PARISH	Barlborough
APPLICATION	Variation of Section 106 agreement relating to 09/00370/OUTMAJ to
LOCATION	reduce affordable housing to 10% Rear Of 16 To 124 And South West Of 124 And Between Brickyard Farm
	And Barlborough Links Chesterfield Road Barlborough
APPLICANT	Commercial Property Real Estates 43 Hurds Hollow Matlock.
<b>APPLICATION NO.</b>	14/00622/OTHER <b>FILE NO.</b>
CASE OFFICER	Mr T Ball
DATE RECEIVED	23 <sup>rd</sup> December 2014

# SITE

A two part site either side of Chesterfield Road to the south west of Barlborough.

Land to the south east of Chesterfield Road was previously a railway cutting and brick yard subsequently filled with waste and grassed over, and used for car boot sales in the recent past. This area adjoins Barlborough Links Business Park with office/warehouse/workshop units to the north eastern side and larger industrial/warehouse units to the south eastern side. The land is more elevated in the landscape than Barlborough Links. There are two houses and agricultural land to the south western side.

The land to the north west of Chesterfield Road behind the existing Chesterfield Road residential properties is generally overgrown and underused agricultural land with some horse grazing. This includes an area of allotments which are overgrown and long abandoned. Land at western end formerly part of railway cutting, filled with waste and subsequently made available for agricultural uses; this area is within the green belt. Behind 124 Chesterfield Road (formerly known as Hawthorns Farm and now as Wishfield House) is an area of land up to the motorway boundary used as a material and scaffolding store for various businesses being carried out from the related premises fronting Chesterfield Road. This north-western area of the application site adjoins the M1 motorway along the north western boundary with open views of the countryside beyond. The A616 dual carriageway link road between the Chesterfield Road roundabout and the M1 junction 30 adjoins to the north east boundary with the main part of the village of Barlborough beyond.

There is a landfill gas extraction system in place on both parts of the site which have been subject to waste filling, with a gas flare stack adjacent a site entrance off Slayley Lane.

#### PROPOSAL

This is an application to seek agreement to vary the S106 Planning Obligation dated 7<sup>th</sup> March 2011 which accompanied the grant of outline planning permission under reference 09/00370/OUTMAJ, for residential and commercial development including new roundabout and associated roads. This is not a formal application under S106BA of the Town & Country Planning Act 1990 (as amended) but a request to vary the S106 Planning Obligation by agreement.

The request relates to the residential element of the development proposal and seeks the

reduction in the Affordable Housing requirement to 10%. The S106 currently requires 33% of the dwellings to be affordable, to be provided before 60% of the market houses are occupied, and to be available only for people in housing need with a connection with Barlborough. This level of affordable housing for people associated with Barlborough was offered by the applicant following their community consultation. At that time the Council's draft Core Strategy indicated a requirement for affordable housing in Barlborough of 30%.

The applicant states that sale values of properties in the area are still depressed, especially with the site being adjacent to the M1, and taking account of the costs associated with delivering the site, in particular highway infrastructure, contaminated land issues and additional piling requirements with the level of affordable housing.

The applicant has been seeking a development partner for some time and whilst there has been interest, viability and the level of affordable housing have been given as reasons for not progressing the site development.

The applicant has submitted a draft financial viability report dated March 2014 which illustrates that with 33% affordable housing the costs of development would exceed revenues from sales.

## HISTORY

09/00370/OUTMAJ: Outline planning permission for residential and commercial development including new roundabout and associated roads. Approved 23.11.11

13/00001/DISCON: Application to discharge conditions 9 (surface water disposal system), 11 (gas risk assessment), 20 (access) and 22 (archaeology) of planning permission

09/00370/OUTMAJ. Discharged in relation to the residential element of the development. 08.09.13

13/00002/VARMAJ: Variation of condition 8 of 09/00370/OUTMAJ to allow for repositioning of flood alleviation pond. Approved 08.05.13.

## CONSULTATIONS

Barlborough Parish Council: Response awaited. Strategic Housing: Response awaited

## PUBLICITY

None required.

## POLICY

Bolsover District Local Plan (BDLP)

Policy HOU6 (Affordable Housing) seeks to negotiate the inclusion of an element of affordable housing to meet a proven local need. This is a saved policy of the Bolsover District Local Plan which was adopted February 2000.

Bolsover District Council Supplementary Planning Guidance: Affordable Housing (SPG) Adopted in February 2002 this is a material consideration in determining planning applications. This contains a presumption that 10% of the site capacity shall be provided as affordable housing (paragraph 6.2). The SPG allows in exceptional circumstances an off-site financial contribution in lieu of on-site provision to enable the purchase and repair of existing housing stock to provide new affordable homes.

As part of the preparation of the Local Plan Strategy, (to replace the Bolsover District Local Plan), a <u>Strategic Housing Market Assessment and Economic Viability Study Review</u> was undertaken in 2012. Subsequently, the Council in November 2012 approved a revised policy to change the operation of its affordable housing requirement. This requires a detailed viability analysis of a development proposal to allow, if viable, the negotiation of an affordable housing requirement based on the outcome of such an analysis (as assessed by an independent viability consultant). However in view of the market conditions the policy also allowed a waiver of the requirement where the applicant undertakes to commence development and complete at least 10% of the permitted dwellings within 3 years and 50% within 5 years, except in Barlborough Parish where a requirement for 10% affordable housing provision is retained. The policy is to be reviewed in 2015.

#### National Planning Policy Framework

Policies seek to ensure viability and deliverability; when taking account of viability the development should provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable (173).

Guidance issued by the Government on Section 106 Affordable Housing Requirements (April 2013) states:

Unrealistic Section 106 agreements negotiated in differing economic conditions can be an obstacle to house building. The Government is keen to encourage development to come forward, to provide more homes to meet a growing population and to promote construction and economic growth. Stalled schemes due to economically unviable affordable housing requirements result in no development, no regeneration and no community benefit. Reviewing such agreements will result in more housing and more affordable housing than would otherwise be the case.

#### ASSESSMENT

The supporting information submitted with this request is in draft form with no explanation of the costs used in the accompanying financial appraisal. It is not clear if allowances from the commercial element of the development have been included in costs (e.g. proportionate allocation of infrastructure costs), nor if the costs for works to the 'Treble Bob' and J30 roundabouts makes allowance for the same works required by another development (i.e. whole cost of works included or a proportionate amount). The financial appraisal only shows a scenario which provides for 33% affordable housing, an appraisal for 10% or 0% Affordable Housing is not provided. Nor is the current use value provided for comparative purposes.

However, taking account of the current Council policy position for the provision of Affordable Housing as described above, and the national need to encourage development to come forward, particularly where there are stalled schemes due to economically unviable affordable housing requirements, as outlined in the National Planning Policy Framework it is considered reasonable to reduce the affordable housing requirement on the housing element of this development scheme at Barlborough to 10%. The requirement for the affordable housing to be for people in housing need with a connection with Barlborough should be retained.

#### RECOMMENDATION

The S106 Planning Obligation associated with planning permission reference No. 09/00370/OUTMAJ, for residential and commercial development including new roundabout and associated roads on land at Chesterfield Road Barlborough be varied to reduce the Affordable Housing requirement for people in housing need with a connection with Barlborough from a level of provision of 33% to 10% of the dwellings to be built. The remaining terms of the S106 Planning Obligation remain (play area and amenity space, off-site sports provision, education contribution, cessation of scaffolding business use).



