

REPORT OF HEAD OF DEVELOPMENT MANAGEMENT AND REGENERATION

Government Buildings, Chalfont Drive

1 SUMMARY

Application No: 09/02049/POUT for outline planning permission

Proposal: To modify the existing planning obligation relating to the development at the former Government Buildings, Chalfont Drive.

The proposal is brought to Committee as it relates to the modification of a planning obligation which was linked with an application previously considered by the Committee, and such modification will result in the affordable housing contribution being less than typically required by adopted planning policies.

2 RECOMMENDATIONS

2.1 That authority is granted to modify the section 106 agreement dated 17 November 2011 (as varied on 18 October 2013) in relation to the former Land Registry Buildings, Chalfont Drive in the following respects:

i) To require a financial contribution towards education provision of £1,021,517;

ii) To require a 16.8% on-site affordable housing scheme (in place of the existing obligation to provide 20% on-site affordable housing);

iii) To provide reimbursement for the provision of Kangaroo Passes to all households to a total maximum value of £166,905 (in place of the existing obligation to issue Smarter Choices Packs to each household) and

iv) That the local planning authority may agree with the developer that the value of the equipped play area to be provided on site may be less than £120,000.

2.2 Details of the modification agreement to be delegated to the Head of Development Management and Regeneration.

3 BACKGROUND

3.1 The outline application for the residential redevelopment of the Land Registry site on Chalfont Drive was approved at Committee in June 2010 and October 2010, for the redevelopment of the site with up to 475 residential units, retention of bunker for part storage (B8) of archives and part-combined heat and power facility; provision of public open space and construction of access roads.

3.2 The above approval to grant permission was subject to the prior completion of a Section 106 obligation requiring the following:

i) Local employment and training during the construction of the development;

- ii) A 20% on-site affordable housing scheme to be based substantially on the following - Rented 12%, Shared Equity 8%;
- iii) Provision of an equipped play area to a value of £120k;
- iv) A package of integrated transport measures to include:
 - a) Upgrade of Medilink bus service – contribution to additional bus (£100k)
 - b) Smarter Choice Packs for each dwelling which would include either an Easy Rider card with free public transport for a year or a lump sum for a bike;
- v) Provision of a Travel Plan Co-ordinator and;
- vi) On-going management and maintenance arrangements for the public open space, equipped play area, other amenity land, Sustainable Urban Drainage System/swale, bunker, Combined Heat Power plant, community garden.

3.3 On 17 November 2011 the Section 106 agreement (“the 2011 agreement”) was completed and the planning permission issued on 25 November 2011.

3.4 At the request of the Land Registry the 2011 agreement was varied on 18 October 2013. This variation deed allowed demolition of existing buildings, clearance of the site and preparatory works to be carried out without triggering the planning obligations in the 2011 agreement. It did not alter the substance of the benefits secured by the 2011 agreement.

4 DETAILS OF THE PROPOSAL

4.1 A reserved matters application (planning ref: 14/02823/PRES4) has now been submitted by Bellway Homes for Phase 1 of the development permitted by the outline consent. It proposes development of the northern part of the site with 345 dwellings and associated infrastructure. This reserved matters application is considered in a separate report and is recommended for approval.

4.2 The reserved matters application has been accompanied with a proposal to modify the 2011 agreement. . The first element of the proposed modification is the securing of an education contribution of £1,021,517 towards primary and secondary school places in the catchment area of the development where no contribution for this benefit was previously included.

4.3 The second element of the proposed modification is the reduction of affordable housing on site from 20% to 16.8 % together with a change of tenure mix. Rather than the 12% rented and 8% shared equity as per the 2011 agreement, it is proposed that 58 affordable homes will be provided of which 10 are to be social rent and 48 are to be low cost discounted sale units at 85% market value.

4.4 The third element of the proposed modification is the updating of the package of integrated transport measures. The 2011 agreement required the developer to provide each dwelling with a Smarter Choices Pack which would include an Easy Rider City Card entitling the holder to free local public transport for a year, or a £350 voucher towards the purchase of a bicycle. Instead, under the modification proposals a Kangaroo Pass for 9 months free local public transport would be issued on request to each 3 or 4 bedroom dwelling, and a Kangaroo Pass for 6 months free local public transport would be issued on request to each 2 bedroom dwelling.

The developer would meet the cost of the Kangaroo Passes issued to a total maximum contribution of £166,905.

