

Agenda Item No:

DRAFT Update on Managing Growth

To: Cambridgeshire Together Board

Date: 20 March 2009

From: Cllr David Bard, Cambridgeshire Horizons Board and Portfolio
Member for Growth at South Cambridgeshire District Council

1. Purpose

To:

- a) summarise progress against the Managing Growth theme and the key targets, and the links between this and other LAA themes, particularly economic prosperity;
- b) update the Board on the revised targets for the LAA period, taking into account the changed economic environment, and;
- c) describe the measures in place to tackle barriers to growth across the County.

2. Background and context

The Managing Growth theme is overseen by the Cambridgeshire Horizons Board, supported by the Growth Partnership Board (at officer level) who in turn are informed by the Cambridge Sub-regional Housing Board (officers and key stakeholders). For the Cambridge City and South Cambridgeshire area, a sub-committee of the Horizons Board, the Joint Strategic Growth Implementation Committee (JSGIC) oversees the major development site implementation for the Cambridge Urban Fringe sites. This Committee is supported by the Senior Officer Board (SOB).

These delivery arrangements work in conjunction with the statutory planning processes to ensure sustainable growth is delivered. The partnership has delivery plans in place for the LAA indicators, which are monitored through:

- Cambridgeshire Horizons' business plan which sets out the overall objectives and specific delivery actions.
- The Strategic Risk Register which manages risk across all major growth sites.
- Delivery Boards for each major growth site.
- Quarterly reports to Cambridgeshire Horizons Board and the Cambridge Sub-regional Housing Board on housing delivery.
- The sub-regional housing strategy action plan.

There are key linkages to other themes in the LAA, especially to economic prosperity and environmental sustainability. Horizons is closely engaged with the work of these partnership, as growth is an important contributor to delivery of targets in those areas.

3. Progress on Managing Growth

The Cambridgeshire Vision sets out the long term priorities for Cambridgeshire, to promote the well being of local people, economy and environment. One of the five key goals is growth – *“accommodating growth, creating flagship communities and ensuring the benefits of growth and infrastructure are enjoyed by all communities”*. As one of the country’s Growth Areas, Cambridgeshire has already seen delivery of major infrastructure to support past and future growth, including:

- Progress on delivering the Cambridgeshire Guided Busway.
- Planned improvements to the A14.
- Progress on Addenbrooke’s Access Road – under construction.
- Major improvements to the A428.
- Successful implementation of Growth Fund projects to provide for example, new community and transport infrastructure; and economic development

To provide a sound evidential framework for infrastructure and housing delivery, Horizons has led a number of key workstreams, including:

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- The Quality Charter for Growth, which reached the finals of this years Royal Town Planning Institute’s national awards
- The Long Term Delivery Plan, assessing the infrastructure investment needed to support the level of growth planned, and analysing the funding sources.
- A suite of Quality of Life strategies on balanced and mixed communities, green infrastructure, major sports and leisure facilities, arts and culture and faith facilities.
- A Water Cycle Strategy covering the major development sites in and around Cambridge.
- Work on renewable energy, including an update to the Long Term Delivery Plan to set out what additional investment is needed to deliver growth whilst meeting climate change targets.
- Work is nearing completion on some key investment-related workstreams, such as the proposed variable rate tariff for Cambridgeshire to improve the system for collecting developer contributions to community infrastructure, the Integrated Development Programme, setting out the key economic and spatial investment needs, the Cambridgeshire Prospectus (which proposes a partnering approach with the newly formed Homes and Communities Agency), and the Local Asset Backed Vehicle. These are described in detail at section 3.6

The Managing Growth theme has two key indicators with targets: the number of homes delivered (NI154) and the number of affordable homes delivered (NI155).

A further local indicator has been identified, which relates to the supply of ready to develop housing sites (NI 159). Targets have yet to be set on this indicator (see Annex 1).

This report summarises progress to date on these indicators, identifies market changes which have affected housing delivery; and highlights how the Growth Partnership plans to overcome barriers to delivery and take advantage of opportunities for new ways of working. It also updates the Board on revisions to targets for 2009/10 and 2010/11 in light of well-documented changes to the housing market.

