

**Planning Committee:** 20 March 2012

**Item Number:**

**Application No:** W 02 / 1472

**Town/Parish Council:** Warwick

**Registration Date:** 27/09/02

**Case Officer:**

Gary Stephens

**Expiry Date:** 22/11/02

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**Portobello Works, Emscote Road, Warwick, CV34 5QU**

Residential development on about 3.3ha, 2323 sq.m. gross B1 office space, public open space (about 3.8ha), New road bridge across River Avon together with appropriate supporting infrastructure (including drainage, roads, paths and cycleways) and car parking FOR GALLAGHER EST. & PETTIFER ESTATES

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The application is being reported due to the need for the previous S106 Agreement to be amended.

**SUMMARY OF REPRESENTATIONS**

Not applicable.

**RELEVANT POLICIES**

- SC11 - Affordable Housing (Warwick District Local Plan 1996 - 2011)

**PLANNING HISTORY**

W02/1472 - Residential development on about 3.3ha, 2323 sq.m. gross B1 office space, public open space (about 3.8ha), New road bridge across River Avon together with appropriate supporting infrastructure (including drainage, roads, paths and cycleways) and car parking. Granted planning permission with a legal agreement dated 5th August 2004.

W05/1258 – Application for the Approval of Reserved Matters for erection of 251 dwellings (Outline Planning Permissions W02/1472 and W05/0376), granted permission in 2006.

**Schedule of accommodation (whole site)**

The s106 for part of the site provided for the provision of 34 x 2 bedroom apartments for shared ownership that must meet minimum design standards in three separate blocks.

When the application for reserved matters was submitted, the planning application failed to have regard for the provisions of the s106 and approval was granted for the scheme which would deliver a mix of 1 and 2 bedroom apartments (some of which do not meet the minimum design standards) as the affordable housing provision.

The affordable provision comprised the following:

14 x 2 bed and 8 x 1 bed apartments in block AB

2 x 1 and 2 bed apartments in block GG

10 x 1 and 2 bedroom apartments in block P

Block AB has been constructed and is completed, blocks P and GG are in the later phases of the scheme and will not be completed for another 2-3 years.

The units in block AB have been built to a high specification and whilst the one bedroom apartments and 4 x 2 bedroom apartments exceed the minimum size requirements, the remaining 10 x 2 bedroom apartments do not meet the minimum size requirements and in particular the size of the second bedroom.

59 units of affordable housing (social rent) have already been delivered on the wider site.

### **KEY ISSUES**

The site was originally owned by Gladedale who commenced construction following approval of reserved matters in 2006. Orbit Housing were in negotiations with Gladedale to deliver the affordable housing for shared ownership however an agreement could not be reached. Following changes in the financial and economic climate, and in particular the availability of mortgage finance for shared ownership apartments, and despite working with the developer and other registered providers a solution could not be reached.

The site stalled completely in 2009 until 2011 when the site was sold to Circle Living.

The provisions of the s106 mean that due to the lapse in time and the failure to reach agreement to deliver the outstanding affordable housing, the new owners could deliver the units for outright open market sale. However, we have been working in partnership with them to secure the delivery of the units for affordable housing.

Agreement has been reached between the Council, Circle Living and Waterloo Housing Group to deliver the 22 units in block AB but on affordable rent rather than shared ownership and despite the apartments being smaller than would normally be required. The Homes and Communities Agency have also supported the scheme as they have approved grant to be attributed to the units.

The Council have also considered the position in relation to the remaining 12 apartments for shared ownership in blocks G and PP. It has been agreed that due to the difficulties in delivering the site to date, and in order to secure the 22 units that are ready for occupation now, the developer will sell the 12 apartments on the open market and will instead provide 2 x 3 bedroom houses for affordable rent elsewhere on the site.

The overall scenario secures the delivery of 24 affordable units on the site which is a reduction of 10 and represents 26% provision of affordable housing rather than the required 30%. However, due to the provisions of the s106, the developer could have decided to deliver all the units for open market housing with no further affordable housing provision.

The planning requirement for the site was under the previous threshold of 30% provision on sites within towns and the original mix of units would have delivered this.

In terms of the criteria, the units will be affordable as they will be provided at affordable rent, which is set at a maximum of 80% of open market rental values. The actual level of rent will be capped at the Local Housing Allowance (Housing Benefit) rates for that type of property to ensure they are affordable and will be available as affordable in perpetuity.

The units will be owned and managed by Waterloo Housing Group who are a preferred registered provider of the Council and will be allocated through HomeChoice (choice based lettings scheme) to households in housing need. Occupancy will be restricted on the smaller 2 bedroom apartments to single and couple applicants only to avoid overcrowding.

### **RECOMMENDATION**

In order to deliver the units for affordable housing it will be necessary to complete a deed of variation to allow for the following:

- change from 34 units of 2 bedroom apartments for shared ownership in the original agreement to 24 units comprising 14 x 2 bedroom and 8 x 1 bedroom apartments and 2 x 3 bedroom houses for affordable rent.
- that the units do not have to comply with the minimum standards as set out in the original agreement

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