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| HOUSING AND COMMUNITIES COMMITTEE | AGENDA ITEM No: 2.2 |
| 14 SEPTEMBER 2020 | PUBLIC REPORT |

ALLOCATION POLICY - £100K HOMES

1.0 PURPOSE

- 1.1. To consider the proposed £100K Homes Allocations Policy and Guidance Document.

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| <u>DECISION REQUIRED</u> | |
| Lead Member: | Councillor Boden |
| Lead Officer: | Emma Grima – Director Commercial |
| Forward Plan Ref: N/A | Key Decision: No |
| <p>The Housing and Communities Committee is recommended to:</p> <p>(a) Approve the £100K Homes Allocations Policy and Guidance Document as set out in Appendix 1.</p> | <p>Voting arrangements</p> <p>Simple majority of all Members</p> |

2.0 BACKGROUND

- 2.1. The Combined Authority recognises the challenges that are faced by individuals that are struggling to enter the housing market. To some extent the existing market offer is catering for those in need and for those who are more established, through a range of different products; social rent, affordable rent, shared ownership, first time buyer schemes, discounted market sale and of course the open market.
- 2.2. There is a gap in the offer that is preventing individuals from entering the property market, particularly in an area where people have a strong local connection whether through family relationships or employment.

2.3. The Cambridgeshire and Peterborough Independent Economic Review (CPIER) has a chapter dedicated to the subject of housing. It reaches several conclusions:

- Not enough housing is being built at present. The CPIER notes that “It is not that supply has been unusually low, indeed the housing stock has increased by over 4% in this time [2012-2016]. But demand has been exceptionally high, causing the extreme affordability pressures in some parts of the area which we see today”. The review looks at recent delivery against Objectively Assessed Need- showing that it has fallen short by almost 1,000 houses over the years 2012/13 to 2016/17.
- Targets need to be revised upwards. Based on a summary review of the figures, the review concludes that it is likely that between 6,000 to 8,000 dwellings need to be built per year to manage the pressure on housing caused by employment growth.
- Lack of affordability is causing multiple problems. The review notes: “Local people are displaced from the area if they cannot afford the cost of accommodation. People’s quality of life deteriorates as too much of their income is swallowed up on rent or mortgage payments.” In future, it may also impose too much of a cost on business, causing a slowdown in growth in Cambridgeshire.

2.4. The Housing Strategy (2018) recognises that there is a need to delivery genuinely affordable housing across the Combined Authority area. It further recognises that there is a gap in the market that provides for those who do not qualify for traditional affordable housing and open market housing is out of reach.

2.5. On 29 January 2020 (Agenda Item 3.2), the Combined Authority Board approved the Business Case to deliver £100k Homes across the Cambridgeshire and Peterborough area that facilitates the delivery of these homes needed for people to live and work locally. The Combined Authority Board further approved a change to the Housing and Communities Terms of Reference to approve the £100k Homes Allocation Policy.

3.0 Allocation Policy and Guidance Document

3.1. The Allocations Policy and Guidance Document sets out the eligibility criteria for a £100K Homes, and the process by which applicants will be prioritised to purchase a £100K Home.

3.2. The Policy aims to prioritise those with strong local connections to the area in which each £100K Home comes forward. Employment, and particularly key worker status, in the local area is a key consideration under the Allocations Policy.

3.3. Other local connections criteria include: current or previous residency and/or close relatives living in the relevant area.

- 3.4. The Allocations Policy is supported with guidance that provides detail to the principles of the allocation policy.
- 3.5. The £100K Homes Programme, and associated Allocations Policy and Guidance Document, will help to keep communities in Cambridgeshire and Peterborough vibrant and sustainable by ensuring local people are given the opportunity to live near their place of work and remain in communities in which they have strong connections.
- 3.6. Whilst there is no legal duty to consult on an allocation policy, Officers have recognised that the experience of constituent Councils, who are familiar with such policies, should be reflected in the proposed policy and guidance. For this reason, Officers have consulted with the Sub-Region Housing Board which is made of Officers from the Constituent Councils and various Registered Providers that operate in the Cambridgeshire and Peterborough Area. Their feedback has been incorporated into the document.
- 3.7. Consideration has been given as to whether there should be a policy that is tailored to meet the nuances of each local authority area, for example local earnings. It is recommended that the Allocation Policy and Guidance document applies to all areas within the Combined Authority equally. This provides consistency across the Cambridgeshire and Peterborough area, especially where there are areas that adjoin neighbouring Council areas. This follows other affordable housing products that have an element of ownership, for example, shared ownership.
- 3.8. It is important to note that the £100k Homes product is not intended to meet all of the housing need in any particular area. It has been designed to enhance the offer and choice that is already being delivered in the housing market. The Allocation Policy has been designed to enable people to live and work locally.

SIGNIFICANT IMPLICATIONS

4.0 FINANCIAL IMPLICATIONS

- 4.1. There are no significant financial implications

5.0 LEGAL IMPLICATIONS

- 5.1 The recommendation accords with CPCA's Constitution (September 2019) and 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 OTHER SIGNIFICANT IMPLICATIONS

6.1 Equality Impact Assessment.

An initial screening has been carried out. This is provided at Appendix 2. The Allocation Policy and Guidance Document does not identify a negative impact on different groups in the community, on the grounds of any of the protected characteristics and as such a full Equality Impact Assessment is not required.

7.0 APPENDICES

- 7.1. Appendix 1 – £100K Homes Allocations Policy and Guidance Document
Appendix 2- Initial Screening- Equality Impact

| <u>Background Papers</u> | <u>Location</u> |
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| £100k Homes Business Case- Combined Authority Board- 29 January 2020 (Agenda Item 3.2) | Combined Authority Website. |
| Allocation Policy £100k Homes- Housing and Communities Committee- 22 June 2020 (Agenda Item 2.4) | |