



<b>HOUSING AND COMMUNITIES COMMITTEE</b>	<b>AGENDA ITEM No: 2.4 (i)</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 REAR OF 9-17 HAWES LANE, WICKEN, EAST  
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 Affordable Housing programme of £640,000 is sought for 16 additional units, 11 affordable rented and 5 shared ownership on a greenfield site.**
- 1.4. A Business Case for this proposal is attached as exempt Appendix 1.

<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>

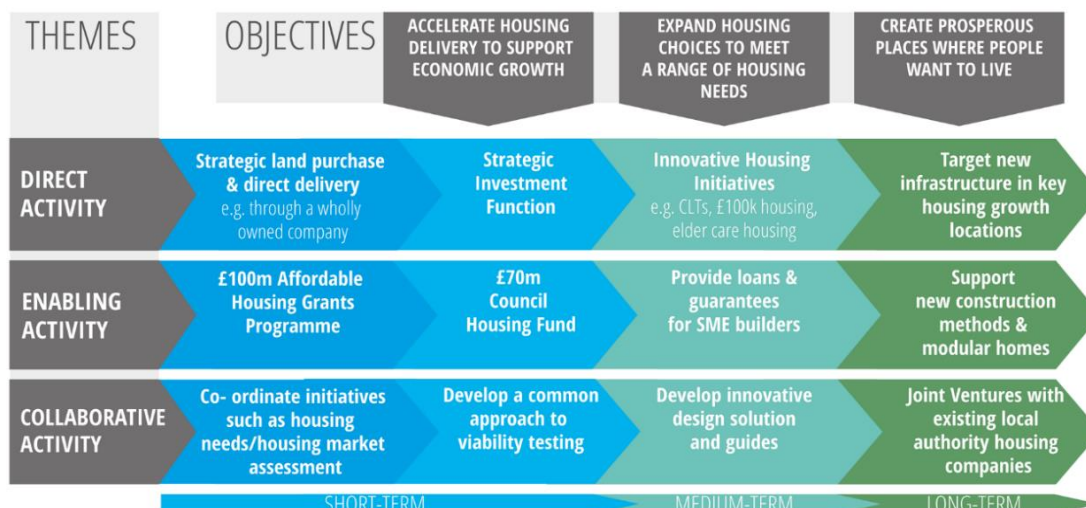
<b><u>DECISION REQUIRED</u></b>	
<b>Forward Plan Ref: 2020/062</b>	<b>Key Decision: Yes</b>
<p>The Housing and Communities Committee is recommended to:</p> <p>a) Commit grant funding of £640,000 from the £100m Affordable Housing programme to enable <b>delivery of 16 additional affordable housing units, at 9-17 Hawes Lane, Wicken, 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> Simple majority of all Members</p>

## 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.

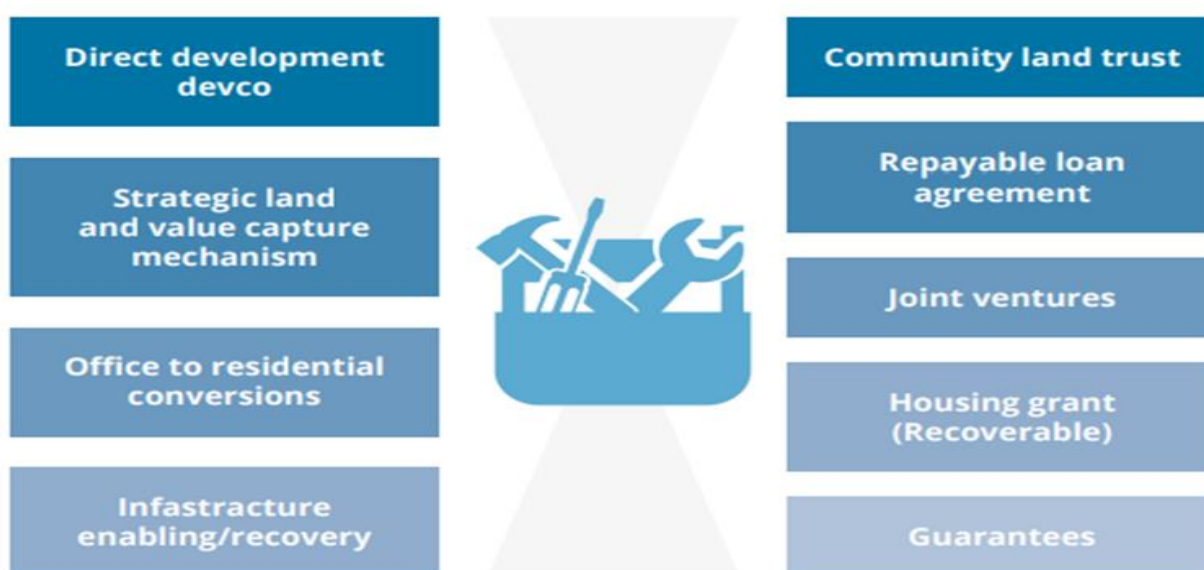
### **Combined Authority Housing Programme**

