



<b>HOUSING AND COMMUNITIES COMMITTEE</b>	<b>AGENDA ITEM No: 2.4 (xii)</b>
<b>09 NOVEMBER 2020</b>	<b>PUBLIC REPORT</b> Appendix 1 to this report is exempt from publication because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act. It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information.

**£100M AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS  
(NOVEMBER 2020) - LAND EAST OF NORTH END, MELDRETH, SOUTH  
CAMBRIDGESHIRE.**

**1.0 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 £630,000 is sought for 14 additional homes, comprising 7 affordable rent and 7 shared ownership units at North End, Meldreth, South Cambridgeshire.**

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Councillor Chris Boden, Lead Member for Housing and Chair of Housing and Communities Committee</b>
<b>Lead Officer:</b>	<b>Roger Thompson, Director of Housing and Development</b>
<b>Forward Plan Ref: 2020/062</b>	<b>Key Decision: Yes</b>

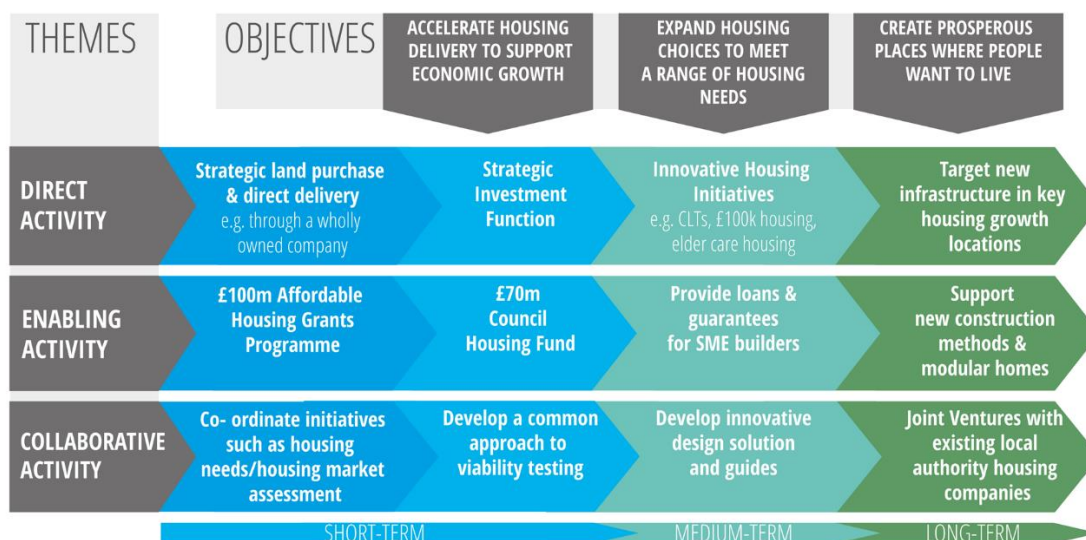
<p>The Housing and Communities Committee is recommended to:</p> <p>(a) Commit grant funding of <b>£630,000 from the £100m Affordable Housing programme to enable delivery of 14 additional affordable homes, with a mix of rented and shared ownership homes at North End, Meldreth, South Cambridgeshire</b> - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS &amp; MHCLG.</p>	<p><b>Voting arrangements:</b></p> <p>Simple majority of all Members</p>
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## 2.0 BACKGROUND

- 2.1. The Mayor and the Combined Authority are committed to accelerating affordable housing delivery to meet local and UK need and support economic growth in the region.

