



**CAMBRIDGE**  
CITY COUNCIL  
Environment & Planning

# Affordable Housing

Supplementary  
Planning Document

January 2008



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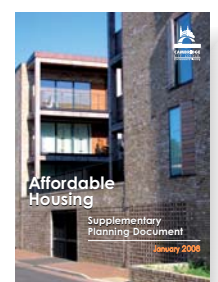
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■ **Front Cover:**  
Accordia,  
Cambridge.  
Picture by  
Brian Human.





# Affordable Housing SPD

## Purpose

1. This Supplementary Planning Document (SPD)<sup>1</sup> gives advice on what is involved in providing affordable housing in Cambridge. Local Plan policies 3/7, and 5/5 are concerned with the provision of affordable housing through the planning process. This SPD supplements, expands and adds detail to them as needed.
2. Its objectives are:
  - To facilitate the delivery of affordable housing to meet housing needs.
  - To assist the creation and maintenance of sustainable, inclusive and mixed communities.
3. Developers who are proposing residential, and mixed-use schemes should contact the City Council to discuss their proposals before they submit a planning application. A list of contacts is provided at Annexe 5.

## Status

4. This SPD was adopted on the 14th January 2008.

5. It will be taken into account in the determination of relevant planning applications.

## Policy Context

### National Policy

6. Adopted national policy guidance for the provision of affordable housing is contained within Planning Policy Statement 3: Housing (2006) and its supporting document Delivering Affordable Housing (2006). The purpose of PPS3 is to provide a national policy framework for planning for housing. It sets out what is required to deliver sustainable communities. It defines the term affordable housing as follows and clarifies that low cost market housing provided without subsidy is not included in it: *“Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:*
  - *Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.*
  - *Include provision for the home to remain*



at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision". The Government's key objective for planning for housing is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live.

7. PPS3 requires Local Authorities to:
- Set separate targets for social-rented and intermediate affordable housing where appropriate.
  - Specify the size and type of affordable housing that, in their judgement, is likely to be needed in particular locations and, where appropriate, on specific sites. This will include considering the findings of the Strategic Housing Market Assessment.
  - Set out the approach to seeking developer contributions to facilitate the provision of affordable housing. In seeking developer contributions, the presumption is that affordable housing will be provided on the application site so that it contributes towards creating a mix of housing.

### Regional and Sub-Regional Policy

8. The Secretary of State is expected to publish the final Regional Spatial Strategy (RSS) in early 2008. Once approved, the RSS will provide a regional planning

framework for Local Development Documents, which must be in general conformity with it. The approved RSS will replace existing Regional Planning Guidance for East Anglia to 2016 (RPG6) and the Cambridgeshire & Peterborough Structure Plan 2003. Whilst some policies of the current Structure Plan have been saved as part of the finalised RSS process none of the saved policies relate to affordable housing.

### Community Strategy

9. A new Cambridge Sustainable Community Strategy was adopted by the City Council in December 2007. The Local Strategic Partnership wants to see a sufficient supply of decent affordable housing, including socially rented, to meet need in the city and to ensure that people in the city live in sustainable communities that are strong, healthy, active, safe and inclusive – where the well-being of people is improved and inequalities reduced, so that people feel a sense of belonging and can fully participate in community life and share in the city's success.

### Cambridge Housing Strategy

10. The Cambridge Housing Strategy 2004 to 2007 identifies three issues as being the most important to address: delivering new affordable housing, reducing homelessness and improving the condition of the housing stock, especially in the private sector.





11. The housing strategy is aiming to achieve:
- An increase in the supply of housing which is affordable to local people;
  - An overall increase in the supply of housing in Cambridge;
  - Best use of planning policies which require developers to provide affordable housing when they build market housing;
  - A close partnership with South Cambridgeshire District Council for new housing around the edge of Cambridge;
  - New affordable housing which is as sustainable as possible, both in terms of energy and environment and in creating sustainable communities;
  - Creation of new settlements where people will want to live for many years to come;
  - An increase in the housing choices available to people with disabilities.
12. At section 5.5 regarding low cost home ownership and key workers, it states “We will continue to try to ensure that 75% of our new affordable housing is social rented, until the total amount on PPG3 sites increases above 30%, when we will increase intermediate housing output. We expect sites to include a mix of tenures, with social renting usually making up the majority of the affordable housing on site, except where land is being developed for key worker housing and is owned by the key worker employer who will most benefit from the development. From 2004-05 to 2007, around 35% of the annual intermediate housing programme will be for

discounted rented housing for key workers; some low cost home ownership units will also be designated for key workers”.

### Cambridge Local Plan 2006

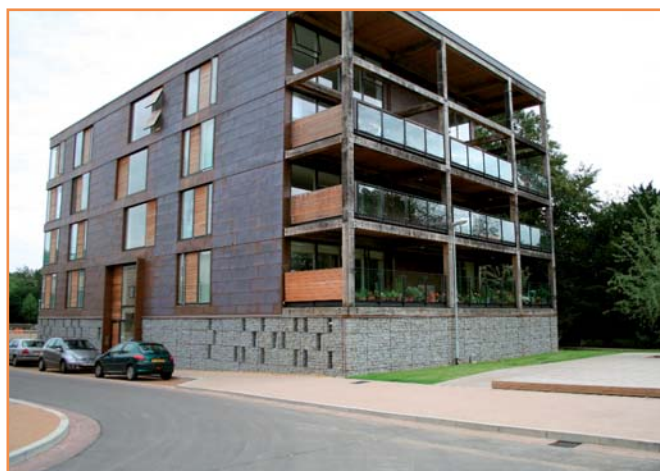
13. The policies and supporting text to which this SPD relates are set out in Annex 1. They were subject to a Local Plan Inquiry in 2005 and were amended following the receipt of the binding Inspector’s Report in 2006.
14. Paragraph 5.9 of the Cambridge Local Plan provides a definition of the term affordable housing, which is consistent with that set out in PPS3. PPS 12 at paragraph 2.43 states that SPD must be consistent with national and regional planning policies as well as with local policies set out in such documents as the Local Plan 2006.

