



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

JAMES PALMER
CAMBRIDGESHIRE &
PETERBOROUGH MAYOR

Agenda Item No: 3.3 (i)

£100m Affordable Housing Programme, Scheme Approval for Wisbech Road, Littleport. East Cambridgeshire.

To:	Housing and Communities Committee
Meeting Date:	11 January 2021
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 Chris Boden Lead Member for Housing and Chair of Housing and Communities Committee
From:	Roger Thompson, Director of Development and Housing
Key decision:	Yes
Forward Plan ref:	2020/083
Recommendations:	<p>The Housing and Communities Committee is recommended to:</p> <p>a) Committing grant funding of £1,576,000 from the £100m Affordable Housing programme to enable delivery of 38 additional affordable homes comprising a mix of rented and shared ownership homes in East Cambridgeshire. Subject to confirmation of the release of balancing monies for the £100m programme from MHCLG.</p>
Voting arrangements:	A simple majority of all Members

1. Purpose

- 1.1 As part of the Devolution Deal, the Combined Authority successfully secured £100 million from Government to deliver 2,000 affordable homes across Cambridgeshire and Peterborough.
- 1.2 This report provides the Committee with one scheme for approval of grant funding in the context of the overall investment pipeline for the Combined Authority's £100m programme.
- 1.3 **A grant from the Combined Authority's Affordable Housing Programme of £1,576,000 is sought for an additionality of 38 homes, 28 at an affordable rent and 10 shared ownership units at Wisbech Road, Littleport, East Cambridgeshire.**

2. Background

- 2.1 The Housing and Development Team at the Combined Authority is working with officers in all partner local authorities (via the Cambridgeshire and Peterborough Housing Committee) to identify new schemes to come forward for support from the Affordable Housing Programme. The Team is also building relationships with landowners, developers, and housing providers to seek opportunities to influence, enable and accelerate delivery of new affordable housing across the Combined Authority area.
- 2.2 The Combined Authority Housing Strategy 2018 approved a flexible multi toolkit approach as the most effective way of accelerating affordable housing delivery. The use of grant as a tool to help unlock sites and deliver additional affordable housing is one of these tools.
- 2.3 The proposed site requesting grant from the £100m Affordable Housing Programme is **Wisbech Road, Littleport, in East Cambridgeshire**. This site is zoned for residential use. Detailed Planning Approval is expected end of May 2021, land purchase completed shortly thereafter, with an expected Start on Site in July 2021.
- 2.4 All 38 homes will be delivered through support of the grant. This is a 100% affordable housing 'windfall' site. Through grant support we are enabling the delivery of an all-affordable housing scheme, 28 homes will be rented homes and 10 homes will be shared ownership. The rents will be capped at LHA rent levels within ECDC.
- 2.5 The grant will enable a mixed tenure affordable housing scheme to be delivered with the majority of homes for Affordable rent. This is an opportunity to deliver a quality new build scheme for affordable housing in an area of housing need on a greenfield, privately owned site. The scheme will be constructed to produce modern sustainable and energy efficient homes while providing local employment for sub trades and adding value to the local economy.
- 2.6 Below is a table referring to the unit types, size, and tenure types. They refer to Nationally Described Space Standards.

Description/ Type of unit	Number of Units	Size (sqm)	NDSS Standard (sqm)	Meets NDSS	% of NDSS
AFFORDABLE RENT					
14 x 2-bedroom 4 person	14	74	79	No	94%
12 x 3-bedroom 5 person	12	85	93	No	91%

2 x 4-bedroom 6 person	2	102	106	No	96%
	28				
SHARED OWNERSHIP					
5 x 2-bedroom 4 person	5	74	79	No	94%
4 x 3-bedroom 5 person	4	85	93	No	91%
1 x 4-bedroom 6 person	1	102	106	No	96%
	10				
Total	38				

- 2.7 Funding Affordable Homes Housing Association (FAHHA) seeks to increase the supply of affordable homes by providing the forward funding to enable new properties to be built and managed by established housing associations.
- 2.8 Funding Affordable Homes is a social impact company which builds and acquires affordable housing to deliver financial and social returns for both communities and investors. They invest directly in affordable homes typically taking a freehold interest and working across different strategies to enhance diversification and broaden the social delivery.
- 2.9 The Housing Enabling Officer for East Cambridgeshire District Council is supportive of the homes coming through and is happy with the mix of housing in the scheme, as it helps increase the supply of suitable accommodation in their borough. This will benefit the need for the people in East Cambridgeshire and will ensure that local people will acquire the shared ownership housing, as part of the application process. The allocations policy is available to view [here](#)

Significant Implications

3. Financial Implications

Additionality case for Combined Authority Funding

3.1 The proposed scheme offers the following additionality:

- The CPCA are happy to support the creation of 38 additional rented and shared ownership units in East Cambridgeshire.
- **This site is a 100% affordable housing scheme with no market housing provision and is therefore all counted as additional as without the grant the scheme will not be delivered.**

Proposed Condition of Grant Approval

It is proposed that the grant of £1,576,000 will help with the delivery of 38 new homes. 28 affordable rented and 10 shared ownership in Littleport, East Cambridgeshire, subject to the following conditions: -

Pre-contract: -

- Evidence of planning permission received no later than **June 2021**

After execution of the grant funding agreement but pre draw-down of phased grant payments by way of two (2) instalments:

- ii. To provide grant draw down, once start on site has been confirmed and evidenced, by no later than **August 21**.
- iii. To provide grant draw down once practical completion has been established.

3.2 The CPCA grant will enable an additional 38 affordable units to be provided as part of the CPCA 2000 starts on site homes target by March 2022.

3.3 Supporting this application by providing £1,576,000 from the Affordable Housing Programme is at an average grant rate of £41.4k per unit for this scheme.

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Total before Jan 2021 Committee	46	1,628	56,404,099
PROPOSED SCHEME FOR JANUARY 2021 COMMITTEE APPROVAL			
Wisbech Road, Littleport, East Cambridgeshire	1	38	1,576,000
Total Affordable Housing Grants if approved by Board	47	1,666	57,980,099

Affordable Housing:
AVERAGE GRANT
RATE PER UNIT* £34.8k

Maximum Net Loan
Value

Loan & Toolbox capital committed (from £40m revolving fund)	5	53	39,846,817
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Total Loan Value Excluding repayments £51.1m

TOTAL IF JAN 2021 SCHEME IS APPROVED	52	1,719	97,826,916
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4. Legal Implications

4.1 The recommendation accords with the Combined Authority's powers under Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI

2017/251).

- 4.2. The meeting shall be conducted in accordance with Parts 2 and 3 of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

5. Other Significant Implications

- 5.1 None.

6. Appendices

- 6.1 Exempt Appendix 1 – Exempt from publication - Business Case including supporting evidence.

7. Background Papers

- 7.1 Housing Strategy September 2018 - [CA Board September 2018](#)