3.1 Regional Spatial Strategy targets for growth

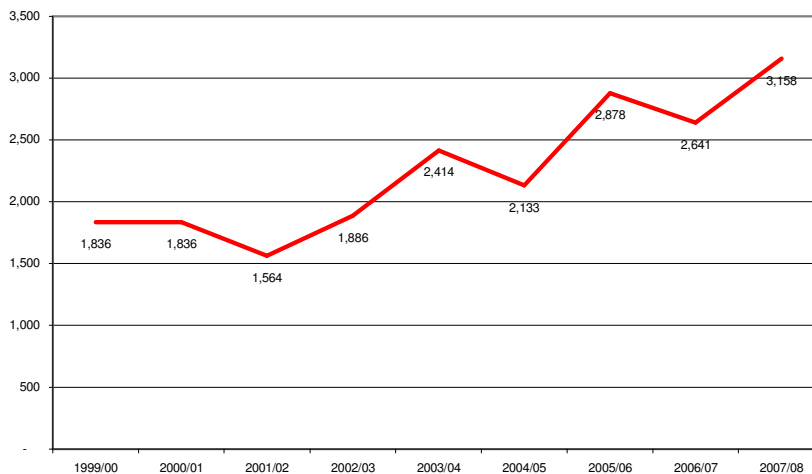
In May 2008 the new Regional Spatial Strategy was adopted, which provides targets for districts from 2001 to 2021, as shown in Table 1.

Table 1: RSS targets	Minimum Dwelling Provision, 2001 to 2021 (net increase, with annual average rates in brackets)		
	Total to build April 2001 to March 2021	Of which already built April 2001 - March 06	Minimum still to build April 2006 - March 2021
Cambridge City	19,000	2,300 (460)	16,700 (1,110)
East Cambridgeshire	8,600	3,240 (650)	5,360 (360)
Fenland	11,000	3,340 (670)	7,660 (510)
Huntingdonshire	11,200	2,890 (580)	8,310 (550)
South Cambridgeshire	23,500	3,520 (700)	19,980 (1,330)
Total	73,300	15,290 (3,060)	58,010 (3,860)

To reflect the changing economic climate and the likelihood of delays to development in the next few years we have negotiated a change to our LAA targets for delivery of homes and of affordable homes (see paragraph 3.5).

3.2 Direction of travel: review of past housing completions

Actual housing completions



This graph shows the number of new homes completed each financial year since 1999/2000. Between April 2007 and March 2008 some 3,158 new homes were completed, bringing the overall total from 1999 to the end of March 2008 to **20,380**. Since the end of March 2008, some 1,382 homes have been delivered on larger housing sites. This number is monitored by the County Council's research team, who undertake a comprehensive survey to identify the number of housing completions as at the end of March each year, supplemented by a quarterly update on sites of more than 100 homes. The figures to date are shown below:

Table 2: Monitoring delivery	Whole year figures							Quarterly figures				Total 2001 to end Dec 08
	01/07/01 - 31/03/02	01/04/02 - 31/03/03	01/04/03 - 31/03/04	01/04/04 - 31/03/05	01/04/05 - 31/03/06	01/04/06 - 31/03/07	01/04/07 - 31/03/08	01/04/08 - 30/06/08	01/07/08 - 30/09/08	01/10/08 - 31/12/08	01/01/09 - 31/03/09	
Larger Sites (more than 100 homes)	976	1,274	1,837	1,435	1,761	2,026	1,624	386	674	322	-	12,315
Smaller Sites (less than 100 homes)	1,336	1,583	1,554	1,462	2,166	1,664	2,605	N/a	N/a	N/a	-	12,370
All Sites	2,312	2,857	3,391	2,897	3,927	3,690	4,229	N/a	N/a	N/a	-	23,303

Progress against existing LAA targets

Tables 3 and 4 show progress against the current targets:

Table 3: Delivering new homes (net) (NI154)	2008/9				2009/10	2010/11
Original LAA target	3,860				4,450	5,320
Progress	1,382 homes on larger sites (Q1 to Q3)					
	Q1	Q2	Q3	Q4		
Progress on larger sites only	386	674	322	-		

This is a proxy measure for NI154 all homes delivered, due to collection and definition issues. However it does highlight a "direction of travel" to date.

