



<b>Environment &amp; Sustainable Communities Committee</b>		Agenda Item
<b>11 September 2023</b>		<b>7</b>
Title:	Housing Loans Update	
Report of:	Steve Cox, Interim Executive Director of Place and Connectivity	
Lead Member:	Cllr Bridget Smith	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements:	No vote required.	

<b>Recommendations:</b>	
A	The Environment and Sustainable Communities Committee is recommended to note the current position in respect of outstanding loan repayments required to fund the 2021-2022 Affordable Housing Programme.

<b>Strategic Objective(s):</b>	
The proposals within this report fit under the following strategic objective(s):	
A	Achieving good growth by delivering the Combined Authority's former Affordable Housing Programme.

<b>1. Purpose</b>	
1.1	This report seeks to inform the Environment and Sustainable Communities Committee of the current position concerning receipt of loan repayments that are required to fund the 2021-2022 Affordable Housing Programme.

<b>2. Proposal</b>	
2.1	To update and inform Members of the current position in respect of loan repayments required to fund the 2021-2022 Affordable Housing Programme.

<b>3. Background</b>	
3.1	The table at Appendix A shows the status of each loan since the meeting of the Environment and Sustainable Communities Committee in June 2023.

## 4. Appendices

4.1 Appendix A – Summary of loans made from the Affordable Housing Programme.

## 5. Implications

### Internal Audit Implications

5.1 In March 2023 the former Housing and Communities Committee were informed that an initial internal review was planned to look into the governance and processes followed in agreeing and managing loan terms between the Combined Authority and private housing developers. This review has yet to take place and will be undertaken when the matter of the remaining outstanding loan concludes.

### Financial Implications

6.1 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.

6.2 The loan issued to East Cambridgeshire Trading Company for the project at West End Gardens, Haddenham was repaid with interest in January 2023.

6.3 The loan issued to Laragh Homes for the project at Alexander House, Forehill, Ely was repaid with interest in June 2022.

6.4 The loan issued to Laragh Homes for the project at Linton Rd, Great Abington was repaid with interest in January 2022.

6.5 The loan issued to East Cambridgeshire Trading Company for the project to refurbish former MOD homes in Ely was repaid with interest on 31 March 2023.

6.6 The financial balance sheet at Appendix A shows that the outstanding balance of the loan made to support the development at Histon Rd, Cambridge, was £4,502,703 excluding interest on 23 August 2023.

### Legal Implications

7.1 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).

The Loan is expected to be repaid on 30 September 2023 or earlier. Should the Borrower default, the CPCA will consider the legal options available to it at that time.

### Public Health Implications

8.1 There are no associated implications.

### Environmental & Climate Change Implications

9.1 There are no associated implications

### Other Significant Implications

10.1 At the time of drafting this report the CA must receive the sale proceeds from the next eight units to complete on the Histon Road development, or the Borrower must repay the loan from an alternative source. Should the Borrower default, the CPCA will consider the legal options available to it at that time.

	The independent monitoring surveyor's report of July 2023 estimated that the required number of units to repay the loan should be completed by 31 <sup>st</sup> August 2023. The monitoring surveyor's report for August 2023 should be issued in time to update Members at this meeting of the Committee.
<b>Background Papers</b>	
11.1	N/A