

## **SOUTHERN PLANNING COMMITTEE REPORT**

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**Date:** 30<sup>th</sup> July 2014

**Title:** Deed of Variation to a S106 Agreement for application 12/0893C for the erection of up to 65 dwellings

**Site:** Land off Crewe Road, Alsager

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**SUMMARY RECOMMENDATION:** Allow the variation

**MAIN ISSUES:**

- Affordable housing clauses in the S106 Agreement

### **DESCRIPTION AND SITE CONTEXT**

The application site is some 3.3ha in extent and is greenfield land located on the south side of Crewe Road, immediately adjacent to the settlement boundary of Alsager. The site is defined by Crewe Road to the north and Goldfinch Drive to the east. To the west is a narrow lane (which also carries a public right of way) leading to the Old Mill public house, Alsager Hall Farm and Hall Farm Shop, residential properties, a pond used for recreational fishing and to the equestrian use south of the site. The southern boundary follows the line of the Valley Brook. There is one built structure within the site. A former garage or agricultural barn is situated adjacent to the eastern boundary. It is redundant, has suffered from graffiti, fly tipping and is also fire damaged.

There are a number of trees within the site, but all are located around the site's periphery. A copse is located in the south western corner of the site. Formal access to the site is gained via a gate off Crewe Road at the north eastern corner of the site. On the Crewe Road frontage, the boundary is set back from the highway. There is no footway and the adopted managed grass highway verge with mature trees is separated from the site by a hedgerow.

Existing residential development lies to the north and east of the site. Existing dwellings in Goldfinch Drive back on to the south eastern site boundary, whilst further north, dwellings on the opposite side of Goldfinch Drive face towards the site. On the opposite side of Crewe Road lie the rear boundaries and gardens of the existing dwellings in Bude Close, whilst to the eastern side of the Crewe Road frontage is no.214 Crewe Road, a small bungalow. To the east and south of the site lies open countryside.

## DETAILS OF PROPOSAL

The proposal is for a variation to the signed s106 to allow the intermediate units to be delivered as shared equity.

## RELEVANT HISTORY

**12/0893C** Outline application approved subject to s106 agreement at Strategic Planning Board on 1<sup>st</sup> August 2012 for up to 65 dwellings including 30% affordable

**13/1210C** Reserved matters consent was given on 19<sup>th</sup> June 2013 at Strategic Planning Board for 65 dwellings including 20 affordable dwellings (13 rented and 7 intermediate).

## POLICIES

### National Guidance

National Planning Policy Framework

### Local Policy

Paragraph 216 of the National Planning Policy Framework (NPPF) states that, unless other material considerations indicate otherwise, decision-takers may give weight to relevant policies in emerging plans according to:

the stage of preparation of the emerging plan (the more advanced the preparation, the greater the weight that may be given);

the extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given); and

the degree of consistency of the relevant policies in the emerging plan to the policies in the NPPF (the closer the policies in the emerging plan to the policies in the Framework, the greater the weight that may be given).

In view of the level of consultation already afforded to the plan-making process, together with the degree of consistency with national planning guidance, it is appropriate to attach enhanced weight to the Cheshire East Local Plan Strategy - Submission Version in the decision-making process.

At its meeting on the 28<sup>th</sup> February 2014, the Council resolved to approve the *Cheshire East Local Plan Strategy – Submission Version* for publication and submission to the Secretary of State. It was also resolved that this document be given weight as a material consideration for Development Management purposes with immediate effect.

The relevant policies of the **Cheshire East Local Plan Strategy – Submission Version** are:

## Policy SC 5 Affordable Homes

The relevant policies saved in the **Congleton Borough Local Plan First Review** are:

H13 Affordable Housing

### **CONSULTATIONS (External to Planning)**

#### **Housing**

No objection. The Strategic Housing service fully supports the variation to allow for these affordable units to be accessible to those who cannot afford to access the housing market in Alsager.

#### **OFFICER APPRAISAL**

This application is to vary the Section 106 Agreement that was signed on 15<sup>th</sup> January 2013. The reason for this is the developer Miller Homes cannot deliver the intermediate dwellings. The existing s106 agreement allows for the intermediate dwellings to be delivered by: -

- a. A Registered Provider as shared ownership
  - Miller Homes cannot find a Registered Provider that is willing to buy the intermediate units as Shared Ownership.
- b. The developer as Discounted Housing for Sale (with a 30% discount from the open market value).
  - This option is not favoured by mortgage lenders and the number of lenders that will lend on this scheme is very limited. Also, they will only lend on a proportion of these dwellings on any one site. Therefore this affects the developer's ability to deliver these units.
- c. Other intermediate options that include the developer delivering them as shared equity tenure (with a 30% discount from the open market value).
  - Miller Homes would like to use the shared equity option however the clauses in the s106 agreement mean that this is not possible without a variation.

Variation required: -

- Introduction of a 'shared equity' definition that refers to the relevant parts of Discounted Housing for Sale that will apply to 'shared equity'.
- A 'shared equity scheme' definition. The definition to require the developer to submit such a scheme to the Council for approval.

These changes have been negotiated with the Strategic Housing Manager who has agreed that they are acceptable. Without these changes the developer is not going to be able to sell the intermediate units and those in need of affordable housing will not be able to benefit from them.

## **CONCLUSIONS**

In conclusion, the proposed variation is acceptable to the Strategic Housing Manager and the variation should be allowed.