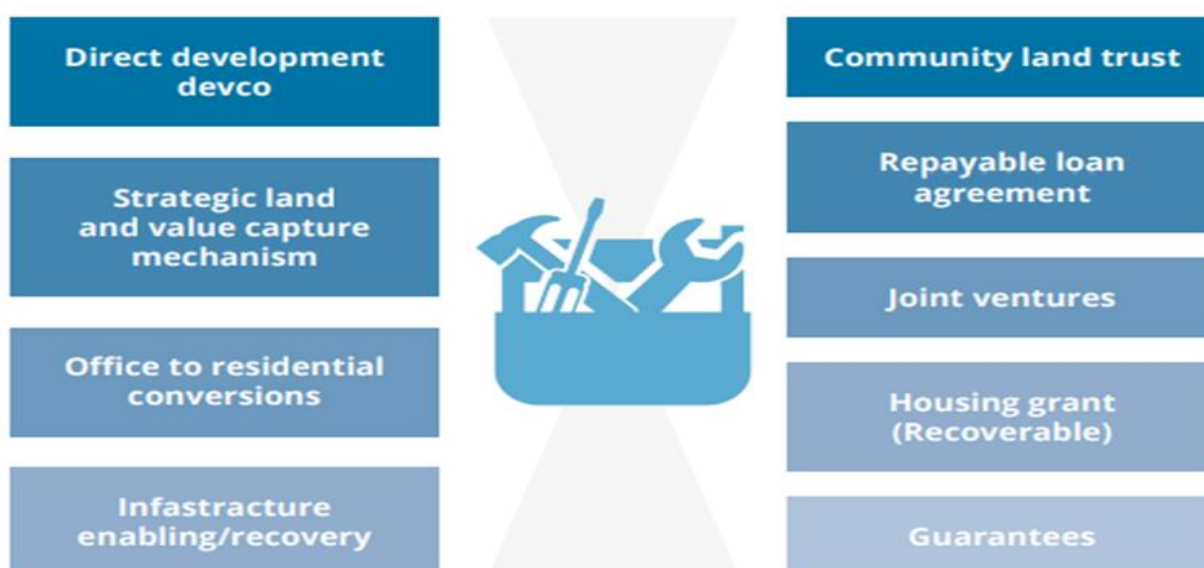
### Combined Authority Housing Programme

- 2.2. In 2017, the Combined Authority successfully negotiated £170 million from Government for delivery of an ambitious housing programme providing 2,500 new affordable homes by March 2022.
- 2.3. Within this programme, £100 million is available to be used across the Combined Authority area to deliver 2,000 affordable homes and £70m is available to Cambridge City Council to deliver 500 new council homes.
- 2.4. 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.
- 2.5. The Combined Authority Housing Strategy was approved by the Board in September 2018 and included three core objectives as illustrated in the figure overleaf:



2.6. The Housing Strategy also 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:

#### A flexible multi-toolkit approach



2.7. Full performance updates relating to the programme are presented to the Housing and Communities Committee at every meeting. Both the £100m & £70m programmes (within the overall £170m programme) are on track to achieve their targets by March 2022.

### 3.0 PROPOSED SCHEME FOR APPROVAL

#### NORTH END, MELDRETH, SOUTH CAMBRIDGESHIRE.

- 3.1. This proposal is to enable 14 additional affordable homes to be developed in South Cambridgeshire. The development will be a greenfield site. The Council supports this application as a rural exception site. The site will be managed by Paradigm Housing Group, who are based in Buckinghamshire.
- 3.2. Paradigm Housing are in the process of acquiring the site, legals are progressing and anticipated exchange of contracts is before end December 2020. A grant offer is being made subject to planning.
- 3.3. A pre-planning application was submitted by the Vendor and had been well received. The Council supports to bring forward this site as a rural exception site.
- 3.4. PHG are working with a planning consultant to progress the application.
- 3.5. The site development is programmed to start Q4 2021/2022, and completion by Q2 2022/2023.
- 3.6. The rented units will be capped at LHA rates or 80% of market rent rates, to ensure affordability.

**Figure 1: North End, Meldreth.**



Figure 2: - Site plan



3.7. The size of units is at the Nationally Described Space Standards (NDSS) as shown below:

Description/ Type of unit	Number of Units	Size (sqm)	NDSS Standard (sqm)	Meets NDSS	% of NDSS <sup>1</sup>
<b>AFFORDABLE RENT</b>					
4 x 1b/2p flat	4	50	50	Y	100%
2 x 3b/6p house	2	102	102	Y	100%
1 x 4b/7p house	1	115	115	Y	100%
<b>SHARED OWNERSHIP</b>					
7 x 2b/4p house	7	79	79	Y	100%
<b>Total</b>	<b>14</b>				

## About Paradigm Housing Association

3.8. Paradigm Housing provide 15,000 affordable homes for rent and for sale across the South East and London. They work mainly in London, but have branched to the surrounding areas, such as the Home Counties and the East of England.

