



HOUSING AND COMMUNITIES COMMITTEE	AGENDA ITEM No: 2.4 (vii)
09 NOVEMBER 2020	PUBLIC REPORT 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) - HUSK SITES (GARAGE & IN FILL SITES),
PETERBOROUGH**

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 £665,000 is sought to support the delivery of 19 bungalow units for affordable rent from 5 infill and garage sites in and around Peterborough.**
- 1.4. The 5 sites will provide a total of 19 Affordable Rental units.
- 1.5. The new dwellings are intended to be let to over 55's.

<u>DECISION REQUIRED</u>	
Lead Member:	Councillor Chris Boden, Lead Member for Housing and Chair of Housing and Communities Committee

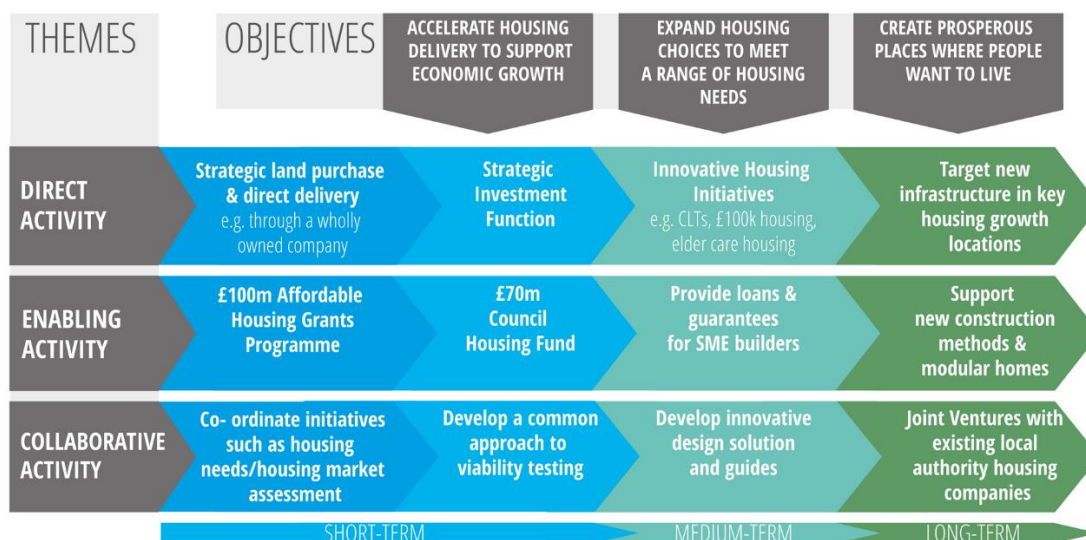
Lead Officer:	Roger Thompson, Director of Housing and Development
Forward Plan Ref: 2020/062	Key Decision: Yes
<p>The Housing and Communities Committee is recommended to:</p> <p>(a) Commit grant funding of £665,000 from the £100m Affordable Housing programme to enable delivery of 19 Affordable Rent bungalows for people over 55 at HUSK sites, Peterborough - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.</p>	<p>Voting arrangements:</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.

