

AGENDA ITEM 5

PLANNING COMMITTEE

14th August 2014

REPORT OF HEAD OF REGULATORY SERVICES

PLANNING PERMISSION 13/00844/FUL: NEW HOUSING DEVELOPMENT AT TRAVIS PERKINS TRADING CO LTD, 59 MILL STREET, MELTON MOWBRAY

REQUEST TO AMEND THE AFFORDABLE HOUSING PROVISION

1. PURPOSE OF THE REPORT

- 1.1 This report is intended to provide sufficient information to enable the Planning Committee to consider the request to amend the affordable housing requirements for a proposed housing development for 16 dwellings within Melton Mowbray.

2.0 RECOMMENDATION

- 2.1 The Committee are invited to consider the request to modify the affordable housing provision to either

- a) amend the requirement of the S106 to provide 4 no. Affordable Housing units on the site, removing the 0.8 financial contribution, or
- b) refuse the request in favour of the original committee motion on the 3rd April 2014.

3.0 BACKGROUND

- 3.1 Members may recall resolving to approve the above planning application for a development scheme of 16 dwellings, including bungalows, at Travis Perkins Trading Co Ltd, 59 Mill Street, Melton Mowbray. The Committee resolved to approve the scheme, subject to:

- (a) The completion of an agreement under s 106 as set out above to secure:
 - (i) Contribution for the improvement to civic amenity sites.
 - (ii) Contribution for the improvement to library facilities.
 - (iii) The provision of affordable housing on the site (4 units) and off site monetary contribution (0.8 monetary contribution)
 - (iv) and conditions

- 3.2 The site lies within Melton Mowbray and would consist of the redevelopment of a derelict brownfield site within the town centre, a highly sustainable location. The application presented housing in a quantity and type that satisfied identified local needs and presented a vehicle for the delivery of housing of the appropriate quantity, type and location to meet identified local need. The proposal, however, fell short of the Councils affordable housing requirement by 10% (provided 30% AH not 40%), and the lack of open space provision within the site. It was considered that there were significant benefits accruing from the proposal when assessed as required

under the guidance of the Development Plan and in the NPPF in terms of location, sustainability and meeting housing need in particular. The insufficient affordable housing and lack of open space were considered to be of limited harm in this location and justified due to the merits of the application.

4.0 VIABILITY

- 4.1 Following the resolution to approve the applicants have been progressing with the completion of the S106 and securing a Registered Provider (RP). The applicants have informed the Council that they have had an offer from Waterloo Housing Group at £46,250 per each of the 4 units, a lower offer from Muir Group (£41,950) and a further RSL were not able to confirm an offer. The applicants consider that the lack of firm offers and at lower rates provides a viability issue for the scheme. The applicants have stated that they are still willing to provide small scale housing on the site to meet required housing needs including the four on site units originally suggested.
- 4.2 The applicants have submitted a financial appraisal which indicates that there is no margin within the figures to justify the implementation of the project in its current format. They have suggested that the project may be workable if the requirement for the 0.8 financial contribution could be waived. The scheme would still include the provision of 4 No. units to be taken by the RP of the type and tenure identified by the Council's Housing Officer.

5.0 KEY ISSUES

- 5.1 The proposed scheme which was reported to committee on the 3rd April included some concessions in respect of affordable housing requirements. Saved policy H7 of the Melton Local Plan requires affordable provision 'on the basis of need' and this is currently identified at 40%. The application which was resolved to permit included the provision of four one bed units would be allocated as affordable housing for rent and then they would pay a developer contribution to make up the 0.8 remainder required to achieve 30% affordable housing. The affordable housing provision did not meet the requirements of the development plan (40%). The application also did not meet on site open space provision.
- 5.2 When considering the application a judgement was made on the reduced provision of affordable housing. The scheme would provide for 30% affordable housing and when considered against the supply of a good cross section of differing house types on the site, its central location and the provision of bungalows in particular – a much needed house type - the shortfall was considered acceptable on balance.
- 5.3 The applicants have subsequently submitted a request to reduce the affordable housing provision to 25%, by the removal of the 0.8 monetary off site contribution. The housing mix, bungalows and on site provision would remain as per the original application.

6 CONCLUSION

- 6.1 The Committee needs to consider if the request to modify the scheme to remove 0.8 monetary contribution to off-site affordable housing provision would amount to an acceptable form of development.
- 6.2 It is considered that justification for the application was founded on a judgement in favour of the competing objectives as the proposal represented redevelopment of a derelict brownfield site within the town centre, a highly sustainable location,

presented housing in a quantity and type that satisfies identified local needs and presented a vehicle for the delivery of housing of the appropriate quantity, type and location to meet identified local need. It was considered that there were significant benefits accruing from the proposal when assessed as required under the guidance of the Development Plan and in the NPPF in terms of location, sustainability and housing need in particular. The scheme remains unchanged with the exception of the request to lessen the affordable housing provision by 5%. In applying the 'test' required by the NPPF that permission should be granted unless the impacts would "significantly and demonstrably" outweigh the benefits; it is considered that the event with the reduced affordable housing contribution now requested, the benefits still outweigh harm.

- 6.3 In considering the competition objectives and the further reduction in affordable housing provision the viability of the scheme is required to be considered. If considered financially unviable the project will not be able to proceed. In taking a pragmatic approach in this instance the scheme would still provide housing that meets identified need and would provide 4 on site affordable units whilst moving a derelict brownfield site within the town centre forward.
- 6.4 It is considered that these benefits are still sufficient to justify an exception to Development Plan policies and the request to modify is recommended to be accepted.

Background Documents:

- Planning Application 13/00844/FUL
- Committee report 13/00844/FUL 3rd April 2014
- Minutes of the Committee meeting of 3rd April 2014