### Balanced and Mixed Communities – A Good Practice Guide 2006

15. This guide was commissioned by Cambridgeshire Horizons, Cambridge City Council, South Cambridgeshire District Council and the Cambridge Landowners Group. The intention was to inform the achievement of a well-integrated mix of decent homes of different types and tenures, to support a range of household sizes ages and incomes, within sustainable new communities in and around Cambridge



16. It provides guidance relating to tenure mix and layout, the provision and management of facilities, mixed-use developments, green infrastructure, integration and accessibility, relationship with existing communities, design and monitoring and delivery. The key lessons regarding tenure mix and layout are that: "There is no obvious 'best' method of mixing tenures, although 'ghettos' of affordable housing are best avoided. We found examples where physical integration had been achieved through peppercotting, buffering (i.e. providing a graduated range of different house types within the same street, starting from small affordable units and going through to large executive market housing), clustering and development of separate sites but to the same physical appearance. We recommend that consideration should be given to the use of all four techniques in developing affordable housing in the new communities in Cambridgeshire. This will offer maximum flexibility to accommodate a range of household types. We would caution against an approach which adopts innovative built forms for affordable housing but not market housing. This can lead to obvious 'ghettoisation' and if innovative design does not stand the test of time brings a degree of stigmatisation with it. This should not be interpreted as a plea to avoid innovative design, but rather a recommendation that innovation embraces all tenures. We recommend that house builders be required to indicate the tenure of affordable units in their marketing literature".



## Affordable Housing Need in Cambridge

### Cambridge Sub-Region Key Worker Housing Research – Roger Tym & Partners with Three Dragons, August 2003

17. This study provides quantitative data concerning the need of key workers for affordable housing in the Cambridge Sub-Region. Its key findings are as follows:
- That the cost of housing in Cambridge is such that even a dual income key worker household could not afford to buy in Cambridge (paragraph 5.12).
  - That Addenbrooke's Hospital is the key recruiter of key workers in the Sub-Region (table 6.2, with 1,737 staff from a total of 3,139).
  - That owner occupation is the aspiration of such staff.
  - That up to 2007 provision should be made for 295 key worker units annually in Cambridge of which 247 are generated by Addenbrooke's.
  - That provision should be in the form of a mix between sub-market rents and low cost home ownership (table 1.2) with the latter predominating.
  - That the bulk of the key worker programme should be concentrated within Cambridge and South Cambridgeshire.





### University Housing Requirements 2005-2016 A Study for the University of Cambridge (CCHPR) 2004

18. The report estimates that only 27% of the projected growth in the numbers of University staff would be able to afford house purchase without some form of assistance in the form of affordable housing if they are to live within an acceptable and sustainable distance of their work at the University.

### Strategic Housing Market Assessment 2007

19. PPS 3 states that Local Development Documents should be informed by a robust evidence base, in particular, of housing need and demand, through a Strategic Housing Market Assessment (SHMA). A Cambridge Sub-Region SHMA has been undertaken which will be updated on a yearly basis. A Strategic Housing Market Assessment can inform and enable policies and guidance regarding the overall proportions of households that require market or affordable housing; the likely profile of household types requiring market housing e.g. multi-person, including families and children, single persons, and couples; and the size and type of affordable housing required. PPS 3 allows separate targets for social-rented and intermediate affordable housing can be set where appropriate. Its findings will help us to ensure that the

provision of affordable housing meets the needs of both current and future occupiers. Key findings from the SHMA are set out in Annex 2.

### Supplementary Affordable Housing Requirements and Guidance

20. The following paragraphs supplement, expand and add detail to the policies of the Cambridge Local Plan 2006. The following guidance can relate to more than one policy.

### Local Plan Policy 3/7 Creating Successful Places

### On Site/Off Site Provision and Financial Contributions

21. The affordable housing will be provided on site as part of the proposed development in the interests of creating sustainable, inclusive and mixed communities. However, in exceptional circumstances, if both the Council and the developer agree that it is not appropriate to provide affordable housing on a particular site, then an off-site provision or financial contribution in lieu may be agreed. This will only be considered where there is certainty that such an arrangement will actually result in the provision of



affordable housing. The amount of a financial contribution in lieu of on-site provision will be the difference between the value of the site without any affordable housing and the value of the site with affordable housing. The detail of how this will work is set out in Annex 3, which also sets out some examples of exceptional circumstances. Any such sums received by the Council will be ring fenced and used to fund affordable housing elsewhere in the City.

- 22. Any off-site provision must be made within Cambridge or in an urban extension to Cambridge within South Cambridgeshire or at Northstowe on a suitable site or sites and should provide the amount of affordable housing that could have been expected from the development of all of the affected sites including that of the original site.

**Siting**

- 23. The layout of developments should integrate affordable and supported housing with the open market housing in ways that minimise social exclusion. The creation of tenure monocultures should be avoided. The following approaches exist to achieve this goal:

- Pepperpotting, which is the development of the affordable housing as individual dwellings throughout a development. This approach has not yet been followed in Cambridge and can increase the difficulties involved in property management.

- Clustering, which is the development of the affordable housing in multiple groups normally of between 6 and 25 dwellings depending upon the size and design of the development and the nature of the affordable housing. In flatted schemes no more than 12 affordable dwellings should normally have access from a common stairwell or lift. Clustering is the usual approach that is followed in Cambridge. The affordable housing should be provided in prominent parts of a site to aid integration.

- 24. A buffering technique can be used to integrate a mix of tenures and house types from larger market housing through to small social rented housing provided that there is no physical segregation and no tenure monocultures are created. At its simplest this technique could involve using intermediate housing to unite the social rented housing and the open market housing.

**Design**

- 25. Design standards for affordable housing should be no lower than for market housing, and the affordable housing should not be visually distinguishable from market housing by its external appearance<sup>2</sup>.
- 26. The affordable housing should meet Housing Corporation Design and Quality Standards or any future replacement. Note



that if the DQS are not met, Housing Corporation funding for the affordable housing will normally not be possible. Affordable housing should also meet the Lifetime Homes standard. When a need is identified, the City Council will negotiate for the provision of units to particular standards to meet the needs of disabled people.

- 27. Regard should also be had to the provisions of the Sustainable Design & Construction SPD concerning the contribution that affordable housing developments can make to the challenge of climate change.
- 28. Developers should avoid designs that would result in high maintenance and service charges affecting the affordable part of a development. If such schemes are submitted the City Council will normally expect them to be redesigned to avoid the need for these charges or alternatively to avoid these charges falling upon the affordable housing. A failure to do so would normally result in a refusal of planning permission.

