

LAND TO THE NORTH EAST OF ECCLESHALL ROAD, SOUTH EAST OF PINWOOD ROAD AND NORTH WEST OF LOWER ROAD, HOOK GATE

DESIGN CONSTRUCTION MANAGEMENT SERVICES LTD

15/00448/OUT

Outline planning permission was granted in September 2015 for the erection of up to 16 dwellings (Ref. 15/00448/OUT). The application was accompanied by a Unilateral Undertaking which secured, amongst other things, 25% of the dwellings on-site as affordable units.

The applicant is now seeking to vary the Unilateral Undertaking to allow for the payment of a financial contribution towards the provision of off-site affordable housing rather than the provision of affordable units on site.

RECOMMENDATION

That the applicant be advised that the Council as Local Planning Authority is willing to agree to a variation in the Unilateral Undertaking to allow for a financial contribution towards the provision of off-site affordable housing subject to a further report advising on the required commuted sum

Key Issues

Outline planning permission was granted in September 2015 for the erection of up to 16 dwellings. The application was accompanied by a Unilateral Undertaking which secured, amongst other things, 25% of the dwellings as affordable units. The applicant is now seeking to vary the Unilateral Undertaking to allow for a financial contribution towards the provision of off-site affordable housing rather than the provision of affordable units on the site.

The site was placed on the open market on the 2nd May 2015 and information has been received to show that during marketing, the site was viewed over 30,000 times and the brochure was downloaded over 1500 times. The applicant states that no company was able to obtain a Registered Provider to agree to take the affordable dwellings as per the Section 106 Obligation and as a result, no interest was expressed in acquiring the site. The applicant has written to 18 Registered Social Landlords (RSLs) requesting expressions of interest in acquiring the affordable units in conjunction with the proposed developer. He has not received any interest however. He states that since he has been in discussions with the Council regarding a variation to the Unilateral Undertaking to allow for a financial contribution towards the provision of off-site affordable housing rather than the provision of affordable units on the site, he received 3 offers to purchase the site within 28 days.

Paragraph 50 of the NPPF states that where they have identified that affordable housing is needed, local planning authorities should set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified and the agreed approach contributes to the objective of creating mixed and balanced communities. The Council's Developer Contributions SPD states that whilst affordable housing should be provided on the application site so that it contributes towards creating a mix of housing, where it can be robustly justified, off site provision or the obtaining of a financial contribution in lieu of on-site provision (of broadly equivalent value) may be accepted.

Contrary to the Parish Council's suggestion (referred to in the consultation response section below) that the site has only been advertised 5 times since December 2015, the site has been marketed continuously since May 2015 and has had the benefit of planning permission since September 2015. The applicant has also written directly to 18 RSLs and has received no interest in the site.

Aspire Housing indicated that their lack of interest was on the basis of the dwellings having 4 and 5 bedrooms but they stated that if they were to be 3 bedroomed houses, then they may

be interested. While illustrative plans submitted with the planning application indicated very large dwellings of 4 or 5 bedrooms, the planning consent is in outline only and therefore no details of the type or size of the dwellings have been approved. On the request of your Officer, the applicant has again written to the three most local RSLs and included details of an illustrative layout that includes 4 no. 3-bedroomed dwellings. The applicant has also provided the RSLs with the estimated costs for a Management Company to maintain the roads, pumping station, rising main and hedgerows within the site. Wrekin Housing Trust have indicated that after careful consideration they have decided that this is not an opportunity they will be pursuing. No response has been received from other two RSLs and therefore it must be assumed that they are not interested in the site.

Loggerheads Parish Council has suggested that smaller homes would be more appropriate on this site. Whilst the size and design of the houses has not yet been approved, in approving a development for up to 16 houses, the Council accepted that the density of that number of dwellings would strike an acceptable balance between reflecting the character of the village housing and optimising the potential of the site to accommodate development. Although the NPPF encourages Local Planning Authorities to deliver a wide choice of high quality homes to create inclusive and mixed communities, this is a relatively small site and the larger houses proposed are considered appropriate on this edge of village site.

Your Officer considers that the applicant has submitted sufficient evidence to show that there is no interest in the site from Registered Social Landlords and on the basis that there is no interest in taking on the units, it is considered that an off-site contribution would be an acceptable alternative.

It is critical that calculation of the level of financial contribution fully takes into account the real difference between the costs of offsite and onsite provision, so that there is no financial benefit to the developer in proceeding in this way. Subject to Members accepting the principle of off-site provision, the applicant has advised that he is happy to pay for the advice of the District Valuer in calculating the commuted sum, and this would be reported to a future meeting. At this stage a decision by the Committee regarding the principle of an off-site affordable housing contribution is being sought.

APPENDIX

Policies and Proposals in the Approved Development Plan relevant to this decision:-

Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy 2006 -2026 (adopted 2009) (CSS)

Policy CSP6: Affordable Housing

Policy CSP10: Planning Obligations

Other Material Considerations

National Planning Policy Framework (March 2012)

Planning Practice Guidance (March 2014)

Supplementary Planning Documents/Guidance

Developer Contributions SPD (September 2007)

Affordable Housing SPD (2009)

Relevant Planning History

15/00448/OUT Erection of up to 16 dwellings Approved

Views of Consultees

Loggerheads Parish Council does not support this application to vary the Section 106 agreement to remove any requirement for affordable housing on this site. The response from Aspire and other RSLs confirms that this development is in the wrong place for social housing. It is noted that the site has only been advertised 5 times since December 2015. The Parish Council supports the need for affordable housing on this site and would support a change to make all 4 houses affordable rather than social (i.e. smaller homes as supported by evidence in the recently completed Housing Needs Assessment for Loggerheads).

The **Housing Strategy Section** has advised that the usual position is for affordable housing to be sought on site. However, if it was the case that there was no market interest in taking on these affordable units and this was demonstrated by showing that a number of Registered Providers have been approached and expressed their intention not to take on any of the units, then off-site contributions would become an acceptable alternative.

Aspire Housing have confirmed that they would not be interested in the units given that they would be 4 and 5 bedroom properties. The Housing Strategy Section is satisfied that the developer has approached a number of Registered Providers and there is no interest to take on the units. In these circumstances, an offsite contribution would be an acceptable alternative.

Date Report Prepared

4th August 2016