



<b>HOUSING AND COMMUNITIES COMMITTEE</b>	<b>AGENDA ITEM No: 2.2 (ix)</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) - OLD MOTEL SITE, 16 NORTH STREET, STILTON,  
HUNTINGDONSHIRE.**

**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 £420,000 is sought for 10 additional homes, with a mix of 5 affordable rent and 5 shared ownership units at The Old Motel Site, 16 North Street, Stilton, Hunts.**

<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>

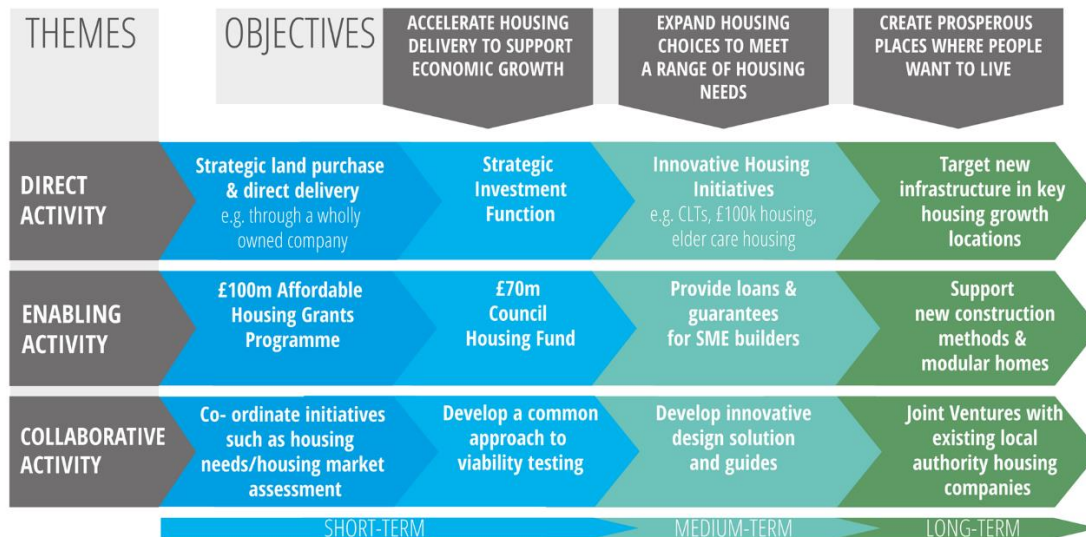
Forward Plan Ref: 2020/062      Key Decision: Yes	
<p>The Housing and Communities Committee is recommended to:</p> <p>(a) Commit grant funding of <b>£420,000 from the £100m Affordable Housing programme to enable delivery of 10 additional affordable homes, with a mix of rented and shared ownership, at Old Motel Site, Stilton, Huntingdonshire</b> - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS &amp; MHCLG.</p>	<p><b>Voting arrangements:</b></p> <p>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.

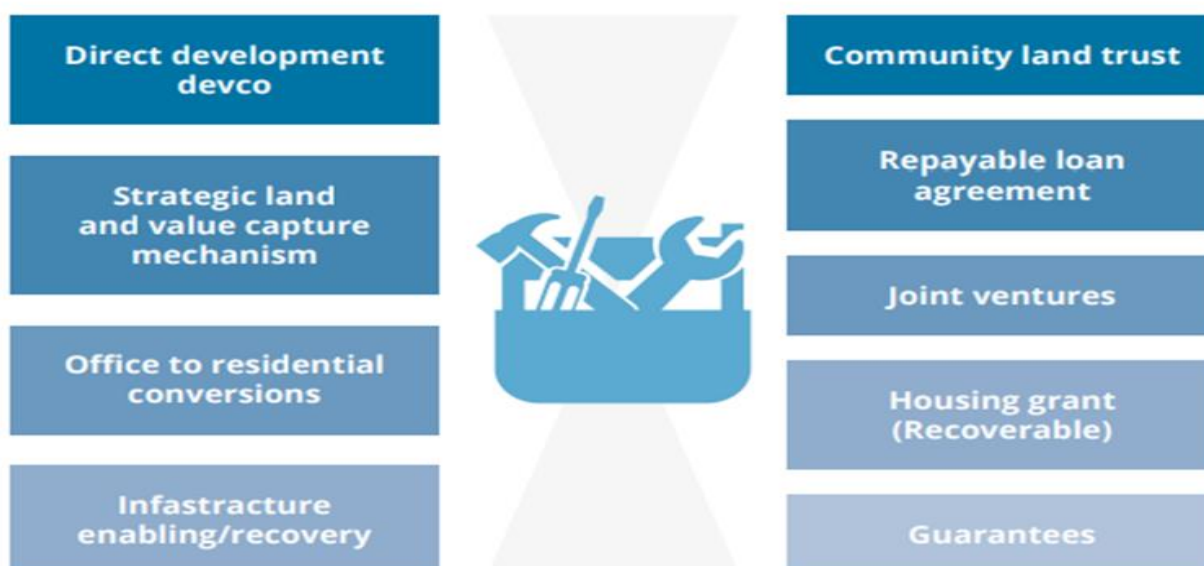
### Combined Authority Housing Programme

