

## Appendix 3: Portfolio approach for the Ten-Year New Homes Programme post September 2024

### 1 Background

- 1.1 In September 2024 the Cambridge City Council's Executive Councillor for Housing approved the formal adoption of a Portfolio approach to the Council's ten-year development programme. This approach takes into account the Council's ambitions in line with [Corporate Objectives](#), [HRA Business Plan](#), the [Local Plan](#) and the [Greater Cambridge Housing Strategy](#).
- 1.2 The purpose of this appendix is to set out the Council's housing delivery programme and the monitoring of that programme to provide a context for the consideration of individual planning applications by the Council or the Cambridge Investment Partnership against the requirements of Policy 45 of the Local Plan (2018) .
- 1.3 It is acknowledged that the requirements of Local Plan Policy 45 must be considered by the Planning Committee for each planning application as it comes forward. It is also acknowledged that mixed and balanced communities are an important planning objective and specific proposals will need to be considered accordingly.
- 1.4 At time of adoption (September 2024) the Council's Housing delivery pipeline consisted of 2530 homes. Delivery targets were set as per Table 1, in line with Housing Scrutiny Committee reporting (Ref 24/43/HSC and 24/42/HSC), ensuring maximisation of council-led housing delivery across the city, while reducing financial risk exposure.
- 1.5 This approach sets out the Council's proposals to exceed the policy objectives in Policy 45 of the Local Plan for the Council's housing development programme by applying a portfolio approach to deliver the Affordable housing target across the full development pipeline as opposed to considering proposals only on a scheme-by-scheme basis. The purpose of this approach is to ensure that the Council can, where possible, overcome financial, practical or other constraints which would prevent the optimised delivery of affordable housing outcomes.
- 1.6 This is a regular report which monitors the implementation of the portfolio approach to ensure that actual delivery of affordable housing is not falling short of the targets that have been established.

## 2 2024-2032 targets – Baseline set as at September 2024

2.1 The Housing Delivery target is to deliver 50% affordable housing across the portfolio. In working to achieve the target the cumulative proportion of affordable housing delivered by the programme will at no time fall below 40%.

2.2 The table below summarises the delivery programme as it stood when the portfolio approach was adopted in September 2024.

*Table 1: Summary of delivery programme at September 2024*

Status	Total Homes	Council Homes	Net Council Homes	Market Sale Homes
<b>Progress as at Sept-24</b>	<b>695</b>	<b>516</b>	<b>437</b>	<b>179</b>
Handed over or onsite	259	259	210	8
Submitted for planning	436	257	227	171
<b>Rest of ten year programme proposed</b>	<b>1835</b>	<b>929</b>	<b>495</b>	<b>906</b>
<b>Total housing delivery to 2032</b>	<b>2530</b>	<b>1445</b>	<b>932</b>	<b>1085</b>

## 3 Progress against the target

*Table 2: Analysis of tenure and unit size distribution across schemes within the 10 year programme which have achieved Resolution to Grant*