3.9. As a charitable organisation, the surplus they make is ploughed back into building new homes – their new Corporate Plan sets out their intention to build 600 new homes a year for rent and sale. Their mission is to help more people have a



home they can afford, as well as provide support to the communities where they work through the Paradigm Foundation.

3.10. They value their relationships they have with local authority partners, and it is their intention to strengthen these relationships and work more closely with all, to build the affordable homes that they have made provision for in Local Plans.

3.11. The Housing Enabling Officer for South Cambridgeshire District Council is supportive of bringing forward rural exception sites and is supporting the request for grant funding, subject to planning permission and housing need for the village of Meldreth.

### **Additionality / Case for Combined Authority funding**

3.12. The proposed scheme offers the following additionality:

- The CPCA is pleased to support an additional 14 units for affordable rent and shared ownership in South Cambridgeshire, and as part of the CPCA 2000 homes target.
- **The Local Council supports in bringing this forward as a rural exception site comprising of 100% affordable housing with no market units.**

### **Proposed Conditions of Grant Approval**

3.13. It is recommended that the grant of £645,000 is approved to enable delivery of 14 new affordable rented and shared ownership homes within the CPCA region subject to the following conditions: -

#### Prior to execution of the grant funding agreement:

- i. Confirmation of ownership or contractual control of the site.
- ii. Planning consent being secured by no later than 30<sup>th</sup> September 2021.

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

- i. To provide grant draw down, once **start on site** has been confirmed. Start on site to be no later than 31st December 2021.
- ii. To provide grant draw down once **practical completion** has been established.

## **4.0 FINANCIAL IMPLICATIONS**

4.1. The applicant has provided a scheme Business Case and its supporting documentation, attached as exempt Appendix 1 to the paper

4.2. Supporting this application will approve a grant of £630,000 from the Affordable Housing Programme at an average grant rate of £45,000 per unit.

4.3. The impact on this funding on the programme is set out below: -

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Total before Nov 2020 Committee	33	1,536	39,698,271
<b>PROPOSED SCHEME FOR NOVEMBER 2020 COMMITTEE APPROVAL</b>			
9-17 HAWES LANE, WICKEN, EAST CAMBRIDGESHIRE.	1	16	640,000
MORE'S MEADOW, GREAT SHELFORD, SOUTH CAMBRIDGESHIRE	1	21	1,008,000
ALL ANGELS PARK, HIGHFIELDS, CALDECOTE	1	5	247,999
SPRINGFIELD AVENUE, MARCH	1	32	1,560,000
SANDPIT ROAD, THORNEY, PETERBOROUGH	1	5	237,804
BRITISH SUGAR WAY, PETERBOROUGH	1	74	3,040,000
PETERBOROUGH HUSK SITES	1	19	665,000
PERKINS SITE - PHASE 2	1	96	3,740,000
OLD MOTEL SITE, 16 NORTH STREET, STILTON.	1	10	420,000
STATION ROAD, LITTLEPORT, ELY.	1	39	1,448,000

FORMER EAST ANGLIA GALVANISING WORKS, OUNDLE ROAD, PETERBOROUGH	1	77	3,830,725
NORTH END, MELDRETH, SOUTH CAMBS	1	14	630,000
Total Affordable Housing Grants if approved by Board	45	1,944	57,165,799

Affordable Housing:  
AVERAGE GRANT  
RATE PER UNIT\* £29.4k

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

<b>TOTAL IF NOV 2020 SCHEME IS APPROVED</b>	<b>50</b>	<b>1,997</b>	<b>97,012,616</b>
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## 5.0 LEGAL IMPLICATIONS

- 5.1. The recommendation accords with CPCA's powers under Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251).
- 5.2. 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.

## 6.0 APPENDICES

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

<b><u>Background Papers</u></b>	<b><u>Location</u></b>
Housing Strategy September 2018	<a href="#">CA Board September 2018</a>