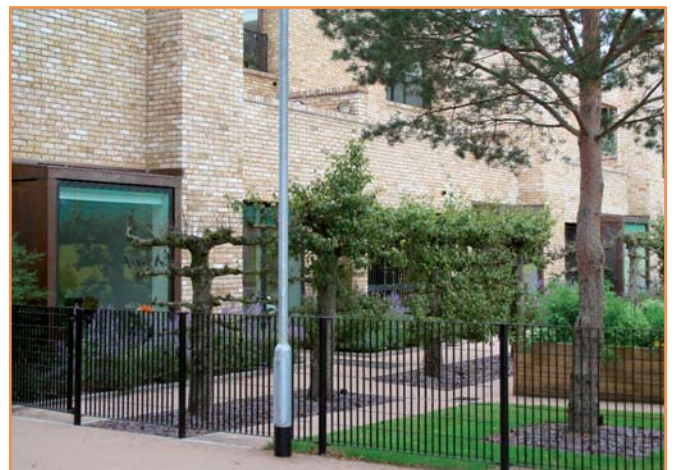
**Local Plan Policy 5/5 Meeting Housing Needs**

**Qualifying Sites (Thresholds)**

- 29. Affordable housing should be provided on all housing development sites of 0.5

hectares or more and in all developments including an element of housing, which have 15 or more dwellings. The policy applies to all types of development where dwellings are proposed including the development of retirement homes for sale, but not to sites where the only development to be provided will be in the form of a student hostel.

- 30. In considering whether a development meets the threshold for providing affordable housing, it is the net increase in the number of dwellings on a site that will be considered, except where the site consists of the site of a single dwelling (discounting any subsidiary dwellings such as those for a dependent relation or domestic assistant), when the gross number of new dwellings will be considered. The intention is to lessen the financial penalty involved in the redevelopment of existing housing areas and buildings, which are often built to low sustainability standards and which often use land inefficiently, but not to incentivise the loss of large single-family dwelling houses which are limited in numbers within the City.
- 31. New housing developments should make efficient use of land. Where developments use land inefficiently to avoid having to provide any affordable housing, planning permission is likely to be refused. Regard will be had to the density recently achieved in comparable developments





elsewhere in Cambridge and to the 30 dwellings per hectare (dph) net national indicative minimum in making this assessment.

- 32.** The City Council will not permit any benefit to be gained from the artificial sub-division of sites to duck beneath the qualifying site threshold. This could arise either through a single owner proposing to develop a site in phases which are all beneath the threshold or by claims of multiple ownership rendering comprehensive development impossible. In both instances affordable housing will be required on a proportionate basis to the total area of a site being brought forward for development. Local Plan policies 3/6 (Ensuring Coordinated Development) and 3/10 (Sub-division of Existing Plots) will also apply to such proposals.

### Agreed Mix of Affordable Housing

- 33.** The agreed affordable housing mix in each development will address local need in terms of its:
- Provision of social rented and intermediate housing.
  - Provision of affordable supported housing.
  - Provision of flats and family houses categorised by number of bedrooms.
- The City Council resolves to achieve 75% social rented housing on qualifying sites in accordance with the provisions of the Cambridge Housing Strategy except as may otherwise be indicated by Annex 2 of this SPD.

- 34.** The City Council will use the most up-to-date information available on local need to inform its negotiations on affordable housing mix, including local registers of need for rented and intermediate housing. Regard will also be had to site characteristics, the scale of development proposed and the housing mix in adjacent existing areas. So for example if it is agreed that a site is best suited for flatted development the affordable housing provision would also have to be in the form of flats. Similarly, as the scale of a development increases so will the scope for providing a wider mix of affordable housing. Urban extensions of 1,000 or more dwellings should be sufficiently large to achieve an appropriate mix irrespective of the existing tenure/affordability mix in neighbouring areas. Otherwise and for smaller developments, regard will be had to the housing mix in adjacent areas regarding the creation of sustainable, inclusive, mixed communities. So in areas with an existing relatively high level of social rented housing a higher proportion of intermediate housing would be appropriate, whilst in areas with an existing relatively high level of owner occupied housing a higher proportion of social rented housing would be appropriate. Annex 4 provides information on the existing tenure split by ward across the City in 2001.

- 35.** The findings of the Strategic Housing Market Assessment will be particularly



important to the determination of an agreed mix of affordable housing and Annex 2 of this SPD concerning the SHMA will be regularly updated to reflect planned annual updates of the SHMA. Policy 5/10 of the Local Plan states that on housing developments of 0.5 hectares or more, or capable of accommodating 15 or more dwellings a mix of dwelling sizes (measured in terms of bedrooms), and types (measured in terms of flats and houses) will normally be required. A number of criteria and exemptions are set out in the supporting text to the policy.

- 36.** Where a need to provide affordable supported housing on a site has been identified this will take the place of the normal affordable housing requirement, except where the site area required is less than that which would otherwise have been occupied by the affordable housing. In this instance the difference must be made up to an equivalent area by the provision of other agreed forms of affordable housing provision and exceptionally by a financial contribution.

### Definition of Affordable Housing and Types

- 37.** The definition of affordable housing for the purposes of this SPD is as defined in the Local Plan at paragraphs 5.9 to 5.10 (see Annex 1), as supplemented by the definition given in PPS3 Housing and its companion publication *Delivering*

*Affordable Housing*, and any future Government publications. The definition does not include low priced or low cost housing, which is market priced housing at the bottom end of the price range. It does include social rented housing and intermediate affordable housing both for sale and rent and including co-operatively owned and managed housing.

- 38.** Affordable housing provision for key workers will usually comprise a type of intermediate affordable housing. Key worker housing provision in Cambridge is not limited to those persons qualifying for access to the Government HomeBuy scheme or its Key Worker Living programme, but no Housing Corporation funding will be available to enable such additional key worker housing provision. The Housing Corporation has appointed Bedfordshire Pilgrims Housing Association as its local HomeBuy Agent, responsible for the administration of all applications for all Housing Corporation funded intermediate affordable housing in the Cambridge area. It keeps a waiting list of applicants and constitutes an approved body in terms of paragraph 5.10 of the Local Plan. New build HomeBuy schemes are accepted as providing affordable housing that satisfies the requirements of policy 5/5 of the Local Plan.
- 39.** The City Council will use the most up-to-date information available on household incomes in Cambridge to determine if the cost of intermediate housing is affordable.



The primary source for this information will be the Strategic Housing Market Assessment. Proposals for key worker intermediate affordable housing not provided through the HomeBuy scheme (or any successor), will need to be accompanied by evidence demonstrating that the cost of the housing will be affordable to the target group of key workers in accordance with the provisions of paragraph 5.9 of the Local plan.

- 40. For the avoidance of doubt, in determining the affordability of housing, account will be taken of the cost to the occupying household arising from rents, mortgage payments, service charges, and maintenance costs. Where utility costs are planned to be included in rental, service or maintenance payments these should be separated out and discounted for the purpose of calculating affordability as these costs are a normal part of life for all households.