- 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

**LAND R/O 9-17 HAWES LANE, WICKEN, CAMBRIDGESHIRE**

- 3.1. This is a greenfield site where CHS has now started works.
- 3.2. The land for the site was purchased in August 2019. Planning consent was granted Ref 18/01433/FUM and a s106 was completed on the 18<sup>th</sup> November 2019.
- 3.3. The whole scheme is a 100% affordable housing site, with a mix of 11 rented and 5 shared ownership tenure types.
- 3.4. CHS propose to deliver the whole site for Affordable housing provision, with rents set at LHA rates or 80% of market rents whichever is the lowest, including service charge (where applicable).
- 3.5. All units will be delivered to 100% NDSS space standards, accessible housing (Cat 2) and all units will have air source heat pumps to help with lower carbon emissions.
- 3.6. Practical Completion due: Q3 2021/2022.
- 3.7. Figure 1 – Hawes Lane, Wicken.





Figure 2 – Access road and New build



Figure 3 - New build



3.8. Below are the dwelling types, sizes by square metres and how different they are from NDSS.

Description/ Type of unit	Number of Units	Size (sqm)	NDSS Standard (sqm)	Meets NDSS	<sup>1</sup> % of NDSS
<b>affordable rent</b>					
2 x 2b/3p bungalow	2	61	61	Yes	100%
6 x 2b/4p house	6	79	79	Yes	100%
3 x 3b/5p house	3	93	93	Yes	100%
<b>Shared ownership</b>					
2 x 2b/4p house	2	79	79	Yes	100%
3 x 3b/5p house	3	93	93	Yes	100%
<b>TOTAL</b>	<b>16</b>				

3.9. The dwellings are a mixture of affordable rented and shared ownership houses and bungalows ranging from 2-3 bedrooms.

### **About Cambridge Housing Society (CHS).**

3.10. CHS are based in Histon, Cambridge.

3.11. CHS offers people opportunities to achieve a better quality of life. By providing and managing, over 2,700 low-cost rented and shared ownership homes, residential and domiciliary care for older people and support for young people, parents, people with additional needs or experiencing homelessness.

3.12. CHS are a social enterprise and charitable housing association. They are developing and delivering this site for affordable housing provision.

3.13. The Housing Enabling officer for East Cambridgeshire District Council was happy and supports the homes coming through, she was also happy with the mix of sizes of housing on the scheme, as it helps increase the need of suitable accommodation in their borough.

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

3.14. The proposed scheme offers the following additionality:

- The CPCA grant will enable an additional 16 affordable units to be provided, as part of the CPCA 2000 start on site homes target by March 2022.
- **There is no market housing in the scheme**
- **This is a 100% affordable housing 'windfall' site.**

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

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<sup>1</sup> Numbers are rounded up in some instances.

It is proposed that the grant of £640,000 will help with the delivery of 16 new units, 11 affordable rented and 5 shared ownership homes at Hawes Lane, Wicken, East Cambridgeshire to be approved subject to the following conditions.

After execution of the grant funding agreement but pre draw-down of grant by way of one instalment:

- i. Evidence of start on site once grant has been approved by Housing Committee, with a second phased final payment upon confirmation of practical completion.

## SIGNIFICANT IMPLICATIONS

None.

## 4.0 FINANCIAL IMPLICATIONS

- 4.1. The applicant has provided a scheme Business Case and its supporting documentation, attached as exempt Appendix 1 to this paper.
- 4.2. Supporting this application will approve £640,000 grant from the Affordable Housing Programme at an average grant rate of £40k per unit.
- 4.3. The impact of this funding 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>			
<b>9-17 HAWES LANE, WICKEN, EAST CAMBRIDGESHIRE.</b>	1	16	640,000
Total Affordable Housing Grants if approved by Board	34	1,552	40,338,271

Affordable Housing:  
AVERAGE GRANT  
RATE PER UNIT\*

£26.0k

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>39</b>	<b>1,605</b>	<b>80,185,088</b>
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## 5.0 LEGAL IMPLICATIONS

- 5.1. The recommendation accords with Combined Authority'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.

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