
10/00234/OUT AND 13/00552/REM – LAND WEST OF OAK ROAD AND NORTH OF HALL ROAD, ROCHFORD

1 SUMMARY

- 1.1 The site is the subject of outline planning permission for 600 dwellings and detailed permission for the first phase comprising 293 dwellings. The outline consent is subject to a legal agreement requiring 35% of the total number of dwellings, 210 units, to be affordable. Within the first phase it is anticipated that 97 units will be affordable, with 80% of those units being available to rent from a social landlord and the remaining 20% being for intermediate shared ownership. Arising from changes announced by central Government in this year's budget from the previous rent increase year on year to the future decrease in rent level year on year from April 2016, the registered provider can no longer support the extent of rented accommodation in the scheme. Instead, it is proposed to revise the tenure split of affordable units in the first phase to 70% (67 units) for social rent and the remaining 30% (30 units) for intermediate shared ownership. As the proposed revision to tenure would not reduce the number of affordable dwellings to this first phase, officers consider this change in tenure to be acceptable.

2 INTRODUCTION

- 2.1 The site is allocated for Housing by Policy SER 2 – West Rochford to the Council's Local Development Framework Allocations Plan, as adopted in February 2014.
- 2.2 The site is the subject of the grant of outline planning permission under application reference 10/00234/OUT for residential development of 600 dwellings, associated access and new primary school, including infrastructure associated with residential development, public open space and new vehicular and pedestrian access routes. The outline consent is the subject of a legal agreement made under section 106 of the Town and Country Planning Act 1990 that, amongst other things, requires that 35% of the dwellings be provided (a total of 210 units across the site as a whole) to be affordable to eligible households whose needs are not met by the market. This is by way of 80% of that affordable provision being available for social rent to a Housing Association landlord with the remaining 20% of that provision being available on an intermediate tenure, part owned by the occupiers and part rented to a Housing Association landlord.
- 2.3 Following the grant of outline permission, detailed reserved matters for the first 293 dwellings on the site were approved under application reference 13/00552/REM. This provided for 97 units to be affordable as part of the site layout considered thus far.
- 2.4 Officers understand the site has been subject to negotiations ahead of implementation of the permissions. The applicants advise that since the grant of the permissions there have been many changes in the relationship between

central Government and registered providers, which now threaten the viability of the scheme as currently approved to the extent that the social provider can no longer support the 80% of affordable units for rent. Whilst no change is proposed to the overall affordable provision of units at 35% of the total on the site, the applicants advise that under the current terms of the legal agreement requiring the 80:20 split, it is not possible for the registered provider, Chelmer Housing Partnership, to deliver the affordable housing in the first phase of 293 dwellings, as approved in detail. Instead a revised split of 70% affordable units for social rent and 30% affordable units for intermediate part owned/part rented tenure is sought, reducing the number of units available solely for rent.

- 2.5 The registered provider advises that Housing Associations had previously been advised by central Government that they would be able to increase rents by the Consumer Price Index plus 0.5% each year. This was modelled into the original appraisal of the site as a 3% increase in rent each year. The recent budget announcements by central Government now require that rents reduce by 1% a year from April 2016. This projected rent reduction now means the registered provider cannot maintain the original offer. However, it can proceed on the basis of a revised 70:30 tenure mix in favour of less rented affordable homes.
- 2.6 The applicant advises that no change to the layout approved would be required as a result of the change to tenure proposed.
- 2.7 The Council's housing allocations team leader is in agreement with the change in percentage between affordable rented and shared ownership proposed.
- 2.8 Officers consider that as the overall proportion of affordable housing to be delivered on the site would remain unchanged, the revision to the tenure split reducing the extent of affordable rented accommodation in the first phase equating to 67 units being retained for rent and 30 units (97 units in total for first phase) in shared ownership would not conflict with the policy and overall delivery of affordable housing. The proposed change is therefore recommended to be approved.

3 RISK IMPLICATIONS

- 3.1 The proposed modification to the tenure split to the approved development would allow the approved development to be brought forward to help meet housing demand. There would be no reduction in the amount of affordable housing to be provided as previously agreed. The proposed change only concerns the tenure and a reduction in the amount of rented housing available in the first phase of 293 dwellings.

If this revision were not to be agreed, there would be a risk that the existing negotiations would break down and there would be a delay in the implementation of the development approved and consequent delay in the

provision of affordable housing in Rochford and housing market more generally.

4 RESOURCE IMPLICATIONS

- 4.1 The proposed revisions to the legal agreement will require a limited amount of work by the Council's legal officers in drafting and completing the proposed changes to the existing agreement.

5 RECOMMENDATION

- 5.1 It is proposed that the Committee **RESOLVES**

That the meaning set out in Schedule 1 "Affordable Housing Tenure" to the existing legal agreement to the outline consent under application No. 10/00234/OUT be revised to 70% for Social Rented and 30% for Intermediate Affordable Housing for phase 1, as approved by application no. 13/00552/REM .



Shaun Scrutton

Director

Relevant Documents

Planning Application 10/00234/OUT for granted on 1st July 2013. Residential Development (Class C3) of 600 Dwellings, Associated Access and a New Primary School on Land North of Hall Road, Including Infrastructure Associated with Residential Development, Public Open Space and New Vehicular and Pedestrian Access Routes.

Planning Application 13/00552/REM for granted on 10th January 2014. Details of 293 Dwellings Comprising Two, Three, Four and Five Bedroomed Houses and Forty Four Apartments with Associated Garages, Roads, Pathways, Car Parking, Landscaping and Public Open Space.

Rochford District Council Local Development Framework Core Strategy adopted Version December 2011.

Polices H2, H4.

Rochford District Council Local Development Framework Allocations Plan adopted
25th February 2015.

Policy SER 2.

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