



Item

**Greater Cambridge Housing Strategy:
New Housing Policies**

To:

Mike Todd-Jones, Executive Councillor for Housing
Housing Scrutiny Committee 22/06/2021

Report by:

Suzanne Hemingway, Strategic Director
Tel: 01223 - 457461 Email: Suzanne.hemingway@cambridge.gov.uk

Wards affected:

All

Key Decision

1. Executive Summary

1.1 This report seeks approval for three new housing policies for Greater Cambridge.

1.2 The proposed Build to Rent policy outlines what will be expected of developers bringing forward new purpose-built private rented sector housing. It will be used in dealing with planning applications for Build to Rent housing, and will help to inform the approach to be taken in the emerging joint Local Plan.

1.3 The Clustering & Distribution of Affordable Housing policy updates the councils' previous policy on how developers will be expected to group and locate Social and Affordable Rent housing across mixed tenure schemes to help create mixed, balanced and sustainable communities. Again, it will be used to help inform decisions on planning applications for affordable housing.

1.4 The Affordable Rents policy shows how the councils expect Registered Providers of social housing to set rent levels for Affordable Rent homes to ensure they are as affordable as possible to those who need them.

1.5 All three policies have been developed in conjunction with South Cambridgeshire District Council and will form annexes to the Greater Cambridge Housing Strategy 2019 to 2023.

2. Recommendations

The Executive Councillor is recommended to:

2.1 Approve the proposed Build to Rent Policy attached as Appendix A to this report

2.2 Approve the proposed Clustering & Distribution of Affordable Housing policy attached as Appendix B to this report

2.3 Approve the proposed Affordable Rents policy attached as Appendix C to this report.

3. Background

3.1 Since consultation on the Cambridge City and South Cambridgeshire District Councils' Local Plans published in 2018, and publication of the Greater Cambridge Housing Strategy 2019 to 2023, new issues & priorities have been emerging in relation to new housing development and the affordability of affordable housing.

3.2 Build to Rent policy

3.2.1 The proposed Build to Rent policy stems from Build to Rent being included as a new form of tenure in the National Planning Policy Framework.

3.2.2 Build to Rent is a form of private rented housing, usually brought forward by private investors in order to generate a long-term rental income. It is defined in the National Planning Policy Framework, and further National Planning Policy Guidance covers how Build to Rent schemes are expected to come forward.

3.2.3 As well as providing good quality homes at market rents, Build to Rent schemes are expected to provide an element of affordable housing in the form of an Affordable Private Rent tenure.

3.2.4 There is growing interest from investors and developers in bringing forward new schemes in Greater Cambridge, and a clear policy approach is necessary to help to ensure that proposed schemes meet local needs.

3.2.3 The policy will be used in making planning decisions and will help to inform how Build to Rent is dealt with in the emerging Greater Cambridge Local Plan.

3.3 Clustering & distribution of affordable housing policy

3.3.1 The council's existing policy on how new affordable homes should be grouped and distributed across new developments is outlined in Cambridge City Council's Affordable Housing Supplementary Planning Document 2008 and draft Affordable Housing Supplementary Planning Document published in 2014.

3.3.2 Whilst these have been used as a basis to work from in considering planning applications for affordable housing, a more updated approach is required to meet current and future needs. These include the higher density, larger scale developments which are now coming forward, including developments on the urban fringes of the City; and the council's own house-building programme which has been bringing forward some 100% affordable housing schemes.

3.3.3 National policy has also made it clear, particularly through the Social Housing White Paper published in 2020, that affordable housing should not be separated or segregated from other forms of housing.

3.3.4 The proposed policy aims to support mixed, balanced and sustainable communities through ensuring that affordable housing is appropriately sited on mixed tenure developments.

3.4 Setting of Affordable Rents policy

3.4.1 National guidance allows Affordable Rents for social housing to be set at up to 80% of market rents. With high market rents across Greater Cambridge this would be unaffordable to many of those in housing need.

3.4.2 The Greater Cambridge Housing Strategy currently urges providers to set Affordable Rents for social housing at levels at or below Local Housing Allowance Rates, to ensure they are as affordable as possible to those who need them. This approach has been generally accepted amongst Registered Providers operating across Greater Cambridge.

3.4.3 Local Housing Allowance rates (set by government) were raised significantly from April 2020, which means that using these as a benchmark for setting Affordable Rents now presents more affordability issues for prospective tenants.

3.4.4 The proposals, although not formally binding on Registered Providers, aim to ensure that Affordable Rents are set at reasonable levels so that, as far as possible, those most in need are able to afford to live in them.

4. Implications

a) Financial Implications

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There are no immediate financial implications for the council from the Build to Rent policy.

There should be no financial implications from the Clustering & Distribution of Affordable Housing policy for the council or the council's housing development programme compared with the policy within the existing Affordable Housing Supplementary Planning Document.

The Affordable Rents policy aims to strike a balance between ensuring that providers do not charge unreasonably high rents so that people in high priority for housing cannot afford them, and ensuring that the delivery of new affordable homes, including those within the council's own house-building programme, remains viable.

b) Staffing Implications

There are no staffing implications from any of the three policies.

c) Equality and Poverty Implications

The Build to Rent policy should have a particular positive impact on younger people of working age as this is the main age group likely to form the market for Build to Rent, but it also explicitly recognises the potential demand for rented housing for older people.

Requiring Build to Rent schemes to meet Local Plan accessibility standards will also benefit older people and those with physical disabilities.

Ensuring provision of safe and secure Affordable Private Rent homes should also provide a housing option for the relatively high proportion of black and minority ethnic minority households living in the private rented sector compared with other tenures.

The Build to Rent and Affordable Rents policies both aim to ensure that affordable homes are as affordable as possible to those who need them.

The Clustering and Distribution of Affordable Housing policy should also have a positive impact on those within some of the protected characteristic groups; in particular on older people and those with disabilities through recognising that larger clusters of homes aimed at these groups may be appropriate to support efficient provision of any necessary care and support.

Equality Impact Assessments have been carried out on each of the three draft policies.

d) Environmental Implications

NIL climate change rating

e) Procurement Implications

There are no procurement implications.

f) Community Safety Implications

There are no direct community safety implications, although one of the objectives of the Build to Rent and Clustering & Distribution of Affordable Housing policies is to promote mixed and balanced communities, which in turn may help to promote community safety.

5. Consultation and communication considerations

A six-week public consultation was carried out on the draft policies, through a public survey questionnaire and a presentation to developers and Registered Providers of housing. Details of the consultation and how the results have

been used to influence the final version of the policies is available as a background paper.

The final policies, together with the results of the consultation, will be published on Cambridge City and South Cambridgeshire District Councils' websites. A news release will be issued, and information provided through Twitter and Facebook.

6. Background papers

Background papers used in the preparation of this report:

- Equality Impact Assessments on each of the three policies;
- Analysis of results of consultation.

7. Appendices

Appendix A: Build to Rent policy

Appendix B: Clustering and Distribution of Affordable Housing policy

Appendix C: Affordable Rents policy

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Helen Reed, Housing Strategy Manager, tel: 01223 - 457943, email: helen.reed@cambridge.gov.uk.