Table 4: Delivering affordable homes (gross) (NI155)	2008/9				2009/10	2010/11
Original LAA target	888				1,112	1,436
Progress	528 affordable homes (Q1 to Q3)					
	Q1	Q2	Q3	Q4		
Affordable homes delivered (net)	87	127	314	-		

This is a proxy measure for NI155 affordable homes, due to collection and definition issues. However it does highlight a "direction of travel" to date.

3.4 The challenges ahead: Evidence of market slow-down and its local effects

3.4.1 Understanding our local housing markets

Changes to the economy, locally, nationally and globally, are well documented. Cambridge's strategic housing market assessment and quarterly housing market bulletin highlight that:

- The Cambridge area follows national and regional housing market trends, slightly "cushioned" by local market traits (for example the draw of the city of Cambridge), and strong continuing completions, despite a recent drop in starts on site.
- There was a significant drop (-44%) in the number of sales across Cambridgeshire, from 11,590 in Aug 2007 to 5,097 in Aug 2008, compared to -53% across England and -55% across the Region, shown in the two graphs below. By December 2008, sales had dropped to 4,650 across Cambridgeshire, though South Cambridgeshire and Huntingdonshire had rallied compared to August 2008 sales levels.

	Feb 08	Aug 08	Dec 08
England	817,180	521,980	413,520
East of England	91,800	57,600	46,380
Cambridgeshire	8,149	5,097	4,650

- Hometrack shows average house prices continuing to rise gently towards August 2008. This is explained partly by the drop in sales at the "lower" end of the market. As more sales complete at the higher end of the market (as these purchasers are more able to secure a mortgage, use equity in an existing property, and raise a deposit), the revised distribution in the number of sales towards the upper end of the market increases the average price. Although Hometrack average property prices may appear high compared to other analysis (Halifax, Nationwide, Land Registry and CLG) the trends appear to be moving in the same direction, allowing for different methodologies and "damping" effects. House price to income ratios continue to run high.

	1 bed Prices (Flat)	2 bed Prices (Flat)	2 bed Prices (House)	3 bed Prices (House)	4 bed Prices (House)
Cambridge	151,094	209,482	231,234	262,682	419,982
East Cambridgeshire	136,500	115,800	145,614	195,864	296,119
Fenland	71,300	77,100	125,372	150,608	222,352
Huntingdonshire	92,955	131,636	151,870	188,006	273,181
South Cambridgeshire	118,000	133,583	182,697	235,069	353,707

- Time taken to sell has continued to increase, particularly since Feb 2008, in line with national and regional trends, though between October and December 2008 selling times have decreased a little in East Cambridgeshire, City and South Cambridgeshire.

3.4.2 Repossessions

The Council for Mortgage Lenders estimated that across the UK repossessions would rise in 2008 by around 60% to 45,000 cases (from 27,100 cases in 2007). For the East of England, table 7 below gives information on mortgage possession actions during 2008 within the region's County Courts. It shows that in the first 3 quarters of 2008 possession orders (which may not always result in an actual repossession) show a 33% increase, while actual possession claims rose by 14%. We do not have figures for Cambridgeshire in isolation.

Table 7: Repossessions across Region	Q3 2008	% change since Q3 2007	Q1 to Q3 2008	% change since Q1 to Q3 2007
Mortgage possession orders	2,025	+39%	5,804	+33%
Mortgage possession claims	3,354	+6%	10,535	+14%

