

HOUSING AND COMMUNITIES COMMITTEE	AGENDA ITEM No: 2.4 (ii)
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) - MORE'S MEADOW, GREAT SHELFORD, SOUTH CAMBRIDGESHIRE.

#### 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 £1,008,000 is sought for 21 additional affordable housing units, all at affordable rent.
- 1.4. A Business Case for this proposal is attached as exempt Appendix 1.

DECISION REQUIRED		
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	

# **DECISION REQUIRED**

The Housing and Communities Committee is recommended to:

a) Commit grant funding of £1,008,000 from the £100m Affordable Housing programme to enable delivery of 21 affordable rented additional units, at More's Meadow, Great Shelford, South Cambridgeshire - Subject to confirmation of the release of balancing monies for the £100m programme from BEIS & MHCLG.

## Voting arrangements

Simple majority of all Members

#### 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.

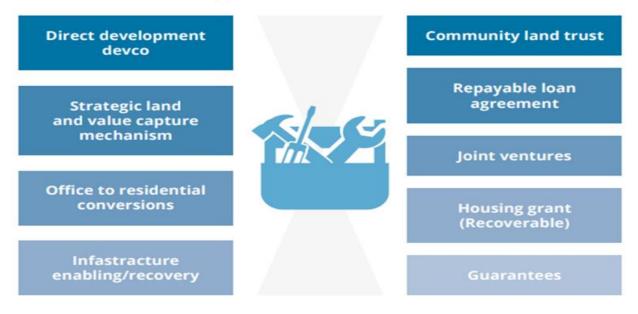
## **Combined Authority Housing Programme**

- 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:

THEMES	OBJECTIVES	ACCELERATE HOUSING DELIVERY TO SUPPORT ECONOMIC GROWTH	EXPAND HOUSING CHOICES TO MEET A RANGE OF HOUSING NEEDS	1000	REATE PROSPEROUS ACES WHERE PEOPLE WANT TO LIVE
DIRECT ACTIVITY	Strategic land purchase & direct delivery e.g. through a wholly owned company	Strategic Investment Function	Innovative Housing Initiatives e.g. CLTs, £100k housing, elder care housing		Target new infrastructure in key housing growth locations
ENABLING ACTIVITY	£100m Affordable Housing Grants Programme	£70m Council Housing Fund	Provide loans & guarantees for SME builders		Support new construction methods & modular homes
COLLABORATIVE ACTIVITY	Co- ordinate initiatives such as housing needs/housing market assessment	Develop a common approach to viability testing	Develop innovative design solution and guides		Joint Ventures with existing local authority housing companies
	SHORT-TE	RM	MEDIUM-TERM		LONG-TERM

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



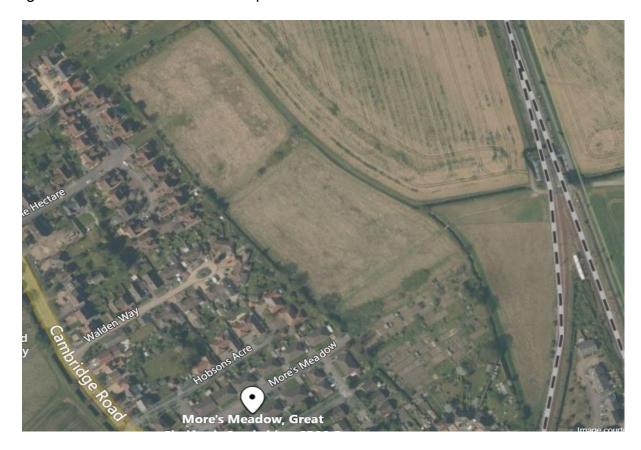
2.7. Full performance updates relating to the programme are presented to the Housing and Communities Committee at every meeting. Both the £100m & £70m programmes (within the overall £170m programme) are on track to achieve their targets by March 2022.

### 3.0 PROPOSED SCHEME FOR APPROVAL

## MORE'S MEADOW, GREAT SHELFORD, SOUTH CAMBRIDGESHIRE

- 3.1. This is a Community-Led Housing Initiative designed to enable more community led affordable housing to come forward. It was in conjunction with the local community, for local people.
- 3.2. Over the last few years, the Parochial Charity has been working with the Parish Council to consider how best to address the critical need for affordable housing in the village.
- 3.3. A housing need assessment was conducted and there were 97 households who either lived in or have a local connection to Great Shelford.
- 3.4. The new site will include 21 units all for rent, but these are target rents at 50% of market rent, which is even lower than normal affordable rent.

