

Variation of Section 106 Agreement – Land North of Tokely Road, Frating, Essex, CO7 7GA

TOWN AND COUNTRY PLANNING ACT 1990

APPLICATION NUMBER:	18/00194/FUL
PROPOSAL:	Erection of 67 dwellings
LOCATION:	Land North of Tokely Road, Frating, Essex, CO7 7GA

Proposal

The original S106 agreement dated 8th March 2019 secures amongst other things affordable housing in the form of 14 dwellings to be let as Affordable Rented Units and 6 dwellings to be used as Shared Ownership Units.

Paragraph 2.3 of Schedule 2 of the S106 states that ‘the Affordable Housing Units shall not be used other than for Affordable Rent (in respect of the Affordable Rented Units) or in accordance with a Shared Ownership Lease (in respect of the Shared Ownership Units) to be provided to households in accordance with the District Council’s Housing Allocations Policy prevailing at the time when allocations are made and shall be retained in perpetuity to meet the needs of people locally who are financially unable to rent or purchase a private dwelling on the open market’.

Sanctuary Housing have requested an amendment to the above schedule to allow plot purchasers of the Shared Ownership Plots to be able to own 100% of the property and acquire the freehold. This is because Homes England have granted a waiver on the Designated Protection Area condition which requires a limit on the share of Shared Ownership Plots which can be owned by a purchaser.

Currently the S106 required the properties to remain as Affordable Housing in perpetuity; this requirement is contrary to the waiver granted by Homes England and could affect the overall viability of the scheme as it can limit the mortgage options for buyers as lenders are less likely to lend on a property where the buyer cannot eventually own the property.

Consultation has taken place with the Council’s Housing Needs and Strategic Policy Manager who advises that there is no objection to this amendment for the following reasons:

- The number of homes which they are seeking the waiver on is low (only 6 out of the total number of 20 affordable homes on the site)
- The waiver can only be sought on homes where Homes England provides grant funding so will only apply on a limited number of homes in the district.

Recommendation

It is therefore recommended that the Assistant Director (Planning) approve the request under delegated powers enabling the development to contribute towards the education needs of the District.

It is therefore reasonable for the Council to enter in to the Deed of Variation in the circumstances.

Signed



Assistant Director (Planning)
Date: 10.07.2020