



**Report Reference Number:** 2020/1094/DOV

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**To:** Planning Committee  
**Date:** 30<sup>th</sup> June 2021  
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**Lead Officer:** Ruth Hardingham, Planning Development Manager

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**Request for a Deed of Variation to Section 106 agreement of approvals 2014/1130/OUT - Outline application with all matters reserved for a development of up to 67 no. dwellings, together with associated infrastructure and open space provision; and 2014/1129/OUT - Outline application with all matters reserved for a development of up to 66 no. dwellings, together with associated infrastructure and open space provision at Land at Station Road, Carlton**

This matter has been brought to Planning Committee for consideration due to it being a proposal to vary the composition of the affordable housing provision at the site, which was agreed by Members at Planning Committee on 29 July 2015 and was subject to a Section 106 agreement.

**RECOMMENDATION:**

**That the request for a Deed of Variation be approved and for delegation to be given to Officers to complete a Deed of Variation to the original Section 106 agreement of approvals 2014/1130/OUT and 2014/1129/OUT at Land at Station Road, Carlton, to vary the composition of the affordable housing provision such that it can be provided by Rentplus UK as affordable rent to buy. The actual total amount of affordable housing would remain unchanged from the 4.5 % previously agreed.**

**Reasons for Recommendation:**

To allow the scheme to proceed unhindered to completion and securing its contribution to the District's 5-year supply of housing.

**1. Introduction and Background**

1.1 Outline planning permission (with all matters reserved) was granted for a development of up to 133 dwellings under application references

2014/1129/OUT (up to 66 dwellings) and 2014/1130/OUT (up to 67 dwellings). These permissions were subject to a Section 106 agreement which required, amongst other things, six affordable housing units to be provided on the site of outline planning permission reference 2014/1130/OUT, which equates to a 4.5% affordable housing provision across the two adjoining sites. This quantum of affordable housing (less than the 40% usually sought) was accepted following negotiations relating to economic viability associated with the development at the outline planning application stage. The Section 106 agreement required the distribution, clustering, tenure and mix of the affordable housing units to be in accordance with an Affordable Housing Plan. It also contained clauses regarding the occupation of the units and the registered provider.

- 1.2 Under reserved matters application reference 2018/0870/REMM, an Affordable Housing Plan (drawing no. 470-002) was submitted, in line with the requirements of the section 106 agreement. This demonstrated that six affordable housing units would be provided at the site. These were all to be three bedroomed properties spread across two terraced blocks of three two storey properties. One block of three two storey properties were proposed to be affordable rent and one block of three two storey properties were proposed to be shared ownership. The submitted details set out that construction and practical completion would be subject to planning approval, where after the affordable housing units would be delivered prior to the occupation of the 63rd dwelling in accordance with the section 106 agreement and that at a build at a rate of approximately 36 dwellings per annum, the affordable housing units would be practically completed approximately 2 years into the build. The applicant, Harron Homes had advised that Wakefield District Housing were lined up as a Registered Provider at this site and that the location, size and type of affordable housing units were acceptable to them. Having consulted with the Council's Housing Strategy/Rural Enabler, the Affordable Housing Plan was considered to be acceptable.
- 1.3 Subsequently, Rentplus UK contacted the Council to advise that they had been selected by Harron Homes to provide the affordable housing on the site, but that their model of affordable housing would require amendments to the section 106 agreement through a deed of variation, hence the current application.
- 1.4 Rentplus UK are an NPPF recognised affordable housing rent to buy provider. Rentplus provides a hybrid product i.e. affordable rent to buy, by providing tenants with the opportunity to purchase in year 5, 10, 15 or 20 depending upon their circumstances and aspirations at the point of letting. New homes are managed and maintained by an approved local Registered Provider and homes are allocated on 5-year renewable tenancies up to a period of 20 years. Rentplus works with the local authority to agree how they want the Registered Provider to identify and allocate Rentplus homes. Rents during the rental period are affordable – either 80% market rent or Local Housing Association (including service charges), whichever is the lower at initial let. If the home is sold on the open market, the Local Authority receives 7.5% of the sale to invest in future affordable housing.
- 1.5 This application for a deed of variation to the existing Section 106 agreement seeks to vary the composition of the affordable housing provision, which is

currently a combination of affordable rent and shared ownership. The actual total amount of affordable housing would remain unchanged from the 4.5 % previously agreed.

