



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY
HOUSING AND COMMUNITIES COMMITTEE: MINUTES

Date: Wednesday, 21 November 2018

Time: 11.35 a.m. to 1.00 p.m.

Present: Councillors Charles Roberts (Chairman), Ryan Fuller and Bridget Smith

1. APOLOGIES AND DECLARATIONS OF INTERESTS

Apologies were received from Councillor Chris Seaton. No declarations of interest were made.

2. PETITIONS

None received.

3. PUBLIC QUESTIONS

None received.

4. MEMBERSHIP AND TERMS OF REFERENCE

The Committee received a report detailing its terms of reference, and procedural arrangements.

In discussing the report Members:

- Highlighted the need for the Committee to add value by having early sight of potential projects and making decisions on which projects proceeded through to the Board. The Committee should therefore be doing the work that the Board did not have the capacity or time to do.
- Highlighted the need for the Committee to work on a consensual basis, The Chairman acknowledged that it would be disappointing if the Committee could not make a unanimous decision on issues.
- Discussed the need to engage the Board at the right stages and the importance of the Committee inputting into policy and shaping proposals going forward. It was important to demonstrate the value of the Committee and give the Board confidence and trust in its work.
- Discussed the importance of being able to work quickly and flexibly in terms of the housing market and not having to hold off discussions until Committee meetings. Holding working group discussions remotely would be crucial.

- Queried whether the Committee would have powers in the future to make smaller decisions. Members noted that a review of governance arrangements was taking place and that delegations would be reviewed.
- Highlighted that over the next few months the Committee's method of operating would evolve.
- Queried whether the Committee would input into the non-statutory spatial plan. The Chairman reminded the Committee that the Board was responsible for approving the plan. However, there should be a role for the Committee in relation to feeding in to the plan.
- Discussed the importance of having an active and constant role in the development of strategies, in particular in relation to Garden Villages and Towns and Spatial Planning, ensuring the Committee could input its expertise.
- Queried the Committee's wider brief under 3.9 – 3.11 in its terms of reference. Members discussed the importance of clarifying the scope of the brief to ensure that Officers with the right expertise were involved. The Monitoring Officer agreed to make enquiries about this and report back to Committee. **ACTION**

It was resolved unanimously to:

note the terms of reference and procedural arrangements for the Committee.

5. **£70M CAMBRIDGE CITY COUNCIL AFFORDABLE HOUSING PROGRAMME UPDATE**

The Committee considered a report giving an update on the £70 million ring-fenced to deliver a programme of 500 new affordable homes within Cambridge, led by the City Council.

In discussing the report Members:

- Noted that financial performance on the programme was as expected and that the City Council had drawn down a total of £8,771,807 or 13% of available funds to date. Of the agreed 2018/19 budget, £8,187,634 had been claimed leaving £6,869,366 to draw down for the current financial year.
- Noted that over the next six months the focus was on getting the final baseline of the programme and the core planning permissions agreed before the final deadline.
- Noted in response to a query that the Mill Road and Anstey Way schemes were progressing well and both schemes had started on site.
- Noted that the Cromwell Road Scheme was on track and a planning application would be submitted before Christmas.
- Noted that the Clark Maxwell Road site was 40% affordable housing.

- Queried whether the schemes would be branded as Combined Authority Schemes. Members were informed that there was a piece of work looking at the branding and marketing of all the schemes which would include a review of logos and hoardings.
- Sought clarification on the makeup of the 182 affordable homes on the Mill Road site. Members noted that this consisted of Council owned homes let in line with local housing association policies at 40% - 60% market level rent and for those on the housing needs register. The Chairman queried whether there was any cross subsidy. Members noted that to achieve the 50% affordable housing on the Mill Road Scheme, the City Council was covering the gap.
- Questioned whether there were any examples of land value capture to hold down the ultimate costs per unit. Members were informed that there were no land costs on the Housing Revenue Account (HRA) schemes as this was land that formed part of that portfolio. It was noted that if there was any surplus on schemes the Council would reinvest this into housing.
- Noted that a quarterly performance update would be reported to Committee with the next update due in January, to be reported at the February Committee. An Annual report would be presented to the Board in June each year.

