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**Community
Services**

7 August 2003

Our Ref: DAP/kjb/Barker Review 070803
Your Ref

Dear Sir/Madam

Barker Review

I am submitting a response for the Barker Review and apologise that I did not make the Monday deadline. This was caused by the very short timescale and the fact that I was on holiday.

I wish to make a few points for Cambridge City Council but I have also discussed the review with the Cambridgeshire Chief Housing Officer Group and undertaken to write on behalf of the Sub-Regional Affordable Housing Group for the greater Cambridge area.

The Affordable Housing Group have already published a Sub-Regional Housing Strategy and are in the process of undertaking a review and rewrite of this document. There are two particular areas we wish to develop.

One is to increase the intelligence of housing need in the sub-region, and to that purpose we have commissioned a Sub-Regional Housing Needs Survey (David Couttie & Associates) to supplement the service carried out by individual local authorities and a Sub-Regional Study of Key Workers (Three Dragons and Roger Tym & Partners). The second area is to develop a delivery plan to achieve the increase in affordable housing identified in the County Council structure plan and the sub-regional housing guidance. To this end we have employed, Three Dragons whose purpose it is to consult with stakeholders to promote the existing Sub-Regional Strategy and to produce proposals for tackling the obstacles which are likely to prevent the delivery of affordable housing. The work is addressing many of the points raised in the discussion paper.

The consultant's work is not ready to be presented as evidence to the Barker Review at this stage but we will make it available as soon as possible. We would also welcome the opportunity for a member of Kate Barker's team to attend a meeting of

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the Sub-Regional Affordable Housing Group to explore the issues that the Review is covering. Such a meeting should be effective for the team as it would involve housing and planning officers from six district housing authorities, the County Council, Housing Corporation, EEDA, as well as the Government Office. If a member of the Review team would like to take up this offer, I would ask that they contact me directly so that a suitable date can be arranged.

I would now like to respond specifically to some of the issues which were raised in the discussion paper.

Issue 1:

The supply of land in the past was through the system of predict and provide. Predict demographic trends and provide, through RPG, Structure Plans and Local Plans, enough land for the planned level of growth. Therefore, there should be no shortage of land. The problem is getting that land developed. The reasons for this are various, including it being allocated in areas of weaker demand, being distant from jobs and good transport links, or difficult to develop due to contamination, multiple land ownerships etc. The expected high level of planning obligations combined with a rising level of land prices provides incentives for landowners not to sell land and for developers not to build out sites too quickly.

Issue 2:

The building sector and specialist economists will comment on the effect of business and market forces. I suspect that these factors vary considerably from one location to another depending on property values. Those areas are likely to be very localised in some parts of the country.

The ability to deliver the product is a problem. Shortage of skills is impacting on all sectors of the building industry; this affects not just the ability to deliver the product but also impacts on its cost.

Alternative construction methods are being increasingly used in the social housing sector. It is important that these solutions are fully tested and worked with by a trained workforce that understands the materials they are using. Lessons must be learned from the off-site and other new construction methods and materials used in the 60s and early 70s.

The shortage of skilled construction workers should also be addressed. Priority to promote careers in the industry and to back that up by adequate training is essential for the medium and long term. The need to provide new housing in the Cambridge area is planned for the next 20 years. Planning for the provision of these houses should also involve long term solutions.

Issue 3:

Local authorities do implement National Planning Policies but Government must recognise that these are as much about design quality and sustainability as overall dwelling completion rates. S106 agreements are the only current mechanism to allow the impact of developments to be mitigated. They are an essential tool to enable development, otherwise the public purse would be expected to provide the necessary physical and social infrastructure such as schools and access roads. This

is not to say that the system is quick or certain. Firm guidance from Government in its review of planning obligations must address these points.

Issue 4:

The main problem here is that every community in the land includes a substantial number of citizens who cannot afford to pay very much for their housing. The Cambridge Housing Needs Survey 2002 found that mean annual income of households in Cambridge excluding benefits varied between:

£38,871 for owner occupiers with a mortgage

£21,980 for those privately renting

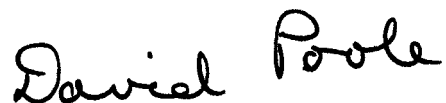
£8,045 for those renting from a Housing association and

£6,667 for those renting from the Council

By way of contrast the owner - occupied sector provides 55.1% of homes in Cambridge, the private rented sector 19.2% and the Housing Association and Council sectors 25.8% (note that the income of owner occupiers without a mortgage is much lower at £15,351 pa).

Given the price of land and the cost of building it follows that the private sector cannot provide new housing to meet the needs of that sector of the population. There remains a need for public subsidy to provide new housing for people who would otherwise not be able to access decent homes. At the moment that provision which is being made is dependent upon the provision of land through the planning system for affordable housing.

Yours faithfully

A handwritten signature in black ink that reads "David Poole". The signature is written in a cursive, slightly slanted style.

David Poole
Director of Community Services