Figure 1 – Potential site for development – Aerial view



- 3.5. All units will be delivered to 100% NDSS space standards, and all accessible housing.
- 3.6. Air source heat pumps will be used to reduce reliance on fossil fuels and mechanically ventilated heat recovery will capture heat whilst providing well ventilated spaces.
- 3.7. Start on Site is expected January 2021 and Practical Completion is due by March 2022.

Figure 2: Access Road and Allotments site





Figure 3 – Site Plan of More's Meadows, Great Shelford.



3.8 Below are the dwelling types, sizes by square metres and they are all of over and above NDSS standards.

Description/ Type of unit	Number of	Size (sqm)	NDSS	Meets NDSS	1% of NDSS
	Units		Standard (sgm)		
4 x 1b/2p	4	57	50	Yes	114%
4 X 10/2p	4	31	50	162	
4 x 1b/2p + mezzanine	4	66	58	Yes	114%
7 x 2b/4p	7	87	79	Yes	110%
6 x 3b/5p	6	95	93	Yes	102%
TOTAL	21				

3.9 The dwellings are a mixture of affordable rented houses ranging from 1-3 bedrooms. They are also having additional outdoor space.

#### **About the Parochial Charities**

- 3.10 The Parochial Charities is a Registered Charity: no. 231486.
- 3.11. They are a very small organisation; just 7 Trustees, no employees. They worked closely with John Huntingdon Charity (JHC) in nearby Sawston, who supply them with their support service.
- 3.12. In particular, they use JHC's expertise to help them find and select the people most deserving of their almshouse accommodation. JHC also provide them with access to specialist counselling for adults and children, youth advice, retraining for adults and family support.
- 3.13. They currently own and manage 32 almhouses accommodation in Great Shelford, for people on low incomes. The Parochial Charities is a member of the Almshouse Association.
- 3.14. The Housing Enabling Officer for South Cambridgeshire fully supports this application for funding. They have worked with the Parochial charities to get this scheme off the ground and helped funding pre-development surveys and sharing planning expertise.
- 3.15. The scheme is of high-quality standard and design and will provide 100% affordable housing for local people. The grant requested is £48,000 per unit given that all 21 units will provide affordable rented homes not exceeding 50% of market rents. These are truly affordable units required in Great Shelford.

## Additionality / Case for Combined Authority funding

- 3.16. The proposed scheme offers the following additionality:
  - The CPCA grant will enable an additional 21 affordable rented units to be provided, as part of the CPCA 2000 start on site homes target by March 2022.

<sup>&</sup>lt;sup>1</sup> Numbers are rounded up in some instances.

- This site is one of the first CLTs providing 100% affordable housing site to the area.
- Development upon a greenfield site owned by the Charity. This is a 100% affordable windfall site with no market housing. This a Community-led project, which CPCA is happy to support.

# **Proposed Conditions of Grant Approval**

It is proposed that the grant of £1,008,000 will help with the delivery of 21 affordable rented homes at More's Meadow, Great Shelford, South Cambridgeshire to be approved 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. evidence of start on site.
- ii. evidence of practical completion.

### SIGNIFICANT IMPLICATIONS

None.

#### 4.0 FINANCIAL IMPLICATIONS

- 4.1. The applicant has provided a scheme Business Case and its supporting documentation, attached as exempt Appendix 1 to this paper.
- 4.2. Supporting this application will approve £1,008,000 grant from the Affordable Housing Programme at an average grant rate of £48k 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
Total Affordable Housing Grants if approved by Board	35	1,573	41,346,271

Affordable Housing: AVERAGE GRANT RATE PER UNIT\*

£26.3k

Maximum Net Loan Value

Loan & Toolbox capital committed (from £40m	5	53	39,846,817
revolving fund)	_		,,

Total Loan Value Excluding repayments £51.1m

TOTAL IF NOV 2020			
SCHEME IS	40	1,626	81,193,088
APPROVED			

## 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.

Background Papers	Location
Housing Strategy September 2018	CA Board September 2018