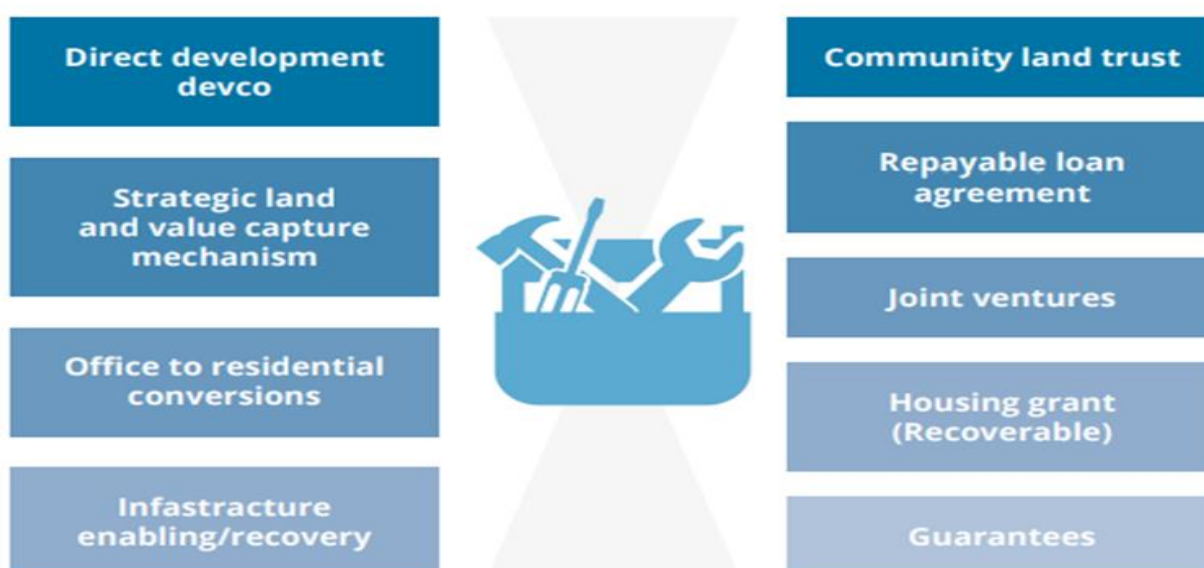
Combined Authority Housing Programme

- 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

HUSK SITES, PETERBOROUGH

- 3.1. This proposal is to enable 19 new affordable bungalows to be developed for people over the age of 55 years old. The whole site will be managed and controlled by Cross Keys Homes.
- 3.2. This proposal will benefit the local communities, **by way of utilising disused/redundant/void garage sites** that currently continue to present management challenges in terms of fly tipping and/or adverse social behaviour, together with a maintenance burden, for CKH.
- 3.3. The use of Modern Methods of Construction (MMC) - All homes will be delivered in modular form, with off-site manufacture of 'pods' that are designed to utilise the existing footprint of the garage blocks and where possible the existing foundations and external brick walls.
- 3.4. The Affordable Rent homes will be let through CKH, at LHA (Local Housing Allowance rates (including service charges).

Figure 1: Bluebell Avenue, Peterborough Garages. (Google Maps)



Figure 2: - Eastern Avenue, Peterborough Garage Site (aerial view)



Figure 3: - Thistle Drive garage site (Google Maps)



Figure 4: 44 Appleyard, Peterborough garage site (Google Maps)



Figure 5 – Hallfield Lane (aerial site view)



3.5. The tenure, house types and size of units together with 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 ¹
AFFORDABLE RENT					
Bluebell Avenue					
1 bed/1person bungalow	1	43	39	Y	110%
2 bed/3person bungalow	3	61	61	Y	100%
Eastern Avenue					
1b/1person	1	43	39	Y	110%
2b/3person	2	56	61	N	92%
2b/3person	3	61	61	Y	100%
Thistle Drive					
1b/1p bungalow	1	43	39	Y	110%
2b/3p bungalow	1	56	61	N	92%
2b/3p bungalow	1	61	61	Y	100%
Appleyard					
2b/3p bungalow	1	56	61	N	92%
2b/3p bungalow	2	61	61	Y	100%
Hallfield Lane					
2b/3p bungalow	3	61	61	Y	100%
Total	19				

About Cross Keys Homes

3.6. Cross Key Homes are based in Peterborough. Cross Key Homes covers a wide area, in and around Peterborough and beyond. CKH are one of our main providers of affordable housing in the CPCA district.

3.7. Currently Cross Key Homes have a several schemes with CPCA, and they work closely to ensure they provide additional good quality housing in the region.

3.8. The Housing Enabling Officer for Peterborough City Council has confirmed her support for this bid. The opportunity of having brownfield redundant and disused garage sites re-used to provide housing to benefit the community is welcome. Cross Keys also promote suitable housing for people over the age of 55.

Additionality / Case for Combined Authority funding

3.9. The proposed scheme offers the following additionality:

- The CPCA are pleased to support the delivery of an additional 19 units/bungalows as affordable rental units in Peterborough.
- **This scheme is taking disused brownfield sites to provided new affordable housing as 100% windfall sites with no market units.**

Proposed Conditions of Grant Approval

3.10. It is recommended that a grant of £665,000 is approved to enable delivery of 19 new affordable rented homes within the CPCA region subject to the following conditions:

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

- i. To provide grant draw down, once **start on site** has been confirmed.
- ii. To provide grant draw down once **practical completion** has been evidenced.

SIGNIFICANT IMPLICATIONS

None.

4.0 FINANCIAL IMPLICATIONS

- 4.1. The applicant has provided a scheme Business Case and its supporting documentation, attached as Appendix 1 to this paper
- 4.2. Supporting this application with grant of £665,000, from the Affordable Housing Programme to fund 19 affordable homes will equate to £35,000 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
PROPOSED SCHEME FOR NOVEMBER 2020 COMMITTEE APPROVAL			
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, CALEDNOTE, HIGHFIELDS	1	5	247,999
SPRINGFIELD AVENUE, MARCH	1	32	1,560,000
ALL ANGELS PARK, HIGHFIELDS, CALEDNOTE	1	5	237,804
BRITISH SUGAR WAY, PETERBOROUGH	1	74	3,040,000
PETERBOROUGH HUSK SITES	1	19	665,000
Total Affordable Housing Grants if approved by Board	40	1,708	47,097,074

Affordable Housing:
AVERAGE GRANT
RATE PER UNIT*

£27.6k

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

TOTAL IF NOV 2020 SCHEME IS APPROVED	45	1,761	86,943,891
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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.

<u>Background Papers</u>	<u>Location</u>
Housing Strategy September 2018	<u>CA Board September 2018</u>