

Committee: Overview & Scrutiny	Date: 7th April 2015	Classification: Unrestricted	Agenda Item: 7.3
Report of: Service Head Corporate Strategy & Equality, Louise Russell Originating officer(s) Louise Fleming, Strategy, Policy & Performance Officer, Corporate Strategy & Equality		Title: The quality of S106 funded social housing – Scrutiny Challenge Session Wards Affected: ALL	

1. **SUMMARY**

- 1.1 This report submits the report and recommendations of the scrutiny challenge session for consideration by the Overview and Scrutiny Committee.

2. **RECOMMENDATIONS**

The Overview and Scrutiny Committee is recommended to:-

- 2.1 Agree the draft report and the recommendations contained in it.
- 2.2 Authorise the Service Head for Strategy & Equality to amend the draft report before submission to Cabinet, after consultation with the scrutiny review group.

3. **BACKGROUND**

- 3.1 The challenge session took place on 22nd January 2015. Overview and Scrutiny identified a concern amongst some Councillors and residents that the social housing being built in the borough through these agreements is not robust enough, with materials being used which are not suitable for high density housing with a much greater intensity of use than private dwellings. During the election campaign of 2014, councillors out canvassing witnessed, at first-hand, the wear and tear on some of the properties, many of which were less than 15 years old, and heard from residents that this was having a detrimental effect on their quality of life.
- 3.2 The focus of the challenge session was therefore to explore whether there was an issue with the design and build quality of some of the affordable housing in the borough provided through S106 planning obligations; and, if so, what changes to planning policy, practice or procedures could be made to address these concerns, whilst still ensuring the continued provision of affordable housing in the

Borough. The session was chaired by Cllr Dave Chesterton, Scrutiny Lead for Development and Renewal.

3.3 The objectives of the challenge session were to answer the following questions:

- Is there an issue with the design and build quality of some affordable housing in the Borough?
- Is it possible to improve quality?
- Can the Development Committee Members have any influence over driving up quality and improving what the Council gets for its S106 contribution.

3.4 The report with recommendations is attached at Appendix 1. Four recommendations have been made:

RECOMMENDATION 1:

The Council investigate the feasibility of adopting a minimum design standard, developed with the Tower Hamlets Housing Forum, governing materials specification, enforced through the planning process, as part of its refresh of the Local Plan.

RECOMMENDATION 2:

The Council reinvigorate the LBTH Developers Forum and encourage developers to identify and work with a Registered Provider from the Council's preferred list earlier on in the planning application process.

RECOMMENDATION 3:

The Council work in partnership with Registered Providers through the Tower Hamlets Housing Forum to develop specific expertise in contracting for and managing high density developments, and to encourage reinvestment of money into existing housing stock.

RECOMMENDATION 4:

The Council consider options and resources available to monitor and enforce compliance with S106 legal agreements.

3.5 Once agreed, the Working Group's report will be submitted to Cabinet for a response to the recommendations.

4. BODY OF REPORT

4.1 Please refer to appendix one for the content of the report.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

5.1 There are no financial implications as a result of the recommendations contained within section 2.1 and 2.2 of this report.

5.2 However, under section 3.4 the report makes a number of potential recommendations to Cabinet in respect of improving the quality of social housing. There are likely to be financial implications associated with implementing these recommendations – these will need to be quantified, appropriate resources identified and relevant approval sought through the council budget policy framework.

6. LEGAL COMMENTS

6.1 The Council is required by section 9F of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements which ensure the committee has specified powers. Consistent with that obligation Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee may consider any matter affecting the area or its inhabitants and may make reports and recommendations to the Full Council or the Executive, as appropriate, in connection with the discharge of any functions.

6.2 This report makes a number of recommendations which aim to investigate what the Council can do to through the planning process to improve the design and build quality of affordable housing in the borough. This work would focus on what can be achieved through the refresh of the Local Plan or through s106 agreements. The report also recommends partnership working with the LBTH Developer's Forum and Registered Providers to support the ultimate objective of driving up the quality of affordable housing.

6.3 Any amendments to the Council's Local Plan would need to go through the statutory procedure set out in The Planning and Compulsory Purchase Act 2004 and The Town and Country Planning (Local Planning) (England) Regulations 2012. This includes inter alia extensive consultation and an independent examination. Any review should commence with the preparation of an evidence base which looks at the extent and cause of the current problems. The Council will need to carefully consider the extent to which the internal build quality can be controlled through planning policy and the ability to enforce this through the planning process.

6.4 Any planning obligation aimed at improving the quality of affordable housing would need to meet the policy tests for planning obligations set out in Regulation 122 of the Community Infrastructure Levy Regulations 2010 (and also included in the National Planning Policy Framework). This provides that planning obligations can only constitute a reason for granting planning permission where they are necessary to make the development acceptable in planning terms, directly related to the development and are fairly and reasonably related in scale and kind to the development. The Council would also need to ensure that the obligations are enforceable.

6.5 Before deciding to proceed with any new policy or direction, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act

2010 (e.g. discrimination), the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). There is information in the report relevant to these considerations.

7. **ONE TOWER HAMLETS CONSIDERATIONS**

7.1 The scrutiny report's recommendations support the Council's One Tower Hamlets aims, including to reduce inequality. The Council has strategic objectives to provide good quality affordable housing and to improve the quality of housing. The scrutiny report identifies an inequality relating to housing tenure. The report sets out concerns that some affordable housing, built by private developers under S106 agreements, may not be fit for purpose. The report's recommendations propose a number of actions to help address this.

8. **SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

8.1 There are no direct environmental implications arising from the report or recommendations.

9. **RISK MANAGEMENT IMPLICATIONS**

9.1 There are no direct risk management implications arising from the report or recommendations.

10. **CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 There are no direct crime and disorder reduction implications arising from the report or recommendations.

**Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report**

Brief description of "background papers"	Name and telephone number of holder and address where open to inspection.
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None

12. **APPENDICES**

Appendix 1 – The Quality of S106 funded Social Housing Scrutiny Challenge Session Report