

OFFICER REPORT FOR COMMITTEE

DATE: 10/07/2024

**Q/0757/24
JETMILE HOLDINGS**

PORTCHESTER WICOR

DEED OF VARIATION TO AN AGREEMENT PURSUANT TO SECTION 106 OF THE TOWN AND COUNTRY PLANNING ACT 1990 DATED 20TH AUGUST 2021 RELATING TO AN APPLICATION SEEKING VARIATION OF OBLIGATIONS IN SCHEDULE TWO TO ALLOW AFFORDABLE HOUSING CONTRIBUTION TO BE PAID IN TWENTY-TWO PHASED PAYMENTS

LAND WEST OF NORTHFIELD PARK, PORTCHESTER PO16 8NF

Report By

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1.0 *Introduction*

- 1.1 In August 2021 planning permission was granted for the use of the land at this site for the stationing of aged persons' residential park homes (with a community unit) under planning reference P/18/1437/FP. A planning condition on the decision notice ensures that in total no more than twenty-two park homes are to be sited on the land. The site has since become a housing allocation for the same quantum of development in the Fareham Local Plan 2037 which was adopted in April 2023.
- 1.2 The planning permission was subject to a Section 106 legal agreement which, amongst other things, secures a financial contribution towards off-site provision of affordable housing. The contribution of £529,341.00 is due to be paid prior to the commencement of development.
- 1.3 Groundworks began on site during the latter part of 2023 before ceasing once Council Officers brought the non-payment of the affordable housing contribution to the attention of the site owners.

2.0 *Description of Proposal*

- 2.1 Jetmile Holdings have applied to the Council seeking a variation of the above planning obligation. The covering letter received from the applicant's solicitor explains that their client has incurred unexpected and prolonged additional financial costs after work began on site last year. Their request is for the affordable housing contribution to be divided equally between the twenty-two units on site.

3.0 *Planning Considerations*

- 3.1 Officers consider the request to be acceptable in the circumstances given the nature of the development and the acknowledged challenges the applicant faces in making the full affordable housing contribution up front before any development takes place, notwithstanding the fact that development has actually already begun in breach of this obligation.
- 3.2 After consulting with the Council's Affordable Housing Delivery Manager, Officers are satisfied that the amended obligation as requested would still provide for a proportionate and policy compliant amount of affordable housing contribution when made in phased payments. If the Council were to refuse the request to vary the agreement the developer may find it very difficult to make the affordable housing contribution in full from the outset before receiving any revenue from the sale of the residential park homes. This in turn would put the development, and delivery of the twenty-two homes, at risk.
- 3.3 It is considered reasonable for the affordable housing contribution to be paid in twenty-two separate payments to be paid prior to the occupation of each of the residential park homes. The payments are to be twenty-one instalments of £24,061 and one payment of £24,060 (to be paid first). The final mobile home is not to be occupied unless the whole of the affordable housing contribution has been paid.

4.0 *Recommendation*

- 4.1 That Members delegate to the Head of Planning in consultation with the Solicitor to the Council to complete a deed of variation to the existing Section 106 legal agreement dated 20th August 2021 to vary the terms of Schedule Two to allow for the phased payment of the affordable housing contribution.

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