**Amount of Affordable Housing**

- 41. The provision of affordable housing will affect the value of land for residential development but will not generally render it uneconomic. However there will be some cases, particularly if existing use values are high or substantial remedial or infrastructure works are necessary, where lower provision of affordable housing may be justified.

- 42. There will be a presumption that development will include full and appropriate provision for affordable housing unless it is demonstrated that it cannot be provided at a rate of 40% or more of the dwellings in a development. The onus is therefore on a developer to demonstrate that viability would be jeopardised. This will require a full economic appraisal of the costs of development and of returns from the sale of housing to show what sum could be made available for affordable housing. The methodology, underlying assumptions and software used to undertake this appraisal should be agreed with a default for schemes attracting Housing Corporation funding being the current methodology endorsed by the Housing Corporation. The appraisal should be presented on a residual land value basis taking into account all the costs of development including contributions to local infrastructure and services, the provision of affordable housing and the profit margin required by the developer. It should also include a valuation of the site in its existing use, not its purchase price or hope value. The appraisal should accompany the planning application or preferably form part of pre-application negotiations.

- 43. Where the Council needs independent advice to validate a viability appraisal, the Council will expect reasonable costs to be borne by the developer. The detailed





figures in the appraisal will be treated in confidence but the conclusions will need to be reported to the Council and will be made public.

- 44.** Where the Council is satisfied that viability would be jeopardised by full provision of affordable housing and taking into account any other planning obligations, it will consider supporting external subsidy to allow full provision on the site. Alternatively, consideration will be given to altering the mix of housing to be provided including size and tenure of units. The number of affordable dwellings sought will be reduced if these measures are insufficient to make the development viable. As a final step in this cascade approach, consideration would be given to an off-site provision or financial contribution in lieu.
- 45.** Applicants should not assume that public subsidy will be available when assessing viability and purchasing a site.

### Occupancy

- 46.** Affordable housing must be made available over the long-term to assist future eligible households. Where the provision is to be owned and retained by a Registered Social Landlord (RSL), this is taken to be an adequate safeguard that provision will be of long-term benefit and that arrangements exist for the benefit to be recycled for alternative affordable housing provision if the original affordable

housing is lost for any reason. Where the affordable housing is to be owned and retained (as opposed to managed), by a body other than a RSL, equivalent safeguards concerning its long-term nature and the recycling of benefit will need to be secured by the legal agreement.

- 47.** The occupation of the affordable housing will be limited to people in housing need as specified in paragraph 5.11 of the Local Plan.
- 48.** In managing the initial occupancy of affordable housing in larger developments, the City Council will consider the use and application of local lettings policies. These would aim to assist the creation of balanced and mixed communities over the long term. Existing practice already aims to avoid an initial peak in child numbers in such developments, which can lead to a perception of anti-social behaviour and difficulties for school planning and provision.

### Students

- 49.** Student housing will not be counted as a form of affordable housing provision. Such accommodation will not count as affordable housing and cannot contribute to meeting the affordable housing requirement on a development site. It is not permanent housing, being provided only because an individual has chosen to study at a specific educational institution



in Cambridge. No affordable housing requirement will be generated by the development of accommodation for students (where secured by appropriate legal obligations).

50. In respect of the specific needs of Anglia Ruskin University (ARU), the Local Plan lists a number of sites where affordable housing will not be sought as an exception to the requirements of policy 5/5, provided that student hostel accommodation is included to meet the needs of Anglia Ruskin University. Policy 7/9 of the Local Plan safeguards these sites for such provision. If the student hostel accommodation does not occupy the full site area as would have been occupied by the affordable housing which could otherwise have been expected on the site, the difference must be made up in accordance with the provisions of policy 5/5 and this SPD. Planning permission will not be granted for the development of these sites, which does not include provision for student hostel accommodation except where ARU have confirmed that there is no shortage of appropriate student residential accommodation for their students.

### Delivery Mechanisms

51. The City Council and South Cambridgeshire District Council are working with the Housing Corporation on a new way of delivering affordable housing on large strategic sites entitled

*“The Cambridge Challenge”*. Sponsored by the Corporation’s East of England Region, a strategic development partner will deliver affordable housing on strategic sites in the Cambridge area<sup>3</sup>. The successful partner, Cambridgeshire Partnerships Ltd, has been chosen and will be given a five-year grant funding commitment. This commitment to longer-term grant funding for an affordable housing programme should maximise the impact of Government funding programmes by securing an affordable housing development partner from site inception to completion, improving the efficiency of housing investment, and enhancing the delivery of affordable homes in a Government priority area. The aim is provide high quality, cost effective and sustainable new communities that maximise the opportunities for improving design and energy efficiency standards. For further information on the Cambridge Challenge see the list of contacts at Annexe 5.

52. On other sites in the City the Housing Corporation is unlikely to grant fund a significant programme of affordable housing delivered through the planning system<sup>4</sup>. Applicants will need to consider this when purchasing land and considering development economics. It follows that the provision of affordable housing will primarily be based upon the subsidy provided by the developer/landowner and the funding that a RSL is likely to be able



to raise using the income from the affordable housing as the repayment source. Smaller scale contributions may come direct from the RSL or the City Council and will include any pooled financial contributions collected in lieu of on-site provision of affordable housing.

### Local Plan Policy 5/6 Meeting Housing Needs From Employment Development

53. The City Council has agreed not to implement policy 5/6 because of an absence of support from a recent higher-level policy and the absence of convincing evidence that specific local circumstances justify the imposition of the requirement.

### General Provisions

54. The following general provisions apply to the provision of affordable housing from whatever source.

### Phasing

55. Affordable housing should be provided in tandem with the provision of the market housing and its provision should not lag behind. This will be ensured through the necessary legal agreement. The payment of contributions in lieu of on-site provision will also be governed by a legal agreement on the same principle.



### Legal Agreements

56. The Council will generally expect affordable housing provision to be secured by a Section 106 Agreement. A 'mortgagee-in-possession' clause will only be acceptable where a RSL is involved and subject to a requirement that the mortgagee actively seeks to dispose of properties to another RSL approved by the Council.
57. The Heads of Terms of any Agreement will need to be established before determination of a planning application. The Council will expect the developer to fund the cost of the Agreement and the costs of any transfer of land to the Council as well as to pay a contribution towards the costs of monitoring compliance. The Agreement will need to be completed before any planning permission is issued.
58. Any references to financial contributions will normally be index linked to take account of the time period that normally elapses between when a payment is agreed and when it is due to be paid.

### Pre-application Discussions

59. Pre-application discussions are greatly encouraged which should also include the early negotiation, resolution and drafting of the legal agreement.

