

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 8 March 2007
AUTHOR/S: Executive Director/Head of Housing Strategic Services

ARBURY PARK NOMINATION AND MANAGEMENT AGREEMENT

Purpose

1. To approve a draft Nominations and Management Agreement and associated local lettings plan in respect of the affordable housing to be provided at Arbury Park.

Executive Summary

2. In order to meet the aims and objectives of the joint housing strategy for Arbury Park agreed in 2003 a nominations and management agreement which sets out how the affordable homes will be let/sold to qualifying households in housing need is essential. In particular a sustainable lettings plan for the expected 139 general needs social rented homes is needed to help ensure a mixed and balanced community.
3. In drafting a sustainable lettings plan the local authority and RSL partners have sought to learn not only from local experience at Cambourne but also from available best practice and/or experiences elsewhere.
4. Any local lettings policy/plan as proposed for Arbury Park will need to comply with certain requirements. These include setting out the length of time that the initiative will be in place, defining the geographical area in which it will operate, establishing defined objectives and being part of a wider strategy to tackle specific issues in the area concerned.
5. The proposed local lettings policy for Arbury Park will apply only to initial lets with subsequent lettings to be made in accordance with the nominating organisations general lettings policy.

Background

6. A total of 900 new homes are to be provided at Arbury Park, of which around 270 are to be affordable in accordance with the planning obligation, on the northern fringe of Cambridge. The nominations for the affordable housing are to be split 50:50 between this Council and Cambridge City Council in accordance with the wider partnership agreement in respect of major developments coming forward in and around Cambridge and Northstowe that was agreed by both authorities in May 2002.
7. The affordable housing is anticipated to be made up of the following tenures

Social rented:

General needs	139
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Supported Housing:

Wheelchair accessible units	13
Flats for people with learning disabilities	8

Shared Ownership:

General Needs	108
Key Workers	12
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	280
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However, it should be noted that the proposed housing and tenure mix will be subject to the current allocation of funding from the Housing Corporation being secured which will be dependent on the delivery of the affordable housing in accordance with agreed timescales.

8. It should be noted that the 280 units includes 12 units of affordable housing that are to be provided as a result of Cambridge City Council making available some of the land in its ownership on Arbury Park for which it will receive 100% nomination rights.

9. A consortium of Registered Social Landlords (RSL's) was appointed in early 2003 to deliver the affordable housing following a competitive selection process jointly commissioned by this Council and Cambridge City Council with the participation of the Housing Corporation as a key stakeholder and in consultation with the landowners/lead developer.

10. The members of the RSL Consortium, who are signatories to the Head Section 106 Agreement for the Arbury Park development, are as follows:

Places for People (Lead RSL)
 Bedfordshire Pilgrims Housing Association (BPHA)
 King Street Housing Society (KSHS)
 The Papworth Trust

11. The ownership of the general needs affordable housing provided at Arbury Park will be split equally between Places for People and BPHA with KSHS providing the management role on behalf of BPHA for their rented units only. The special needs housing will be owned and managed by The Papworth Trust. This major development is in progress with the first completions of the affordable homes expected later this year.

Considerations

12. A protocol for delivering the affordable housing at Arbury Park was agreed by the local authorities, RSL Consortium and the Housing Corporation in 2003 with the following mission statement:

Working together to create a flagship development combining innovation in design and procurement, local management and community development, the Consortium, under the leadership of the Lead RSL and with the co-operation and support of all the Parties will endeavour to create a balanced thriving, accessible and sustainable community to meet the needs of local economic and demographic growth

13. The Protocol sets out the relationship between the parties and includes the following matters:

- Roles and responsibilities of each party
- Development, management and ownership of the affordable housing
- Default provisions
- Resignation of existing and/or introduction of new Consortium members

- Disputes or differences
- Communications and publicity
- Assignment of sites, nominations and lettings
- Innovation and Modern Methods of Construction (MMC)
- Performance Indicators
- Monitoring and review
- Joint Housing Strategy

14. The Joint Housing Strategy sets out the principles that will be applied in delivering the affordable housing at Arbury Park and incorporates the following aims and objectives:

- **Commitment to Partnership Working** - a consistent approach and policies that will provide an effective service and achieve best value.
- **Innovative Quality Design** - utilising the principles of partnering, shared objectives and commitment to continuous improvement and customer focus.
- **Affordable Warmth and Environmental Design** - high quality, energy efficient homes with good internal space standards and low running costs, achieving an Eco Homes rating of at least Very Good, whilst aiming for 'Excellent' wherever possible.
- **Local Housing and Maintenance Service** – provision of a local management presence and inviting a high level of resident involvement in setting and agreeing service standards.
- **Community Involvement** - commitment to resident involvement in the development process and future management.
- **Investing in the Community** – including appropriate levels of community development in the planning process, with an agreed annual budget to invest in the community.
- **An Inclusive Community** - committed to developing a community that is accessible both in physical terms and in respect of access to community facilities and services and is truly inclusive of the needs and aspirations of people with a disability.

