

'There's been a recognition that developers are not two headed monsters and that affordable housing providers are not all woolly, sandaled beatniks,' says Steve Douglas.

The Housing Corporation's deputy chief executive is not alone in acknowledging a defrosting of relations between the public and private sector in providing affordable housing. Word from the developers is that their working relationships with housing associations and local authority landlords are none too bad. And they expect to see more of each other in the future.

People pin the reasons for the change of feelings on different things. For some, the advent of decent homes began the smoothing of traditionally prickly relations, encouraging both sectors to forge more effective partnerships. More recently, the government's decision to award private developers affordable housing grant has pushed things further.

'We've seen it over the last few years,' considers Douglas. 'But the 2004 Housing Act and the mixed economy of housing providers and the ability to bid for

grant means they are talking and able to understand the language.'

Whatever the catalyst, those involved in providing affordable housing welcome the brave new world, regardless of their provenance. 'To generalise in a big way, there used to be a suspicion in the public sector that the private sector was just in it to make as much profit as possible,' says Ian Graham, partner at law firm Trowers & Hamlin.

'Now there's a much more mature relationship and acceptance that there's absolutely nothing wrong with the private sector making a profit and that delivering a good service and making a profit are not mutually exclusive. Maybe we are just moving into a new phase.'

The national affordable housing programme provides the obvious illustration. Some of the 2006/08 allocations went to private developers, the first time this had ever happened. Though some commentators expressed disappointment that the amount of cash going private was

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Caroline Thorpe discovers how the private and public sectors have tamed their differences over affordable housing



