Matter 3- Housing
Issues and questions

3.
I only heard about the 3 Dragons Toolkit during the Arcadia Inquiry and it wasn’t until last week that I finally found out about Affordable Housing Viability Assessment. I am still rather unclear about the Toolkit as there always seems to be some excuse for not providing 50% affordable housing whether it is building costs, cleaning contaminated land, cost of the land or in the case of Arcadia the cost of rafting over the railway.

I was also quite shocked to learn that a profit margin of between 15% and 20% has to be taken into consideration.

In the BNP PARABIS ‘Affordable Housing Viability Assessment’ prepared for LBE in 2010 states

7.6
The results thus suggest that the delivery of 50% affordable housing on every single site coming forward for development in the borough is currently (and is likely to continue to be) an ambitious target that not all sites coming forward will be able to achieve. This is no different from other local authority areas, where some sites are able to meet the respective Council’s strategic affordable housing target. Other sites are not, due to site specific circumstances and the cyclical nature of the housing market. However, the variable pattern of viability can be addresses providing the Council’s policy is drafted with sufficient flexibility to address situations where the targets are unviable. London Plan policies already provide this flexibility.’

Given that the report also suggests that landowners might seek a higher return and decide to wait for improvements in values or change of policy I cannot see how 50% affordable housing can be achieved unless the council decides to have potential development sites on cheaper land outside of the corridors or creates affordable housing via S106 contributions.
In Core Strategy 1.2a housing need is mentioned. I have, in an earlier submission, stated that we already have an abundance of 1 and 2 bed units and in the London Assembly Report-Crowded Houses (2011) that deals with overcrowding in socially rented properties, Ealing is mentioned-

‘2.29. The demand for larger homes is particularly concentrated in a number of boroughs- Newham, Ealing, Brent, Tower Hamlets and Lewisham all have more than 1000 households waiting for property with 4 beds or more.

The Conservative Government has recently announced another home building scheme whereby if a council home is sold another will be built but I have no idea how this will work.

In his book ‘A Guide to the New Ruins of Great Britain’ Owen Hatherley comments on the last attempt to inject money into a house building programme

‘Early on, there was some hope that this would lead to a new wave of council building, particularly given that waiting lists had spiralled after the crash, but instead private enterprise continued to be subsidized by the state, in the form of the Kickstart stimulus programme………..

After its first schemes were unveiled at the start of 2010, Kickstart was criticized by CABE for extremely low scores on all their measurements- in terms of energy-efficiency, design quality, public space, access to facilities and public transport and much else…’

Perhaps the Council should increase its own housing stock and actually buy one or two of the sites. A radical new approach to affordable housing!