

Executive and Resources PDS Committee 22nd September 2010 Matters Arising – Minute 73 (25th August 2010)

Response to Councillor Robert Evans' request for information regarding the financial position of unspent balances of section 106 funds relating to housing, in particular the latest balance of £2.3m at 30th June 2010, how it is to be spent and can it be used more flexibly?

The sums are payments made under section 106 of the Town and Country Planning Act 1990 where developments are required to provide affordable housing. The sums are provided in lieu of developing affordable housing on site – hence they are referred to as payments in lieu (PiL)

What can a PiL be spent on?

The Council has a legal obligation to spend PiL funds on delivering affordable housing. In line with the Town and Country Planning Act 1990, PiL Funds must be spent within the time-period stated within the legal agreement; which is usually within five years of receipt. If the Council has not spent/contractually committed the sums received within the given timeframe then the applicant may request such sums (or the relevant part not spent/committed) to be paid back.

How do we plan to spend the £2.3million?

Of the current PiLs that constitute the £2.3million referred to above, the SIRA and Garrard House payments have no time limit specified in the legal planning agreement. However, using the 5 year benchmark we still have :-

- until March 2012 for SIRA,
- Sept 2011 to Feb 2013 for Garrard House – 3 phased payments of PiL
- August 2015 for Oakwood Court

As funding for affordable housing is likely to become significantly less in forthcoming Government spending plans, it is not anticipated that there will be any problems in spending this money to deliver affordable housing before the 5 year deadline.

To date:

- £500k has been committed to help deliver an Extra Care Housing scheme at Bromley Common. The provision of Extra Care Housing for the elderly is a key priority in the ACS Portfolio Plan and helps to promote choice and support independence for older people and vulnerable adults; contributing significantly to improved and more effective services and helping to tackle future budget pressures by achieving savings or future cost prevention for the Council.
- It is also anticipated that PiL funds will be used to deliver 2 x adapted flats for disabled households at Enterprise House, Homesdale Rd with a further 2 units currently being sought. These units will provide short-term accommodation for adults with acquired spinal injuries or a variety of Long Term Conditions that result in adults needing either temporary accommodation whilst their own homes are being adapted or a period of community living with higher support in preparation for independent living. A shortage of readily available appropriate properties currently means that service users have to move from specialist rehab units to nursing homes for between 1 and 2 years. This places a heavy burden of financial cost on the Council and puts the service user at risk of losing their skills of independence and confidence to live independently. It also means families cannot live together.
- The most recent payment for development assisted in the provision of units for wheelchair users and people with a Learning Disability alongside the first new Extra Care Housing scheme at Bromley Common.