- 4.5 The fourth and final element of the proposed modification relates to the on-site equipped play area. Under the 2011 agreement the developer was obliged to submit a scheme, to be approved by the Council, for this play area including its location, the equipment to be provided (whose cost should not be less than £120,000) and maintenance and management arrangements. The proposed modification would allow the Council to approve a scheme which would meet its requirements but whose equipment cost fell below this sum. All other requirements in relation to the equipped play area in the 2011 agreement would remain unchanged. .
- 4.6 All other terms of the 2011 agreement including the provision of a Travel Plan co-ordinator, on-going management and maintenance arrangements for all open space and other amenity land, SuDs together with employment and training provisions will remain unchanged. .
- 4.7 The proposal has been accompanied by a Viability Appraisal which sets out viability challenges with delivery of the scheme and supports the S106 package being proposed. .

5 CONSULTATIONS AND OBSERVATIONS OF OTHER OFFICERS

Officers in the Education, Housing Strategy, Highways and Parks and Open Spaces Service Areas have been consulted on the proposed modification of the 2011 agreement and have indicated their support for the revised S106 package.

6 RELEVANT POLICIES AND GUIDANCE

Nottingham Local Plan (November 2005):

H5 – Affordable Housing
R2 – Open Space in New development

7. APPRAISAL OF PROPOSAL

- 7.1 A contribution towards education was not required when the 2011 agreement was negotiated and completed as part of the outline consent. The Council's Education Service has subsequently identified a potential shortfall in the number of primary and secondary places in the catchment area of the Chalfont Drive site and has requested that the modification of the 2011 agreement includes a financial contribution of £1,021,517 towards the provision of additional education facilities within the scheme's school catchment area.
- 7.2 The Viability Appraisal has identified that whilst the site could provide the requested contribution towards education, the provision of an equipped play area and the package of integrated transport measures, there would be viability issues with the delivery of 20% of the scheme as affordable housing, as currently required by the 2011 agreement. The Appraisal submits that the scheme could support a maximum of 16.8 % as on site affordable housing but no more than that to remain viable. .

- 7.3 An alternative option would not be to include an education contribution as part of the S106 modification package and direct any monies generated by this towards affordable housing provision. Given that the reserved matters application for Phase 1 proposes 345 dwellings, the development will create significant educational demand. The reduction of affordable housing on the site to 16.8% is therefore considered to be justified on the basis of the future capacity issues for primary and secondary schools in the catchment area and that this issue demonstrates a greater need in this particular instance than affordable housing, when faced with viability constraints.
- 7.4 Housing Strategy are satisfied with the proposed level of affordable housing and tenure mix.
- 7.5 The Council has appointed an independent surveyor to review the viability of the scheme and the conclusions were that the proposed residential development has significant viability challenges if 20% on site affordable housing was required. Furthermore the independent surveyor agreed with the conclusions of the Viability Appraisal and that the scheme could only provide a maximum of 16.8% affordable housing on site as part of the proposed package of S106 contributions.
- 7.6 Having regard of these factors it is considered appropriate to direct any S106 monies towards education provision. It is recognised that in this regard the aims of Policy H5 of the Local Plan are not met, but in the context of the viability challenges of the development and the significant benefits that the overall scheme will provide, the inability of the proposal to provide 20% affordable housing as a direct result of funds being channelled to education provision is accepted.
- 7.7 Approval is therefore sought for the modification of the S106 obligation as outlined in the recommendation above.

8. SUSTAINABILITY / BIODIVERSITY

The proposal raises no such issues to be considered at this time.

9 FINANCIAL IMPLICATIONS

None.

10 LEGAL IMPLICATIONS

It is open to the Council as local planning authority to agree to the modification or discharge of a section 106 agreement at any time under section 106A of the Town and Country Planning Act 1990. Any modification or discharge can only be effected by deed.

Other legal implications are as set out elsewhere in this report.

11 EQUALITY AND DIVERSITY IMPLICATIONS

None.

12 RISK MANAGEMENT ISSUES

None.

13 STRATEGIC PRIORITIES

Neighbourhood Nottingham – Providing a high quality and sustainable residential development, particularly promoting housing for families

Safer Nottingham – Providing a residential development with secure property boundaries and well surveilled streets, routes and open spaces

14 CRIME AND DISORDER ACT IMPLICATIONS

None.