- 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**

#### **OLD MOTEL SITE, 16 NORTH STREET, STILTON, HUNTS.**

- 3.1. This proposal is to enable 10 additional new homes to be developed at Stilton in Huntingdonshire. The development opportunity is on an old motel site which is no longer in use. The whole site will be managed and controlled by Cross Keys Homes.
- 3.2. All units achieve a minimum of 100% NDSS compliance. 9 units will be delivered to M4(2) accessible and adaptable building regulations standard, with 1 x unit delivered to M4(3) wheelchair standard.
- 3.3. A full planning application has been submitted to Huntingdonshire District Council, following a positive pre-application submission. There will be no S.106 agreement. All planning conditions will need to be discharged.

**Figure 1: Old Motel Site, Stilton. (Google Maps)**



**Figure 2: - Old Motel Site, 16 North Street, Stilton. (Google Maps)**



- 3.4. The size of units is over and above the Nationally Described Space Standards (NDSS) are shown below:

Description/ Type of unit	Number of Units	Size (sqm)	NDSS Standard (sqm)	Meets NDSS	% of NDSS <sup>1</sup>
<b>AFFORDABLE RENT</b>					
1 x 2b/4p house	1	89.41	79	Y	112%
4 x 3b/5p house	4	96	93	Y	103%
<b>SHARED OWNERSHIP</b>					
3 x 2b/4p house	3	79.5	79	Y	101%
2 x 3b/5p house	2	96	93	Y	103%
Total	<b>10</b>				

## About Cross Keys Homes

- 3.5. Cross Key Homes are based in Peterborough. Cross Key Homes covers a wide area, in and around Peterborough and beyond. CKH is one of the main providers of affordable housing in the CPCA region.
- 3.6. Currently Cross Key Homes have a few sites with CPCA, and they work closely with CPCA to ensure they provide adequate housing in and across the region.
- 3.7. The Housing Enabling Officer for Huntingdonshire's Council has confirmed that he supports this bid. The opportunity of taking an unused brownfield site to provide housing for both affordable rent and shared ownership will benefit the community.

## Additionality / Case for Combined Authority funding

- 3.8. The proposed scheme offers the following additionality:
- The CPCA is pleased to support an additional 10 units for affordable rent and shared ownership in Huntingdonshire.
  - **Additionality, by way of regeneration of land occupied by a redundant Motel/Guest House for a 100% windfall affordable housing scheme with no market housing.**

## Proposed Conditions of Grant Approval

- 3.9. It is recommended that the grant of £420,000 is approved to enable delivery of 10 new additional affordable rented and shared ownership homes within the CPCA region subject to the following conditions: -

### Prior to execution of the grant funding agreement:

- Confirmation of ownership and/or contractual control of the site.

### After execution of the grant funding agreement but pre draw-down of phased grant payments by way of two (2) instalments:

- To provide grant draw down, once **start on site** has been confirmed.

- ii. To provide grant draw down once **practical completion** has been evidenced.

#### 4.0 FINANCIAL IMPLICATIONS

- 4.1. The applicant has provided a scheme Business Case and its supporting documentation, attached as an exempt Appendix 1 to this paper.
- 4.2. Supporting this application will approve a grant of £420,000 from the Affordable Housing Programme, and it will achieve an average grant request rate of £42,000 per unit.
- 4.3. The impact on this funding on the programme 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>			
9-17 HAWES LANE, WICKEN, EAST CAMBRIDGESHIRE.	1	16	640,000
MORE'S MEADOW, GREAT SHELFORD, SOUTH CAMBRIDGESHIRE	1	21	1,008,000
ALL ANGELS PARK, HIGHFIELDS, CALDECOTE	1	5	247,999
SPRINGFIELD AVENUE, MARCH	1	32	1,560,000
SANDPIT ROAD, THORNEY, PETERBOROUGH	1	5	237,804

<b>BRITISH SUGAR WAY, PETERBOROUGH</b>	1	74	3,040,000
<b>PETERBOROUGH HUSK SITES</b>	1	19	665,000
<b>PERKINS SITE - PHASE 2</b>	1	96	3,740,000
<b>OLD MOTEL SITE, 16 NORTH STREET, STILTON.</b>	1	10	420,000
Total Affordable Housing Grants if approved by Board	42	1,814	51,257,074

Affordable Housing:  
AVERAGE GRANT RATE PER UNIT\* £28.3k

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>47</b>	<b>1,867</b>	<b>91,103,891</b>
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## 5.0 LEGAL IMPLICATIONS

- 5.1. The recommendation accords with CPCA's powers under Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251).
- 5.2. 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.

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