



Agenda Item No: 2.3

2021/22 Affordable Housing Programme Scheme Approvals - Wisbech Road, March – Sage Housing

- To: Housing and Communities Committee.
- Meeting Date: 9 March 2022
- Public report: This report contains an appendix which is 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 appendix.
- Lead Member: Councillor Lewis Herbert.
- From: Roger Thompson – Head of Housing & Development.
- Key decision: Yes
- Forward Plan ref: 2021/039
- Recommendations: The Housing and Communities Committee is recommended to:

Agree to an uplift in grant funding on the affordable housing scheme at Wisbech Road, March, from £4,542,000 to £5,248,700 for the delivery of 118 new homes, through the new housing provider Sage Housing. **DLUHC have agreed to the uplift in principle, pending the Housing and Communities Committee approval.**
- Voting arrangements: A simple majority of all Members present and voting.

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 the scheme for approval of grant uplift funding in the context of the overall investment pipeline for the Combined Authority's £100m programme.
- 1.3 To provide a grant uplift to an existing housing scheme of an additional grant of £706,700 to deliver 118 units at Wisbech Road, March, Fenland. There is a committee approved grant of £4,542,000 already in place, from November 2019.

2. Background

- 2.1 The Housing and Development Team at the Combined Authority is working with officers in all partners 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 site at Wisbech Road, March was given approval at Housing Committee on November 11th, 2019. The site has planning consent for 118 units. The previous provider was Funding Affordable Homes Housing Association, which eventually could not deliver the scheme through as a result of a lack of a funding solution, putting the delivery of the scheme at risk and causing the project to be released.
- 2.4 The construction company (Partner Construction) is already in place, approached Sage Housing who have indicated that they will step in to replace FAHHA and are willing to deliver the housing – as 100% affordable housing scheme, at a 64%/36% tenure mix of affordable rent and shared ownership, this equates to 76 affordable rent and 42 for shared ownership homes.
- 2.5 The grant rates at the time of the initial approach in Nov 2019, were lower and have increased and to make the scheme viable. Sage have asked for a grant uplift, making the average grant rate £44.48k. As the site has planning consent and a contractor already on board, they are ready to start on site by end March 22. A new GFA will be signed. As there is a proposed increase in the grant, a request for approval to the uplift of £706,700 was made to DLUHC which has been agreed in principle, pending the Housing Committee's decision today.
- 2.6 All 118 homes will be delivered by support of the grant, as mentioned the site is privately owned and where the homes would have been mostly for outright sale. The grant will enable the mixed tenure of the scheme for a much-needed area. The units are all over 90% of NDSS standards. (Table figures are rounded up to the nearest decimal point.)

Description/ Type of unit	Number of Units	Size (sqm)	NDSS Standard (sqm)	Meets NDSS	% of NDSS
Affordable units					
36 X 2B/4P	36	72.5	79	N	91.8%
9 X 3B/5P	9	83.7	93	N	90%
7 X 3B/5P	7	84.3	93	N	90.6%
8 X 3B/5P	8	85.6	93	N	92.0%
16 X 4B/6P	16	105.2	106	N	99.2%
	76				
Shared Ownership					
14 x 2B/4P	14	72.5	79	N	91.8%
19 X 3B/5P	19	83.7	93	N	90%
5 X 3B/5P	5	84.3	93	N	90.6%
2 X 3B/5P	2	86.1	93	N	92.6%
2 X 4B/6P	2	105.2	106	N	99.2%
	42				
TOTAL	118				

2.7 A map of the site.



2.8 The Housing Enabling Officer has confirmed Fenland DC's support for this bid from Sage Housing to grant fund 118 Affordable Homes at Wisbech Rd, March. "The tenure mix will help meet a range of needs and ensure a mixed and sustainable community within the scheme. We are pleased that the opportunity to retain this scheme as a wholly affordable site has arisen and delighted that this application will mean that CPCA funding that was originally allocated to another RP to deliver this site can still be deployed for the benefit of Fenland residents."

Significant Implications

3. Financial Implications

3.1 Additionality case for Combined Authority Funding

The proposed scheme offers the following:

- The CPCA were happy to support the creation of 118 new homes for affordable rent and shared ownership units in the Fenlands area. The scheme is 100% affordable housing.
- Full planning consent was secured, but as a new provider, a new GFA will be signed.
- Partner Construction are the contractors who look to start on site after acquisition of the site.
- Sage gained internal approval on 3rd February 2022, for site acquisition and scheme progression.
- DLUHC has agreed in principle the uplift of £706,700.

Proposed Condition of Grant Approval

It is proposed that the grant of £5,248,700 will help with the delivery of 118 new homes.

After execution of the grant funding agreement and confirmation of start on site – 75% of the initial grant will be released, with the remaining 25% paid on completion.

- 3.2 The CPCA grant will enable the delivery of 118 affordable units to be provided as part of the CPCA 2000 starts on site homes target by March 2022. Below is a table outlining the initial uplift.

See Appendix 2 for guidance.

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Previous Schemes SOS		733	
Previous schemes in Jan 2022	12	876	34,892,750
Loss of Wisbech Road, Littleport	1	37	remove 1,536,000
Total of schemes approved 21-22	11	839	33,356,750
PROPOSED SCHEME FOR MARCH 2022 COMMITTEE APPROVAL.			

UPLIFT OF GRANT TO WISBECH ROAD, MARCH (118 UNITS IN FENLANDS DC).	0	0	706,700
Total Affordable Housing Grants if approved by Board	11	839	£34,063,450

Affordable Housing: 21-22
AVERAGE GRANT RATE PER UNIT*
£40.6k

TOTAL 2017/22 PROGRAMME IF MARCH 2022 SCHEME IS APPROVED	48	1,572	£60,158,220
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4. Legal Implications

4.1 There are no significant legal implications at this stage.

5. Public Health implications

5.1 These units are new build and will benefit the health of Cambridgeshire's residents especially in Fenland – whereby new opportunities of developments are scarce and is a positive outcome for public health. Newly designed properties will have all the necessary energy efficient and insulation within a new build and will be in line with building regulations.

6. Environmental and Climate Change Implications

6.1 It has been discussed that the properties will be energy efficient, that focus on a “fabric first” approach to exceeding building regulations. The properties will be built to energy efficient standards to help minimise waste. Building houses that are easy to warm and minimise the risk of flooding. This, therefore, brings about a positive outcome for the environmental and climate change implications.

7. Other Significant Implications

7.1 See Appendix 2 for guidance on other significant implications, such as Equalities and Risk, Engagement and Consultation which have not been dealt with under the legal or financial implications.

8. Appendices

8.1 Exempt Appendix 1 - Business case & application form.

9. Background Papers

9.1 None.