

FMPC – Neighbourhood Plan Monitoring Group

Date	17/03/23
Application Details	P/MPO/2023/01555 – Spring Meadows Sovereign Housing Association Modification of S106 agreement dated 23 December 2021 2/2020/0577/FUL by Sovereign Housing Association
Planning Working Group Members	DS, RK, IW, RMcC
Recommendation to Parish Council	SUPPORT this application

Policies	Application details	Policy Compliance	Further Action
Policy FM1. Local Green Spaces p11			
Policy FM2. Local Wildlife Corridors and Protected Species p13			
Policy FM3. Important Views p14			
Policy FM4. The setting of the AONB p15			
Policy FM5. Local Landscape Features p18			
Policy FM6. Dark Skies p19			
Policy FM7. The Conservation Area and Locally Important Features p22			
Policy FM8. Development layout p25			
Policy FM9. Building design p28			
Policy FM10. Creating safer roads and pedestrian routes p31			
Policy FM11. Sustainable drainage p35			
Policy FM12. Development impacting on the sewage treatment works p36			
Policy FM13. Important community facilities p38			
Policy FM14. Social Infrastructure p41			
Policy FM15. Facilitating home working p43			
Policy FM16. Housing Types p48			
Policy FM17. Spatial strategy for new development p50			
Policy FM18. Settlement boundary p52			
Is the Applicant known to members of the Group?			

Compliance Notes:

21/03/23 - From Andrew Galpin, Dorset Council

Hello Mike

I don't believe the proposed modification will have a bearing on the security of the affordable units.

Our Housing Enabling Team Leader yesterday provided colleagues and Cllr Somper with the below explanation.

This application is from Sovereign Housing who wish to vary the Mortgagee in Possession Clauses on the affordable homes on this site.

This variation will be to make sure the S106 complies with the requirements of Sovereign's lenders so funds can be borrowed against the properties. By borrowing against the homes more funds can be generated for the development of new affordable properties. We have a few of these requests recently as RPs (registered providers) want look to increase their development programme. This approach is common in the affordable housing sector, it is expected that RPs will use their existing assets to help fund new homes.

The wording that Sovereign want to be included in the S106 is a standard Mortgagee Exclusion Clause that has been drawn up by the National Housing Federation. This has been agreed on other sites. This does mean that there would be a mechanism for the funder of the RP to obtain the assets in the case of the RP going bankrupt. This is an unlikely scenario as the Regulator of Social Housing would step in to protect any assets. I am not aware of any affordable homes being sold as a result of these clauses.

We are normally supportive of these requests to vary the Mortgagee in Possession clauses by RPs as this helps to fund the building of more affordable homes. Sovereign have a significant development programme in the Dorset Council area and they are keen to continue with this.

I hope this provides a helpful explanation.

Regards

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