

Appendix 1: 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 Funding reliance

- 2.1 Noting the Council's commitment to its 10-year housebuilding programme, as well as an ambition to increase the level of social rented properties being delivered across the portfolio, the Council's budget setting report adopted in February 2026 included assumptions on delivery tenures.
- 2.2 These assumptions built into the BSR mirrored the ambitions of Homes England's Strategic Partnership for which the Council submitted a bid in March 2026. This included a move to 60% of affordable housing delivery to be provided at Social Rent, with the reduced revenue linked to this being bridged through both the funding sought, and the remainder of the affordable delivery at Affordable rents, for the majority uncapped by LHA.
- 2.3 Assumptions in the business plan and the ongoing housing delivery programme were linked to a clear government ask for funding. This funding was approved in September 2026, when it was confirmed that the Council had been successful in its bid to become a strategic partner to Homes England, with £96m of funding to deliver a target of 800 eligible homes
- 2.4 Housing eligibility for funding requires that these homes be delivered over and above the affordable housing captured as Section 106 obligations, and to ensure accuracy and validity the Council has ensured that Planning commitments are informed by accurate viability appraisals which evidence the need and reliance on funding to successfully bring forward new housing delivery.
- 2.5 Our progress against targets in Part 4 acknowledge this successful receipt of funding, and while scheme-by-scheme consideration is awaited in discussion with Homes England, Table 2 now clearly sets out the Council Commitment to housing tenures to be brought forward against each site approved for delivery.

3 2024-2032 targets – Baseline set as at September 2024

- 3.1 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%.
- 3.2 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
Progress as at Sept-24	695	516	437	179
Handed over or onsite	259	259	210	8
Submitted for planning	436	257	227	171
Rest of ten year programme proposed	1835	929	495	906
Total housing delivery to 2032	2530	1445	932	1085

4 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 Planning Approval

		Confirmed numbers - with planning Resolution									Affordable Unit Sizes			
Project Name		Total Market	Total Social Rent	Total 60%/ LHA	Total 80%	Total Aff	Total Homes	%Aff	%Aff running	Net New Aff	1Bed Aff	2Bed Aff	3Bed Aff	4+Bed Aff
On Site and Handed over		8	124	31	104	259	267	32.375	NA	210	120	101	31	7
Fen Rd	Outside of Portfolio	0	12	0	0	12	12	100%	NA	12	0	8	3	1
Ditton Fields	Outside of Portfolio	0	6	0	0	6	6	100%	NA	6	0	2	4	0
Borrowdale	Outside of Portfolio	0	3	0	0	3	3	100%	NA	3	0	0	3	0
L2 orchard Park	Outside of Portfolio	0	30	0	45	75	75	100%	NA	75	60	15	0	0
Colville Ph3	Outside of Portfolio	0	32	0	16	48	48	100%	NA	32	20	26	2	0
Aragon Close	Outside of Portfolio	0	0	0	7	7	7	100%	NA	7	0	7	0	0
Sackville Close	Outside of Portfolio	0	0	0	7	7	7	100%	NA	7	0	7	0	0
Aylesborough Ph2	Outside of Portfolio	0	41	0	29	70	70	100%	NA	37	37	29	4	0
LAHF Refugee Housing	Outside of Portfolio	0	0	21	0	21	21	100%	NA	21	0	0	15	6
The Mews Histon rd	Outside of Portfolio	0	0	10	0	10	10	100%	NA	10	3	7	0	0
Queen Ediths	Outside of Portfolio	8	0	0	0	0	8	0%	NA	0	0	0	0	0
Commencement of portfolio Approach														
Planning Approval	Planning resolution date	Total Market	Total Social Rent	Total 60%/ LHA	Total 80%	Total Aff	Total Homes	%Aff	%Aff running	Net New Aff	1Bed Aff	2Bed Aff	3Bed Aff	4+Bed Aff
East Barnwell	Jun-24	0	48	0	72	120	120	100.00%	100%	110	43	61	16	0
Paget Rd	Aug-24	0	2	0	2	4	4	100.00%	100%	4	0	0	4	0
Fanshawe Rd	Sep-24	39	0	34	11	45	84	53.57%	81%	25	23	13	9	0
Murketts	Sep-24	42	0	21	7	28	70	40.00%	71%	28	15	9	4	0
Newbury Farm	Oct-24	90	0	45	15	60	150	40.00%	60%	60	35	19	6	0
Hanover and Princess	Jun-26	93	44	0	28	72	165	43.64%	55%	72	38	26	8	0
Ekin Road	Oct-26	56	47	0	31	78	134	58.21%	56%	78	15	28	28	7
Total committed aligning with portfolio		320	158	112	166	436	756		56%	101	190	161	78	7
Total within 10-year programme		328				695	1023				310	262	109	14
Rolling Programme unit size mix aligning with Housing Strategy											43.4%	38.6%	15.9%	2.1%
											Housing Strategy Unit Size Targets			
											1-bed	2-bed	3-bed	4-bed
										Housing	35-45%	30-40%	15-25%	0-10%