											Housing Strategy Targets			
											35%	40%	20%	5%
											Affordable Unit Size			
Project Name		Confirmed Numbers												
		Total Market	Total social rent	Total 60% LHA	Total 80%	Total AFF	% Aff	% AFF Running	Net New AFF	Total Homes	1bed AFF	2bed AFF	3bed AFF	4bed AFF
On site or handed over		8	124	31	104	259	97%	NA	210	267	120	101	31	7
Fen Road	Outside of portfolio	0	12	0	0	12	100%	NA	12	12	0	8	3	1
Ditton Fields	Outside of portfolio	0	6	0	0	6	100%	NA	6	6	0	2	4	0
Borrowdale	Outside of portfolio	0	3	0	0	3	100%	NA	3	3	0	0	3	0
L2 Orchard Park	Outside of portfolio	0	30	0	45	75	100%	NA	75	75	60	15	0	0
Colville Road Phase 3	Outside of portfolio	0	32	0	16	48	100%	NA	32	48	20	26	2	0
Aragon Close	Outside of portfolio	0	0	0	7	7	100%	NA	7	7	0	7	0	0
Sackville Close	Outside of portfolio	0	0	0	7	7	100%	NA	7	7	0	7	0	0
Aylesborough Close Phase 2	Outside of portfolio	0	41	0	29	70	100%	NA	37	70	37	29	4	0
LAHF Refugee housing net new (handed over and excuded as non-new build)	Outside of portfolio	0	0	21	0	21	100%	NA	21	21	0	0	15	6
The Mews (handed over and aexcluded fromrunning affordable % targets as third party S106)	Outside of portfolio	0	0	10	0	10	100%	NA	10	10	3	7	0	0
Queen Ediths	Sep-23	8	0	0	0	0	0%	NA	0	8	0	0	0	0
<b>Commencement of portfolio Approach</b>														
Planning Approved	Planning resolution	Total Market	Total social rent	Total 60% LHA	Total 80%	Total AFF	% Aff	% AFF Running total post East	Net New AFF	Total Homes	1bed AFF	2bed AFF	3bed AFF	4bed AFF
East Barnwell	Jun-24	0	48	0	72	120	100%	100%	110	120	43	61	16	0
Paget Rd (submitted)	Aug-24	0	2	0	2	4	100%	100%	4	4	0	0	4	0
Fanshawe Road	Sep-24	39	0	34	11	45	54%	81%	25	84	23	13	9	0
Murketts ATS	Sep-24	42	0	21	7	28	40%	71%	28	70	15	9	4	0
Newbury Farm	Oct-24	90	0	45	15	60	40%	60%	60	150	36	19	6	0
Total Committed aligning with portfolio target		171	50	100	107	257	92%	60%	227	428	117	102	39	0
Rolling unit size % in line with Housing											46%	39%	14%	1%

- 3.1 Table 2 shows all schemes within the 10 year programme that have received Resolution to Grant Planning Approval. The table distinguishes schemes that are not included in the portfolio approach (schemes that had started on site prior to September 2024) and schemes that are within the portfolio approach. The table shows that schemes that are within the portfolio approach and have received Resolution to Grant will provide 60% affordable housing. This equates to an 85 home surplus against the 50% portfolio target.
- 3.2 The monitoring will be expanded as the programme develops to include starts on site and completions, to ensure that final outcomes remain aligned.
- 3.3 Figure 1 illustrates how the Council's capital risk exposure increases with the level of commitment to the provision of affordable homes within the programme.

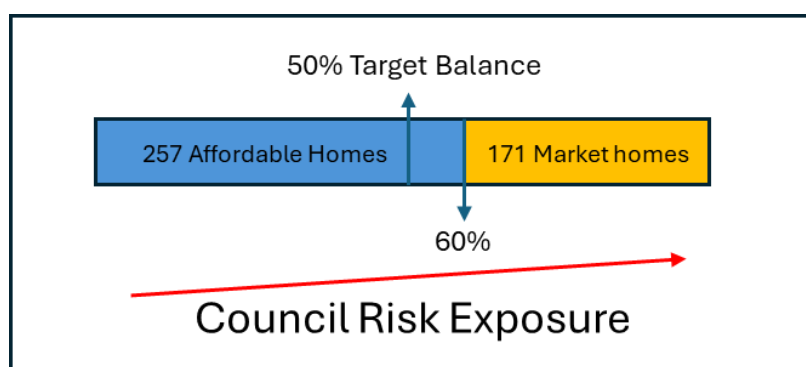


Figure 1: Illustration of risk impact of affordable housing supply over target

#### 4 Alignment with the Greater Cambridge Housing Strategy

- 4.1 The portfolio approach to the Ten-Year Programme has been informed by the Greater Cambridge Housing Strategy (GCHS), June 2024:
- 4.2 *GCHS Annex 1; 7.3 – affordable provision aimed at those on low to median incomes. GCHS Annex 2: Para. 2.6: “75% of the 40% affordable housing requirement to be Affordable/Social Rent. On S.106 sites above 15 homes at least 10% (of the 75%) to be allocated for Social Rent.*
- 4.3 This is addressed through the 10-year programme delivering affordable rented homes across three rent tenures / rent levels
- Social Rent

- Affordable rent at 60% of market rent, but capped at LHA
- Affordable rent at 80% of market rent targeting households with local work connections

4.4 The identified schemes within the 10-year programme will provide 27% of total affordable housing delivery as Social Rent. This is significantly above the level set out in the strategy and the programme will be developed to continue to provide an excess over the target. This delivery is subsidised through the delivery of affordable rented homes at 80% of market rent as outlined below.

