

PLANNING COMMITTEE: 16th April 2019
DEPARTMENT: Planning Service
HEAD OF PLANNING: Peter Baguley

APPLICATION REF: N/2019/0295

LOCATION: Development Land, Lancaster Way

DESCRIPTION: Variation of S106 Agreement to amend type of affordable housing provision

WARD: Delapre & Briar Ward

APPLICANT: Barry Howard Homes
AGENT: Gowling WLG (UK) LLP

REFERRED BY: Head of Planning
REASON: Major application requiring S106 agreement

DEPARTURE: No

APPLICATION FOR DETERMINATION:

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1. RECOMMENDATION

- 1.1 That Committee **AGREE** to vary the Section 106 Legal Agreement so that the affordable housing element is occupied on the following tenures:
- 18 dwellings Rentplus model; and
 - 32 dwellings Affordable Rent.

2. THE PROPOSAL

- 2.1 The applicant has applied to vary the existing Section 106 Agreement in order to vary the composition of the affordable housing provision, which is currently a combination of social rent, affordable rent and shared ownership. The actual total amount of affordable housing would remain unchanged from the 35% previously agreed.

3. SITE DESCRIPTION

- 3.1 The application site is approximately 5ha in area and is allocated within the Northampton Local Plan for residential development (Policy H8). The application site has historically been used for the keeping of animals and as allotments, although the use of the site has been in decline and fallen into disuse in recent years. As a result of this, the site is overgrown in places. A Tree

Preservation Order is in place to protect the mature tree adjacent to Lancaster Way. The general topography of the site slopes downwards in a northerly direction, with a number of undulations within the site.

- 3.2 The surrounding area is predominantly residential in nature, with the surrounding buildings being of a wide variety of scales, styles and types. Of particular relevance are the traditional houses within Towcester Road which date from the early part of the 20th century, and the more modern dwellings within Hedgely Court and Hexham Court to the south; Braunstone Close to the west; Tunnel Hill Cottages, Radleigh Close and Leah Bank to the north; and Briar Hill Walk to the east.

4. PLANNING HISTORY

- 4.1 N/2012/0909 – Proposed residential development of 139 residential dwellings, garages and associated works including new access roundabout – Approved

5. PLANNING POLICY

5.1 Statutory Duty

Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires a planning application to be determined in accordance with the Development Plan unless material planning considerations indicate otherwise. The Development Plan for the purposes of this application comprises the adopted West Northamptonshire Joint Core Strategy (2014) and Northampton Local Plan (1997) saved policies.

5.2 National Policies

The National Planning Policy Framework (NPPF) sets out the current aims and objectives for the planning system and how these should be applied. In delivering sustainable development, decisions should have regard to the mutually dependent social, economic and environmental roles of the planning system. The NPPF should be read as one complete document. However, the following sections are of particular relevance to this application:

- 5.3 Paragraph 59 states that an objective of the Government is to boost the supply of housing and that within this context (paragraph 61) a mixture of sizes, types and tenures should be delivered. Paragraph 62 of the NPP states that where there is a need for affordable housing, this should be delivered on site.

5.4 West Northamptonshire Joint Core Strategy (2014)

The West Northamptonshire Joint Core Strategy (JCS) provides an up to date evidence base and considers the current Government requirements for plan making as it has been prepared in full conformity with the NPPF. Policies of particular relevance are:

- 5.5 Policy H1 requires that a mixture of house types are provided, which should be of varying sizes, types and tenures. Policy H2 requires that at least 35% of developments of 15 or more dwellings should be made available for occupation as affordable housing.
- 5.6 In addition to these matters, Policy INF1 requires that developments provide sufficient infrastructure to mitigate the impacts of development, which is in addition to Policy INF2 that requires a reliable mechanism for the provision of such infrastructure.

6. APPRAISAL

- 6.1 The existing Section 106 Agreement secured 35% of the development for occupation on affordable tenures. This was broken down as five dwellings to be occupied on social rented tenures; 27 dwellings to be occupied on affordable rented tenures, and the remaining 18 dwellings occupied on social rented tenures.

- 6.2 Following the grant of planning permission, the developer has approached a significant number of Registered Providers (RP) to take on the management of these affordable dwellings. However, for a variety of reasons, it has not been possible to identify a RP to take on the affordable housing in its originally agreed form.
- 6.3 There are a number of reasons for this, which, in summary include that owing to the complexities in completing the Section 106 Agreement, the inclusion of social rent tenures within a Section 106 Agreement is no longer commonplace. Furthermore, there are few, if any, RP's that manage housing on this tenure type. The change to affordable rented tenure better reflects current practices in affordable housing provision and, as a consequence, would also aid the timely delivery of this element of the affordable housing provision.
- 6.4 The developer, over a three month period, approached 16 different RPs that operate within the Northampton area. Unfortunately, it has not been possible to secure a RP to take over the administration of the shared ownership element of the affordable housing provision. In order to prevent the delivery of the wider development, including the affordable housing provision, from stalling, it is proposed to substitute the shared ownership houses with the Rentplus model.
- 6.5 The Rentplus model is a form of affordable housing, and has been used on other sites within Northampton, where similar challenges have existed. In essence, would provide tenants with a renewable lease (up to 20 years in total) at affordable rented levels, whilst providing tenants with the opportunity to purchase their property at a discounted rate. If the tenant does not wish to purchase their property, it can be offered to other tenants within the development on the same terms. If neither of these options are pursued, the dwelling would be offered to a RP, again at a reduced rate. Should no RP be forthcoming, the dwelling would be sold at open market value, but that the Council would receive a commuted sum, which would be specified within the legal agreement and that the Council would be able to use the receipt for funding off-site provision of affordable housing.
- 6.6 Whilst there would be some changes to the tenures of the affordable housing, the overall amount would be unchanged and would remain at a policy compliant 35%. Given the issues highlighted previously, it considered these amendments would facilitate the delivery of housing within the site.

