



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.3 (iii)

£100m Affordable Housing Programme Scheme Approvals – June 2021 Northminster, Peterborough.

To: Housing and Communities Committee

Meeting Date: 21 June 2021

Public report: This report contains an appendix/appendices which are 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 appendices.

Lead Member: Councillor Lewis Herbert, Lead Member for Housing and Communities

From: Roger Thompson – Director for Housing and Development

Key decision: Yes

Forward Plan ref: 2021/011

Recommendations: The Housing and Communities Committee is recommended to:

a) To commit grant funding of £14,031,750 from the current Housing programme to enable delivery of 353 affordable private rented homes at Northminster, Peterborough. **Subject to confirmation of the release of monies for the 2021/22 Affordable Housing programme from MHCLG.**

Voting arrangements: A simple majority of all Members

1. Purpose

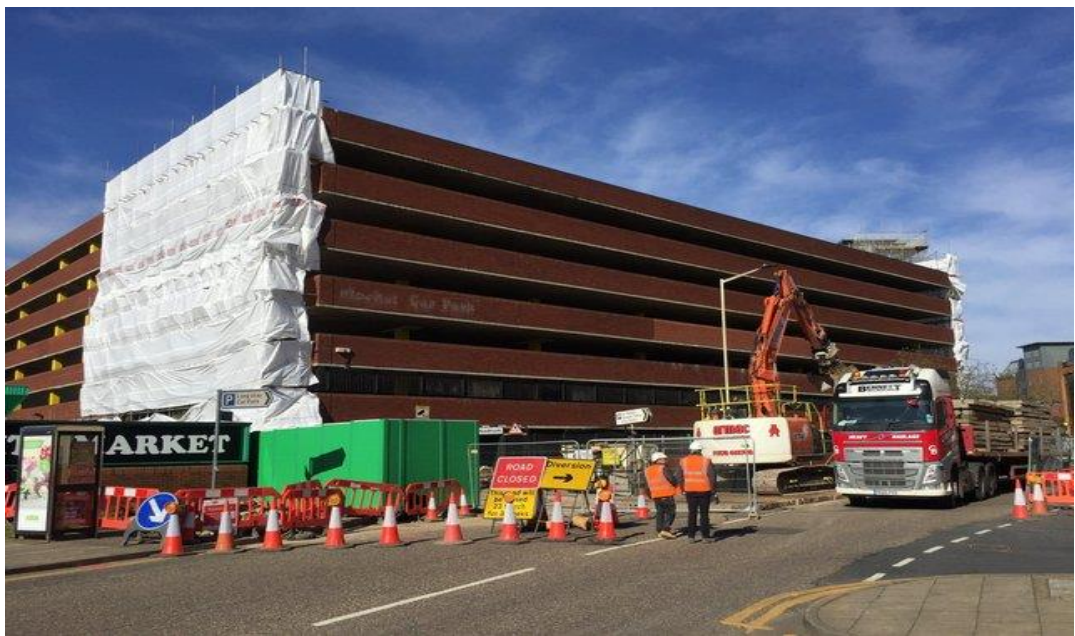
- 1.1 As part of the Devolution Deal, the Combined Authority successfully secured £100 million from Government to deliver 2,000 affordable homes across Cambridgeshire and Peterborough.
- 1.2 This report provides the Committee with one scheme for approval of grant funding in the context of the overall investment pipeline for the Combined Authority's affordable housing programme.
- 1.3 A grant from the Combined Authority's Housing Programme of £14,031,750 is sought for 353 new rented homes, at Northminster, Peterborough, which is a regeneration project, and therefore provides much needed new homes around Northminster area.