### Monitoring and Review

60. The Council will monitor the provision of affordable housing and the effectiveness of planning policy, in conjunction with the





annual review of local housing need and as part the Annual Monitoring Report submitted to Government. Information will be available on the Council's website [www.cambridge.gov.uk](http://www.cambridge.gov.uk)

## End notes

- 1 An SPD is a Local Development Document.
- 2 Excluding the provision of garages.
- 3 The following sites are included in the programme: Northstowe, Southern Fringe, North West Cambridge between Huntingdon Road and Histon Road.
- 4 This will be subject to the progress of the Cambridge Challenge sites and to the priorities and plans of the Housing Corporation, which are subject to change.

# Annex 1: Cambridge Local Plan 2006

## 3/7 Creating Successful Places

Development will be permitted which demonstrates that it is designed to provide attractive, high quality, accessible, stimulating, socially inclusive and safe living and working environments. Factors to be taken into account are:

- a. a comprehensive design approach which achieves good interrelations and integrations between buildings, routes and spaces;
  - b. the development of a hierarchy of streets which respond to their levels of use whilst not allowing vehicular traffic to dominate;
  - c. the creation of attractive built frontages to positively enhance the townscape where development adjoins public spaces and streets;
  - d. the orientation of buildings to overlook public spaces and promote natural surveillance;
  - e. the provision of active edges onto public spaces by locating entrances and windows of habitable rooms next to the street;
  - f. the provision of clearly distinct public and private spaces and the design of such spaces so that they are usable, safe and enjoyable to use;
  - g. the integration of affordable and supported housing in ways that minimise social exclusion;
  - h. designs which avoid the threat or perceived threat of crime, avoid insecurity and neglect and contribute to improving community safety;
  - i. the use of high quality traditional and modern materials, finishes and street furniture suitable to their location and context;
  - j. a contribution to the improvement and enhancement of the public realm close to the development;
  - k. provision for the adequate management and maintenance of development;
  - l. the inclusion of public art within new developments; and
  - m. a consideration for the needs of those with disabilities to ensure places are easily and safely accessible.
- 3.17** High quality public spaces, the public realm, are an important element of the overall design quality of the City. Successful places, which include streets, parks, and squares, provide the setting for everyday life and should be attractive and enjoyable environments available to everyone. Places which are well integrated with their surroundings and which have identified the opportunities and constraints of the site and its surroundings and which have responded to them in a positive way will be successful. New developments will be expected to improve and enhance the existing public realm as well as create successful new spaces.
- 3.18** The layout, scale and massing of development, together with the arrangement of its paving, planting, orientation, shelters, signage and street furniture and the way it is overlooked, as well as the routes which pass through it, will play an important role in determining how a place functions. These aspects, together with issues such as maintenance and security and creating socially inclusive developments will determine how popular, well-used and successful places will be in the future.
- 3.19** Well planned streets and spaces are fundamental to the creation of good quality development. New development should establish a sense of place and community and should use the movement networks to enhance those qualities.

**3.20** In the making of successful places it is not the street layout but the relationship of buildings to each other that should be paramount. Ideally the design of new developments should be based on a network of public spaces rather than a hierarchy of streets – the aim being to create layouts in which streets play their part but are not dominant elements. Streets should be designed to provide a forum for social interaction as well as facilitate movement. They should incorporate spaces, which can accommodate all sorts of activities, formal or informal, planned or spontaneous.

**3.21** The design of the network should allow for easy and well-connected movement by pedestrians, cyclists and public transport to ensure that these modes have priority. This approach will ensure that any necessary traffic calming measures are fully integrated into the original design proposals.

**3.22** New development will be expected to address or mitigate any impact they may have on community safety and the public realm.

## 5/5 Meeting Housing Needs

Housing developments<sup>1</sup> on sites<sup>2</sup> of 0.5 hectares or more and all developments including an element of housing which have 15 or more dwellings will only be permitted if they provide an agreed mix of affordable housing types<sup>3</sup> to meet housing needs. The Council will seek as affordable housing 40% or more of the dwellings or an equivalent site area<sup>4</sup>. The precise amount of such housing to be provided on each site will be negotiated taking into account the viability of the development, any particular costs associated with the development and whether there are other planning objectives which need to be given priority. The occupation of such housing will be limited to people in housing need and must be available over the long term. Provision will be made on site unless otherwise agreed.

<sup>1</sup> Including the provision of retirement homes for sale.

<sup>2</sup> This policy applies to all sites, including windfalls, which satisfy the threshold criteria.

<sup>3</sup> Affordable housing types are social rented, intermediate rented, low cost home ownership and include affordable supported housing and housing for key workers.

<sup>4</sup> An equivalent site area will comprise the area which would have been occupied by the dwellings and indicates the site provision needed if the affordable housing is to take the form of supported housing such as a hostel, group home or residential institution.

**5.8** The availability of housing that is affordable and accessible to those in housing need is a major and growing problem in Cambridge and the Cambridge Sub-region. The Cambridge Housing Needs Survey 2002 identified that there was a backlog of housing need of 297 households. In addition, there are a further 1,564 households per year falling into housing need. It is estimated that there will be a supply of affordable housing, primarily through re-lets of existing properties, of 889 units per year. Advice from Government is to meet the backlog over 5 years. The yearly net affordable housing requirement is estimated at 734 units per year or 3,670 dwellings. The survey advises that the Government best practice guide methodology suggests a target for affordable housing of 80% of all new dwellings (assuming no minimum site size threshold). However, it recommends that taking into account custom and practice, a target of 50% would be justifiable in Cambridge. Additional evidence relating to the needs of key workers in the Cambridge Sub-Region Key Worker Housing Research Report 2003 shows a yearly key worker housing demand in Cambridge of 295 units of which 247 are related to Addenbrooke's Hospital. A target of "40% or more", which would reflect the requirements of the Structure Plan, is considered to be a more realistic and achievable target to include in the Policy than that recommended by the Housing Needs Survey.

**5.9** Affordable housing is housing provided for people who cannot afford to rent or buy housing locally to meet their housing needs. It includes affordable supported



housing. It must be provided for the long term to meet existing and future needs. Affordable housing can include all of the following tenures:

- **Social rented housing:** housing provided at below market rents at levels controlled by the Housing Corporation, normally by Registered Social Landlords (Housing Associations).
- **Intermediate housing:** housing for those who do not qualify for social rented housing, but whose incomes are such in relation to local housing costs that they are nonetheless not able to access market housing. This includes:
  - **Intermediate rented:** rents are not to exceed 30% of net median household incomes in Cambridge except where provided for specific groups of key workers, where they should not exceed 30% of the net median household income for the specific group;
  - **Low cost home ownership:** including shared ownership, equity share, and discounted market housing. Costs (mortgage and any rent) are not to exceed 30% of gross median household incomes in Cambridge except where provided for key workers, where they should not exceed 30% of the gross median household income for that specific group.

