



PLANNING COMMITTEE: 28th July 2015

DIRECTORATE: Regeneration, Enterprise and Planning

DIRECTOR: Steven Boyes

REPORT TITLE: Variation of s106 agreement dated 13th March 2015 pursuant to planning application N/2014/0155 (Development of 45 apartments) on land at Old Towcester Road

1. RECOMMENDATION

- 1.1 That the Committee **agree** to delegate authority to the Director of Regeneration, Enterprise and Planning to vary the Section 106 agreement to accept off-site contribution towards provision of affordable housing.

2. BACKGROUND

- 2.1 As part of planning application N/2014/0155, for the development of 45 residential flats, the developer entered into a legal agreement to secure planning obligations to mitigate the adverse impacts of the development.
- 2.2 The Section 106 agreement was completed on 13th March 2015 between Northampton Borough Council, Northamptonshire County Council, Bellway Homes Limited and The Canal and Rivers Trust.
- 2.3 Under the terms of the agreement, the developer Bellway Homes are obligated to provide a number of affordable housing units as an integral part of the development. Bellway are required to market those units to affordable housing providers for a defined marketing period prior to the occupation of 36 dwellings.
- 2.4 Firstly, the developer is required to market 5 affordable rented units to providers for a period of three months. Affordable rented units are flats which would be rented out for no more than 80% of the local market rent.

- 2.5 If, following the initial marketing period, no affordable housing provider has taken up this offer the developer is required to additionally market 9 units, as discounted sale units, at a price which is 70% of the open market value.
- 2.6 Should no agreement be able to be made with an affordable housing provider, the agreement makes provision for the payment to the council of an off-site affordable housing contribution of £250,000 to be used toward the provision of affordable housing in Northampton.
- 2.7 Bellway commenced the first marketing period on 5th June 2015, offering each of the registered providers either of the options. The Council has also assisted by providing a list of affordable housing providers. So far they have received responses from 8 providers of which copies have been provided to the Council. Unfortunately, none of the providers are interested in either of the options for a number of reasons including too few units and the units are too large for their requirements.

3. PROPOSED VARIATION

- 3.1 Section 106A of the Town and Country Planning Act 1990 allows a planning obligation to be modified by agreement between both parties. As such Bellway Homes have requested the Borough Council voluntarily agree to a variation of the planning obligations.
- 3.2 Bellway suggest continued marketing is likely to prove unsuccessful as they have approached the major providers in the area. The negative stance of the providers is unlikely to change in the coming months. As such they request that the council agree to the removal of obligation to undertake continued marketing, bringing to an end the period(s) of marketing and allowing immediate payment of the off-site contribution.

4. CONCLUSION

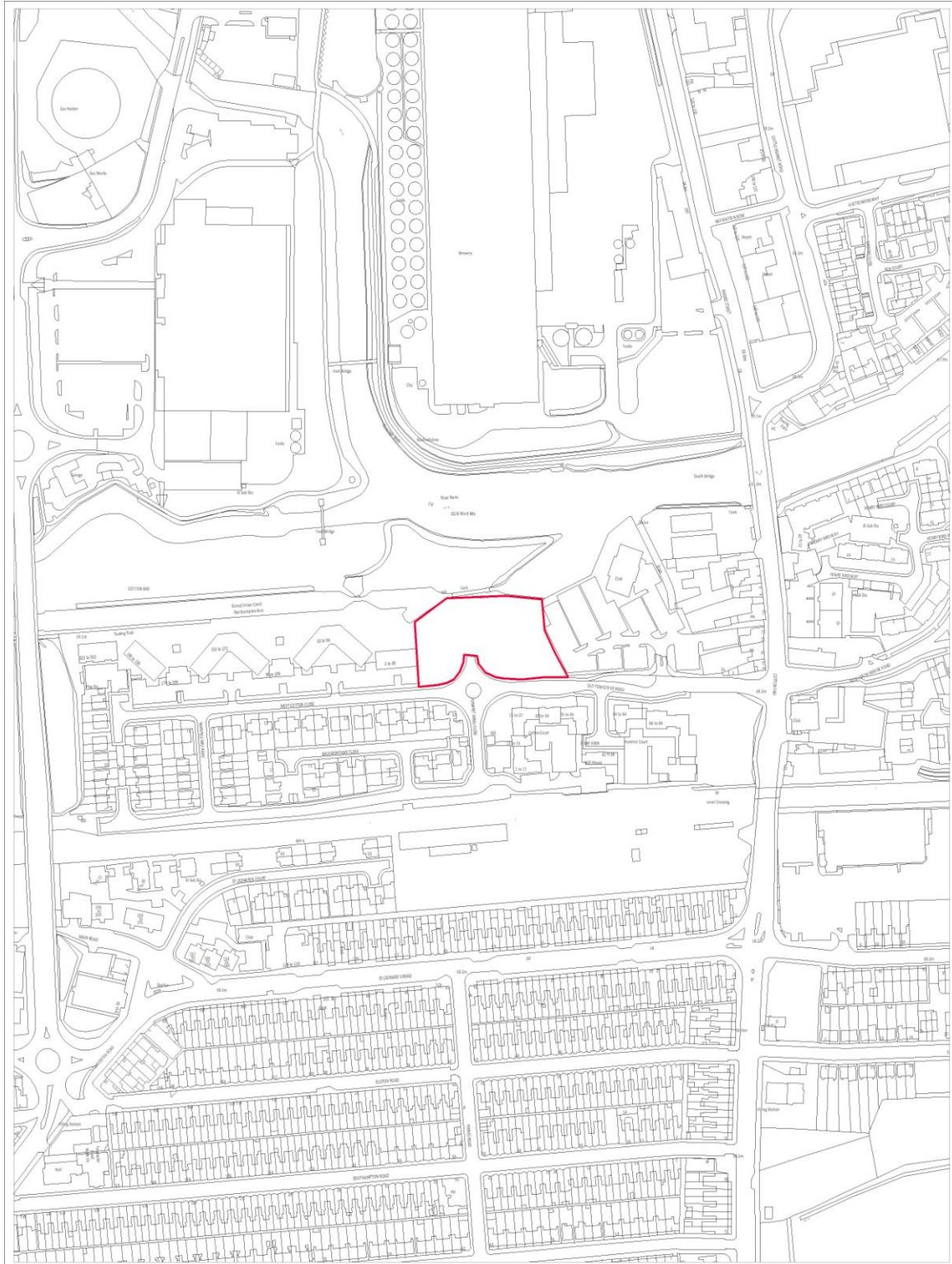
- 4.1 Evidence has been presented to the Council to confirm that Bellway has undertaken a period of marketing to affordable housing providers and that there has been a lack of interest in taking the affordable housing. Officers also agree that Bellway has marketed of the affordable housing units and that the responses show that the prospect of uptake by providers is unlikely.
- 4.2 Payment of the off-site contribution will allow the delivery of appropriate affordable housing in Northampton and therefore the impact of the development can be mitigated. It is therefore considered that the request is reasonable and recommended that Members agree to delegate authority to the Director of Regeneration, Enterprise and Planning to vary the Section 106 agreement as set out in this report.

5. LEGAL IMPLICATIONS

5.1 As set out in the report.

6. SUMMARY AND LINKS TO CORPORATE PLAN

6.1 In reaching the attached recommendations regard has been given to securing the objectives, visions and priorities outlined in the Corporate Plan together with those of associated Frameworks and Strategies.



Name: **Site Location Plan**
 Date: **13th July 2015**
 Scale: **1:3000**
 Dept: **Planning**
 Project: **Planning Committee**

Title

Bellway Homes Development Land, Old Towcester Rd

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