable site for development. FDC want to remedy this to, by revitalise the site and the surrounding area, and to increase footfall. The scheme will include the construction of a new four storey mixed use development, comprising of a retail unit and studio apartment on the ground floor and three upper floors for residential accommodation, totally of 6 one-bedroom flats, the scheme has full planning permission, and currently have planning conditions discharged. Tenders for contractors is being considered.
- 2.3 The main scheme maximises the full footprint of the existing site and will overlook the High Street and will incorporate the historical features of the building, e.g., cornice detail, and glazed brick stalls. The design team are adhering to the “Wisbech Shopfront Guidance” document – compiled specifically for the National Lottery Heritage Fund High Street project, to assist with creating shopfronts that are suitable and sympathetic to the Conservation Area.
- 2.4 The scheme has undertaken a significant amount of preparatory works and is at the stage to include a full tender exercise, planning approval and ongoing prep of the site to begin development. As from November 2021, the estimated cost for the development was around £1,300,000, however due to the ongoing external factors affecting the construction industry and a rise in costs of materials and labour shortages and the ongoing pandemic, FDC are looking for further assistance with grant.
- 2.5 The NLHF grant is £238,000 towards the capital development costs of the project. FDC is contributing £1,999,000. With the new estimate of £2,447,000, for build. They are hoping that the CPCA can assist with the funding and ensured that the units provided will be affordable rented units.
- 2.6 CPCA would agree to fund 6 one-bedroom units for affordable rent, and these flats align

with the CPCA housing strategy to help utilise & create affordable housing and tackling the severe shortage of housing across the CPCA area. All 6 units funded would attract affordable rent, set at a level of no more than 80% of the local market rent. The units will have a rental level of £400pcm, this is below the LHA rate for Wisbech. The flats created will encourage residents to live in the town centre helping to reduce the housing shortage across Wisbech and encourage spend in the town centre. All these units are one bedroom – one person accommodation.

- 2.7 The Housing Enabling Office from Fenland District Council does support the project coming forward. Of the 1,504 households currently on the Fenland’s housing register, the greatest need is for a one-bedroom accommodation with 626 households waiting for this size of accommodation. This scheme will not only help with regeneration in Wisbech but also assist with meeting identified.

## Significant Implications

### 3. Financial Implications

#### 3.1 Additionality case for Combined Authority Funding

The following:

- The CPCA have to support the relinquishment of the Bretton Court, Peterborough - a site of 45 units.
- To consider using the grant funding remaining on an additional 6 units for 24 High Street, Wisbech.

Proposed Condition of Grant Approval.

- It is proposed that the grant required of £210,000 will help acquire the additionality of 6 affordable one bedroom rented units proposed.
- After execution of the grant funding agreement 50% of the initial grant will be released, with the remaining 50% will be paid on completion.

- 3.2 The table below will show the financial commitment to the project suggested. Each unit will acquire £35k per unit, which equates to £210,000.

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Previous Schemes SOS (Start on Site) from 2017-21	32	735	£26,094,770.00
Total of schemes approved 21-22	8	716	£29,280,450.00
Remove Bretton Ct	1	45	£1,687,500.00
Remaining units for 2017-2021		690	

<b>PROPOSED SCHEME FOR SEPTEMBER 2022 COMMITTEE APPROVAL</b>			
<b>Given total for 17-21 returned grant</b>			£26,094,770.00
<b>current total</b>			£27,782,270.00
<b>24 HIGH STREET, WISBECH, FENLAND</b>	1	6	£210,000.00
<b>Remaining grant left</b>			£1,477,500.00
Total Affordable Housing Grants if approved by Board Sept 22, for 2017-21 schemes and units	32	696	£27,572,270.00

Affordable Housing:  
AVERAGE GRANT RATE PER UNIT\* £19.5k

<b>TOTAL IF SEPTEMBER 2022 SCHEME IS APPROVED</b>	<b>40</b>	<b>1,412</b>	<b>£27,572,270.00</b>
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3.3 This would amount to 696 units for the schemes between 2017- 2022, and the total units count would be 1,412.

