

CHESHIRE EAST COUNCIL

STRATEGIC PLANNING BOARD

Date of meeting: 29th November 2011
Report of: Caroline Simpson, Head of Development.
Title: 10/0021C Land off Crewe Road/Zan Drive, Sandbach.

1.0 Purpose of Report

- 1.1 To consider proposed amendments to the s106 Agreement linked to application 10/0021C passed by Southern Planning Committee on 23rd April 2010.
- 1.2 The report has been presented to Strategic Planning Board as it is the first available committee and a timely decision is required in order to allow the purchasers of the discount market sale units to complete the purchase of their properties.

2.0 Decision Required

- 2.1 To agree to the amendments to the previous resolutions as stated in this report.
- 2.2 The principle of the residential development has already been established by the previous resolution and this report does not provide an opportunity to revisit that issue. This item relates solely to the proposed amendment to the requirements of the Section 106 Agreement.

3.0 Background

- 3.1 The application relates to a development of 41 dwellings, which is close to completion.
- 3.2 Outline consent was granted in April 2010, subject to a s106 agreement. The agreement required a Traffic Management Contribution, Transitional Ecology Area, parking area and secured the provision of affordable housing.
- 3.3 The subsequent reserved matters application was approved in December 2010 (10/2131C), with to a Deed of Variation to the s106 Agreement, allowing the 4 two bedroom apartments to be replaced with 4 two bedroom houses.

4.0 Proposals

Affordable Housing

- 4.1 The developers have requested that paragraph 8 of the agreement be varied. It currently reads as follows:

'If any of the Discounted for Sale Units have not been sold within 32 weeks of their release for sale the Developer shall be entitled to Dispose of such Discounted Housing for Sale Units to any person at the discounted price described in paragraph 6.2 (i) above on terms that ensure that the future ownership and selling price of the Discounted for Sale selling price of the Discounted for Sale Unit are in accordance paragraph 6.2 above.'

Paragraph 6.2 requires that the Units are offered for sale on a freehold or long leasehold interest, for not more than 70% of the Open Market Value, and initially offered to people who meet the relevant eligibility criteria laid out in the Agreement.

- 4.2 They request that the variation allows for a reduction in the time period to 20 weeks in the case of Mortgagees in possession of the property.
- 4.3 The reason for the request is because purchasers of the properties have been unable to secure mortgages due to the time scale specified in the s106 Agreement. Evidence of this has been submitted to the Council, and is accepted.
- 4.4 It is therefore proposed that a Deed of Variation is granted to allow for a time period of 20 weeks for the sale of Discounted Housing for Sale Units in the event of a Mortgagee is in possession of the property. The requirement for a 32 week period in all other cases should remain.
- 4.5 The Strategic Housing Manager supports the amendment as proposed.

5.0 Conclusion

- 5.1 On the basis of the above, the proposed Deed of Variation to reflect the amendments outlined above, is considered to be acceptable.

6.0 Recommendation

That the Board resolve to agree the acceptability of a Deed of Variation to allow a time period of 20 weeks for the sale of the Discounted for Sale Housing Units in the event that a Mortgagee is in possession of the property and a 32 week time period in all other cases.

7.0 Financial Implications

- 7.1 There are no financial implications.

8.0 Legal Implications

- 8.1 Revisions to the time period for sale of the Discounted Housing for Sale Units to 20 weeks for Mortgagees, should be confirmed in a new resolution so that the Borough Solicitor has authority to execute a Deed of Variation to the s106 Agreement.

9.0 Risk Assessment

- 9.1 There are no risks associated with this decision.

10.0 Reasons for Recommendation

- 10.1 To allow purchasers of the Discounted Housing for Sale Units to complete the purchase of the units, whilst still retaining the requirement for the Units to remain affordable, in accordance with the requirements of paragraph 6.2 of the original agreement.

For further information:

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Background Documents:

- *Section 106 Agreement*