**5.10** Affordable housing includes housing for key workers allocated on the basis of need. Key worker housing should be located within a 30 minute drive time of their place of employment. Key workers are normally involved in the care and comfort of the community and will normally be employed in the public sector. A register of key workers eligible for nomination to such housing will be kept by the City Council or by another body approved by the City Council. Key worker housing will be available to initial and successive occupiers unless there are no eligible nominees in which case units will be offered to others in housing need. The proportion of key worker housing on each site will be determined by the City Council based on evidence of need, location and

land ownership, but will not normally be expected to exceed 30% of the affordable housing provision on each site. Housing for specific groups of workers other than those included in the above definition, and other than those deemed eligible by a body approved by the City Council to provide and manage the provision of key worker housing, can be included as affordable housing. This will be subject to evidence that their employers are facing recruitment and retention difficulties related to housing costs, and that the workers cannot afford to rent or buy suitable housing locally to meet their housing needs.

- 5.11** People in housing need will comprise people nominated by the City Council, from its Housing Needs Register, the priority homeless, those nominated by a Housing Association where the City Council does not have nomination rights, and those nominated from other registers of housing need as agreed by the City Council.
- 5.12** Guidance on the application of this policy will be provided as a Supplementary Planning Document. This policy will not apply to sites where the only residential accommodation to be provided will be in the form of a student hostel.

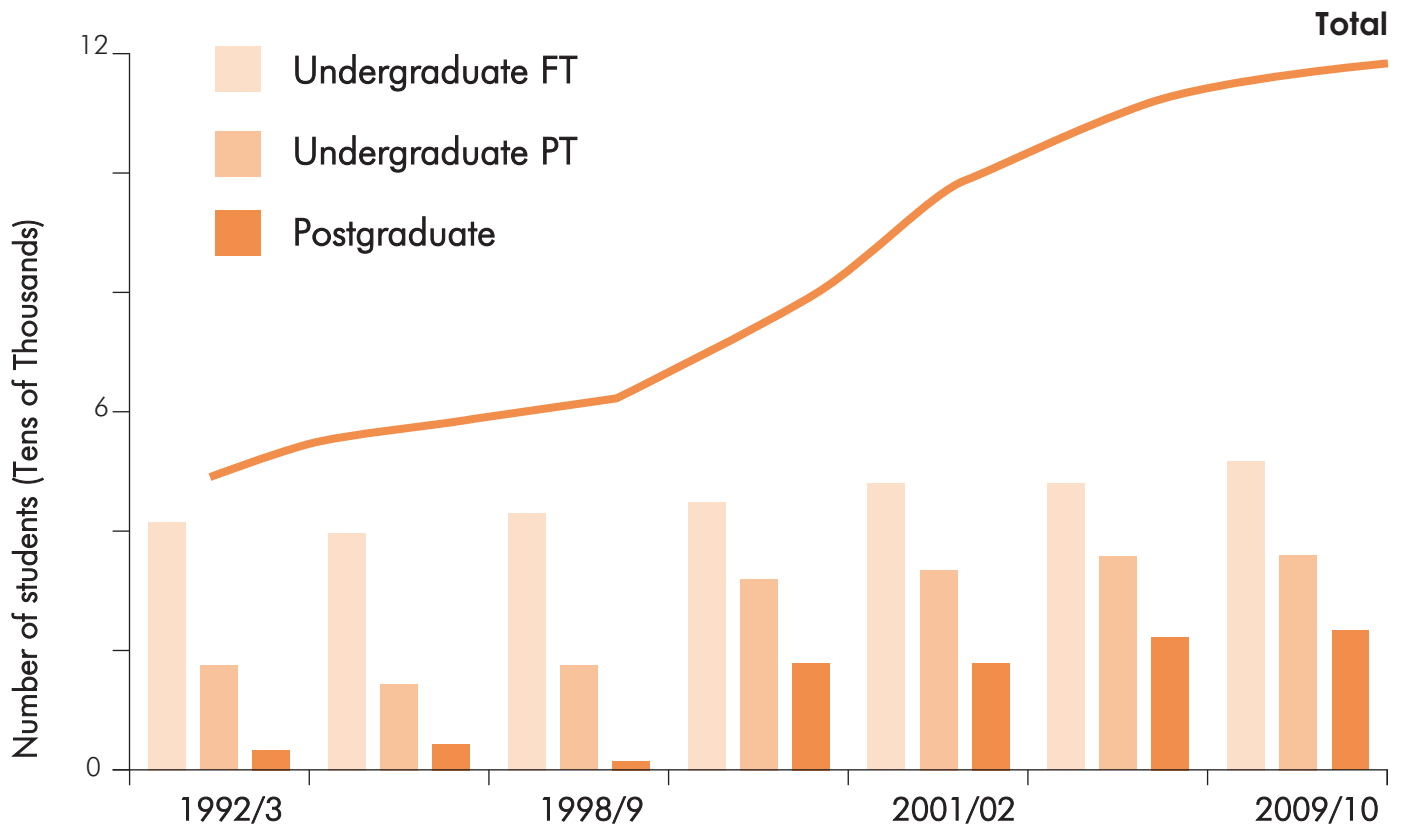
## 7/9 Student Hostels for Anglia Ruskin University

Sites suitable for the development of student hostels for Anglia Ruskin University are identified in the Proposals Schedule and on the Proposals Map. These sites and provision are safeguarded and development for alternative uses will not be permitted except where existing bodies are seeking to refurbish, rationalise or extend the premises for their own use and occupation. If these sites are also providing residential accommodation no requirement for affordable housing will be sought under Policy 5/5 provided a significant proportion of student hostel accommodation is included to meet the needs of Anglia Ruskin University. Appropriate

provision should be made for students who are disabled.

