

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:** **PLANNING & DEVELOPMENT CONTROL COMMITTEE**

**DATE:** **WEDNESDAY, 12 DECEMBER 2012**

**REPORT BY:** **HEAD OF PLANNING**

**SUBJECT:** **GENERAL MATTERS APPLICATION - VARIATION OF S.106 AGREEMENT TO CHANGE THE ORIGINAL STATUS OF 1 LLYS DEWI, PENYFFORDD, HOLYWELL FROM BEING SHARED OWNERSHIP TO HOMEBUY TENURE AT 1 LLYS DEWI, PENYFFORDD, HOLYWELL**

**1.00 APPLICATION NUMBER**

1.01 050222

**2.00 APPLICANT**

2.01 Clwyd Alyn Housing Association

**3.00 SITE**

3.01 1 Llys Dewi, Penyffordd, Holywell.

**4.00 APPLICATION VALID DATE**

4.01 19.10.2012

**5.00 PURPOSE OF REPORT**

5.01 This application is for permission to vary the Section 106 Legal Agreement associated with the 1991 permission for low cost housing on land adjacent to Maes Emlyn, Penyffordd. The application relates to 1 Llys Dewi and is to change the original status from being shared ownership to Homebuy tenure. The house is an end of terrace in a small residential development.

**6.00 REPORT**

6.01 The application involves varying 3 clauses in the 1991 Legal Agreement in relation to one house, number 1 Llys Dewi with the effect that the house can be occupied under Homebuy tenure. This is classed as intermediate housing where prices or rents are above social housing but below market housing prices or rents. Homebuy

involves equity sharing and is operated by Registered Social Landlords, under which existing social housing tenants and those on housing waiting lists can purchase a home with an interest-free equity loan.

- 6.02 The Housing Strategy officer supports the proposal and comments that Shared Ownership mortgages are difficult to obtain in today's economic climate and are not always affordable. Prospective purchasers have to purchase a share in the property by way of a mortgage and pay rent on top of that mortgage for the equity capital they do not own. The Homebuy tenure works in the same way as the council's shared equity scheme. It is where a purchaser will buy 50 to 70% of the property value and will pay nothing for the retained equity, which is only repaid upon re-sale. The Homebuy tenure is more affordable than shared ownership and would also meet future needs.
- 6.03 Llanasa Community Council has no objections and the proposal is in accordance with the council's policies and guidance.

**7.00 RECOMMENDATION**

- 7.01 That the terms of the Section 106 obligation be changed to allow the change to tenure.

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