A full version of the updated joint housing strategy for Arbury Park is attached as a **Appendix 1** to this report for information and reference purposes.

15. In order to meet these aims and objectives a nominations and management agreement which sets out how the affordable homes will be let/sold to qualifying households in housing need is essential. In particular a sustainable lettings plan for the expected 139 social rented homes will need to be agreed to ensure a mixed and balanced community at Arbury Park.
16. In drafting a sustainable lettings plan the local authority and RSL partners have sought to learn not only from local experience at Cambourne but also from available best practice and/or experiences elsewhere.
17. In terms of lessons to be learnt from Cambourne it is apparent that a sustainable lettings plan will only be successful if the principles are carefully monitored from the

outset and there is effective communication between the nominating authorities and RSL partners both prior to, during and after the nominations process.

18. The issues identified as a result of collation of information on the Cambourne sustainable lettings plan have been addressed through identification of appropriate mechanisms to monitor the implementation of all sustainable lettings plans including those developed for Arbury Park and Cambourne including regular reports to the Housing Portfolio Holder.
19. Having carried out research it would appear that there are few practical examples of sustainable lettings plans for major developments of the scale of those in progress and planned for in the Cambridge Sub-region. What material does exist seems to suggest that locally developed approaches to sustainable lettings plans are acceptable provided that they adhere to certain principles and can still contribute to housing those in greatest housing need.
20. Generally local lettings plans can differ from mainstream lettings policies in some of the following ways:
 - They restrict eligibility for housing
 - Give additional priority to people who want to live in the area
 - Enable properties to be offered to people in lower priority groups
 - Disregard household type/property type matching rules eg enabling under-occupation to promote longer term tenancies and reduce child density
 - Change the proportion of people housed through different access routes eg transfers, housing register, homelessness.
 - Set targets for a range of characteristics eg child density, older people.
21. Any local lettings plans need to comply with certain requirements. These include setting out the length of time that the initiative will be in place, defining the geographical area in which it will operate, establishing defined objectives and being part of a wider strategy to tackle specific issues in the area concerned.
22. A proposal for the implementation of a local lettings plan should set out the following information:
 - a clear definition of the problem backed up by evidence
 - A method which is likely to address the problem
 - Some assessment of possible adverse impacts
 - A way in which the scheme can be monitored
 - Proposals for reporting and reviewing the scheme
23. The proposal for Arbury Park is set out in the draft Nomination and Management Agreement *Building a Sustainable Community at Arbury Park* which is attached to this report as **Appendix 2**.
24. The Nomination and Management Agreement includes the following as key objectives:
 - To create a sustainable community on the edge of Cambridge – a place where people want to live, not just now, but in the future.
 - To build high levels of social capital on the development. Social capital can be enhanced when residents see their neighbourhood as a destination in which they are prepared to invest time and effort in developing the community.

25. In terms of achieving these objectives a flexible and sensitive local lettings policy is being put forward by the local authority and RSL partners which aims to provide a reasonable balance between the competing pressures for the affordable housing at Arbury Park. Whilst housing need will remain the overriding factor governing selection of nominees other factors will be taken into account when the **initial** lettings of the social rented properties as follows:

- 70% of the two and three bedroom homes will be under occupied by one person or more eg 2 children in a three bedroom five person and 1 child in a two bedroom 4 person house
- Households for the 139 general needs social rented units will be selected with a range of child ages in order to meet the following child density targets across the development

Preschool Age 0-5	Primary School Ages 5-11	Secondary School Age 12-16	Further Education Age 17+	Total
65	65	65	22	216
30%	30%	30%	10%	100%

Note: The targets suggested above would enable child numbers to be reduced by around 56 (20.5%) based on a maximum of 272 that could be accommodated if all of the 2 and 3 bedroom units were to be fully occupied.

