

Education and Local Economy Scrutiny Commission

Wednesday 19 April 2023

7.00 pm

Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Supplemental Agenda No. 2

List of Contents

Item No.	Title	Page No.
6.	Falling Pupil Numbers follow up data/reports	1 - 5
	Report listed below are to note and any arising questions to be emailed to officers for a written response:	
	<ul style="list-style-type: none">• Social rented housing not at affordable housing levels undergoing enforcement investigations. (<i>Update to report Affordable Housing Enforcement</i>)	

Contact

Amit Alva on email: amit.alva@southwark.gov.uk

Date: 18 April 2023

Item No. 6	Classification: Open	Date: 18 April 2023	Meeting name: Education and Local Economy Scrutiny Commission
Report title:		Update Affordable Housing Planning Enforcement cases.	
Ward(s) or groups affected:		multiple	
From:		Stephen Platts, Director of Planning & Growth	

RECOMMENDATION(S)

3. Where no action is proposed but a breach of the section 106 agreement identified the Council will express to the relevant Housing Association its disappointment that the agreement has not been fully adhered to and request voluntary compliance. *(Additional Recommendation)*

BACKGROUND INFORMATION

8. *14 cases remain open and a description of the position of each case is the main matter to be considered by this report. 2 of the cases are considered to be more significant and are described more fully than the remaining 12 which are summarised.* The case on Bombay Road is recent. The majority of the rest of the cases are from applications much older. The Council's section 106 procedures and agreement drafting has now improved. The affordable housing audit has alerted Housing Associations to the importance of ensuring those setting the rent for flats are aware of the requirements of the section 106 agreement relating to them. *(7. in main report)*

9. The overall position of general compliance and the provision of more units for Social Rent in total than required by the section 106 agreements is set out on the Monitoring affordable housing delivery webpages on the Council website

<https://www.southwark.gov.uk/planning-and-building-control/planning-policy-and-guidance/monitoring/monitoring-affordable-housing-delivery>

Those pages are periodically updated and record the provision of affordable housing throughout the borough.

22. In each instance the Housing Association financed the affordable housing in a particular way and have operated the development for a number of years in that manner. As there is little difference in practice between the two rents being charged and the number of units impacted is two on each site it will not be expedient to take legal action to seek to change the status of the units in question. *(20. in main report, Housing associations added to table)*

<p>Mabel Goldwin House 49 Grange Walk London Southwark SE1 3DY</p> <p>Wandle Housing Association</p>	<p>Mix of affordable Housing does not reflect that secured in s106 agreement reference 14/AP/2102.</p> <p>Initially three, now two units let as affordable rather than social rent</p>	<p>Negligible rent difference. Claimed agreement to the change</p>	<p>RSL claim that the GLA allowed units to switch to affordable, although this is not recorded in the s106 or any variation.</p> <p>Flats 11 and 18 are both 2 beds.</p> <p>The current charges are:</p> <table data-bbox="1193 831 1374 987"> <tr> <td></td> <td>Total charge (Inclusive of SC as Affordable)</td> </tr> <tr> <td>11</td> <td>£201.27</td> </tr> <tr> <td>18</td> <td>£200.93</td> </tr> </table> <p>Comparison with other 2 beds let on social basis is shown below.</p> <table data-bbox="1114 1312 1362 1507"> <tr> <td>Rent</td> <td>£164.87</td> </tr> <tr> <td>Service charge</td> <td>£35.91</td> </tr> <tr> <td>Total</td> <td>£200.78</td> </tr> </table> <p>The addition of service charge has resulted in the affordable rent being 15p per week more expensive than Social Rent</p>		Total charge (Inclusive of SC as Affordable)	11	£201.27	18	£200.93	Rent	£164.87	Service charge	£35.91	Total	£200.78
	Total charge (Inclusive of SC as Affordable)														
11	£201.27														
18	£200.93														
Rent	£164.87														
Service charge	£35.91														
Total	£200.78														
<p>44-50 Lancaster Street London Southwark</p>	<p>The S106 requires 4 social rented units, but the return shows 2</p>	<p>Negligible rent difference. Claimed</p>	<p>RSL claim that the GLA allowed units to switch to affordable,</p>												

SE1 0SJ A2 Dominion	social rent and 2 affordable rent. 12/AP/1066	agreement to the change	although this is not recorded in the s106 or any variation. The rents provided are:- Flat 1 is a 1 bed and the current all inclusive rent is £169.97 ; Flat 3 is a 2 bed and the current all inclusive rent is £178.73. These align with the social rent cap as inclusive rents.
----------------------------	--	-------------------------	--

Remaining cases

23. The remaining cases are summarized on the table below. The majority are awaiting confirmation that the breach has been remedied, whilst some still require further information to make a final decision on. The overall number of units of accommodation involved is relatively low in comparison to the 3480 social rent units in the borough. (21. in main report, Housing associations added to table)

Address	Breach	Position	Further action
7-13 Melior Street London Southwark SE1 3QP Hyde Housing	one less unit provided as social rent than required by s106 dated 2/5/14 of 13/AP/3059	Breach admitted by Housing Association	Awaiting confirmation that the unit has been returned to social rent
Flat 504 22 Amelia Street London Southwark SE17 3BZ London & Quadrant	1 social rented unit being let on affordable rent contrary to s106 ref 07/AP/0650	Breach admitted by Housing Association	Awaiting confirmation that the unit has been returned to social rent
118 Spa Road	One unit let on	Breach admitted,	Housing

London Southwark SE16 3QT Hyde Housing	affordable rather than social rent, contrary to S106 connected to 09/AP/1098	but with no explanation, difference in rent is substantial	Association will be required to switch the unit to Social Rent as it appears to be entirely anomalous that it is let at affordable rent
Newington Industrial Estate 87 Crampton Street London Southwark Optivo/Southern Housing	Flat 10 Flamingo Court appears to have been let in error as affordable rather than social rent	Breach admitted by Housing Association	The difference in the rent is substantial the Council will require reversion to Social Rent.
122-144 Southwark Bridge Road SE1 0DG And 124-132 Webber Street London SE1 Optivo/Southern Housing	3 Units let as affordable rather than social rent	Breach admitted by Housing Association	The difference in the rent is substantial the Council will require reversion to Social Rent.
2 Broome Way London Southwark SE5 7FY Peabody	Unit let as affordable rather than social rent	No explanation received	Further information required
Chambers Wharf Chambers Street London Southwark Peabody	One unit let at affordable rather than social rent	No explanation received	Further information required
Land At 1-20 Houseman Way 30-51 Houseman	Discrepancy with social rent - 22 in S106 but 18	No explanation received	Further information required

Way And 90-106 Benhill Road London SE5 Peabody	provided by RP and 2 as affordable rent - therefore shortfall in social rent.		
---	---	--	--