## **2. Policy Context**

- 2.1. Policy SP9 of the Core Strategy and the accompanying Affordable Housing Supplementary Planning Document (SPD) set out the affordable housing policy context for the District.
- 2.2 However, the NPPF is a material consideration in planning decisions (as set out in paragraph 2 of the NPPF) and Annex 2: Glossary of the NPPF sets out a definition of 'Affordable Housing' which must be given consideration in the decision-making process. The definition of 'Affordable Housing' as set out in the most up-to-date version of the NPPF is wider than was contained within the previous versions of the NPPF. It includes 'Starter homes', 'Discounted market sales housing' and also 'Other affordable routes to home ownership'; a broad sub-definition containing previous products such as shared ownership and equity loans, but also rent to buy and other low-cost homes for sale. There is no requirement for 'Other affordable routes to home ownership' to be retained in perpetuity or for the subsidy to be recycled (unless grant funded), and the express exclusion of 'low-cost market housing' has been removed.

## **3. Assessment**

- 3.1 Rentplus UK are an NPPF recognised affordable housing rent to buy provider. They provide a hybrid product, i.e. affordable rent to buy, which would provide tenants with a renewable lease (up to 20 years in total) at affordable rented levels, whilst providing tenants with the opportunity to purchase their property at a discounted rate. If the tenant does not wish to purchase their property, it can be offered to other tenants within the development, or on developments within the Council area, on the same terms. If neither of these options are pursued, the dwelling would be offered to a Registered Provider, again at a reduced rate. Should no Registered Provider be forthcoming, the dwelling would be sold at open market value, but the Council would receive a commuted sum (7.5% of the sale), which would be specified within the legal agreement, and the Council would be able to use the receipt for funding off-site provision of affordable housing.
- 3.2 The Council's Housing Strategy/Rural Enabler has been consulted on the proposals and is broadly supportive of the Rentplus UK model. They see no reason why it is not acceptable for Selby District as a local authority despite not being a prescribed tenure in our existing Affordable Housing Policy. The product will provide affordable housing benefitting residents aiming to remain in the locality and eventually own their own home, contributing to a sustained local community.
- 3.3 Having regard to the above, whilst there would be some changes to the tenures of the affordable housing, the overall amount would remain unchanged at 4.5% of the total number of dwellings across the two sites. It is considered the

proposed amendments would facilitate the delivery of affordable housing within the site and thus the proposed amendments are considered to be acceptable.

#### **4. Legal/Financial Controls and other Policy Matters**

##### **Legal Issues**

- 4.1. Even though this is not an application under the Planning Acts this recommendation has been made in the context of the planning policies and other material considerations relevant to the delivery of affordable housing. If agreed, a deed of variation will be required.

##### **Financial Issues**

- 4.2. Financial issues are not material to the determination of this application.

##### **Impact Assessment**

- 4.3. It is not anticipated that the proposed deed of variation will lead to discrimination or inequality in respect of any particular groups. Nor will it impact upon human rights.

#### **5. Conclusion**

- 5.1 This application for a deed of variation to the existing Section 106 agreement seeks to vary the composition of the affordable housing provision, which is currently a combination of affordable rent and shared ownership. Rentplus UK would instead provide a hybrid product i.e. affordable rent to buy. Rentplus UK are an NPPF recognised affordable housing rent to buy provider. The actual total amount of affordable housing would remain unchanged from the 4.5 % previously agreed.

#### **6. Background Documents**

Planning Application file references 2014/1129/OUT, 2014/1130/OUT, 2018/0870/REMM and associated documents.

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**Appendices:** None