

PRO-FORMA FOR SECTION 106 PLANNING OBLIGATION REQUESTS

<p>Section 1: Application details <i>To be completed by Development Management officers</i></p>
<p>Application no: 23/P/0664/OUT</p>
<p>Case officer: Lee Bowering</p>
<p>Description of development: Outline planning application for the development of up to 190no. homes (including 50% affordable homes), 0.13ha of land reserved for Class E uses, allotments, car parking, earthworks to facilitate sustainable drainage systems, open space and all other ancillary infrastructure and enabling works with means of access from Shiners Elms for consideration. All other matters (means of access from Chescombe Road, internal access, scale, layout, appearance and landscaping) reserved for subsequent approval</p>
<p>Location: Land To North Of Rectory Farm, Chescombe Road, Yatton</p>
<p>Parish: Yatton</p>
<p>Application status: Outline</p>
<p>Other relevant information:</p>
<p>Section 2: Request for S106 obligations <i>To be completed by service representative – please note that <u>all</u> sections must be completed.</i></p>
<p>1. Summary of request(s):</p> <p>The proposed 50% on-site affordable housing provision is welcomed on the basis that 30% policy compliant is at nil public subsidy, with a tenure split of 77% social rent and 23% shared ownership (see section 3 for detail).</p> <p>Also, we support the additional 20% affordable housing provision with public subsidy subject to more social rent units proposed than the entirety being intermediate units.</p> <p>Preference is for all intermediate units remaining to be shared ownership. The Affordable Housing Enabling Officers recommend not to include First Homes as a mandatory element of the Affordable Housing Policy.</p> <p>First Homes are not considered as a suitable option for Low-Cost Home Ownership in the district, based on values, costs, affordability, demand and existing access to Shared Ownership in North Somerset. Social Rented tenure meets our local housing requirement, especially of the most vulnerable people in acute housing need.</p> <p>The target group for LCHO in North Somerset is existing local residents who can afford open market rent but cannot access outright home ownership. The council promotes Shared Ownership as the preferred option for LCHO, this is supported by our Registered Provider partners.</p> <p>To buy a First Home, a buyer must have a higher-than-average income, have a larger deposit and raise a larger amount of borrowing than required for a Shared Ownership home of similar value.</p>
<p>2. Reason for Section 106 request:</p>

(a) Details of the impact of the proposed development on your service or area of responsibility:

This request is made in order to comply with Core Strategy Policy CS16: Affordable Housing.

(b) Evidence that there is insufficient capacity or funding in your existing services and facilities to accommodate the needs of the proposed development:

N/A

3. Details of request:

(a) What are you requesting? Please be as specific as possible.

e.g.

(i) Cash contribution(s): please provide value, details of project / service and how the proportion of cost attributed to this development has been allocated. This should include any cash contributions required in relation to supervision, monitoring, adoption, ongoing maintenance etc.

(ii) Land contribution(s): please specify project, size in hectares and locational requirements.

(iii) Works-in-kind: please specify project and probable value.

(iv) Other: please provide all details.

All sites proposed for 10 or more dwellings, or comprising 1000m² or more are required to provide a minimum of 30% on-site affordable housing, at nil public subsidy, with a tenure split of 77% social rent and 23% shared ownership.

This application proposes up to 190 dwellings; therefore the affordable housing requirement is **30%** of these units.

If the total number of dwellings change during the planning application, then required amount of affordable housing will change according to the revised number of dwellings.

The Council will only accept a lower affordable housing contribution if the economics of provision are such that the provision of affordable housing renders the development economically unviable. In this circumstance, the Council or an independent expert employed by the Council, will undertake a full review (funded by the developer) of the development costs and projected sales values in order to determine the level of provision that may be sought from the developer. Please see section 6.1 of the Affordable Housing Supplementary Planning Document (AH SPD) 2013 for more information.

