Planning Committee: 24 May 2017 **Item Number: 8**

Application No: W/15/1452

Town/Parish Council: Warwick
Case Officer: Gary Fisher
01926 456502 gary.fisher@warwickdc.gov.uk

Land at Lower Heathcote Farm, Harbury Lane, Warwick, CV34 6SL

Residential development of up to a maximum of 785 dwellings; provision of three points of access; a mixed use community hub/local centre and community buildings; potential provision of a primary school; comprehensive green infrastructure, continuous open space network and multi functional open space and allotments; foul and surface water drainage infrastructure, including attenuation ponds; ancillary infrastructure and ground remodelling.

Variation of Section 106 Agreement to Revise the Affordable Housing Tenure Mix.

FOR Bovis Homes Ltd.

INTRODUCTION

This report relates to the above planning permission which was originally granted on 19 September 2014 (reference W/14/0661) and subsequently varied (W/15/1452) to provide for the incorporation of a fabric first approach.

Both permissions were subject to a Section 106 Agreement which imposed a range of obligations on the developer including a requirement for affordable housing to be provided at a rate of 40% across the site.

The applicant has requested that the provisions of the Section 106 agreement in relation to affordable housing are varied as set out in this report.

RECOMMENDATION

Planning Committee are recommended to resolve to vary the Section 106 agreement to allow changes to the affordable housing provision as requested by the applicant.

DETAILS OF THE VARIATION

The applicant has requested that the affordable housing provisions of the Section 106 Agreement be revised to vary the tenures which make up that provision as follows:

Tenure	Originally Proposed Proportion of Affordable Units	Revised Proportion the subject of this Report
Social Rent	60%	39%
Affordable Rent	25%	25%
Shared Ownership	15%	36%

The applicant has explained the background to this proposal as arising from the government's introduction of a 1% reduction in the rents that housing associations can charge their tenants which in turn has impacted on the funding available to Housing Associations to purchase properties from developers within residential development schemes such as this.

As a result, the offer originally received from a social housing provider based on the tenure mix identified in the completed section 106 agreement for this site, was withdrawn and subsequent offers received from other providers have been at a lower level.

This was followed by discussions between the developer, the social housing provider and the Council's Housing team which have resulted in this request for the revision of the section 106 agreement which proposes the reduction in the proportion of properties offered for social rent and the increase in the proportion offered under shared ownership schemes as set out above.

RELEVANT POLICIES

- National Planning Policy Framework

Current Local Plan

- Policy SC1 - Securing a Greater Choice of Housing.
- Policy SC11 - Affordable Housing

Emerging Local Plan

- Policy H2 – Affordable Housing

Guidance Documents

- Affordable Housing (Supplementary Planning Document - January 2008)

SUMMARY OF REPRESENTATIONS

WDC Housing Strategy & Development Officer: Supports the revisions.

ASSESSMENT

The main issue relevant to the consideration of this matter is whether the amended proposals would continue to enable the provision of an adequate amount, type and mix of affordable housing, having regard to the Council's policies and national planning guidance including the ministerial guidance issued in November 2015 advising Local Planning Authorities to respond positively following the reduction in social rents.

It is important to note that as a result of the proposals, the overall proportion of affordable housing delivered through this development remains at 40% including, as a priority the same number of 4 bed properties and bungalows as originally proposed.

With regard to the proposals to reduce the proportion of properties for social rent and increase the proportion in shared ownership, the Council's Housing Strategy & Development Officer advises that the key consideration here is that affordable housing continues to be provided at a rate of 40%.

She advises that continued discussions have been held with the developer in order to ensure that affordable housing is delivered as part of the scheme in a sustainable manner which ensures that social and affordable rents remain a priority, albeit at a lower ratio and that the development continues to provide an appropriate range of property types and sizes.

For this reason, the Housing Strategy and Development Officer considers that in the particular circumstances of this case, the proposed revised mix of affordable housing tenures comprises an effective solution which will ensure that appropriate provision continues to be made.

SUMMARY / CONCLUSION

The proposed changes to the affordable housing provisions of the Section 106 Agreement are considered to be in accordance with the Council's policies and it is therefore it is recommended that the Section 106 Agreement is amended as requested.