

Notes on Scrutiny Request: The process for obtaining and delivering affordable housing within new developments, using Parkway as case study

1. The Parkway Development would not have included any affordable housing units (or would not have proceeded at all) had there not been a contribution of £900,000 of money given to the developers (SLI) in 2008 to make the project economically viable to them. This suggestion was originally made by Cllr Hunneman (then Opposition Housing Spokesman and Ward Member) and accepted by Western Area Planning Committee, who were not involved in working out the detail.
2. The 37 affordable units were substantially complete by October 2012, six months after the first apartments went on sale. However the Section 106 Agreement covering this matter did not oblige the developer to have any ready for occupation until 74 apartments were sold, which did not happen until early March 2014. The Agreement refers to affordable units being “capable of being used and occupied as such”, in addition to being **constructed**.
3. SLI chose not to close a deal with a Registered Provider (RP) until much later than the units were complete (March this year, we believe) and units cannot be offered for occupation through the Common Housing Register until the RP has agreed a tenancy policy with this Council. This seems to show that the S106 Agreement can interpret ‘delivery’ very differently to what most Members and the public would regard the word to mean.
4. The matters to be scrutinised include:-
 - a. Member involvement (planning committee of Executive Members) with the detailed wording of the S106 Agreement.
 - b. How the decision on timing of the handover of affordable units was made - and why it allowed over 18 months between their actual completion and the commencement of handover to a Housing Association.
 - c. How other schemes elsewhere handle similar situations, e.g. can a S106 oblige the developer to make “capable of being used and occupied” tie more closely to the construction schedule.
 - d. Whether this Council could have done anything once it was realised (in early 2013) that the delay would be so great.
 - e. Whether (in the case of money from the Council’s “S106 Housing Pot”) the timing of cash transfer can be linked to the handover of units to the RP.
 - e. What (if anything) can be done to prevent a similar situation arising in future.
5. The subject was referred to Planning Policy Task Group at OSMC meeting on 8 April. However subsequent discussion with Head of Planning & Planning Portfolio Holder (and her Shadow) indicate that all believe this to be more relevant for Housing and Legal Services to comment on.
6. It is hoped that the Chief Executive, Head of Legal Services, Head of Housing and the Planning Department can assist by giving evidence in a meeting of the Commission.

Cllr Dr Tony Vickers, Lib Dem Housing Spokesman and Planning Policy Task Group Vice Chair
30th April 2014