- Diversity – the new community should broadly reflect the diverse population of Cambridge and the adjoining parishes in South Cambridgeshire
- At least 40% of households will include a member who is economically active
- Transfers will comprise no more than 50% of nominees
- Fully wheelchair accessible properties have been excluded from the child density targets as they will be let to households who have an identified need only
- It is assumed that 4 and 5 bedroom homes will be fully occupied and that no one bed flats will be occupied by families with children

It should be noted that where targets have been included these will be aspirational and subject to ongoing monitoring and review between the partners to the agreement.

26. Ensuring that prospective residents have chosen to move to Arbury Park will be fundamental to this process and this will be more easily facilitated when the proposed Sub-regional Choice Based Lettings (CBL) Scheme comes into operation in early 2008.

27. It should also be stressed that in respect of this Council's 50% nomination rights priority will be afforded to qualifying households with a relevant local connection with the parishes of Histon and Impington.

28. The proposed local lettings policy for Arbury Park will apply only to initial lets with subsequent lettings to be made in accordance with the nominating organisations general lettings policy.

29. The shared ownership and intermediate rented properties will be sold/let to qualifying applicants identified through the Homebuy Agent who now manage our Low Cost Home Ownership Register and/or through direct marketing of the units by the relevant

RSL. The Council will verify whether the prospective purchasers meet any local eligibility criteria as necessary.

26. A joint good practice nomination guide is also proposed as part of the wider Nomination and Management Agreement which sets out the process by which tenants for Arbury Park will be selected and arrangements for the monitoring/review.

Options

27. The options are to either adopt a sustainable local lettings plan in respect of the affordable housing to be provided at Arbury Park or to use the separate existing lettings policies that the local authorities and RSLs each have in place for both initial as well as subsequent lettings of the social rented properties that are to be delivered as part of this major new development.
28. The main disadvantage of using existing policies is that child densities and the number of people from disadvantaged groups and/or economically inactive households could be skewed rather than be more representative of the wider community of Cambridge and neighbouring villages. A local lettings plan could proactively enable a more balanced mix of households which would help contribute to the creation of a sustainable community at Arbury Park.
29. Further, it would be clear to all prospective tenants, whether they are to be nominated by a local authority or an RSL, what criteria would be used to select households for the new affordable homes at Arbury Park through a clear and publicised policy.

Implications

30. Financial	None.
Legal	Provided the local lettings plans meets the requirements set out in paragraph 18 of this report then there should be no conflict with the allocation provisions of the Housing Act 1996 (as amended by the Homelessness Act 2002).
Staffing	None.
Risk Management	Without a local lettings plan it will be not be possible to ensure that the affordable housing will positively contribute towards the creation of a mixed and sustainable community at Arbury Park.
Equal Opportunities	A local lettings plan will need to ensure that BME Groups and people with a disability are not disadvantaged and have equal access to the affordable housing at Arbury Park. The quarterly monitoring and annual review arrangements will enable the partners to assess whether these groups are being underrepresented and take action accordingly. For monitoring of purposes regard will be made to: - the percentage and composition of BME households already living in neighbouring areas of Cambridge and Histon/Impington - the number of people in housing need with a limiting long term illness/disability as identified in most recent Housing Needs Studies/Housing Market Assessment and census information on such households within the overall population of the 2 districts .

Consultations

31. The local authority and RSL partners have jointly developed the draft Nominations Agreement which includes the local lettings plan. In addition the Housing Corporation have been consulted on the proposal.
32. The Local Members and Parish Councils for Histon and Impington have also been consulted although no comments have been received.

Effect on Annual Priorities and Corporate Objectives

33. Affordable Homes	The Arbury Park development will provide 282 affordable homes which will contribute to meeting the housing needs of Histon and Impington as well as the wider South Cambridgeshire district and the City of Cambridge.
Customer Service	
Northstowe and other growth areas	This major new development of 900 homes which includes 270 units of affordable housing will contribute to delivery of the growth agenda.
Quality, Accessible Services	The affordable homes will be provided to a high standard and will be accessible to a range of people in housing need and a local lettings plan will help ensure delivery of a quality scheme.
Village Life	
Sustainability	A local lettings plan will help contribute towards creating a sustainable new community on the edge of Cambridge.
Partnership	The Nominations Agreement and associated local lettings plan has been developed in partnership with Cambridge City Council, the RSL Consortium and the Housing Corporation.

Recommendation

34. That Cabinet approve the Nominations and Management Agreement *Building a Sustainable Community at Arbury Park* and the associated local lettings policy.

Background Papers: the following background papers were used in the preparation of this report:

None.

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