- 7.42** The City Council is committed to supporting the development of Anglia Ruskin University, to provide a higher education establishment which can meet the needs of the region. This will continue to be important to the economy and community of the City. However, given the pressures on the housing market in Cambridge it is not acceptable to expand student numbers without providing a much higher level of purpose-built student hostel accommodation. Financial limitations mean this has been difficult in the past. The City Council will, for its part, continue to look for opportunities to assist with the provision of sites for hostels for Anglia students. If windfall opportunities arise for development for Anglia Ruskin University within the existing urban area, the City Council will assess them against the Local Plan on their merits and will not require such provision to be made at East Cambridge.
- 7.43** Anglia Ruskin University occupies a congested central site, but has limited potential for development because of the presence of temporary buildings and a commitment to reduce on-site parking. A draft Development Framework has recently been received as a context for the improvement and rationalisation of the site over the next 5-10 years. An outline application for the whole site is currently pending.
- 7.44** The first phase, which has recently been approved, involves a new administrative building, a student social centre and teaching block to the rear of the Helmore building. Phase 2 provides space for further faculty development. Phase 3 comprises a new Community Arts Centre linking the Helmore extension with a consolidation of Arts and Letters to the rear of the Ruskin building.
- 7.45** Other improvements involve the rationalisation of car parking and improvements to the quality of the environment on the site.
- 7.46** The University has been growing quite rapidly over the last ten years. Numbers of full time higher education students are anticipated to increase from around 10,370 in 2001/2 to about 11,140 by 2006. They are projected to then increase only gradually to around 11,580 by 2009/10.
- 7.47** Anglia Ruskin University is critically short of student residential accommodation: there are few student hostel places. It is heavily dependent on houses acquired on short leases and on lodging accommodation with local families. Its students create a significant demand for private rented housing and many have to put up with very poor quality accommodation. Government changes to higher education funding puts students in an even worse position in getting suitable accommodation in expensive housing areas like Cambridge. Even if its current development programme is achieved, Anglia Ruskin University will only have around 9.8% of its 4,900 full time undergraduate students housed in University controlled hostels. This compares with over 92% of undergraduate students who are housed by the University of Cambridge's Colleges. Further increases are expected over the Plan period.

Figure 7.1: Growth in Student Numbers at Anglia Ruskin University



Source: Anglian Ruskin University, February 2003.



**Table 7.3: Anglia Ruskin University hostel accommodation**

<b>Location of Accommodation</b>	<b>Number of Bed Spaces 1998/9</b>	<b>Number of Bed Spaces 2002/3</b>
Swinhoe House, Bradmore Street	119	119
Bridget's & Nightingale hostels, Tennis Court Road	106 (including 8 units at Bridget's Hostel, for disabled students – some from University of Cambridge)	106 (including 8 units at Bridget's Hostel, for disabled students – some from University of Cambridge)
Peter Taylor House, East Road Campus	254 (available 1999/2000)	254
Anglia Ruskin University Hostel Sub Total	479 (= 10.74% full time students)	479 (=9.68% full time students)
Managed head leased properties including CAMCAT (reduced from about 900 in 1995)	434 (in 72 Properties)	251 (in 47 properties)
Lodgings	88	22
University owned, Collier Road and adjoining streets (13 properties)	13	77
<b>Other Accommodation</b>		
CAMCAT Housing Association(4 properties)	25	25
Available in YMCA (mainly one semester overseas students)	32	32
Sub Total College provided	1,071 (= 24.03% of full time students)	886 (=17.91% of full time students)
Contracted with private sector(652 properties in 1998/9)	1,323	800
<b>TOTAL:</b>	2,394 (= 53.71% of full time students)	1686 (= 34.09% of full time students)

Source: Anglian Ruskin University, February 2003/CCC Local Plan Monitoring Report, 1999.

**7.48** It is the desire of the Anglia Ruskin University to house as many of its students as possible in purpose-built hostel accommodation. The City Council encourages and supports this aim. Where new purpose-built student hostel accommodation is successfully provided the City Council will encourage the return of as many bedspaces as possible held in private leased houses back to open housing market occupation. The University is beginning to do this and has returned approximately 650 bedspaces back to the open market since 1995. It had around 250 bedspaces in 47 properties remaining on head leases in 2003.

**7.49** A number of sites are allocated for student residential accommodation in the Proposals Schedule and Proposals Map. All of these sites are currently in other uses and it is not certain they will become available in the Plan period. Given the shortage of suitable sites if they do become available it is important that they are safeguarded to help meet this under provision of student accommodation. On other sites the City Council will consider the criteria mentioned under Policy 5/7 on Supported Housing, in determining such planning applications.

## Annex 2: Cambridge Sub-Region Strategic Housing Market Assessment

When they are available, key findings from the SHMA will be inserted at the back of this document and will be agreed with the Executive Councillor in consultation with the Chair of Environment Scrutiny Committee and Spokes.

# Annex 3: Financial Contributions in Lieu of On-site Provision of Affordable Housing

## (Commuted sum payments)

- 3.1** It is accepted that there can be exceptional circumstances under which an alternative to on-site provision may be acceptable:
- a) Where the proposal involves the conversion of existing buildings which can result in high maintenance and service charge costs, and where the building configuration or management implications can render on-site provision impracticable. These factors can result in dwellings that do not comply with Housing Corporation Scheme Design Standards and render the cost of the dwellings unaffordable to residents in need of affordable housing. As such they will not attract grant funding and are unlikely to be self-financing and therefore are potentially unacceptable to affordable housing providers.
  - b) If the off-site provision offered has a larger capacity for affordable housing than would be gained from on-site provision.
  - c) On small sites where there may be difficulties over the delivery or management of a small number of affordable dwellings.
  - d) Where there are insurmountable problems with scheme funding for on-site provision of affordable housing. The absence of grant funding would not in itself be considered an insurmountable funding problem. The Council would expect adequate evidence to be submitted that on-site affordable housing provision was financially unviable before consideration could be given to acceptance of a commuted sum in lieu of on-site provision.
- 3.2** It should be noted that the above is not intended to be an exhaustive list and, if there are other types of exceptional circumstances, these will be considered on their merits upon receipt of an evidenced application.
- 3.3** If a commuted sum payment is acceptable the amount of the commuted sum will reflect the differential land values that can be achieved between developments with affordable housing and without affordable housing. The actual sum agreed will be negotiated on this basis but will take also take into account the financial viability of the overall development subject to receipt of development cost information on an 'open book' basis for assessment (where appropriate the Council will seek independent professional advice from a suitable qualified Surveyor/Valuer). For example if there are exceptional development costs associated with a particular site e.g. contaminated land, these may adversely impact on the costs of a development. Any detailed information provided will be treated as commercially sensitive and accordingly will not be disclosed to any third party other than the Council advisor without the written consent of the applicant. The conclusions of the appraisal will need to be reported to Council Committees and so be made public.
- Calculation of Commuted Payments**
- 3.4** In order to calculate the commuted payment it is necessary to establish the details of the notional scheme that has



been “lost”. This must be based on what would have been provided on the affordable housing part of the site, having regard to the provisions of the Local Plan, identified housing need and the unit size(s) required by the Council. This notional scheme should be agreed between the Planning Officer and the applicant, in consultation with the Housing Officer.

