

CHESHIRE EAST COUNCIL

SOUTHERN PLANNING COMMITTEE

Date of meeting: 3rd August 2011
Report of: Adrian Fisher, Head of Planning and Policy
Title: Albany Mill, Congleton

1.0 Purpose of Report

- 1.1 To consider a proposed variation to the Section 106 Agreement attached to planning permission 06/1414/FUL for the development of 43 no. Affordable 2 Bedroom Apartments, approved by Congleton Borough Council and Cheshire East Council respectively.

2.0 Decision Required

- 2.1 To agree to the proposed amendments and to instruct the Borough Solicitor to prepare a Deed of Variation.

3.0 Background

- 3.1 Full planning permission was granted in 2006 for the demolition of the existing buildings the erection of 43 no. affordable 2 bed apartments, comprising a mix of shared ownership, discounted for sale and rented accommodation. The scheme was subject to a condition requiring the developer to enter into a prior legal agreement to provide for the retention of the development as affordable housing in perpetuity and a commuted sum in lieu of public open space. That legal agreement was subsequently signed on 11th March 2010 and work has since commenced on site.
- 3.2 A further planning application (10/2779C) was submitted in 2010 for an amendment to Approval 06/1414/FUL to Change Slab Levels to the Apartment Block Containing 6 x 1 Bed Units and 10 x 2 Bed Units (Block A). Committee resolved to approve this application subject to a Deed of Variation to the original legal agreement to reference the new permission.

4.0 Proposals

- 4.1 The Section 106 Agreement entered into on 11th March 2010 referred to Renew Land (Albany Mill) as the developer of Block C. Their interest in the site has now been purchased by Great Places, meaning that they are the sole developer of the site. Renew Land therefore are no longer required to be a party to the agreement.

- 4.2 The original S106 also referred to Block C as being for discounted for sale units. However, in discussion with the Council's Housing Section, the developer has agreed that this could be carried to allow Block C to be offered for shared ownership instead. They have also agreed that all shared ownership units on the scheme could be offered for Rent to Homebuy for a period of there is not sufficient market demand for them as shared ownership. Great Places have proposed a 6 week marketing period for shared ownership at which point if there is no interest the relevant units could be offered for Rent to Homebuy for up to 5 years, as per the HCA Guidance.
- 4.3 The change of developer will not impact on the delivery of this scheme of affordable housing and in the absence of any objection from the Housing Officer, it is considered that the change to the tenure of Block C is also acceptable.

5.0 Conclusion

- 5.1 On the basis of the above, the proposed changes to the Section 106 are considered to be appropriate and acceptable.

6.0 Recommendation

- 6.1 That the Committee resolve to instruct the Borough Solicitor to prepare a Deed of Variation in respect of the Section 106 Agreement attached to planning permission 06/1414/FUL to modify the mix of tenure on the site to omit Renew Land (Albany Mill) and to change the tenure of Block C from Discounted for Sale housing to Shared Ownership. The Deed of Variation is also to include the option that Great Places could offer all the shared ownership units on the development as rent to buy for up to 5 years if there is not sufficient market for the shared ownership units.

7.0 Financial Implications

- 7.1 There are no financial implications. Great Places will be required to pay the Council's legal costs.

8.0 Consultations

Borough Solicitor

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

Housing Section

- 8.2 Housing support Great Places request for the variation to change the Discounted for Sale properties to Shared Ownership Dwellings as this would make them more affordable at the initial sale. Under the terms of the S106 there is a requirement that the Discounted for Sale properties

are sold at no more than 70% of the open market value, if these are changed to Shared Ownership the initial sales of the units will be at 50% of open market value. We would also support the request for the additional option that Great Places could offer all the shared ownership units on the development as rent to buy for up to 5 years if there is not sufficient market for the shared ownership units.

9.0 Risk Assessment

9.1 There are no risks associated with this decision.

10.0 Reasons for Recommendation

10.1 To ensure that an approved scheme for essential affordable housing within the rural area is delivered.

For further information:

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Background Documents:

Application 06/1414/FUL 10/2779C