- 4.1 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 55% affordable housing. This equates to a 32 home surplus against the 50% portfolio target.
- 4.2 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.

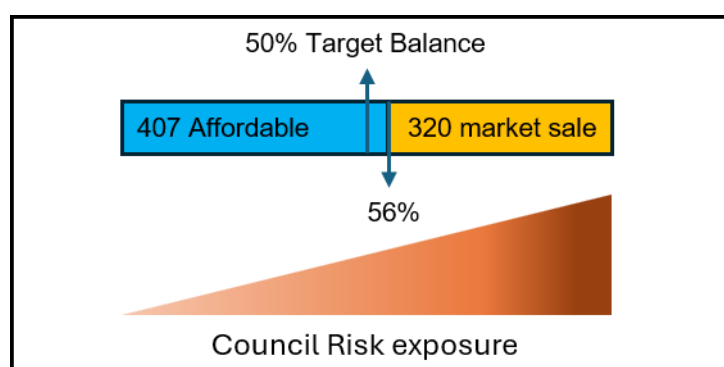


Figure 1: Illustration of risk impact of affordable housing supply over target

5 Alignment with the Greater Cambridge Housing Strategy

- 5.1 The portfolio approach to the Ten-Year Programme has been informed by the Greater Cambridge Housing Strategy (GCHS), as adopted in June 2024:
- 5.2 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.
- 5.3 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 Local Housing Allowance (LHA)
 - Affordable rent at 80% of market rent targeting households with local work connections

- 5.4 The identified schemes within the 10-year programme will target 60% of total affordable housing delivery as Social Rent. This is significantly above the level set out in the strategy. This delivery is subsidised through the delivery of affordable rented homes at 80% of market rent as outlined below.
- 5.5 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).
- 5.6 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.
- 5.7 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.
- 5.8 (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%

5.9 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.

5.10 The aim will be to prioritise social rents on larger family homes.

5.11 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 planning approval at September 2026.

Home Sizes	1-bed	2-bed	3-bed	4bed or larger
Housing Strategy targets - affordable housing	35-45%	30-40%	15-25%	0-10%
Current Received Planning	43.4%	38.6%	15.9%	2.1%

5.12 All Schemes have proceeded through planning with Housing Strategy approval. The marginal (0.7%) departure from the target range for 1 bedroom units will be addressed through future scheme tenure and accommodation review.

5.13 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.

5.14 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.

6 Delivery against the Councils Sustainable Housing Design Guide

6.1 Quality Assurance

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

6.2 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

6.3 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

6.4 Progress to Camstandard

	Scheme names	Social rent	LHA/60%	80% Market rent
Completed	Fen Road	12		
	Ditton Fiels	6		
	Borrowdale	3		
	LAHF Refugee housing net new		21	
	Colville 3	32		16
	L2 Orchard Park	30		45
	Aragon Close			7
	Sackville Close			7
	Aylesborough Close Phase 2	41		29
In Process	Paget Road	2		2
	Kendal Way		1	
	Fanshawe Road		34	11
	Hanover and Princess	44	0	28
	East Barnwell	48		72
	Newbury Farm		45	15
	ATS Murketts		21	7

	Scheme names	Social rent	LHA/60%	80% Market rent
	Ekin Road	47	0	31
	Davy Road	5	29	11
	LAHF Refugee and TA R3		4	
	Stanton House		29	
	Woodhouse Way Modular		4	
	LAHF R4		4	
				Since Camstandard adoption
	Schemes meet Camstandard/Passivhaus	498	70.14%	84%
	Schemes do not meet Camstandard/Passivhaus	212		
	Acquisitions	33		