## 4. Legal Implications

4.1 A termination of the GFA for Bretton Court is in progress and currently being signed off. A new GFA will be proposed on the outcome of Housing Committee's decision, for the new additional 6 units, at 24 High Street, Wisbech.

## 5. Public Health implications

5.1 These units are refurbished units with funds from NLHF and will benefit the health and wellbeing of the people of Wisbech, whereby new opportunities of much needed housing are a positive outcome for public health. This will help people to live within the town centre and provides carefree accommodation too. All the necessary energy efficiencies and renewable sources will be in line with building regulations.

## 6. Environmental and Climate Change Implications

6.1 The project will deliver 6 new car free residential properties, in the heart of the town centre with secure cycle storage for each apartment. Photovoltaic panels on the flat roof to provide energy to power the building through renewable sources. Internally, water saving toilets and LED lightning will be installed in each flat and proximity detection lighting in the communal areas to avoid lights being left on for prolonged periods. This will help with the use of renewable energy sources, solar, and using technology to help with lighting and other energy saving devices.



## 7. Other Significant Implications

- 7.1 No further significant implications, such as Equalities and Risk, Engagement and Consultation which have not been dealt with under the legal or financial implications.

## 8. Appendices

- 8.1 Exempt Appendix 1 – Application Form and Business Plan (commercially sensitive).

## 9. Background Papers

- 9.1 None



<p><b>HOUSING AND COMMUNITIES COMMITTEE AGENDA PLAN</b></p>	<p>Updated on 27 September 2022</p>		 <p><b>CAMBRIDGESHIRE &amp; PETERBOROUGH</b> COMBINED AUTHORITY</p>	
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**Notes**

Committee dates shown in bold are confirmed.  
Committee dates shown in italics are TBC.

The definition of a key decision is set out in the [Combined Authority Constitution](#) in Chapter 6 – Transparency Rules, Forward Plan and Key Decisions, Point 11.

- \* indicates items expected to be recommended for determination by Combined Authority Board
- + indicates items expected to be confidential, which would exclude the press and public.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.  
The agenda dispatch date is five clear working days before the meeting.

The following are standing agenda items which are considered at every Committee meeting:

- Minutes of previous meeting and Action Log
- CPCA Forward Plan
- Housing and Communities Committee - Agenda Plan

<b>Committee date</b>			<b>Key Decision</b>	<b>Ref</b>	<b>Final Deadline for reports</b>	<b>Agenda despatch date</b>
<b>07.10.22</b>	Winding up Angle Holdings Ltd and Angle Developments (East) Ltd	Roger Thompson	No	N/A		<b>29.09.22</b>
	Community Lead Housing Support Fund	Nick Sweeney	No	N/A		
	24 High Street, Wisbech	Azma Ahmad-Pearce	Yes	2022/048		
	2021/22 Affordable Housing Programme – Update on Implementation	Roger Thompson	No	N/A		
	Affordable Housing Programme Loans Update	Roger Thompson	No	N/A		
<b>14.11.22</b>	2021/22 Affordable Housing Programme – Update on Implementation	Roger Thompson	No	N/A	<b>02.11.22</b>	<b>04.11.22</b>
	Affordable Housing Programme Loans Update	Roger Thompson	No	N/A		
	Digital Connectivity Programme reprofiling	TBC	No	N/A		
<b>16.01.23</b>	2021/22 Affordable Housing Programme – Update on Implementation	Roger Thompson	No	N/A	<b>04.01.23</b>	<b>06.01.23</b>
	Affordable Housing Programme Loans Update	Roger Thompson	No	N/A		
<b>13.03.23</b>	2021/22 Affordable Housing Programme – Update on Implementation	Roger Thompson	No	N/A	<b>01.03.23</b>	<b>03.03.23</b>
	Affordable Housing Programme Loans Update	Roger Thompson	No	N/A		