AGENDA ITEM NO 12
REPORT NO 506/11

ANGUS COUNCIL
NEIGHBOURHOOD SERVICES COMMITTEE - 18 AUGUST 2011
PREFERRED DEVELOPER UPDATE
REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

ABSTRACT: This report updates Members on the status of the Preferred Developer Process nationally and locally in the light of recent investment funding amendments.

1. RECOMMENDATION(S)

1.1 It is recommended that the Committee:-
   
i) notes that the changed landscape in terms of Affordable Housing Investment Programme (AHIP);

   ii) agreed the process of appointing a Preferred Developer has no meaningful future given the lack of AHIP budget availability;

   iii) agree to write to the Preferred Developer participants thanking them for their involvement but notifying them of the cessation of the programme owing to the lack of AHIP funding at this time.

2. BACKGROUND

2.1 The Scottish Government has recently launched a £50 million competitive funding arrangement to allow all suppliers to provide new affordable homes. The Scottish Government intend to divide the £50m among:

   • Council house building (social rent);

   • RSL building (primarily for social rent but can include other elements of affordable housing); and

   • An innovative fund open to all providers (for all forms of affordable housing tenure).

2.2 Subject to sufficient bids meeting the criteria, it is intended that at least £20m is made available for Councils; at least £20m for RSLs; and up to £10m for the innovative fund. The Scottish Government intend to retain flexibility to move money among the 3 streams.

2.3 This has effectively ended the AHIP programme and use of Housing Association Grant (HAG) at this time and transformed the affordable housing funding landscape overnight. That being the case the Preferred Developer process is no longer a viable proposition.

3. FINANCIAL IMPLICATIONS

3.1 There are no financial implications from this report.

4. HUMAN RIGHTS IMPLICATIONS

4.1 There are no human rights implications for the Council arising directly from the information contained within this report.

5. ANGUS COMMUNITY PLAN & SINGLE OUTCOME AGREEMENT
5.1 This report contributes to the following local outcomes contained within the Single Outcome Agreement for Angus:

- Our communities are developed in a sustainable manner.

6. CONSULTATION

6.1 The Chief Executive, the Director of Corporate Services, the Head of Finance and the Head of Law and Administration have been consulted in the preparation of the report.

7. EQUALITIES IMPLICATIONS

7.1 The issues dealt within this report have been subject of consideration from the equalities perspective. An equalities impact assessment is not required.

8. CONCLUSION

8.1 Members are asked to note this development.

RON ASHTON
DIRECTOR OF NEIGHBOURHOOD SERVICES

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report.

Hsg/NS/RA/AMcK