

Decision under Delegated Power

Officer Requesting Decision (if necessary)

Group Leader Development Management

Officer Making the Decision

Head of Strategic Support

Recommendation

To enter into a Deed of Variation to a s.106 agreement dated 10th November 2017 relating to land at Beacon Road, Loughborough (original permission P/14/2043/2).

Reason

To vary the affordable housing terms of the original agreement with regards to the mortgagee in possession clause.

Authority for Decision

Delegated Powers (Council Functions) to the Head of Strategic Support on 12 April 2011 paragraph no 7 page 3-34.

7. To enter into and vary an agreement under Section 106 of the Town and Country Planning Act 1990.

Decision and Date

Background

The original decision was made by committee and issued on was decided by Committee on 6th April 2016.

The original s.106 provided scope for the affordable housing to pass to a registered provider within a short time-frame following completion of the affordable units. The registered providers require an alteration to the s.106s before they are able to take on the units for the mortgagee in possession provisions. The variation relates solely to the clauses on what happens when a mortgage company take possession of a property sold as an affordable home.

In the original agreement they had to use their reasonable endeavours for three months following possession to return it to a registered provider and if they have failed to do so after three months, they may apply to the council to be released from the requirements of the s.106 proving their efforts. They then provide 8 weeks notice of their intention to sell the property after failing to find another registered provider, allowing the Council an opportunity to take the property if they wished.

The mortgage company for the current registered provider has requested an amendment to these requirements to now provide notice of intention to dispose at the start of the process, the 3 months reasonable endeavours to find a new registered provider remains the same but if they have not been able to dispose within those 3 months, then they are free to sell the property outside of the requirements of the s.106

Financial Implications

There are no financial implications for Charnwood Borough Council

Risk Management

There are no identified risks

Key Decision: No

Background Papers: final draft deed of variation

Does the report contain exempt information? No