

CHESHIRE EAST COUNCIL

STRATEGIC PLANNING BOARD

Date of meeting: 2 May 2012
Report of: Development Management and Building Control Manager
Title: Proposal Alterations to the Section 106 Agreement to Allow A Different Type of Immediate Housing to that Referred to in the Official Minute for Application 11/3956C

1.0 Purpose of Report

- 1.1 To consider proposed amendments to the resolution passed by Strategic Planning Board in respect of application 11/3956C.
- 1.2 The report has been presented to Strategic Planning Board because the original application was approved by the Board on 8th February 2012.

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. Consequently, 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 9ha of land, situated to the west side of the Crewe-Manchester Railway line within the Sandbach Settlement Boundary.
- 3.2 The site is bound by Moss Lane to the north, west and south.
- 3.3 To the north-west of the site is an existing office building which is within the ownership of the applicant. To the north-east of the site are residential properties which front onto Mulberry Gardens and Clifton Road. These properties are of varying styles and types. The land on the opposite side of Moss Lane is mainly rural in character and includes a number of detached dwellings which are set within relatively large plots. To the south of the site is the former test track. This site is within the ownership of the applicant but does not form part of this application.

- 3.4 The site is relatively open and the former factory buildings which stood on the site have now been demolished. The site has 2 vehicular access points, one to the south and one to the north. There is sporadic tree planting to the boundaries of the site but this is of mixed quality.

4 Previous Planning Permission

- 4.1 Members may recall that on 8th February 2012, the Strategic Planning Board resolved to grant planning permission for a residential development of the former Foden Truck Factory site. The development would comprise 269 dwellings at a density of 30 dwellings per hectare.
- 4.2 The resolution to approve was subject to completion of a Section 106 Agreement making a number of provisions, including:

'Affordable housing – the number and tenure split of the affordable housing will be no less than 19.7% (53 units in total) comprising at least 65% (34 units) affordable rent and 35% shared ownership (19 units)'

- 4.3 The developer is seeking to amend this wording to make provision for properties for “shared equity” within the scheme as an alternative to “shared ownership”.
- 4.4 A clause at the end of the Committee report to allow this amendment to be delegated to the Head of Planning and Housing in consultation with the Chair of the Strategic Planning Board was unfortunately not included within the approved minutes. This states that:

'In the event of any changes being needed to the wording of the Committee's decision (such as to delete, vary or add conditions/informatives/planning obligations or reasons for approval/refusal) prior to the decision being issued, the Head of Planning and Housing in consultation with the Chair of the Strategic Planning Board is delegated authority to do so, provided that he does not exceed the substantive nature of the Committee's decision'

5 Officer Comment

- 5.1 Shared ownership and shared equity are both forms of intermediate housing.
- 5.2 The glossary at Annex 2 to the NPPF defines intermediate housing as follows;

'Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans),

other low cost homes for sale and intermediate rent, but not affordable rented housing'

- 5.3 Shared equity housing is where more than one party has an interest in the value of the home (e.g. an equity loan arrangement or a shared ownership lease). There may be a charge on the loan, and restrictions on price, access and resale.
- 5.4 Shared ownership is a form of shared equity under which the purchaser buys an initial share in a home from a housing provider, who retains the remainder and may charge a rent. The purchaser may buy additional shares (stair-casing), and this payment should be 'recycled' for more affordable housing.
- 5.5 The Housing Officer has no objection with this change which would be a very minor change within the definition of intermediate housing as contained within the NPPF. Moreover, both housing products are forms of intermediate housing and consequently the change is non-material in planning terms. Therefore, it is recommended that the previous resolution is amended from 'shared ownership' to 'intermediate housing' as this would tie in with the broad brush approach to defining affordable housing, as contained within the NPPF.

6 Conclusion

- 6.1 On the basis of the above, the proposed amendment to the wording of the resolution is considered to be acceptable.

7 Recommendation

- 7.1 That the Board resolve to amend the previous resolution in respect of application 11/3956C relating to the affordable housing heads of terms to;

'Affordable housing – the number and tenure split of the affordable housing will be no less than 19.7% (53 units in total) comprising at least 65% (34 units) affordable rent and 35% intermediate housing (19 units)'

- 7.2 Also that the Board resolve:

In the event of any changes being needed to the wording of the committee's decision (such as to delete, vary or addition conditions / informatives / planning obligations or reasons for approval / refusal) prior to the decision being issued, the Development Management and Building Control Manager, in consultation with the Chair of the Strategic Planning Board is delegated the authority to do so, provided that he does not exceed the substantive nature of the Committee's decision.

8 Financial Implications

8.1 There are no financial implications.

9 Legal Implications

9.1 The Borough Solicitor has been consulted on the proposals and raised no objections

10 Risk Assessment

10.1 There are no risks associated with this decision.

11 Reasons for Recommendation

11.1 To allow negotiations in respect of the Section 106 to progress to signing, to enable the development works to commence in a timely fashion to assist in delivering the 5 year housing land supply for the Borough.

For further information:

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Background Documents:

- *Application 11/3956C.*