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## **AFFORDABLE HOUSING POLICY DEVELOPER CONTRIBUTIONS GOVERNANCE**

**Report by Service Director Regulatory Services**

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### **EXECUTIVE COMMITTEE**

**8 MARCH 2016**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report proposes that the Chief Financial Officer be given delegated powers to allocate Affordable Housing Policy developer contributions to assist delivery of affordable housing projects.**
- 1.2 This report refers to a previous decision by the Executive Committee on 4 March 2007 to operate an investment framework regarding allocation of Affordable Housing Policy developer contributions to assist delivery of affordable housing.
- 1.3 It has been identified that the Scheme of Delegation requires to be amended to reflect the management arrangements to deal with the allocation of these developer contributions.

#### **2 RECOMMENDATIONS**

- 2.1 I recommend that the Committee agrees to recommend to Council that the following proposed addition to the powers delegated to the Chief Financial Officer as a result of this report are incorporated in the Scheme of Delegation "To authorise the allocation of Affordable Housing Policy funding collected by the Council to assist delivery of individual projects".**

### **3 INVESTMENT FRAMEWORK FOR NEW AFFORDABLE HOUSING.**

- 3.1 On 4 September 2007, the Executive Committee considered a joint report by the Directors of Social Work and Planning and Economic Development, and agreed an investment framework for Registered Social Landlords to provide new affordable housing using Commuted Sums funding collected by the Council from developers in situations where on-site provision of affordable housing was not achievable. This provided delegated authority to the Director of Social Work to authorise allocation of Affordable Housing Policy funding collected by the Council to assist delivery of individual housing projects. The delegated authority only applies within the scope of the limitations of what the individual Section 75 agreement between the Developer and the Council will allow. In general terms this sets out that the contribution received must be spent to assist affordable housing delivery within the Housing Market Area of origin, and within 5 years of receipt.
- 3.2 The current arrangements in place to enable the delivery of individual projects using developer contributions funding are managed by Housing Strategy & Services through consultation with Scottish Government and Registered Social Landlords, and aligns with the Council's Strategic Housing Investment Plan (SHIP) and related processes.
- 3.3 It is considered appropriate that the Council's Scheme of Delegation be amended to reflect the current operational management arrangements to deal with the allocation of Affordable Housing Policy developer contributions.

### **4 IMPLICATIONS**

#### **4.1 Financial**

The nature of developer contributions being collected by the Council necessitates the financial administration of what are quite often relatively small amounts via individual payments. Tried and tested administrative arrangements are in place to account and record these against the Housing Market Area of origin, and 5 year spend timescale, after which these contributions require to be returned to the developer.

There are no costs attached to any of the recommendations contained in this report.

#### **4.2 Risk and Mitigations**

The proposals in the report to propose administrative changes which are intended to formalise and ensure the transparency of the financial governance associated with allocation of Affordable Housing Policy developer contributions to assist affordable housing delivery.

#### **4.3 Equalities**

It is considered that there are no adverse equalities implications arising from the recommendations of this report.

#### **4.4 Acting Sustainably**

It is considered that there are no adverse economic, social or environmental effects of the recommendations in this report.

#### **4.5 Carbon Management**

It is considered that there are no impacts on the Council's carbon emissions arising from the recommendations of this report.

#### 4.6 Rural Proofing

This report does not specifically relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

#### 4.7 Changes to Scheme of Administration or Scheme of Delegation

The following addition to the powers delegated to the Service Director of Strategy and Policy in the Scheme of Delegation is proposed as a result of this report: "To authorise the allocation of Affordable Housing Policy funding collected by the Council to assist delivery of individual projects".

### 5 CONSULTATION

- 5.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

#### Approved by

**Brian Frater**

**Service Director Regulatory Services    Signature .....**

#### Author(s)

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**Background Papers:** Report by the Director of Planning and Economic Development titled "Progress report on securing and spend of development contributions", to Executive Committee meeting 24 August 2010.

**Previous Minute Reference:** Report by Director of Social Work and Director of Planning and Economic Development titled "Investment framework for new affordable housing funded by commuted sums monies" to Executive Committee meeting 4 September 2007.

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Gerry Begg can also give information on other language translations as well as providing additional copies.

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