Discussions on housing need, mix, unit type and affordability should take place early on with the Council's Housing Strategy & Enabling Team. The affordable housing should provide a choice of housing types, having regard to the recommendations of the Strategic Housing Market Assessment (SHMA), the existing mix of dwellings in the locality and the character and accessibility of the location.

Breakdown of the requested mix:

77% social rent

Unit size/type	Number of Occupants	Percentage to be provided
1 bed	2	20%
2 bed flat	3	18%
2 bed house	4	23%
3 bed house	5	31%
4+ bed house	6+	8%

23% intermediate affordable housing (shared ownership):

Unit size/type	Number of Occupants	Percentage to be provided
1 bed	2	13%
2 bed flat	3	21%
2 bed house	4	25%
3 bed house	5	35%
4 bed house	6	6%

- The units will be transferred to a Housing Association Registered Provider (HARP) who is an approved West of England HomesWest Partnership, or a HARP approved by the Council who has signed a non-partner compliance agreement for the delivery of affordable housing.
- The HARP will purchase the affordable housing units from the developer at a price agreed between the parties. The developer is advised by the Council to initiate these talks with a HARP at the earliest possible stage.
- **Please see Appendix 1 of this document for details of West of England HomesWest Partnership.**

Detailed proposals regarding the provision and delivery of affordable housing should comply with the AH SPD 2013. This recommends that the applicant hold discussions early on with a HARP to ensure the required design standards are met.

The Council will require a mechanism to be in place to ensure that affordable housing remains affordable and available to those in housing need in perpetuity.

There are a number of key affordable housing requirements to satisfy the Core Strategy and the AH SPD 2013 which need to be secured through the planning system. These are set out below:

Requirements

- 30% of the overall residential provision is to be affordable housing, at nil public subsidy, with a tenure split of 77% social rent and 23% shared ownership
- The type of housing provided should follow the recommendations of the current WoE SHMA, concentrating on meeting the need for family housing and those to whom we have a statutory duty.
- The affordable housing is to be secured in perpetuity through a S106 Agreement.
- The developer should not permit occupation of more than 25% of the open market dwellings until 25% of the affordable housing units are constructed and transferred to the HARP and are ready for immediate occupation.
- The developer should not permit occupation of more than 85% of the open market dwellings until 100% of the affordable housing units are constructed and transferred to the HARP and are ready for immediate occupation.

- Affordable housing units should be seamlessly integrated and distributed throughout the development, consisting of no more than six affordable housing units in one location for general needs housing or 12 for supported housing, with no more than six flats sharing an entrance.
- Different tenure Affordable Housing units shall not share an entrance.
- The affordable housing should not be distinguishable from market housing in terms of appearance.
- All affordable housing units shall comply with the development standards as per the Sites and Polices Part 1; namely, to be built in accordance with the DCLG Nationally Described Space Standards, 17% of all of the housing to part M4(2) of the Building Regulations, and 10% of the affordable units to be built to constructed part M4(3) of the Building Regulations (Wheelchair Accessible).
- The units will be transferred to a HARP (non HomesWest members must sign up to the Council's non-partner compliance statement) who will purchase the affordable housing units from the developer at a price agreed between the parties. The developer is advised by the Council to initiate these talks with a HARP at the earliest possible stage.
- The council has a statutory duty to ensure that those people who are in the greatest need are adequately housed. The Council is to have 100% nomination rights to the affordable housing units on all lettings.
- Service charges on the affordable housing units should not exceed £550.00 per unit per annum (as at 1st October 2013, increasing annually by RPI).
- An enabling fee is payable on each affordable housing unit delivered, by the organisation retaining ownership of the affordable housing units upon entering a build contract or at start on site.
- If shared ownership units are provided, the initial share of the property shall be no more than 40% of the open market value and a limit should be placed on the rental element of a maximum annual rent equivalent to 1% of the equity retained by the HARP (excluding reasonable service charging).
- In the event that shared ownership tenants staircase to 100%, the capital receipt should be reinvested into enabling affordable housing in the administrative area of the Council.

