

SOUTHERN PLANNING COMMITTEE – 3 April 2019

UPDATE TO AGENDA

APPLICATION NO.

17/6233c

LOCATION

LAND OFF WHEELOCK STREET MIDDLEWICH

UPDATE PREPARED

1/4/2019

UPDATE CONCERNING THE PROVISION OF ON SITE AFFORDABLE HOUSING

Having regard to Committee's previous comments the Applicant offered on site affordable units as 50% Discount for sale. (4 units)

This was initially offered as being all the flats at plots 18-21, however, whilst welcoming the principle of on site provision of discount for sale units at a level demonstrated within the viability appraisal submitted to be a reasonable offer in this case, the Strategic Housing Manager was not supportive of the mix initially put forward, being that all the units offered were initially offered as 1 bed units (50% discount for sale).

Gerald Eve (GE) who is the Council's appointed Viability Consultant, undertook further assessment of the potential to provide on site within the context of the agreed £366,000 commuted sum between the respective Consultants, namely the element concerning the affordable housing.

The Applicant is now offering 2 x 1 bed flat and 2 x 2 bed house as 50% discount for sale. In effect, this would mean that if the flat /house had a market value of £150,000, then the developer would be required to sell the unit for £75,000. (for example at a 50% discount of the market value). A charge would be imposed on the property to ensure that the 50% Discount for Sale remained for each subsequent sale , in those circumstances.

Offer	AH on site	Total Section 106	Overall profit
Offer 1 - Section 106	0	£ 366,000	19.61%
Offer 2	4 x 1 beds – unspecified% discounted market sale	£ 142,409	20.15%
Sensitivity testing	2 x 1 bed flat+ House Type c (2 bed) unspecified %discounted market sale	Figure to be confirmed	TBC

The £142,409 remaining S106 would still cater to the education and health mitigations as requested by the Consultees.

At the time of writing this update, the Council's consultant (GE) is waiting for the Applicant to provide more information as to the applicants' further offer. A verbal update will be provided at Committee in this regard.

OFFICER COMMENT

The Strategic Housing Manager supports the provision the proposed 4 no on site Discount for Sale Units (as yet unspecified level of discount). He advises that this type of provision is an acceptable form of Affordable housing and it is his preference that provision is on site rather than be via a commuted sum payment.

Whilst this scheme is now potentially including 4 units of on site affordable housing which is circa 5 % of total units on site they will be offered to the market as Discount for Sale units , the level of discount is not known at the time of writing this report.

In the event that the sensitivity testing as requested by Officers adequately demonstrates that that the 4 units the Developer are being provided at an appropriate level of discount, and should the Council's Consultant (GE) recommends acceptance of the offer, it is considered that the viability issue would be satisfactorily addressed.

Discount for Sale housing is an acceptable form of affordable housing. Given that it is preferable that affordable housing be provided on site in line with the CELPS Policy SC5 and the Affordable Housing IPS and assuming that the sensitivity testing/Applicant offer is deemed acceptable by the Council's

Consultant (GE) then it is recommended that the following updated Heads of Terms are amended to be as follows.

In the event that GE recommends the Council to not accept the offer, then the recommendation can revert to the initial commuted sum

RECOMMENDATION

Approve subject to the following updated Heads of terms for the S106 -

S106	Amount	Triggers
50% discount for sale units	2 x 1 bed flat 2 x 2 bed house (both in Henderson part of site) Discount for Sale percentage TBC. In event of no agreement to the above , £223,591 commuted sum in lieu	50% upon 1 st occupation of the 20 th unit. 50% at occupation of the 30 th unit
Health	£60,696	50% Prior to first occupation of any part of the development 50% at occupation of the 43rd unit
Education	£81,713	50% Prior to first occupation of any house within the Henderson scheme 50% at occupation of the 18th dwelling.
Retention of retail units to Wheelock St for retail uses (A1 to A5)		Upon 1 st occupation of any part of the McCarthy and Stone development
Private Management scheme for all POS/incidental open space on site.		Occupation of 17 th house within the Henderson scheme or 1 st occupation of McCarthy element whichever comes 1 st
TRO for loading bay on Wheelock ST	£10,000	Commencement of the McCarthy development

And the following conditions:

- 1. Standard Time**
- 2. Plans**
- 3. Tree Protection**
- 4. Tree Pruning/Felling Specification**
- 5. Service/Drainage Layout to be submitted**
- 6. Pedestrian link through site from Southway to Darlington Street to be un-gated and re-routed through McCarthy & Stone car park**
- 7. Prior to the use of any facing or roofing materials details/ samples shall be submitted and approved**
- 8. Notwithstanding the approved plans boundary treatment details shall be submitted and approved prior to commencement**
- 9. Submission, approval and implementation of a Construction/Environment Management Plan- prior to commencement**
- 10. Arboricultural Management Scheme – prior to commencement**
- 11. Site specific Engineer designed specifications for any foundation or area of hard surfacing within the root protection area of retained trees have been submitted to and approved- prior to commencement**
- 12. Existing/proposed and Finished Floor Levels to be submitted and approved prior to commencement**
- 13. Provision of Electric Vehicle infrastructure**
- 14. Contaminated land – submission of a phase 2 report - prior to commencement**
- 15. Contaminated land – submission of a verification report**
- 16. Contaminated land – works to stop if any unexpected contamination is discovered on site**
- 17. Contaminated land imported garden soil**
- 17. Breeding birds – mitigation measures**
- 18. Breeding Birds – timing of works**
- 19. Submission of external lighting details**
- 20. In respect of the dwellings - Removal of permitted development rights for all extensions/outbuildings Class(es) A-E of Part 1 and fence/ any means of enclosure forward of any building line Class B of Part 2 Schedule 2 of the Order**
- 21. Piling**
- 22. Notwithstanding submitted plans details of the hard and soft landscaping and car parking layouts to be submitted and approved**
- 23. Implementation of the landscaping scheme**
- 24. The car-parking layout approved as part of condition 22 shall be implemented prior to first occupation**
- 25. Development to be undertaken in accordance with *submitted Bat Mitigation Strategy prepared by SLR dated January 2019 unless varied by a subsequent Natural England license***
- 26. Residents' Sustainable Travel Information Pack**
- 27. Programme of archaeological work**
- 28. Detailed design and associated management and maintenance plan of surface water drainage (SUDS)**
- 29. Windows on side elevation overlooking 2 Darlington St to be obscured/not opening**

30. Notwithstanding submitted plans a landscaping, including replacement tree planting scheme to be submitted/implemented
 31. Retail uses scheme of services
 32. Retirement living occupation age restriction

In order to give proper effect to the Board`s/Committee`s intent and without changing the substance of its decision, authority is delegated to the Head of Planning (Regulation) in consultation with the Chair (or in their absence the Vice Chair) to correct any technical slip or omission in the resolution, before issue of the decision notice

Should this application be the subject of an appeal, authority is approved to enter into a S106 Agreement to secure the following:

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