



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD	AGENDA ITEM No: 3.1 (iii)
26 JUNE 2019	PUBLIC REPORT

**£100m AFFORDABLE HOUSING PROGRAMME SCHEME APPROVALS – JUNE
2019**
MOD SITE, ELY: APPLICATION FOR AFFORDABLE HOUSING

1.0 PURPOSE

- 1.1. East Cambridgeshire District Council (ECDC) will be holding a special Council meeting on 19 June 2019 to consider the options available to them to deliver 50% affordable housing at Phase 1 of the MOD site development at Ely.
- 1.2. Subject to the decisions made by ECDC, the Combined Authority may be expected to consider a revised application for grant funding to support the affordable housing scheme at the Ministry of Defence site in Ely. This scheme was previously agreed by the Board in November 2018. The Board's approval would be needed now to ensure that East Cambridgeshire District Council could secure the transaction within the Ministry of Defence deadline.

<u>DECISION REQUIRED</u>	
Lead Member:	Councillor Graham Bull Portfolio Holder for Housing
Lead Officer:	Roger Thompson, Director of Housing
Forward Plan Ref: 2019/ 033	Key Decision: Yes
The Combined Authority Board is recommended to: (a) Consider a revised application for grant funding to support the scheme at the Ministry of Defence site in Ely, subject to the outcome of the Special meeting of East	Voting arrangements Simple majority of all Members

Cambridgeshire District Council Special Council on 19 June 2019;	
(b) Approve the scheme, subject to further Officer representations made in response to the revised application.	

1.0 BACKGROUND

- 1.1. 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. This is reflected in the 2030 Ambition for coordinated, interventions and investment tailored to local need across housing, transport and infrastructure, planning and land use and skills.
- 1.2. East Cambridgeshire District Council will be considering a number options at the Special Council meeting on 19 June 2019. These are based on a number of assumptions including:
 - i. Scenarios based on providing 50% affordable housing (46 units) in Phase 1;
 - ii. Scenarios based on Affordable Rent (80% of open market rent);
 - iii. Retention of the profit/ contingency assumption for the Combined Authority and East Cambridgeshire District Council as envisaged in the original scheme.
- 1.3. Proposals relating to the development of the MOD site at Ely were considered previously by the Combined Authority Board on 28 November 2018 when it was resolved by a majority to:
 - a) approve the provision of a commercial loan facility of £24.4m to East Cambridgeshire Trading Company (ECTC) for a scheme of 92 units based on the heads of terms detailed in Appendix 1 to the report;
 - b) authorise the Director, Housing to bring forward commercial proposals for the CPCA to joint venture as a development partner with ECTC for the delivery of up to 62 additional homes on the undeveloped infill land, once the land has been acquired;
 - c) authorise the Director, Housing in consultation with Legal Counsel and Portfolio Holder Fiscal to conclude any necessary legal documentation to secure the loan, to include a charge upon the land.

2.0 FINANCIAL IMPLICATIONS

- 2.1. The financial implications will be addressed in any revised application for funding.

3.0 LEGAL IMPLICATIONS

The Combined Authority has authority under section 1 Localism Act 2011 to exercise a general power of competence. The Combined Authority can exercise this power by virtue of the Cambridgeshire and Peterborough Combined Authority Order 2017. This power permits the Combined Authority to make grants to providers in order to deliver the terms of the devolution deal signed with Government.

4.0 APPENDICES

- 4.1. Appendix 1 – Report to East Cambridgeshire District Council Special Council meeting 19 June 2019

<u>Source Documents</u>	<u>Location</u>
East Cambridgeshire District Council Special Council meeting 19 June 2019: Agenda and reports	https://www.eastcambs.gov.uk/meetings/special-council-19062019
Combined Authority Board meeting 28 November 2018: Agenda and reports	https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/915/Committee/63/Default.aspx