(b) Explanation of how request(s) relates to the impacts of the development described in (2) above:

30% of the total number of residential dwellings to be provided as affordable housing.

(c) When is the request needed (this would normally be a trigger related to the build-out of the development, e.g. x number of houses occupied)? Please be specific and give reasons for the proposed timing:

The developer should not permit occupation of more than 25% of the open market dwellings until 25% of the affordable housing units are constructed and transferred to the HARP and are ready for immediate occupation.

The developer should not permit occupation of more than 85% of the open market dwellings until 100% of the affordable housing units are constructed and transferred to the HARP and are ready for immediate occupation.

(d) Who will deliver the request? What steps have been taken towards delivery?

A mechanism is required to ensure the affordable housing remains affordable and is provided in perpetuity. We would therefore expect the affordable housing to be transferred to a HARP registered with the Homes England (preferably a HomesWest, non HomesWest members must sign up to the Council's non-partner compliance statement).

The HARP will purchase the affordable housing units from the developer at a price agreed between the parties.

(e) What are the consequences if the request is not delivered? If possible, provide short-, medium- and long-term impacts:

- Non compliance with policy CS16
- Risk of not meeting established housing need

(f) Has this been discussed with the developer? If so, please provide summary of discussions and developer response:

No discussion

4. Pooling of requests:

(a) Please provide full details of any previous S106 contributions towards the infrastructure / service to be supported by this request. Please include project details, application references and dates:

N/A – affordable housing is exempt from pooling of requests

(b) Please provide details of any S106 contributions you anticipate collecting towards this infrastructure / service from future applications:

N/A – affordable housing is exempt from pooling of requests

5. Strategic issues:

(a) Is this request included in the North Somerset Core Strategy Infrastructure Delivery Plan and / or capital programme? If so, what is its prioritisation?

Yes – prioritisation “critical”

(b) If this application is for one part of a larger site: please give an indication of any requests you anticipate making for the rest of the site and how these relate to the current request:

Core Strategy policy CS16 relates to all residential and mixed use sites of 10 units or more, or 1000m² or above. If this application is part of a larger site, the requirement for further phases will be as per this request in order to comply with policy CS16.

(c) Any other comments:

N/A

6. Long-term sustainability:

Please give details of how the long-term sustainability of the infrastructure or service will be secured, e.g. who will manage the infrastructure / service? How will its long-term management and maintenance be funded?

We anticipate that the affordable housing will be transferred to a HARP to own and manage at no cost to the Council.

7. Appeals

I confirm that a representative of my service will be made available to defend these requests at a Planning Appeal (which may include giving evidence at a Public Inquiry) should this be necessary:

YES

8. Any other information:

Please use this space to add any further information you think relevant:

Completed by

**Hayley Morrish
Housing Development Officer
Placemaking & Growth
North Somerset Council
17/04/23**

Appendix 1 - Guide to HomesWest Partnership

The West of England (WoE) sub region is the area covered by the unitary authorities (UAs) of Bath & North East Somerset, Bristol City, North Somerset and South Gloucestershire.

The HomesWest Partnership is focused on the delivery of key local priorities for affordable housing as well as meeting the strategic affordable housing delivery aims of the region. This partnership is made up of both smaller, specialist and local RP's alongside larger, national or regional organisations.

What are the aims of the Partnership?

- **To facilitate joint working between the private and public sectors:** to promote economic and housing growth, attract new private and public investment to priority areas, unblock barriers to growth and assist housing delivery.
- **To increase the supply of high quality, sustainable market and affordable homes in priority areas:** through increasing efficiency, innovation and by collaborative working.
- **To create high quality, sustainable neighbourhoods:** where people choose and want to live, that contribute to the economic well-being and wider strategic objectives of the UAs.
- **To deliver excellent management services:** and widen the scope of engagement and collaboration between partners and with the Partnership.

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