Source: Ministry of Justice

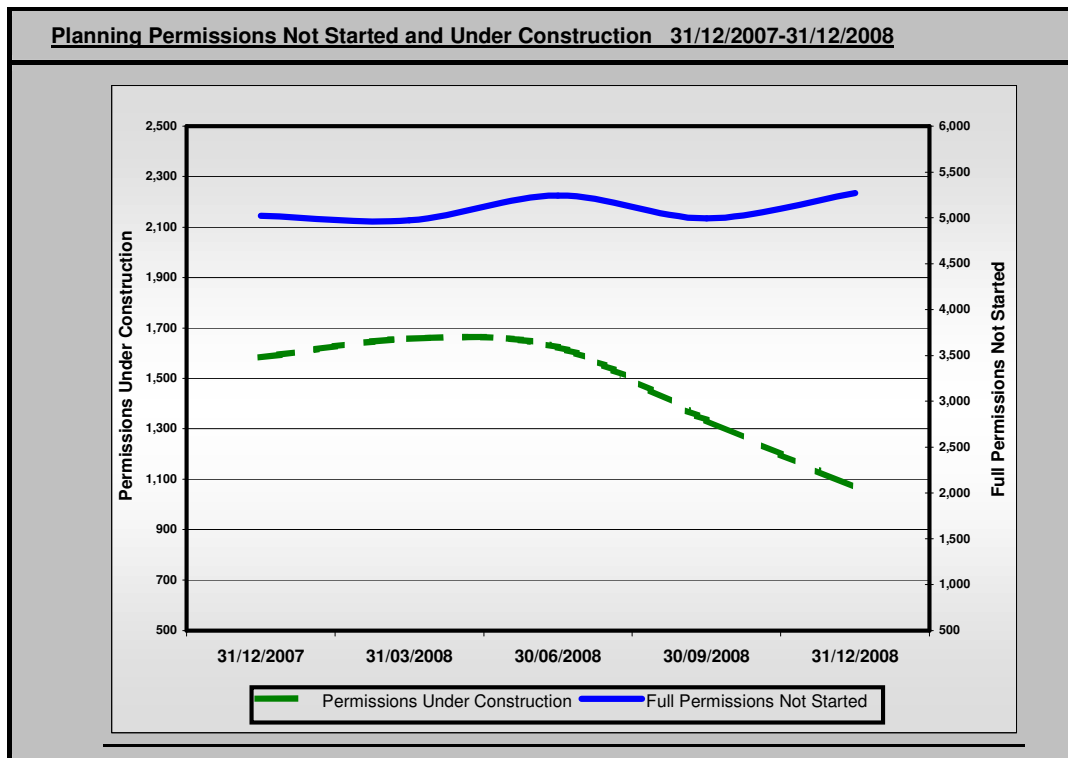
3.4.3 Activity on site

The County Council's monitoring team produces specific briefing notes, the most recent of which is planned to be repeated in future showing development activity on site. This provides locations with a significant number of completions are listed with an assessment of activity on site below:

Table 8: Activity on site		Completions April 08 to Dec 08	Visual assessment
Cambridge City	St Andrews Road	142	Progress on remaining plots
	Purbeck Road	152	Completed
	Brooklands Ave	52	Slow progress
East Cambridgeshire	Ely Fringe	84	Slow progress
	Soham	66	Slow progress
Huntingdonshire	Godmanchester	71	Slow progress
	Loves Farm	130	Slow progress
	Yaxley	80	Progress on remaining plots
South Cambridgeshire	Cambourne	195	Slow progress
	Orchard Park	154	Stopped

The number of outstanding planning permissions can be used to gain an idea of potential future supply of housing. The graph below shows that the number of dwellings on major permitted sites not yet started in Cambridgeshire has stayed fairly constant at around the 5,000 mark, although they are currently on a rising trend. More significantly, the number of dwellings under construction has fallen rapidly from a fairly consistent value of 1,600 to just over 1,000.

The combined information on starts and completions suggests that current progress is largely restricted to finishing off sites that had already been started in better times. To maintain recent average completion rates of around 400 per quarter on major sites, the number of new starts needs to remain at about the same average level. However, with our estimate of starts on site dropping to only 54 in the latest quarter, it is clear that there will be a significant drop in the rate of completions in 2009 on major sites. It is unlikely that there will be a compensating increase in the development of smaller sites, though this remains to be confirmed through the year-end site surveys.



3.4.4 Changes in housing advice, homelessness and housing registers

In November 2008 districts were asked for their experiences of recent market change and its effects on their activity. This has been partially reviewed in February 2009, and can be summarised as showing:

- An increase in need for debt counselling, housing advice and homelessness prevention.
- Increasing mortgage repossession hearings and customers seeking advice about potential mortgage repossession, mainly following the loss of jobs.
- As yet no universally significant increase in homelessness applications, except in South Cambridgeshire where there has been an increase.

