

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

PLANNING COMMITTEE – 6 DECEMBER 2016

Title of report	PROPOSED ALTERATIONS TO SECTION 106 OBLIGATIONS IN RESPECT OF AFFORDABLE HOUSING OBLIGATIONS REQUIRED IN ASSOCIATION WITH RESIDENTIAL DEVELOPMENT AT LAND AT RAVENSTONE ROAD, COALVILLE / COALVILLE LANE, RAVENSTONE
Contacts	Councillor Trevor Pendleton 01509 569746 trevor.pendleton@nwleicestershire.gov.uk Head of Planning and Regeneration 01530 454782 jim.newton@nwleicestershire.gov.uk Principal Planning Officer 01530 454675 james.knightley@nwleicestershire.gov.uk
Purpose of report	To consider a request from the developer of the above site to amend its affordable housing obligations
Council Priorities	Homes and Communities
Implications: Financial/Staff Link to relevant CAT Risk Management Equalities Impact Assessment Human Rights Transformational Government	 As set out in the report below Not applicable Not applicable Not applicable Not applicable Not applicable
Comments of Deputy Chief Executive	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory

Comments of Deputy Monitoring Officer	Report is satisfactory
Consultees	Ravenstone with Snibston Parish Council North West Leicestershire District Council Snibston North and Snibston South Ward Members North West Leicestershire District Council Strategic Housing Team
Background papers	Application documents in respect of application refs. 12/00325/OUTM, 13/00055/REMM and 16/00546/FULM
Recommendations	TO AGREE TO THE SUBSTITUTION OF THE EXISTING AFFORDABLE HOUSING OBLIGATIONS BY THE PROVISION OF 26 UNITS AND IN ACCORDANCE WITH THE HOUSE TYPE AND TENURE MIX AS SET OUT IN THIS REPORT

1.0 INTRODUCTION AND BACKGROUND

- 1.1 On 3 July 2012, the District Council's Planning Committee resolved to grant outline planning permission subject to Section 106 obligations for residential development of up to 190 dwellings and associated works on a site at Ravenstone Road, Coalville and Coalville Lane, Ravenstone (planning permission ref. 12/00325/OUTM).
- 1.2 The Section 106 agreement was completed on 24 July 2012, and the planning permission subsequently issued on 25 July 2012. The Section 106 agreements include obligations in respect of, amongst others, affordable housing. The existing affordable housing obligations require that 18% of the proposed dwellings be provided as affordable housing units, and comprising the following mix:
- 32% 1 bed apartments
 - 14% 2 bed houses
 - 22% 2 bed bungalows
 - 27% 3 bed houses
 - 5% 4 bed houses
- 1.3 Reserved matters approval ref. 13/00055/REMM for the erection of 190 dwellings was issued on 26 March 2014, with subsequent Section 73 approvals in respect of that reserved matters approval being issued on 5 September 2013 and 17 March 2015 (refs. 13/00520/VCIM and 14/01046/VCIM respectively).
- 1.4 The developer has however now approached the Local Planning Authority with a view to entering into an amended scheme of obligations in respect of affordable housing.
- 1.5 The residential development is currently under construction.

2.0 PROPOSED AMENDED AFFORDABLE HOUSING OBLIGATIONS

2.1 The developer advises that, as a result of changes in housing benefit rules for the under-35s, Registered Providers are limiting the amount of one bed units within their stock, and the partner Registered Provider in this instance is therefore seeking an amended range of units (but, as a result, would require a reduction in the overall number of units to a total of 26 units (i.e. 14%), of which 14 would be available as affordable rent, and 12 as shared ownership). The proposed amended mix would be as follows:

- 6 no. 1 bed apartments (all rented)
- 2 no. 2 bed houses (all rented)
- 6 no. 2 bed bungalows (4 rented, 2 shared ownership)
- 12 no. 3 bed houses (2 rented, 10 shared ownership)

2.2 Given the range of units approved under reserved matters approval 13/00055/REMM (and the subsequent Section 73 approvals), the existing form of development would need to be amended to enable the affordable units listed under 2.1 above to be erected on site. The developer has addressed this by way of a separate full planning application for a revised layout for 10 of the dwellings in the north eastern part of the site (ref. 16/00546/FULM). This application has been resolved to be permitted under delegated powers subject to Section 106 obligations. Therefore, as and when a Section 106 agreement relating to that application has been entered into, the developer would, in effect, be in a position to implement either that scheme or the previously approved reserved matters scheme. Implementation of the revised scheme would enable the developer to deliver (physically) the revised affordable housing units to which agreement is now sought.

3.0 CONSULTATION

3.1 Ravenstone with Snibston Parish Council has no comments.

3.2 The District Council's Strategic Housing Team supports the proposed alternative obligations for the reasons set out in Section 5.0 below.

4.0 RELEVANT PLANNING POLICY

4.1 National Policies

National Planning Policy Framework (NPPF)
Planning Practice Guidance

4.2 Adopted North West Leicestershire Local Plan

Policy H8 of the adopted North West Leicestershire Local Plan provides that, where there is a demonstrable need for affordable housing, the District Council will seek the provision of an element of affordable housing as part of any development proposal.

4.3 Submitted North West Leicestershire Local Plan

Policy H4 of the submitted North West Leicestershire Local Plan provides that a minimum affordable housing contribution of 20% should be provided on developments of 15 or more dwellings in the Coalville Urban Area, and that the Council's preference is for on-site provision.

4.4 **Other Local Policies**

North West Leicestershire District Council Affordable Housing Supplementary Planning Document – January 2011

5.0 **ASSESSMENT**

- 5.1 The developer's rationale for seeking the proposed changes is as set out under Section 2.1 above, and it is noted that the proposed revised obligations would result in a smaller number of units being delivered as affordable housing.
- 5.2 The proposed change to the affordable housing contribution has been considered by the District Council's Strategic Housing Team which advises that it has been in regular contact with the developer and the Registered Provider in order to find ways to secure the delivery of affordable homes on this development. The Strategic Housing Team confirms that the changes sought are in reaction to changing economic conditions affecting the activity of Registered Providers and their ability to offer on Section 106 negotiated developments. It notes that older sites where the affordable mix was negotiated prior to 2015 are particularly vulnerable as developer expectations were higher, having been based on a stronger Registered Provider bidding platform.
- 5.3 The Strategic Housing Team confirms that the applicant's assertion that Registered Provider offer levels are lower, with fewer Registered Providers being in a position to offer, (particularly on one bed properties) is correct (and as set out under 2.1 above). With no guarantee that the limitations on Registered Provider capacity will improve in the foreseeable future, and with the introduction of Starter Homes as an affordable tenure, the Strategic Housing Team considers that the proposed changes present the best opportunity to secure rented affordable housing (as well as maintaining market homes delivery) on this development.
- 5.4 On this basis, therefore, and having regard to the range of house types that would be secured, it is accepted that the provision of the amended affordable housing contribution would be an acceptable alternative, and would represent the most appropriate contribution likely to be available in the circumstances. As such, it is recommended that the proposed amended affordable housing obligations be accepted.