2. Background

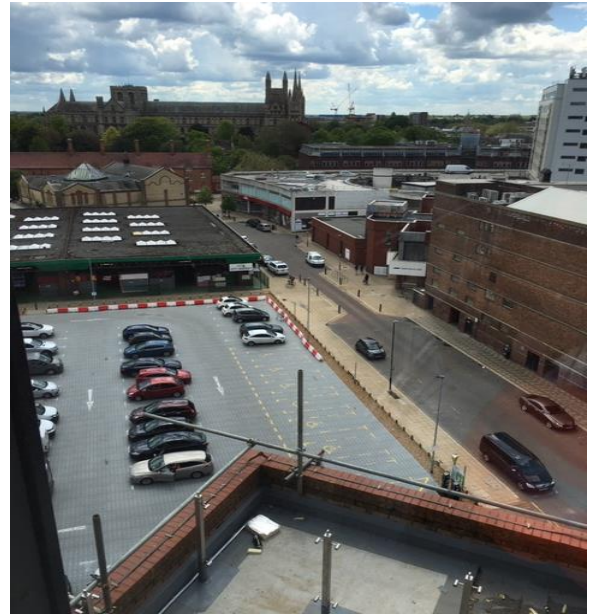
- 2.1 The Housing and Development Team at the Combined Authority is working with officers in all partners local authorities (via the Cambridgeshire and Peterborough Housing Committee) to identify new schemes to come forward for support from the Affordable Housing Programme. The Team is also continuously seeking to build 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 to help unlock sites and deliver additional affordable housing has become the key tool.
- 2.3 The proposed site requesting for grant from the current Housing Programme is for approximately £14,031,750 for Northminster, Peterborough. This site is planning for 353 affordable "private rented" units and is expected to start on site in January/February 2022.
- 2.4 Below is a table referring to the unit types, size, and tenure types. They refer to Nationally Described Space Standards. (All figures are rounded up or down to nearest whole number)

Description/ Type of unit	Number of Units	Size (sqm)	NDSS Standard (sqm)	Meets NDSS	% of NDSS
Affordable rented					
1 Bed Flats	57	51.50	50	Yes	103
2 Bed (3p) Flats	96	63.00	61	Yes	103
2 Bed (4p) Flats	99	72.20	70	Yes	103
3 Bed (5p) Flats	50	88.50	86	Yes	103
2 Bed Maisonettes	19	85.02	79	Yes	108
3 Bed Maisonettes	3	113.87	93	Yes	122
2 Bed Town Houses/4 person	10	105.01	79	Yes	133
3 Bed Town Houses/5 person	18	105.01	99	Yes	106
4 Bed Town House/6 person	1	137.50	112	Yes	123
Total	353				

- 2.5 All units in the development will be to accessible standards due to the provision of lifts and level access throughout the scheme. All units meet minimum National Space standards as defined by Planning Policy. In addition, 5% of the units will meet enhanced accessibility levels in line with the planning requirements of the local authority.
- 2.6 The site will be going for planning submission under a PPA (Planning Performance Agreement) whereby the whole planning process should be undertaken in a timely manner of appx 13 weeks. We understand the current expectation is to submit a planning application in early July 2021.
- 2.7 The scheme represents a classic town centre regeneration scheme. The multi-storey car park on part of the site was demolished in 2020, in anticipation for the regeneration of the area.

