

Item 3a **15/00950/S106A**

Case Officer **Nicola Hopkins**

Ward **Astley And Buckshaw**

Proposal **Application under Section 106A of the Town and Country
Planning Act 1990 (as amended) and the Town and Country
Planning (Modification and Discharge of Planning Obligations)
Regulations 1992 to modify a planning obligation (Affordable
Housing) dated 11th June 2013**

Location **Land South West Of Bishopton Crescent And At The Junction
Of Buckshaw Avenue And Ordnance Road, Buckshaw Village**

Applicant **Progress Housing Group**

Consultation expiry: **27th October 2015**

Decision due by: **18th December 2015**

Recommendation
Approve modification of the S106 obligations

Proposal

1. The site forms part of Buckshaw Village and has planning permission for 23 two, three and four bedroom dwellings (12/01005/FULMAJ). Permission was granted subject to a number of conditions and obligations contained within a Section 106 Agreement. The development is well underway.
2. This is an application submitted under Section 106A of the Town and Country Planning Act 1990 (as amended) and the Town and Country Planning (Modification and Discharge of Planning Obligations) Regulations 1992 to modify the planning obligation insofar as it relates to the staircasing provisions in respect of the shared ownership properties.
3. Within the S106 Agreement for this site Shared Ownership Units are defined as:
identified in the scheme submitted pursuant to Schedule 4 and to be let by an Affordable Housing Provider in accordance with Schedules 6 7 and 8 whereby the lessee enters into a lease and purchases a percentage of the equity in an Shared Ownership Unit up to 80% of the equity, the lessee pays a rent to the Affordable Housing Provider in respect of the remaining equity share in the property. The lessee has the option to 'Staircase' or increase their equity share in the property up to 80%.
4. The developer has requested that the wording this definition of Shared Ownership Units within the original S106 be amended to enable the lessee to increase their equity share in the property up to 100% which would be worded as follows:

means an Intermediate Unit where the lessee enters into a lease and purchases a percentage of the equity up to 100% of the equity (subject to the initial equity share of a shared ownership lease being restricted to between 25% and 75% equity share), the lessee pays a rent to the Affordable Housing Provider in respect of the remaining equity share in the property, the documentation for which will follow the Homes and Communities Agency model lease with the rent payable calculated at no more than 2.75% of the value of the unsold equity in the Dwelling. The lessee has the option to Staircase so as to increase their equity share in the Affordable Housing Unit up to 100% and acquire the freehold or long leasehold interest (as appropriate.)

Assessment

5. The Town and Country Planning Act allows Local Authorities to determine:
 - (a) that the planning obligation shall continue to have effect without modification;
 - (b) if the obligation no longer serves a useful purpose, that it shall be discharged; or
 - (c) if the obligation continues to serve a useful purpose, but would serve that purpose equally well if it had effect subject to the modifications specified in the application, that it shall have effect subject to those modifications.
6. The request has been considered by the Council's Strategic Housing Officer who has commented that Strategic Housing agree with the principle of allowing leaseholders of Shared Ownership properties buy out 100% of the equity, as this concession is conducive to allowing buyers to access mortgages to buy the properties and therefore improves the housing offer in the borough.
7. As such it is recommended that the definition is changed although the deed of variation will include provisions which restricts the owner from buying 100% share until they had owned the property for at least 12 months along with a recycling provision of at least 40% of receipts received from lessees purchasing the remaining equity share to be re-invested in Chorley. These additional provisions have been included on other sites within the Borough where the staircasing provisions have been amended and will be included within the deed of variation.
8. All of the other obligations within the original Agreement are not affected by this application.

Overall Conclusion

9. For the reasons set out above it is considered reasonable to modify the definition of the shared ownership to enable staircasing upto 100% with the additional provisions in terms of recycling part of the receipts received back into Chorley. As such the modification of the obligation is recommended for approval.

Planning Policies

In accordance with s.38 (6) Planning and Compulsory Purchase Act (2004), the application is to be determined in accordance with the development plan (the Central Lancashire Core Strategy, the Adopted Chorley Local Plan 2012-2026 and adopted Supplementary Planning Guidance), unless material considerations indicate otherwise. Consideration of the proposal has had regard to guidance contained within the National Planning Policy Framework (the Framework) and the development plan. The specific policies/ guidance considerations are contained within the body of the report.

Planning History

Reference	Description	Decision	Date
12/01005/FULMAJ	Erection of 23 no. two, three and four bedroom dwellings, together with associated landscaping, pocket park and car parking at the southern commercial area, Buckshaw village (including 6 no. affordable units).	Approved	June 2013
13/01217/MNMA	Revision to the type A house type and plots 1-12 have been moved south slightly to avoid the services within the footpath (amendment to permission 12/01005/FULMAJ)	Approved	January 2014
14/00206/DIS	Application to discharge conditions 4 (external facing materials), 7 (foul and surface water drainage), 8 (hard-ground surfacing), 9 (levels), 10 (landscaping) and 12 (boundary treatments) of planning permission ref: 12/01005/FULMAJ (which was for the erection of 23 dwellings).	Discharged	June 2014