- More demand for rent deposit scheme expenditure to help people secure private rented housing
- Housing registers have increased in size, as have placements of families in settled tenancies.
- Housing waiting lists have increased steadily in recent years. Recent market changes do not seem to have led to a significant increase yet in most districts, but there may be a time delay between problems in the housing and mortgage markets, and housing register applications.

3.4.5 Affordable housing starts and completions

The Homes and Communities Agency (HCA) has kindly provided monitoring data for completions and start on site across the region, at September and Dec 2008, and an update on completions for the Cambridge sub-region.

This shows that across the East of England, completions are largely on target for both affordable rented and low cost homes ownership homes. However starts on site have dropped dramatically, particularly for low cost homes ownership.

For the Cambridge sub-region completions look relatively healthy for both rented homes (273 completed by the end of December) and low cost homes ownership (235).

3.5 Revision to targets

It is important to remember, when considering these revised targets, that the Government Office has made clear that selected LAA targets on managing growth and economic prosperity are excluded from the LAA financial reward system. These new targets have been agreed with GO-East with the agreement that Housing Planning and Delivery Grant will remain the mechanism to reward good performance, rather than the LPSA. This will be revisited when we next refresh the LAA.

NI154 Net additional homes provided

To accommodate the market changes and responses outlined above, we have agreed with the Government Office adjusted targets for 2009/10 and 2010/11 as follows:

- Allow all strategic sites an additional 12 months before delivery of homes commences, should district AMRs project them starting on site in 2009/10 or 10/11. This includes further homes at Cambourne, start on site at Southern Fringe, Cambridge East and both Northbridge and Loves Farm sites in Huntingdonshire.
- For other larger sites (more than 100 homes) we anticipate the drop in starts on site in Q3 2008 carrying through to completions in Q3 2009. So we would anticipate completions in 2009/10 and 2010/11 dropping by 75% for those two years.

Table 9: NI154	2008/9	2009/10	2010/11
Original LAA target	3,860	4,450	5,320
Revised LAA target	2,344	2,871	3,839

- To the end of 2008/9 the gap between our delivery on larger sites (1,382 homes) and our LAA target (3,860 homes) is 2,478. These homes could still be delivered on larger sites in quarter 4 and on smaller sites throughout the whole financial year. For comparison, Table 2 (page 4) sets out (annual) delivery on these smaller sites.

NI155 Number of affordable homes delivered (gross)

For affordable housing we have agreed a slight reduction in our target across the County, compared to our original LAA targets.

This accommodates signs that some affordable housing is continuing to complete at a healthy rate in 2008/09 and that robust evidence of need and provision of funding from the HCA provides more certainty for providers, and some insulation from the effects of the market down-turn at least in the short term.

Table 10 sets out the stages in revising the target. These are:

- Reviewing the original targets set, on the basis that an increasing percentage of affordable housing would be secured across the County year by year. This provides a target for the number of affordable homes delivered (see lines 1 to 3).
- When compared to the revised NI154 targets our original affordable homes targets lead to a very high percentage of affordable, up to 39%, which is not in the interests of delivering balanced, mixed communities.
- However, as mentioned, funding and delivery of affordable homes may be relatively more secure than market housing in the short term, so it seems wise to keep our targets “up” as a proportion of all new build. The RSS target of 35% has been used for this purpose, though the effect on the number of affordable homes delivered has been relatively small.

Table 10: NI155	2008/9	2009/10	2010/11
Original NI154 target (see table 9)	3,860	4,450	5,320
NI155: % of all homes predicted as affordable for original target setting	23%	25%	27%
NI155: Original target (number of affordable homes)	888	1,112	1,436
Revised NI154 target (see table 9)	2,344	2,871	3,839
What % does original affordable homes target of our revised “all homes” target?	38%	39%	37%
Setting our NI155 target at the RSS target instead (35%)	35%	35%	35%
Revised LAA target (at 35% of revised NI154)	820	1,105	1,344
Difference between old and revised target (in numbers)	68	7	92

Comparing the revised targets with affordable housing delivery to date, as outlined in section 3.2, to the end of quarter 3 we had achieved some 528 completions (quarterly figures shown in Table 4 on page 4). This leaves us short of our target by 360 homes for year-end which could be achieved through the combination of Q4 completions and the inclusion in the indicator definition of affordable homes which we cannot count within our quarterly “proxy” figures.

