



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

JAMES PALMER
CAMBRIDGESHIRE &
PETERBOROUGH MAYOR

Agenda Item No: 2.1

£100m Housing Programme – Overview of Issues raised by MHCLG

To: Housing and Communities Committee

Meeting Date: 15 March 2021

Public report: Yes.

Lead Member: Councillor Chris Boden, Lead Member for Housing and Chair of Housing and Communities Committee

From: Roger Thompson, Director Housing and Development

Key decision: No

Forward Plan ref: N/A

Recommendations: The Housing and Communities Committee is recommended to:
Note the report.

Voting arrangements: A simple majority of all Members

1. Purpose

- 1.1. This report provides an overview of the issues raised by MHCLG as part of the £100m affordable housing programme review, our response, and the implications if funding is discontinued.

2. Background

- 2.1 The CPCA is still awaiting to be notified of the outcome of the review being held by MHCLG into the £100m housing programme. We have asked again if there is any news, to which we have not yet received a reply (as at 4th March 2021).
- 2.2 Members have been kept advised of the position with the MHCLG review and the chronology of the information that has been provided to members is attached in Appendix 1.

3. Issues Outstanding

- 3.1. The outstanding review has 3 key issues for the CPCA affordable housing programme being;
- **Programme end date March 2021 or March 2022?**
 - **Receipt of the £45m of outstanding monies (we have so far received £55m)**
 - **Inclusion or removal of the 243 units already captured as starts on site at Northstowe**
- 3.2. At the leaders strategy session attended by MHCLG on 16th December 2020 attention was also raised by MHCLG to a potential 'value for money' issue. Although this issue was not raised in a programme wide context earlier in the review process, we have done some initial work on value for money from the existing programme and a draft summary is attached in Appendix 2.
- 3.3 The key issues raised by MHCLG are identified and commented on in Appendix 3.

Potential Scenarios on the MHCLG Review Outcome

A) Receive £100m, end date March 2022 and retain 243 Northstowe units;

We will achieve 2,000 units and deliver to plan.

B) Receive £100m, end date March 2022 and loss of 243 Northstowe units;

It will be a real stretch to achieve the target if we get the money and the extended delivery date, but lose the Northstowe units. We will need to deliver all schemes already approved and add appx 450 further units from the pipeline between now and end March 2022.

C) Receive £55m (55% of the monies), end date March 2021 and loss of 243 Northstowe units;

We will achieve appx 835 units by end March 2021 in this scenario. To achieve this, we will spend approximately £30-35m in grant.

D) Receive £55m (55% of the monies), end date March 2022 and retention or loss of 243 Northstowe units;

We will not achieve 2,000 units.

- We could use all the balance of the £55m received so far to deliver as many units as possible through grant.
- We could stop support for grant schemes after March 2021 and retain £20-£25m for future revolving fund opportunities.
- Consider a combination of the above.

4. Financial Implications

- 4.1. There are no immediate financial implications other than those set out in the body of the report. Once a decision from MHCLG is known a full assessment of any financial implications can be made.

5. Legal Implications

- 5.1 The obligations within the devolution deal require the Combined Authority to ensure the funds are spent in line with its Assurance, Monitoring and Evaluation Frameworks.
- 5.2 The recommendation accords with CPCA's powers under Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251).
- 5.3 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. Appendices

- Appendix 1 - Chronology of the information that has been provided to members
- Appendix 2 - Draft summary report on value for money from the existing programme
- Appendix 3 – Key issues raised by MHCLG

7. Background Papers

DCLG Approved Business Case Devolution Deal 2016 Assurance Framework
Social Housing Rents (Exceptions and Miscellaneous Provisions) (Amendment)

Regulations 2019

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