15 VALUE FOR MONEY

16 List of background papers other than published works or those disclosing confidential or exempt information

Section 106 Agreement, 17 November 2011

Section 106A Variation Agreement, 18 October 2013

17 Published documents referred to in compiling this report

Planning application (outline application for 475 residential units)

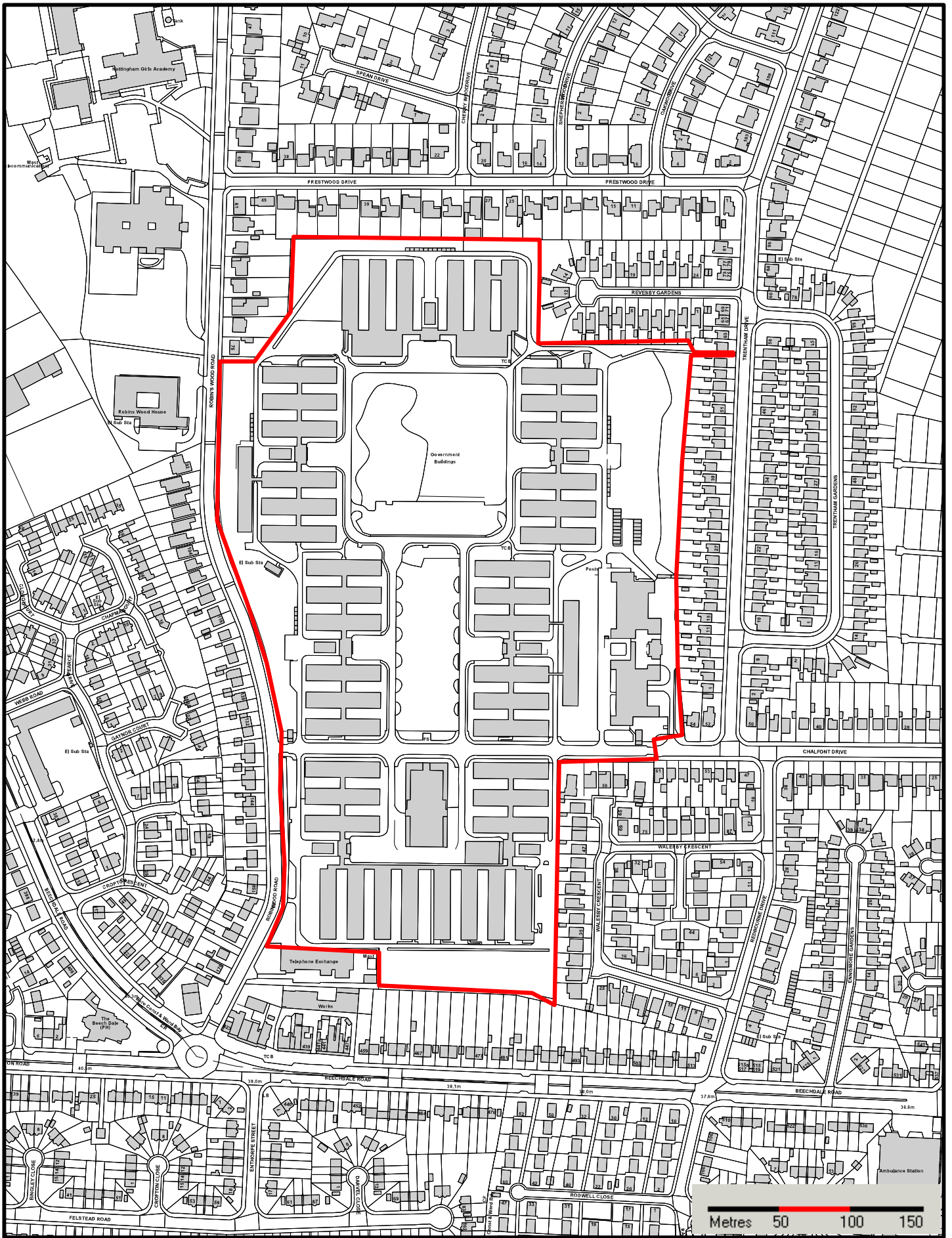
Planning Application 14/02823/PRES4 (reserve matters application for 345 dwellings)

Nottingham Local Plan (November 2005)

Contact Officer:

Joanna Briggs, Principal Planning Officer, Planning Services

Email: Joanna.briggs@nottinghamcity.gov.uk Telephone: 0115 876 3132



© Crown Copyright and database right 2014. Ordnance Survey License number 100019317



Nottingham
City Council