**3.5** Once the notional scheme has been agreed, the site will be independently assessed by an independent Council appointed Valuer who will be asked to provide their professional opinion on the following:

1). The value of the site without any on-site affordable housing.

2). The value of the site with on-site affordable housing.

The commuted sum will be the difference between the two valuations.

**3.6** Any reasonable costs associated with the independent advice sought by the Council with respect to the provisions of Annex 3 will be met by the developer/land owner/applicant.

## Annex 4: Ward Household Tenures

**4.1** The information in the following table is derived from the 2001 Census Univariate Tables, Table UV63: Tenure (Households) England, Wales and Northern Ireland. It provides a guide to the approximate tenure split across Cambridge. Since 2001 the tenure split will have continued to evolve and there have been some changes to ward boundaries.

Table 4.1 2001 Census Ward Household Tenure (Cambridge)

Ward	Owned	%	Social rented	%	Private Rented	%	Rent Free	%	TOTAL
Abbey	1728	47.3	1318	36.1	513	14.1	92	2.5	3651
Arbury	2020	51.7	1124	28.8	577	14.8	81	2.1	3909
Castle	1269	59.2	205	9.6	616	28.7	53	2.5	2143
Cherry Hinton	2247	63.3	917	25.9	315	8.9	68	1.9	3547
Coleridge	1770	54.8	906	28.0	431	13.3	81	2.5	3230
East Chesterton	1449	44.7	1201	37.1	528	16.3	62	1.9	3240
King's Hedges	1697	46.4	1546	42.3	278	7.6	71	1.9	3656
Market	638	34.9	280	15.3	828	45.2	84	4.6	1830
Newnham	990	57.9	131	7.7	519	30.4	69	4.0	1709
Petersfield	1410	46.9	432	14.4	1101	36.6	64	2.1	3007
Queen Edith's	2087	73.0	400	14.0	322	11.3	50	1.7	2859
Romsey	1926	55.8	538	15.6	931	27.0	54	1.6	3449
Trumpington	1454	52.1	598	21.4	643	23.1	94	3.4	2789
West Chesterton	2117	58.2	492	13.5	963	26.5	68	1.9	3640
<b>CITY TOTALS:</b>	<b>22802</b>	<b>53.5</b>	<b>10088</b>	<b>23.6</b>	<b>8565</b>	<b>20.1</b>	<b>991</b>	<b>2.3</b>	<b>42659</b>

## Annex 5: Contacts

<p><b>For planning policy enquiries to do with this SPD and affordable housing contact:</b></p>	<p>David Roberts, Planning Policy Manager, Environment &amp; Planning, The Guildhall, Cambridge CB2 3QJ</p>	<p>T: 01223 45 7172 F: 01223 457109 E: David.roberts@cambridge.gov.uk</p> <p><a href="http://www.cambridge.gov.uk/ccm/content/policy-and-projects/index-pages/growth-areas-and-planning-policy.en">www.cambridge.gov.uk/ccm/content/policy-and-projects/index-pages/growth-areas-and-planning-policy.en</a></p>
<p><b>For general planning enquiries to do with housing developments contact:</b></p>	<p>The Duty Planning Officer</p>	<p>T: 01223 457200 E: plan.planning@cambridge.gov.uk</p>
<p><b>For enquiries to do with the delivery of affordable housing and RSL involvement contact:</b></p>	<p>Julie Abbey-Taylor, Strategic Development Manager, Housing Services, Hobson House</p>	<p>T: 01223 45 7923 F: 01223 45 7489 E: Julie.Abbey-Taylor@cambridge.gov.uk</p> <p><a href="http://www.cambridge.gov.uk/ccm/navigation/housing">www.cambridge.gov.uk/ccm/navigation/housing</a></p>



# Annex 6: Glossary

## Affordable housing is:

'Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision'.

The terms 'affordability' and 'affordable housing' have different meanings. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable housing' refers to particular products outside the main housing market.

## Social rented housing is:

'Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. The proposals set out in the Three Year Review of Rent Restructuring (July 2004) were implemented as policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant.'

## Intermediate affordable housing is:

'Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent.'

The above definitions do not exclude homes provided by private sector bodies or provided without grant funding. Where such homes meet the definition above, they may be considered, for planning purposes, as affordable housing. Whereas, those homes that do not meet the definition, for example, 'low cost market' housing, may not be considered, for planning purposes, as affordable housing.

## Market housing

Private housing for rent or for sale, where the price is set in the open market.

## Other definitions:

### Co-operative Housing

Co-operatively managed housing is an acceptable form of affordable housing provision, and can be used to deliver housing for both the social rented sector and the intermediate market. The housing may take a number of forms, including tenant managed schemes, ownership housing co-operatives, co-housing schemes (privately-funded developments organised on co-operative lines), and mutual home ownership developments.

Key points of Co-operative schemes:

- Run by its members, i.e. tenants
- Helping to create sustainable, mixed communities
- Flexibility of tenure (i.e. members can move from one tenure (e.g. rented) to another, and vice-versa)
- Intermediate in the sense of allowing members to take an equity investment, depending on income, in the mutual society that owns their homes, not in a property per-se
- Land may be separated from the property e.g. via a Community Land Trust designed to be held in perpetuity to eliminate transfer to the open market

## Co-operatives

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise. Co-operatives are based on the values of responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others. Co-operative housing has been shown to deliver enhanced outcomes in terms of community cohesion, reductions in crime (and fear of crime) and antisocial behaviour, and health benefits.

## Mutual Home Ownership

The Mutual Home Ownership (MHO) model has been developed by Co-operatives UK and is a relatively new form of tenure that seeks to increase the supply of affordable intermediate market housing without requiring a major increase in

capital investment. Unlike other forms of low cost home ownership, MHO is designed to remain permanently affordable and not move out into the open market. In MHO, residents pay for the build costs, but not the land. The land is transferred into the ownership of a Community Land Trust (CLT) that holds it in perpetuity for the provision of affordable housing in their community. MHO is a market-equity form of tenure in which residents have an equity stake in the value of the development, and is an applicable co-operative model for key-worker housing. The value of the portfolio of property owned by the MHO is divided into units of property equity (say, £1,000 units, although they could be smaller) which residents fund through monthly mortgage payments under the terms of a long (99 year) lease. New residents will be required to take-up and finance a number of units of equity according to their income and ability to finance them. As their salary increases they can take up more units of equity when they become available for sale.