

**CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY – 26 SEPTEMBER 2018**

**PUBLIC QUESTIONS**

No.	Question from:	Question to:	Question
1.	Cambridge City Councillor, Mike Sargeant	Mayor James Palmer	<p>I am very disappointed with the Housing Strategy Report that is being put to the Combined Authority Board today:</p> <ol style="list-style-type: none"> <li>1) Most importantly, it disregards the Devolution Deal agreement which says ‘the Government will provide £100m housing and infrastructure fund.....at least 2000 Affordable Homes ..... The fund would be subject to a business case, targeted at areas with the most significant affordability challenges, and would be delivered in line with the single pot assurance framework guidance and via section 31 grant agreement.’ and says instead ‘Ensuring a reasonable geographic spread of schemes where possible throughout the Combined Authority area.’ and goes on to say it will only use £60 million of the £100 million for the 2000 Affordable Houses specified in the Deal. The Devolution Deal says, ‘This devolution deal cannot be altered without the consent of all participating authorities together with Government.’ Unless you get this consent, your Housing Strategy is null and void.</li> <li>2) It has been written by consultants who don’t have local knowledge and haven’t even tried to work collaboratively with local people and organisations such as the Cambridgeshire and Peterborough Housing Board representing all Local Authorities and Housing Associations.</li> <li>3) It does not use the data on affordability and housing need that exists in the CPIER Report that was actually commissioned by the Combined Authority, data from the SHMA – Strategic Housing Market Assessment or the reports by Cambridgeshire Insight.</li> <li>4) The Board Report highlights the challenges for Housing Associations but then It is proposing grants with clawback which makes it very difficult for Housing Associations, the major provider of Affordable Homes, to avail</li> </ol>

			<p>themselves of finance from the Combined Authority.</p> <p>5) For the vast majority of people who need affordable housing in a large part of the Combined Authority area, renting is the only option while the concentration of the Report is on home ownership which is totally out of reach for so many people.</p> <p>I therefore ask the Combined Authority if it will withdraw the report and start to work collaboratively with the Local Authorities and Housing Associations in delivering the Devolution Deal which was signed by the Local Authorities and the Government to target the delivery of affordable housing to where it is most needed.</p>
	<b>Response from:</b>	<b>Response to:</b>	<b>Response</b>
	Mayor James Palmer	Cambridge City Councillor, Mike Sargeant	<p>1) The Housing Strategy does not disregard the Devolution Deal Agreement. At the first meeting of the Combined Authority in March 2017, the Board agreed the business case as required by the Deal and to which you refer. The business case had also been agreed with Government and is a publicly available document on the Combined Authority website. This Business Case set out that there is a need for additional housing throughout the Combined Authority area and therefore allocation of funding should be based upon criteria set out in the business case. The criteria for allocation of funding was not based upon geography. There are other important principles agreed by the business case. These are that the Combined Authority should support community led housing (CLT) and should only grant fund initially and should seek a means to recycle funds to ensure the affordable housing funds would not be exhausted. Gain share and land value capture was therefore very much part of the business case and rightly forms a part of this strategy. We encourage Housing Associations to bring forward schemes for grant where in conjunction with the local authorities a grant achieves additionality or acceleration of affordable housing to meet local needs. Our objective as articulated in the housing strategy is to deliver more than the 2,000 homes devolution target by using an innovative toolbox approach, which still includes traditional grants. For the avoidance of any doubt, all of the £100m will be utilised to deliver more housing and infrastructure for housing.</p>

			<p>2) 31TEN met with representatives from various local authorities in the early stages of their work. The collaborative approach then took the form of an open presentation and discussion at two leaders strategy sessions on the 10<sup>th</sup> May and 26<sup>th</sup> June to which all council leaders were invited and the evolving strategy was presented and discussed. I understand that the Overview and Scrutiny Committee drew attention to a spelling error in the document which referred to West Sussex instead of West Suffolk. To focus on a minor typing error is to miss the important and innovative approaches that the Strategy delivers.</p> <p>3) The Report has relied upon the analysis in the interim CPIER. 31Ten have drawn attention in the report to the fact that they have relied on their analysis [pages 17 &amp;18]. Other data quoted is from national data sets (as set out in the report) and ongoing work and data from transport projects.</p> <p>4) When Housing Associations submit application for grant they also supply a financial appraisal upon which the need and request for grant is calculated and articulated. Assuming a grant is approved and proceeds, the clawback provision will ONLY come into effect if the final project outcome improves from the original financial appraisal submitted. For example, if a scheme included some market sale houses and the value of those houses goes up significantly when they are sold, then the Housing Association has received more revenue than originally predicted when applying for grant. In that situation it seems fair that a proportion of that additional value should be returned as a grant refund, to be re-invested into additional future housing schemes, rather than considered to be profit for Housing Associations.</p> <p>5) The strategy is seeking to be flexible to both the diverse geography and markets within the CPCA area, to build additional homes to tackle severe shortages and to address the issue of a large section of working people not earning enough to afford high house prices. Earning levels means that many do not qualify for traditional social housing and means that they are pushed into the private rental sector, where rents are often too high.</p>
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2.	Cambridge City Councillor, Dave Baigent	Mayor James Palmer	Constituent Councils agreed to the establishment of a Combined Authority on the basis of a number of factors. One of these was that each leader would have a portfolio. This no longer appears to be happening. Would the Mayor explain the rationale behind this change and how and to whom portfolios are now allocated?

	<b>Response from:</b>	<b>Response to:</b>	<b>Response</b>
	Mayor James Palmer	Cambridge City Councillor, Dave Baigent	<p>The Board agreed unanimously in July to move to committees.</p> <p>Each of the Committee chairs is also the portfolio holder for their committee: housing, transport and skills. We also have others who hold portfolios but are not committee chairs.</p> <p>So all members are actively engaged in the business of the Combined Authority.</p> <p>The rationale for the new committees is set out in the July Board paper. We agreed in July that the Board would be asked today to note and agree my nominations to portfolios and membership of committees.</p>