CHESHIRE EAST COUNCIL

SOUTHERN PLANNING COMMITTEE

Date of meeting: 13th November 2013

Report of: David Malcolm – Southern Area Manager

Title: Land adjacent Royal Oak, 94, Main Road, Worleston, Cheshire,

CW5 6DN

1.0 Purpose of Report

1.1 To consider proposed amendments to the resolution passed by Southern Planning Committee in respect of application 11/2241N.

1.2 The report has been presented to Southern Planning Committee because the original Outline application ref: 11/2241N for 4 new dwellings at the above mentioned site was approved by the Committee, subject to conditions and a S106 Agreement on 14th September 2011.

2.0 Decision Required

- 2.1 To agree to the amendments to the previous resolutions on affordable housing as stated in this report.
- 2.2 The principle of the erection of 5 dwellings at this site has already been established by the previous outline planning permission 11/2241N and subsequent Reserved Matters permission 13/1864N 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 signed Section 106 Agreement.

3.0 Background

- 3.1 The application site forms land attached to the existing Royal Oak Public House within the settlement boundary for Worleston, Cheshire. The site comprises part of the existing beer garden and parking area to the south of the public house, and also land between the public house beer garden and residential properties to the south which is grazing land. Fronting Main Road is a hedgerow whilst the rear boundary is also vegetated. There is a pond located in the south eastern corner of the site.
- 3.2 In September 2011, Southern Planning Committee resolved to grant outline planning permission for the erection of 5 dwellings at the abovementioned site. 2 of these dwellings were to be affordable dwellings with a 50/50 split between socially rented and intermediate.

3.3 The resolution to approve on 14th September 2011 was subject to completion of Section 106 Agreement making a number of provisions in relation to the affordable housing.

4.0 Proposals

Affordable Housing

- 4.1 Since those resolutions were passed, discussions have been held between the developer, Archway Homes (on behalf of Plus Dane) and the Council's Strategic Housing Development Officer with regards to difficulties around mortgageability of the shared ownership unit.
- 4.2 More specifically, the applicant has advised that 'Their concern revolves around the mortgageability and therefore saleability of this unit when there is an 80% staircasing cap as envisaged in clause 1.14 of the First Schedule. There are few lenders who are prepared to offer mortgages to purchasers under such restriction.'
- 4.3 Archway Homes therefore request '...a variation to the S106 Agreement removing clause 1.14 and for the addition of a new obligation to be passed onto the eventual purchaser of the Shared Ownership Unit to offer back the unit to the RSL [Registered Service Lender], once 100% is achieved.'
- 4.4 Clause 1.14 of the S106 Agreements reads;

'The Shared Ownership Units shall not be subject to Staircasing beyond 80% and the percentage ownership is specifically prohibited from being staircased out beyond that percentage to between 81-100%.'

- 4.5 The Council's Strategic Housing Development Officer has been consulted on this proposal and advised that he is supportive of the proposed amendment.
- 4.6 The Officer has advised that 'Housing are satisfied that allowing staircasing to 100% makes access to mortgages easier and as such improves the shared ownership product for the customer. At the same time this allows the property to be sold back to the Registered Provider if staircasing to 100% has taken place and in turn they can sell the property again as shared ownership.'
- 4.7 It is further advised that paragraph 1.12 (iv) (a) of the First Schedule will need to be amended to reflect the fact that staircasing up to 100% can take place.
- 4.8 The applicant/agent has agreed to this also.

5.0 Conclusion

5.1 On the basis of the above, the proposed amendment to the signed S106 of the resolution is considered to be acceptable.

6.0 Recommendation

6.1 That the Committee resolve to amend the previous S106 Agreement in respect of application 11/2241N to remove clause 1.14 and amend paragraph 1.12 (iv) (a) of the First Schedule to reflect the fact that staircasing up to 100% can take place.

7.0 Financial Implications

7.1 There are no financial implications.

8.0 Legal Implications

8.1 Revisions to the signed S106 Agreement will need to be made by the Council's Legal Team.

9.0 Risk Assessment

9.1 There are no risks associated with this decision.

10.0 Reasons for Recommendation

10.1 To increase the saleability of the approved affordable housing unit within the approved housing scheme.

For further information:

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Background Documents:

Application 11/2241N