It was resolved unanimously to:

note the report on spend and outputs for the £70 million Affordable Housing Programme, and the detail of schemes as provided within the Cambridge City Council's programme update.

6. £100M AFFORDABLE HOUSING PROGRAMME UPDATE

The Committee received a report giving an update on the £100m Affordable Housing Programme to deliver at least 2,000 new affordable homes across Cambridgeshire and Peterborough by March 2022. It was noted that Appendix 2 was confidential as it contained 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.

The reported highlighted that to date the Authority had approved 17 schemes and there had been 122 starts on site with a further 54 units at Perkins in Peterborough due to start on 31 October 2018 but not yet claimed. The programme was forecasting just under the 2,000 programme target at 1,946 units.

The report focused on a particular risk to the Authority's ability to offer and pay grant on affordable units, outlined in 4.10 – 4.13 of the report. Currently only Homes England and the Greater London Authority had agreement from Government to fund homes for which affordable rent could be charged. Secondary Legislation would be required to change this, and the Authority was in discussions with the Ministry of Housing, Communities and Local Government (MHCLG) to resolve this issue.

In discussing the report Members:

- Noted that up to 90 units were potentially impacted between November 2018 and April 2019 across the programme until the issue was resolved. Mitigating measures had been looked into in terms of decisions about changing the mix of housing but this would have a knock on effect with providers. Providers could look to get the grant back from Homes England retrospectively. It was clarified that a letter from the Mayor would be going to the Minister for Housing in order to seek to get the issue resolved as soon as possible. Members noted that the problem had been understood swiftly; there was no legal issue with the Authority providing the grants – the issue was what rent could be charged - and that there would be an impact on delivery in the short and medium term. Officers were aiming for a resolution by March/April 2019.
- Queried whether the team had the resources they needed to resolve the issues and the additional workload that this had created. Members were reassured that the team had enough resource.
- Sought reassurance that people would not be refused their homes. It was clarified that Homes England had offered a solution to funding in the short term.
- Questioned what the affordable rent cost would be. The Director Housing and Development confirmed that he would provide the Committee with a written response. **ACTION**
- Queried the impact the issue would have on the programme in relation to achieving the targets set. Members noted that there were a number of schemes in the pipeline and some potential tool box schemes.
- Discussed the Committee's role in terms of identifying innovative ways to deliver more houses and the need for individual members of the Board to bring opportunities forward. It was acknowledged that there needed to be more opportunities to reach out to partners. It was clarified that there would be a Housing Strategy Managers meeting on a quarterly basis to look at the pipeline. There would also be a dedicated section on the Combined Authority website on Housing.
- Discussed the format of future reports and agreed that more narrative would be added on each of the sites in terms of how they were progressing. Agreed a Fortnightly Bulletin via email on the key issues and progress, to be kept brief **ACTION**
- Discussed how Community Land Trusts would be promoted going forward and how the Committee would look at different construction methods for schemes including potentially piloting modular and off site housing and promoting local contractors.
- Noted concerns around the setting up of Trading Companies. However, the Chairman highlighted the open and successful relationship that the East Cambridgeshire Trading Company had with the Combined Authority and stressed that open dialogue was key to success in this area.

It was resolved unanimously:

- a) to note the report on spend and outputs for the £100 million Affordable Housing Programme.
- b) note the forward pipeline of affordable housing schemes.
- c) agree to receive further progress reports on a quarterly basis.

7. DATE OF NEXT MEETING

Members noted the date of the next meeting as 6 February 2019. The Chairman thanked the Committee and noted that it had been a very good initial meeting.

Chairman