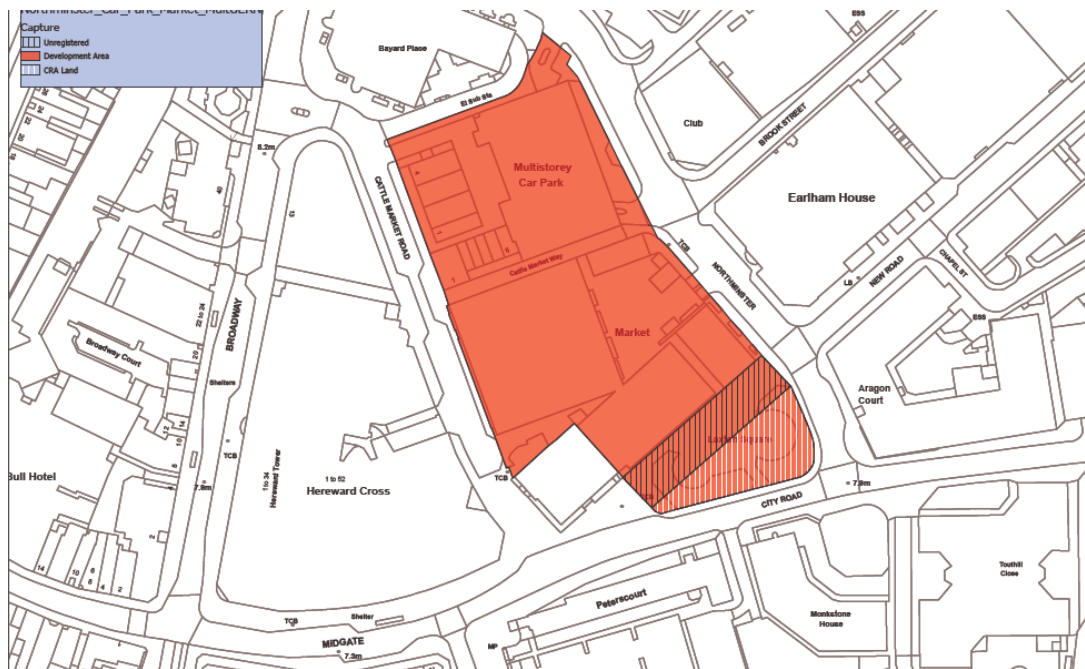


Demolition of the multi-story car park. Car Park was demolished last year, 2020.



Photos of the current parking at Northminster with city market behind and cathedral in background.

2.8 The site plan of the development of Northminster.



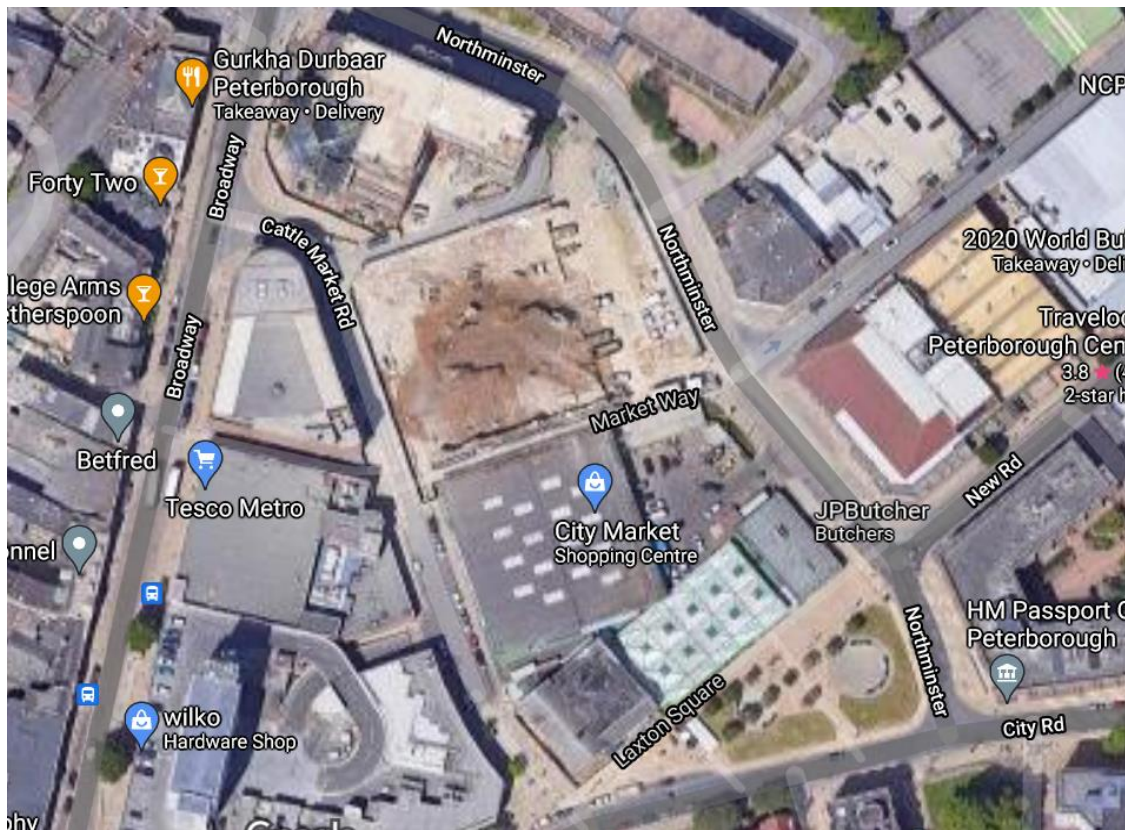
Title Northminster Car Park & Market Development Plan