7. CONCLUSION

- 7.1 Given the similarities in models of provision and the need to ensure the delivery of new affordable housing within the Borough, it is considered that the proposed amendment is acceptable.

8. BACKGROUND PAPERS

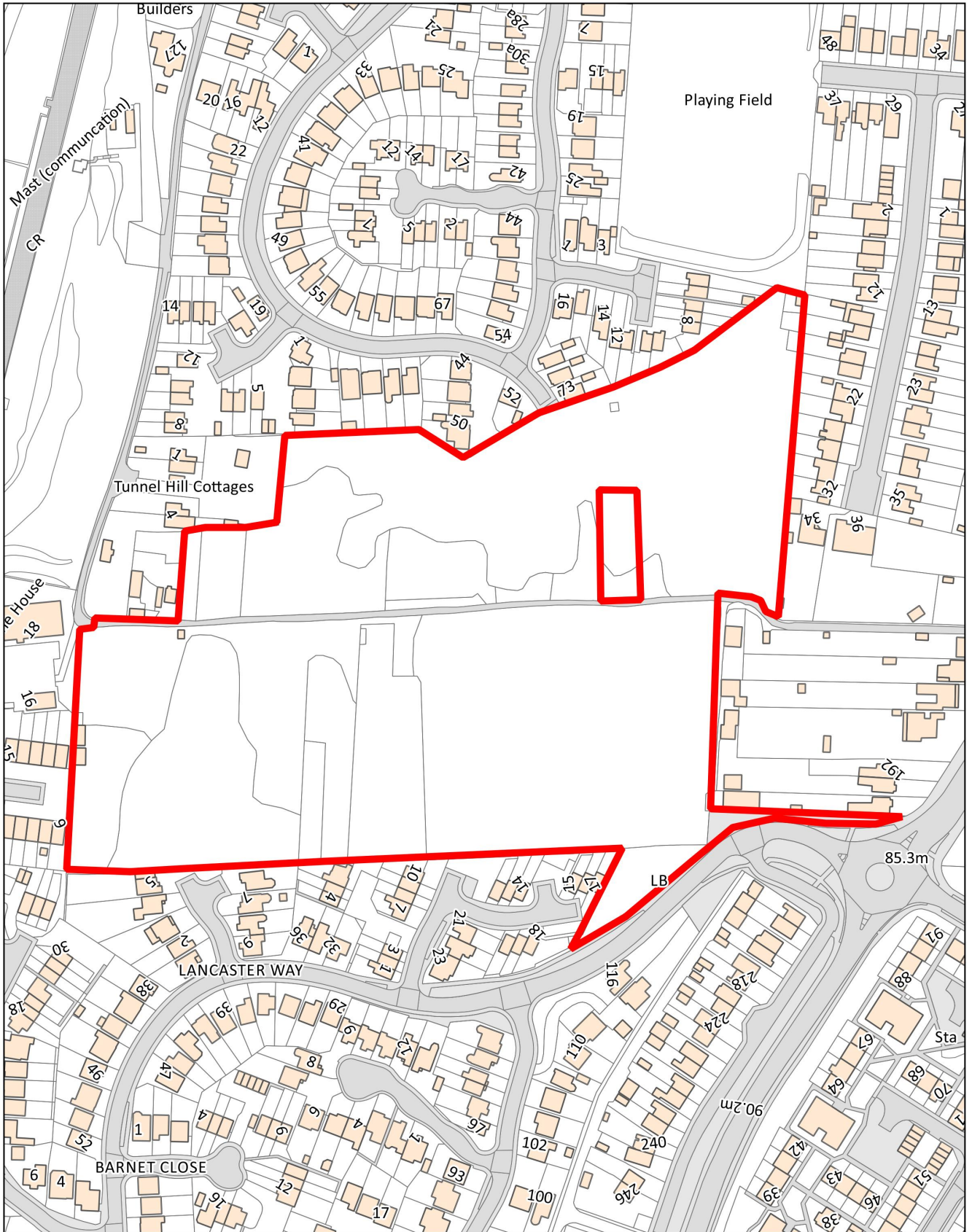
- 8.1 N/2012/0909.

9. LEGAL IMPLICATIONS

- 9.1 None.

10. SUMMARY AND LINKS TO CORPORATE PLAN

- 10.1 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.



Title: **Development land, Lancaster Way**

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Date: 08-04-2019

Scale: 1:2,000

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