

## GREATER CAMBRIDGE HOUSING STRATEGY BUILD TO RENT RESPONSE

Cambridge Ahead agrees that Build to Rent Homes can make an important contribution to the Greater Cambridge Housing Strategy by supporting the creation of inclusive communities through the delivery of a mix of homes to meet and range of needs and which are linked to local employment.

The policy rightly identifies a series of indicators that suggest a need for the provision of Build to Rent locally, these include high private rents and the variable quality of existing private rented accommodation. We welcome the commissioning of further research to understand the extent of this need. We propose that should take account of possible indicators of hidden need, such as a growing number of multiple occupancy residences in the city or overcrowding.

Younger people living in the city, such as single people without children or current sharer households, may be more likely to access and benefit from the provision of Build to Rent. This could be made more explicit within the policy, so that the benefit for younger demographics is noted alongside the role that Build to Rent can play as a housing solution for older people.

The Cambridge Ahead Young Advisory Committee have undertaken a piece of work to articulate the housing needs of young people in the city based on their own experiences and drawing on surveying results of more than 200 young people working in Cambridge. They have developed two housing tribes - the "worker bee" and the "space cadet" - that articulate the priorities of two particular cohorts of younger people looking for housing within Cambridge and surrounding areas. Tribes help us to think about policy making from the perspective of younger people living in the city and support considerations around the design and distribution schemes in a way which will be attractive to them. This links strongly back the current challenge around the variable quality of existing rental provision. Private rental is a big sector in our city (constituting over 25% of the market compared to a national average of just over 16% at the 2011 census), but one where housing is often re-purposed for rental rather than built for rental. This creates a risk around sub-standard provision, which has become a notable feature for young people moving to the city.

Housing tribes articulate bundles of needs and preferences that drive the choices members of that tribes make when choosing where they will live.

In order to conceptualise tribes and better understand the issues they face; each is represented by an imaginary person that embodies the tribe's characteristics.



## Key considerations for Rajan our 'worker bee'

- Primarily came to Cambridge for work
- Wants to live close to the buzz of the city centre
- Is social he values connectivity over private space
- Is mobile and his social network extends outside the city - he values connectivity to other places.

## Key considerations for Lorna our 'space cadet'

- Quantity and quality of space is important
- Proximity to nature, convenient access to shops for essentials, local sports and leisure
- Kept in orbit of Cambridge, restricted by affordability, but nonetheless committed to her work, friends and lifestyle which are now rooted in the city. She is planning a longer term future here.



As part of the delivery of Built to Rent Councils should consider how they can regulate sub-letting, particularly for short-term weekend and holiday lets, so that we ensure homes can be made available primarily for city workers.

Identification within the policy that the Council may wish to give priority access for Affordable Rent homes to local workers when developments are close to areas of employment, or "tether" them to local apprenticeship schemes very welcome and should be a core consideration for Local Authorities moving forward. This would help to support "15-minute neighbourhood" principles, promoting sustainable travel, reducing pressure on infrastructure, improving overall Quality of Life for the city's residents and making Cambridge a more attractive location to live and work.

The provision of Affordable Private Rent within any build to rent scheme would help to meet an important need within the Cambridge market. Analysis by Savills "of the affordability of existing stock in Cambridge, across all tenures and compared to the distribution of household incomes", has shown that there is an "affordability gap between £25,000 and £45,000, in which households will have to spend more than 30% of their income on housing costs". This group are unable to access social or affordable rent housing but would also find it difficult to afford the existing private market.

Research by RAND Europe, commissioned by Cambridge Ahead, has further estimated the incidence of this affordability gap across the Cambridge travel-to-work-area (TTWA), by using ONS microdata. This has shown that almost half of the households (48.4%) living the TTWA earn less than £45,000 per year and would potentially financially struggle to live in Cambridge. If certain groups of workers are being priced out of the market and forced to travel from further afield this risks creating shortages in the supply of labour and impeding local growth, as well as increasing pressure on the city's transport infrastructure.

Provision of Affordable Private Rent is a solution that can help to meet the needs of this group and ensure the provision of suitable accommodation within a reasonable distance of their place of work. It is right that this gap in provision is met as part of a balanced and diverse overall housing policy.

Points 31 and 32 recognise the trade-offs which exist between the requirements set out within the policy and site viability. Wherever possible the Council should seek to ensure that larger development areas meet the requirement for 40% affordable housing across the site in full and that rents are kept at levels which are reasonable for households on a range of incomes, in line with the current Strategies position that no more than 35% of net income is considered reasonable to be spent on housing costs.