A review in 2010/11 will help us assess any pick-up in starts on site and to adjust our targets for the following three-year LAA period.

3.6 Actions

Horizons has been taking forward work on a range of fronts to try to increase the pace of delivery, whilst maintaining or enhancing the overall quality of developments. The measures in train include those set out below.

3.6.1 Engaging with developers

Cambridge Development Industry Forum and Cambridge Land Owners Group help Cambridgeshire Horizons keep up with current developments, progress and thinking from the landowner and developer perspective. We are exploring a number of options with developers to move progress along on the major sites.

3.6.2 Action on existing sites

Existing development sites can benefit from an immediate response, for instance to tidy up plots awaiting development and to finish off elements of local infrastructure such as zebra-crossings, street lighting and landscaping. We have been working together (Horizons in conjunction with South Cambridgeshire, the City and Cambridgeshire Council Councils) to develop a package to respond to the immediate needs for residents of Orchard Park, an approach which could be appropriate for other sites. Indeed, this month we made £50,000 available to facilitate the completion of the community centre at Orchard Park. However, the task of restarting actual housing development on sites that have slowed or stalled may require more intervention.

3.6.3 Requests to renegotiate s106 agreements

The current housing market situation is changing developers' perception of scheme viability, leading to a review of viability of the major growth sites. Modelling previously undertaken is being reopened, and officers are being asked to reconsider elements of the planning obligation packages. As a consequence, securing firm planning permissions and s106 agreements has moved forward more slowly than originally planned.

Delivery of the projected new market and affordable homes will inevitably be delayed, which impacts our housing targets, especially in the short term. However it is important to deploy the available resources to maintain a level of delivery for infrastructure and affordable housing in particular, and to enable quicker delivery once the next upswing arrives.

Whilst the economic situation means a change in our expectations for delivery, it does not change our commitment to sustainable growth. Nor should it change the spatial philosophy of how we want to deliver that growth, as set out in the RSS, with the focus on growing Cambridge and its fringes, the new town of Northstowe, and the market towns.

3.6.4 Housing Growth Fund (HGF)

Government has awarded Cambridgeshire just under £29m of HGF for the next two years, split as £27.522m capital and £1.25m revenue. This is in response to our bid through the Programme of Development (POD) for £84m, including £37m specifically for Rolling Fund. At

its last meeting, Horizons Board noted that this was a reasonable outcome, especially when compared with other growth areas, although significantly less than the bid we submitted in the POD and insufficient to deliver our programme as required to meet housing targets. It is disappointing, although not unexpected, that no further Rolling Fund has been made available. The new monies are additional to the HGF award for the current year, which allocated approximately £14.9m to Cambridgeshire. Capital and revenue programmes for these monies are currently being implemented.

The Horizons Board has agreed a high level objective of targeting available funds where they can deliver most value for money and be most effective at bringing housing or infrastructure projects forward and a set of principles which set out how best to allocate funds. It was noted that allocation of funds should take account of viability issues relating to developments. It was also agreed that Horizons should continue to work up a variety of options to address the economic downturn including the use of loans (but these should usually be backed by some form of collateral) and grants. Following discussions with the local authorities and consultation with developers and landowners of the major sites, the Board will consider proposals for the use of HGF at its meeting on the 25th March. The proposals being worked up include some funding to help progress current development sites which have experienced a significant slowdown in delivery, a Flexible Fund to bring forward new major development sites in the Cambridge Fringes, further preparation work for Northstowe and funding to support market town growth; together with continuation of investment in green infrastructure, sustainable construction and the Cambridge station Gateway.

The Board also agreed that there was scope for the public sector to take on a significant share of the risk, but that any such approach should be linked to equity models (or land stakes) that give the public sector a significant share of returns.

