

Decision under Delegated Powers

Officer Requesting Decision

Developer Contributions Monitoring Officer

Officer Making the Decision

Head of Planning and Growth

Recommendation

That the sum of £237,520 of Section 106 monies that has been received as a contribution towards affordable housing provisions in the Borough be used for the acquisition of 21 Wolfe End, Anstey.

Reason

To enable section 106 monies that have been received for the provision of affordable housing be used for the purchase of an additional HRA rental property.

Authority for Decision

There is a delegation in the Constitution to all Heads of Service “to acquire additional properties for rent via Housing Revenue Account, where approved funding exists within the Capital Plan for the relevant financial year and where any property acquired is subject to a condition survey, an independent valuation and standard legal checks and meets identified housing needs.” (Item 27 on Page 23-28).

For all Heads of Service to approve the release of funds they must be satisfied that the works to be carried out fulfil the requirement as set out in the section 106 agreement and have written confirmation for the relevant body that the monies are used for their intended purpose. Any unspent monies after 5 years of receipt by the Borough Council shall be returned to the developer as per the relevant clause within the section 106 agreement.

Decision and Date



7 May 2024

Background

A deed of variation was completed against planning application P/16/0732/2 which included the submission of a financial viability study, the deed of variation was executed to amend the original Section 106 agreement finalised on 30th March 2015. This Deed of Variation modified the requirement for the affordable housing from 30% (18 units) to a commuted sum of £275,000 +

indexation, which is to be included in the development under planning reference P/13/2510/2.

Planning permission was also granted for the erection of 8 dwellings after the demolition of the nursing home at Bradgate Park Nursing Home, Brand Hill, Woodhouse Eaves (P/12/1538/2) including a section 106 agreement stipulating an affordable housing contribution of £330,000 plus indexation, for the provision of “two social rented dwellings with a minimum of two bedrooms to be provided within Woodhouse Eaves”.

The section 106 agreement, signed on the 29th October 2013, detailed the affordable housing contribution of £330,000, plus indexation, be paid to Charnwood Borough Council. The contribution, totalling £388,951.97, was received in June 2021.

Of this amount, £278,700 of the contribution was utilised to purchase 77 Birdhill Road, Woodhouse Eaves in accordance with DD209 2021, leaving a balance of £111,413.97 to be allocated towards affordable housing in Woodhouse Eaves.

Following DD025 2024, the authority secured consent from the developer to expand the coverage of the affordable housing contribution to include Anstey, as challenges were encountered in utilising the funds within Woodhouse Eaves. Written authorisation from the developer was obtained on the 29th January 2024.

Subsequently, planning permission was granted for up to 18 residential units at 193 Seagrave Road, Sileby (P/19/0447/2) including a section 106 agreement for the provision of “£54,548 towards the provision of Affordable Housing within the Council’s area”.

When considering the proposal in relation to application P/19/0447/2 (193 Seagrave Road, Sileby) the developer submitted a viability appraisal which independently assessed the results and confirmed that the scheme cannot afford to deliver policy compliant 30% affordable housing together with all other and non-housing s106 contributions requested. Whilst it is preferable that affordable housing is delivered on site, the contribution offered would not be sufficient to deliver a dwelling on site and an offsite contribution which can be pooled with other contributions is acceptable in delivering affordable housing offsite.

Strategic Housing are in the process of acquiring a property located at 21 Wolfe End, Anstey. The offer for acquisition has been accepted at £235,000. Additionally, associated costs aligned with the acquisition include a valuation fee of £1,020 and solicitor’s fees amounting to £1,500. These financial aspects have been carefully evaluated and deemed reasonable within the context of the acquisition.

Application	Purpose	Amount	Expiry date
P/16/0732/2 Gynsills Lane, Anstey	Commuted sum towards affordable housing with in the Council's administrative area.	£119,545.23	28/10/2024
P/12/1538/2 Land at former Bradgate Park Nursing Homes, Brand Hill, Anstey.	In lieu of the affordable dwelling 2 dwellings minimum d 2 bedrooms within the Parish of Woodhouse Eaves or Anstey.	£111,413.97	04/06/2026
P/19/0447/2 Land at 193 Seagrave Road, Sileby.	Affordable Housing – towards the provision of Affordable Housing within the Councils area.	£6,560.80	04/06/2026
	Total	£237,520	

Financial Implications

The money has been received and there are no financial implications for Charnwood Borough Council.

The scheme will be added into the capital plan 2024/25

Risk Management

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
			Very Low (1 - 2)	

Key Decision

Yes, but exempted from call-in. see agenda item 14; Full Council meeting dated the 6th November 2017.

Background Papers

All contained on planning files P/16/0732/2, P/12/1538/2, P/19/0447/2 and Housing Acquisition Policy approved by Cabinet on the 10th May 2018; reviewed and updated June 2019 DD084, reviewed and updated September 2021.