

Date of Meeting: 8th August 2012

Report of: Development Management and Building Control Manager

Title: Proposed Alterations to the Section 106 Agreement to Allow Affordable Rent Provision in Scheme (11/4002C) for 83 residential units at land off Jersey Way, Middlewich.

1.0 Purpose of the Report

- 1.1 To consider the proposed amendments to the resolution passed by the Southern Planning Committee in respect of application 11/4002C.
- 1.2 The report has been presented to Southern Planning Committee because the original application was approved by the Committee in June 2012.
- 1.3 The proposal has been added at short notice to the Southern agenda as there are contractual arrangements between the developers and the land owner which require an urgent decision to be made.

2.0 Decision Required

- 2.1 To agree to the amendments to the previous resolution 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 site lies wholly within the Settlement Zone Line for Middlewich and is not allocated in the Local Plan. The site is approximately 500m to the northeast of Middlewich town centre and bounded by Northwich rail freight line to the west, the rear boundaries of residential properties fronting Holmes Chapel Road to the south, Jersey Way and its wider environs to the east and King Street Industrial Park to the north.
- 3.2 The site measures approximately 2.4ha and is linear in shape running parallel with the railway line in a northwest to southeast direction with relatively even ground levels. A watercourse runs from the southwestern corner of the site along the western boundary into adjacent land which

then cuts sharply back across the centre of the site to its eastern boundary and beyond.

4.0 Previous Planning Permission

4.1 Members may recall that in June 2012, Southern Planning Committee resolved to grant planning permission for the erection 83 dwellinghouses.

4.2 The resolution to approve was subject to completion of a Section 106 Agreement making a number of provisions, including:

'Provision of 23% affordable housing (19 no. units comprising of 12no. two bedroom apartments, 4no. three bedroom houses and 3no. two bedroom) split on the basis of 63% social rent (12 units) and 37% intermediate tenure (7 units) as per requirements of the Interim Planning Statement'.

4.3 The developer is seeking to amend this wording to make provision for properties for 'affordable rent' within the scheme as an alternative to 'social rent'.

5.0 Officer Comment

5.1 Social rented housing is housing that is owned and managed by Local Authorities and registered social landlords, which are let at guideline target rents as determined through the national rent regime.

5.2 Affordable rented housing is let by registered providers of social housing to households who are eligible for social rented housing. However, affordable rented housing is not subject to the national rent regime, it is subject to other rent controls that require the properties to be let at no more than 80% of the market value for an equivalent property type.

5.3 Both social rented and affordable rented housing have essentially the same characteristics except the controls over the level of rent the units can be let at.

5.4 The Council's Housing Section commissioned a report looking at the impact of the affordability of affordable rents against social rents across Cheshire East and found that in the majority of areas affordable rent set at 80% of the market rent for the area would be affordable. For example, in the Cholmondeley Ward the report established that affordable rent at 80% of the market rents would be affordable to 74.2% of newly forming households. When the impact of Housing Benefit has been taken into account, this increases to 98.9% of newly forming households.

5.5 Due to this, Housing Officers have no objection with the developer's request to alter the wording of the committee's resolution to change the wording from social rent to affordable rent.

6.0 Conclusion

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

7.0 Recommendation

7.1 That the Committee resolve to amend the previous resolution in respect of application 11/4002C to read at 'Point 1'.

'Provision of 23% affordable housing (19 no. units comprising of 12no. two bedroom apartments, 4no. three bedroom houses and 3no. two bedroom) split on the basis of 63% affordable rent (12 units) and 37% intermediate tenure (7 units) as per requirements of the Interim Planning Statement'.

8.0 Financial Implications

8.1 There are no financial implications

9.0 Legal Implications

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

10.0 Risk Assessment

10.1 There are no risks associated with this decision