3.6.5 Integrated Development Plan

Cambridgeshire Horizons has undertaken a carbon appraisal of its long term delivery plan (first produced in 2007) to identify additional infrastructure required to deliver low or zero carbon new communities. We are now working with the Greater Cambridge Partnership to produce an integrated development plan, incorporating economic development issues more clearly, with support from EEDA. This will:

- Combine spatial and economic priorities for Cambridgeshire.
- Present a comprehensive plan for investment in the area.
- Enable co-investment with EEDA and other public bodies on priority projects.

3.6.6 Prospectus for Investing in Cambridgeshire

We are also working with key partners to produce a Prospectus for Investment in Cambridgeshire, which

- Sets out the objectives and targets for sustainable growth in Cambridgeshire.
- Sets out the underpinning evidence base supporting growth.
- Describes the spatial and infrastructure strategy through to 2021 and profiles the major development sites.

- Describes the impact of the economic downturn and profiles some innovative approaches to delivering much-needed homes in a changed economic environment.
- Explains the strong delivery and governance mechanisms already in place.
- Illustrates the strength of the existing skills and capacity across the county.

The draft Prospectus, which will be considered by the Horizons Board on the 25th March, is a key aspect of discussions with the HCA regarding future funding of infrastructure and housing in the County.

3.6.7 Market intelligence

We have a detailed and updatable strategic housing market assessment (SHMA) which sets out long term housing market trends. Across Cambridgeshire this highlights a long-term shortfall in housing supply, acute housing pressure and supports the case for housing delivery across the whole market, and particularly for people who cannot meet their housing need through the “normal” functioning of the open market.

Cambridgeshire County Council also monitors delivery on site – on larger sites every quarter and on all sites once a year. The County team also produces briefing notes, the most recent shows development activity on site, and monitors planning applications and compares planning permissions not started and under construction to gain an idea of potential future supply of housing.

3.6.8 Public sector taking an equity share

It would be possible for the public sector (local or central government, or a combination) to take an equity investment in a major development site. In this scenario, the public sector would take on more of the up-front risk of a project, including investing in infrastructure, but would then take a share of the proceeds of property development in the long-run. A number of options are currently being investigated as part of the work around HGF.

3.6.9 A more flexible approach to s106 contributions

For large-scale developments that will be built out over a long period of time, it could be possible to adopt a more flexible approach to s106 contributions, so that levels of contribution in terms of cash or other public benefits (including the percentage of affordable housing) could vary between different phases of the development. There would need to be limits to the extent to which variations could be allowed, a “cap and collar” approach, but this could be a means of bringing forward developments more quickly than would otherwise be the case, but still maintaining overall quality standards.

3.6.10 Local asset-backed vehicle

An option being considered by Cambridgeshire Horizons and partners is an asset-backed vehicle (LABV) approach. This could involve moving towards a co-funding, co-decision model in which public sector assets are used in conjunction with the private sector in a joint venture company, known as a Local Asset-Backed Vehicle. The vehicle would own certain assets, such as land currently owned across public sector partners, which would be used to leverage funding. The LABV could, for example, assemble land for redevelopment and sell it on as

serviced 'development platforms' to house builders. Planning decisions would remain with the relevant local planning authorities.

A private sector partner is usually chosen through a competitive tender process. Land, finance, expertise and, crucially, risk are pooled across the partnership. This approach could merit further consideration if less radical approaches to correcting market failure do not succeed.

The LABV approach has been used to date in several growth areas, including the Thames Gateway and Croydon. Cambridgeshire does not have large amounts of local authority land identified in statutory plans for development, but does have significant local authority land holdings elsewhere. Therefore a creative approach, appropriate for Cambridgeshire would need to be developed

3.6.11 Clarifying affordable housing requirements

Districts are working together to investigate specific wording for affordable housing s106 agreements, funded by Improvement East, and through the SHMA process are working together on a "size guide" for all housing, assisting partners and planners to apply the evidence in the SHMA to districts and sites in terms of a range of homes sizes required.

