

PLANNING COMMITTEE: 19<sup>th</sup> January 2016

DIRECTORATE: Regeneration, Enterprise and Planning

DIRECTOR: Steven Boyes

REPORT TITLE: Variation of Section 106 agreement dated 21st February

2011 pursuant to planning permission WN/2010/0039 (Development of 80 residential units) on land off South

**Meadow Road** 

### **APPLICATION FOR DETERMINATION:**

## 1. RECOMMENDATION

1.1 That the Committee **AGREE** to variation of affordable housing provisions in the Section 106 agreement dated 21<sup>st</sup> February 2011 as set out in the Report.

### 2. BACKGROUND

2.1 The S106 Agreement dated 21<sup>st</sup> February 2011 relates to planning application approved by West Northamptonshire Development Corporation, reference WN/2010/0039 for the residential development for 80 residential units with associated garages, roads and sewers on land off South Meadow Road which has since been implemented. The Agreement contains requirements for the provision of affordable housing and in particular the process to be followed in relation to the disposal of an Intermediate Affordable Housing Unit on the open market.

## 3. PROPOSED VARIATION

3.1 The application seeks to vary the affordable housing provisions in relation to the disposal of Intermediate Housing Unit such that it is in line with the Affordable Housing Provider's 'standard' shared ownership lease.

# 4. CONSIDERATIONS

- 4.1 In January 2015 the Government consulted on proposals to streamline the resale of shared ownership properties. In March 2015 the Department for Communities and Local Government published a summary of the responses received and the Government's proposed way forward. The outcome of this consultation was that the Homes and Communities Agency published new model leases in August 2015 and the Government confirmed they would review shared ownership as part of the ongoing changes to housing policy. In relation to the specific issue raised by this application the Government's response to the consultation states that they consider that an eight week period for nominations prior to any property being put on the open market is appropriate.
- 4.2 The proposed amendment to the period for nominations from 4 months to 8 weeks would therefore be better aligned with the provisions of the 'standard' shared ownership lease whilst

- allowing sufficient time to establish if there is an interest in the property as a shared ownership property which should be established through the Help to Buy Agent which is Orbit Homes.
- 4.3 The proposed reduction to a requirement for three to one independent assessment of the market value of the Intermediate Housing Unit is considered acceptable however the clause should be amended to require that the valuation is undertaken by a registered valuer.

## 5. CONCLUSION

5.1 The proposed variations would align the S106 Agreement with more recent changes in Government guidance in relation to the sale of shared ownership properties whilst maintaining an element of control over the disposal of shared ownership units. The variations are therefore considered appropriate and acceptable. All other obligations of the original Agreement would remain applicable and in force.

### 6. LEGAL IMPLICATIONS

6.1 As set out in the report.

## 7. SUMMARY AND LINKS TO CORPORATE PLAN

7.1 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.

