

## Request to vary Section 106 Agreement in relation to Planning Permission 15/01019/OUT, Hecadeck Lane, Nether Broughton

<b>Corporate Priority:</b>	Delivering sustainable and inclusive growth in Melton
<b>Relevant Ward Member(s):</b>	Councillor Joe Orson, Old Dalby Ward
<b>Date of consultation with Ward Member(s):</b>	17 January 2022
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 The purpose of this report is to consider proposed amendments to the Section 106 agreement associated within this application that have been requested by the applicant.
- 1.2 Planning Permission was granted in 2017 for residential development (15/01019/OUT) with an associated s106 that included provision for affordable housing units as 40% of the total units (75% affordable rent and 25% shared ownership properties). This equates to 8 dwellings.
- 1.3 In January 2022 the Council was approached by the developers, Grace Homes (who have acquired the site from the original applicants) proposing a Deed of Variation to the s106 agreement. The proposal is as follows:
- Retain the figure of 8 referred to in the s106
  - A proposed mix of:
    - (i) 2 affordable rented dwellings and 6 intermediate dwellings (as opposed to the current agreement of 6 and 2 respectively).
- 1.4 The approved site plan is shown here which details the location of the affordable housing units as plots 7-14.



## RECOMMENDATION(S)

1. It is recommended that:
  - (ii) the request for a Deed of Variation is agreed

## 2 Reason for Recommendations

2.1 The proposed tenure mix would result in delivery of affordable housing of a type for which there is local need.

### 2.2 Reason for Committee Determination

2.2.1 The deed of variation would impact on the composition of the provision of affordable housing and raises matters that in the opinion of the Director of Growth and Regeneration, in consultation with the Chair, should be referred to the Planning Committee under Chapter 2, Part 9 of the Constitution.

### 2.3 Relevant Policies

2.3.1 Policy C4 of the Adopted Local Plan relates to affordable housing and requires 25% affordable housing in Nether Broughton, of various tenures. It should be noted that the s106 in this location was determined significantly before the Local Plan was adopted and the Neighbourhood Plan was made, and that the figure of 8 equates to 40%.

2.3.2 The adopted 'Affordable Housing and Housing Mix SPD' (July 2019) elaborates on the quantity, mix and tenure of affordable housing and also states that in rural areas occupancy conditions shall apply.

2.3.3 Neighbourhood Plan policies require:

- Policy H5: Affordable Housing Provision - Development proposals for new housing where there is a net gain of more than ten dwellings should provide at least 25% affordable housing, or other figure within the Local Plan.

## 2.4 Main Issues

- 2.4.1 The main issues associated with this proposal are considered to be whether the proposed (new) Tenure Mix is acceptable

## 3 Report Detail

### 3.1 Background

- 3.1.1 The planning application was considered at the meeting in November 2017 and was approved, subject to the completion of a S106 Agreement to provide affordable housing. Detailed within the S106 Agreement is a requirement for 40% Affordable Dwellings, specified as 75% discount market rent and 25% shared ownership ('intermediate'). The development is being built out as 20 dwellings hence the affordable housing provision is 8.
- 3.1.2 The agreement also sets out a local connections criteria for all types of affordable housing on a 'cascade' basis and there is no request to adjust these mechanisms
- 3.1.3 The Local Plan does not specify a required, or preferred, tenure mix but the Supplementary Planning Document advises that the Council's approach is to facilitate the negotiation of affordable housing and housing mix in order to:
- Ensure positive and flexible approach to facilitating sustainable development;
  - Maximise the quantum and quality of affordable housing delivered;
  - Ensure residential developments create mixed and balanced communities
  - Ensure reasonable returns for developers
- 3.1.4 The Housing Policy Officer is supportive of the proposal to amend to 6 shared ownership and 2 discount market rent properties, based upon the limited sustainability of the site for affordable rent. Nether Broughton is a 'rural settlement' in the Local Plan owing to its limited range of facilities and therefore less conducive for affordable rent.
- 3.1.5 Delivery of affordable housing within the Parish recently, and that currently under construction, is considered to provide a significant level of affordable housing for rent to support local needs within the Parish. Affordable housing for rent properties are predominantly derivative of Old Dalby and are located there (including Queensway).
- 3.1.6 Therefore it is considered that the introduction of greater proportion of shared ownership within this development is suitable for Nether Broughton and would not result in an under provision of affordable properties to rent within the Parish. See details in the Consultations section below (Appendix A) of recent and under construction developments where there is a provision of affordable housing to rent.
- 3.1.7 The revised mix of tenures would retain a mix catering for different needs and assist towards a mixed and balanced community, without undermining provision for locally derived needs as detailed above. In addition, shared ownership itself provides flexibility in respect of ownership through 'staircasing' opportunities.

## 4 Consultation & Feedback

- 4.1 The Ward Councillor has not provided written feedback on the proposal

## 5 Financial Implications

- 5.1 None.

**Financial Implications reviewed by: N/A**

## 6 Legal and Governance Implications

- 6.1 Variation of S106 is required to be agreed by the successors to the original signatories (as owners) to the s106 and the Council also as signatory in its capacity as Local planning Authority.

**Legal Implications reviewed by: Tom Pickwell (Solicitor)**

## 7 Background Papers

- 7.1 15/01019/OUT Committee Report  
7.2 Sealed (Original) Section 106 Agreement

## 8 Appendices

- 8.1 A : Consultation responses

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## Appendix A : Summary Consultation Responses

### **Housing Policy Officer:**

Within the Parish, the majority of the affordable housing for rent needs will be in Old Dalby. The applicants view regarding the sustainability of shared ownership rather than rented in Nether Broughton is supported.

Therefore, the proposal made by the applicant is supported.

### Background information:

#### Housing Needs Survey for the parish – undertaken in 2014:

6 were assessed as being in need of affordable housing for rent or shared ownership (5 were connected to Old Dalby, 1 to Nether Broughton):

1 x 3 bed house for rent

2 x 1 bed bungalow for rent

2 x 2 bed houses for shared ownership

1 x 3 bed house for shared ownership

MBC Housing Register at the time of the HNS found:

8 were assessed as being in need of affordable housing (8 were connected to Old Dalby, 0 to Nether Broughton):

4 x 1 Bed house – affordable rented

3 x 2 Bed house – affordable rented

1 x 4 Bed house – affordable rented

Total – 11 x affordable rented and 3 x shared ownership

### Delivery:

'OLD1': Longcliffe Hill, Old Dalby

2 x affordable housing for rent dwellings (Nottingham Community Housing Association)

3 x Starter Homes

4 x Discounted Market Sale

### Planning commitment:

Land West of Marquis Rd, Old Dalby (18/01436/REM) for 16 x affordable dwellings – permitted 30/7/2019. Currently under construction.