3.6.12 Housing tenure and affordable housing delivery options

Funding may be more readily available for affordable housing than market housing. The need for affordable housing in Cambridgeshire is acute and deteriorating, and likely to worsen over coming months and years without significant intervention. It is therefore sensible to examine new methods of using the public funding available for social housing, and to work imaginatively with Housing Associations and the HCA to see whether there are ways of delivering additional housing under a different model to that which has been applied over recent years. Housing Associations could, for example, choose to buy up completed units that are unoccupied, or finish off sites that have been left half-finished, but would almost certainly need additional Government funding to do so.

To date there has been a sharp distinction drawn between affordable and market units, but there may be scope for widening the definition of affordable housing, and taking new approaches to the tenure mix, at least for the early stages of new developments (whilst maintaining the ambition of balanced and mixed communities). For example, homes could initially be rented at an "intermediate" rent (i.e. lower than market rent but more than social rent with an associated savings fund to use as a deposit), then after 3 or 5 years (subject to the residents' means) the home is convert to shared ownership. The resident then has the option of buying larger shares in the home until they have purchased 100%, depending on their circumstances. This is a new model of "rent to homebuy" is being initiated by the Homes and Communities Agency, partly to help overcome the lack of mortgage availability (hence the fixed period of renting) and partly to help people access a secure, affordable home while saving fro a deposit and having the option to purchase once the mortgage market has recovered.

3.6.13 Working with HCA's tailored packages

The Homes and Communities Agency is looking at tailored packages with investment partners to help deliver the national affordable housing programme within the current economic environment. These packages look to:

- Address the viability of existing sites
- Implement tenure conversions in line with local housing need – for example of shared ownership homes are failing to sell, the HCA may consider enabling them to be used as rented, intermediate rented or rent to homebuy (see above).
- Bring new schemes into the programme where appropriate.

3.6.14 Using local authority land for affordable housing

The County Council and the sub-regional housing board have agreed an approach to disposal of land holdings to enable early action by housing enablers to identify community and housing gains prior to its disposal. This enables the County to consider reasons why they might dispose of their land at less than full market value, should this enable them to meet other community, social, LAA or other targets. As the approach is a new one, it has yet to prove itself and result in increased delivery for our communities, but it could be an important additional tool in future.

3.6.15 Working with other public sector land owners to secure affordable housing

- HCA are exploring ways to move the Northstowe site forward.
- We are working with Defence Estates to identify options for the relocation of Marshalls to open up the Cambridge East site
- We are linking with NHS Cambridgeshire to explore land for key worker housing, for example the Addenbrooke's 2020 scheme.

4. Recommendations

The Cambridgeshire Together Board is recommended to:

- a) Note the progress on growth across the county and links to other themes.
- b) Consider the range of mitigations that are being investigated to help increase the pace of delivery while retaining the focus on quality.
- c) Confirm that it is content with the monitoring processes for NI154, NI155 (and NI159) as set out in this note.
- d) Note the revised targets for delivery of homes and of affordable homes as part of the LAA refresh process.

Annex 1: Draft NI159 outputs

Return for 2008/9	City	ECDC	FDC	HDC	SCDC	County total
Amount of housing that can be built on deliverable sites for the 5 year period (net additional dwellings)	7,253	2,631	2,851	3,969	7,239	23,943
Planned housing provision required for the 5 year period (net additional dwellings)	4,750	2,150	2,750	2,800	5,875	18,325
Percentage	152.7%	122.4%	103.7%	141.8%	123.2%	130.7%

Annex 2: Full list of indicators for the Managing Growth theme

Key NIs

- 154 Net additional homes provided
- 155 Number of affordable homes delivered (gross)

Local NI

- 159 Supply of ready to develop housing sites

Non-key¹

- 156 Number of households living in temporary accommodation
- 157 Processing of planning applications
- 158 % non-decent council homes
- 167 Congestion – average journey time per mile during the morning peak
- 168 Principal roads where maintenance should be considered
- 169 Non-principal classified roads where maintenance should be considered
- 160 Local authority tenants' satisfaction with landlord services
- 170 Previously developed land that has been vacant or derelict for more than 5 years
- 178 Bus services running on time
- 181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events

¹ NI 12 which appeared on previous lists of indicators, "Refused and deferred Houses in Multiple Occupation (HMO) license applications leading to immigration enforcement activity", has now been deleted by the Audit Commission.