Scale 1:1,250 FilePath X: Sp Asset Management: Properties: Multiple UERN: Northminster Car Park & Market Development: Northminster and market development plan

Date Printed 29/01/2020

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Aerial view of the whole site.

- 2.9 The Peterborough Investment Partnership is proposing to provide affordable private rented housing in the form of a “Build to Rent” scheme, which is part of the Affordable Housing tenure under the National Planning Policy Framework. As part of a Build to Rent scheme it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- 2.10 This housing will be available for people in the community who are not on the housing register, mainly for young professionals, key workers, and low-income earners, whereby the rent will not exceed 80% of the market rents, for perpetuity. They will also be offered longer tenancy agreements ranging from 1-3 years, therefore providing more security.
- 2.11 The Housing Enabling Officer for Peterborough Council is happy to support the homes coming through. As this scheme proposed for Northminster is a Build to Rent Scheme it will offer Affordable Private Rent tenure housing. While this scheme will not assist with meeting the housing needs of homeless families or households on the housing register, it will provide submarket rent levels and meet a market demand in Peterborough. The delivery of this scheme will also significantly contribute to the regeneration of that area of the city and the wider economic benefits that will bring.

Significant Implications

3. Financial Implications

3.1 Additionality case for Combined Authority Funding

The proposed scheme offers the following additionality:

- The CPCA are happy to support the creation of 353 new homes all additional and affordable privately rented properties in Peterborough.
- This site is a regeneration site for affordable housing, a brownfield site, and is a 100% affordable housing scheme.

Proposed Condition of Grant Approval.

It is proposed that the grant of £14,031,750 will help with the delivery of 353 new affordable private rented homes, subject to the following conditions: -

After execution of the grant funding agreement, a phased grant payment by way of two (2) instalments:

- i) To request and receive 50% of the grant upon start on site.
- ii) To request and receive 50% of the grant at practical completion

3.2 The CPCA grant will enable an additional 353 affordable private rented units to be provided as part of the CPCA starts on site homes target by March 2022.

3.3 Supporting this application by providing £14,031,750 from the current Housing Programme is at an average grant rate of £39,750k per unit.

	Number Schemes Approved	Number of Affordable Units Funded	CPCA Funding Committed £
Previous Programme Schemes SOS by March 2021	37	733	26,094,770
Total of schemes approved to start in yr 2021/22	15	767	30,797,691
PROPOSED SCHEME FOR JUNE 2021 COMMITTEE APPROVAL			
Fairbarn Way, Chatteris - FAHHA	1	50	2,082,000
Dovehouse Court, 14-16 High Street, Girton	1	15	675,000
Northminster, Peterborough	1	353	14,031,750

Total Affordable Housing Grants for 2021/22 if approved by Committee	18	1,185	47,586,441
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Affordable Housing
2021/22
AVERAGE
GRANT RATE
PER UNIT* £40.2k

TOTAL Affordable Housing IF JUNE 2021 SCHEMES APPROVED	55	1,918	73,681,211
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4. Legal Implications

- 4.1 The recommendation accords with the Combined Authority's powers under Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251) and the CPCA Constitution Chapter 10 para.3.2.6(a).

5. Other Significant Implications

- 5.1 None.

6. Appendices

- 6.1 Exempt Appendix 1 - Exempt from publication - Business Case including supporting

7. Background

- 7.1 None