4.5 *GCHS Annex 2: Para. 2.6 “25% of the 40% affordable housing requirement will typically be for shared ownership where it is sufficiently affordable to meet local needs, although other types of tenure may be considered on individual schemes on a case-by-case basis. (Para. 2.7) Where other tenure types are considered, either alongside or in place of shared ownership, this must align with the National Planning Policy Framework (NPPF).*

4.6 *GCHS Annex 4, Para 3.8: New homes brought forward either in addition to the 40% affordable housing requirement in the Local Plan, or in place of intermediate tenures, which are to be let through Cambridge City Council’s Lettings Policy may, in some circumstances, be offered at up to 80% of market rent to particular groups who are more likely to be able to afford a slightly higher rent, such as local workers. This is subject to agreement with Cambridge City Council and will be considered on a case-by-case basis. Creating a mixed and balanced community will be a key consideration.*

4.7 The programme includes a commitment to 80% Affordable Rents for Local Workers as an alternative to shared ownership or other routes of home ownership as defined by the Housing Strategy. The commitment to rented housing and the three-tier approach to rent levels helps the Council to meet a range of needs for affordable housing. This approach is compliant with the June 2024 Greater Cambridge Housing Strategy.

4.8 (Annex 2, para 3.3). A revised affordable housing size mix has now been adopted

*Table 3: GCHS Annex 2 para 3.3: Revised affordable rented housing mix*

		1Bed	2Bed	3Bed	4bed
Affordable housing (rented)		35-45%	30-40%	15-25%	0-10%

4.9 This has now been programmed into the councils portfolio for delivery. It has been noted that maximal occupancy is sought at first letting and this will be accounted for in scheme design. The aim will be to prioritise social rents on larger family homes.

4.10 The affordable housing size mix in the 10-year programme is as follows:

*Table 4: 10yr programme affordable housing dwelling mix. Schemes with Resolution to Grant at February 2025.*

Affordable housing size across 10yr programme	1Bed Affordable	2Bed Affordable	3Bed Affordable	4Bed Affordable
Housing Strategy Targets – Affordable Housing	35-45%	30-40%	15-25%	0-10%
<b>Current Received Planning</b>	46%	39%	14%	1%

4.11 All Schemes have proceeded through planning with Housing Strategy approval. The marginal (1%) departure from the target range for 1 and 3 bedroom units will be addressed through future schemes

4.12 *GCHS Annex 2, para 4.2: For three bedroom or larger properties in Cambridge City and South Cambridgeshire, including on fringe sites, we will expect the affordable homes to be provided as houses.*

4.13 The aim to provide 3 and 4 bedroom homes as houses is recognised in the current programme subject to the location of housing delivery, the built form of the schemes and the availability of houses within the schemes.

## 5 Delivery against the Councils Sustainable Housing Design Guide

### 5.1 Quality Assurance

PHPP Model	Required for all schemes
Evidence	Certificates, delivery notes, photographs, confirmation of performance specification, declarations
Independent Certification	Not applicable

### 5.2 Sustainable energy: the CamStandard was adopted in September 2024

Requirement	Limiting Value
Annual space heating demand	Up to 40 kWh/(m2.a)
Annual space cooling demand	< 15 kWh/(m2.a)
Primary energy renewable (PER) demand	60 to 75 kWh/m2a (up to 75 kWh/m2a with PVs); or a project specific PER calculated using the PHPP for high occupancy density buildings
Airtightness	Up to 1.0 Air Changes per Hour @50Pa
Overheating	< 10% occupied hours above 25°C
Design temperature (winter)	20°C
Design temperature (summer)	25°C in conjunction with Building Regulations Part O assessment for residential buildings
Window installed U-value	< 0.85 W/(m2K)
MVHR efficiency	>=75%
MVHR Specific Fan Power (SFP)	< 0.45 Wh/m3 (1.62 W/l/s)
Passivhaus Consultant	Passivhaus or AECB Consultant
Passivhaus Certifier	Not applicable
Passivhaus Institute (PHI) Assessment	Not applicable

### 5.3 Other sustainability targets

Sustainable Housing Design Guide target	Proposed Approach
Gas Free	100% adoption
Biodiversity Net Gain	Targeting 20% gain across all sites
Water lpp/pd: 90	99 or less
Car Park Ratios 0.5	0.5 or less
Dual Aspect	Maximisation of dual aspect where viable