

Report to District Development Control Committee

Date of meeting: 5th April 2011



**Epping Forest
District Council**

Subject: Planning Application EPF/1153/09–Rear of 103 High Street, Ongar– Partial demolition of existing buildings, conversion and adaptation of existing business units to form 3 x 1 bedroom cottages, construction of 2 x 2 bedroom cottages, bin stores, bike stores and provision of parking spaces.

Officer contact for further information: K Smith

Committee Secretary: S Hill Ext 4249

Recommendation:

That the Committee considers a planning application on land to the rear of 103 High Street, Ongar for the development described above which has been referred by Area Plans Subcommittee East without recommendation.

Report Detail

1. This application has been referred by the Area Plans Sub Committee East. The report to the sub-committee carried a recommendation from officers to grant planning permission (subject to the completion of a legal agreement) and the planning merits of the case are attached in the original report to Subcommittee (As Appendix 1).

Planning Issues

2. The application was first reported to Area Plans Sub Committee East on 14th October 2009 with an Officer's recommendation for approval. The application was deferred by the Committee, to negotiate a request for the provision of affordable housing within the development.

3. On 16th December 2009, the application was reported back to the Committee (with an Officer's recommendation to approve) following the applicants proposal to provide one affordable unit. The Committee resolved to grant planning permission, subject to the completion of a Section 106 legal agreement within 12 months to secure the affordable housing.

4. Subsequent to the Committee's resolution the applicant advised that the development economics would result in the proposal not being viable with the provision of the affordable housing. The applicant provided details of the development costs and the likely sales values for the proposed dwellings and the application was reported to Plans East on 6th October 2010, with an officers recommendation for approval without the requirement for a legal agreement to secure the affordable housing. The Committee requested that the applicant submit a financial appraisal of the development to demonstrate the viability of the proposal

and extended the resolution to grant planning permission subject to a S106 for a further 6 months.

5. With the agreement of planning officers, the applicant commissioned and submitted an independent financial appraisal, undertaken by Kemsley LLP. This appraisal is attached as Appendix 2 to this report. The planning officer queried some of the findings of the report. In particular relating to the Gross Development Value and Development Costs (on page 4). However, following additional information provided by the estate agent (John Sears) and the construction company (Thornwood Construction), these figures are considered to be acceptable by both Kemsley LLP and by the planning officer.

6. The appraisal concludes that the development would not be viable with the provision of an affordable housing unit, returning a profit to the developer of only £9,307 (approximately 1% of the cost of the development). The appraisal further demonstrates that the development would only just be viable without the affordable unit, returning a profit of £131,807, only 14.5% of the development costs – below the normal expectation of 20%. Officers consider that this demonstrates that in addition to the development not being viable with the affordable housing, there is also no scope for a large developer contribution towards any other identified community need.

7. Notwithstanding this, Policy E4B of the Local Plan states 'Where it can be proven that there is no further need for employment uses on a particular site, the Council will permit alternative uses which fulfil other community needs and which satisfy other policies of the plan. Where there is an identified need for a particular facility the Council will have to be satisfied that the site is unsuitable for that use prior to considering the site for open market housing'. It is not considered that the site is suitable for the on-site provision of community facilities, due to its limited size and restricted vehicle access. However, in order to comply with this policy and in accordance with Policy I1A of the Local Plan (which relates to Planning Obligations) the developer offered to make a financial contribution of £10,000 to Ongar Town Council to be spent in relation to the provision of facilities to meet community needs. The Town Council advised that this sum could be put towards a proposed scheme for improvements to a children's play area and would provide a substantial proportion of the cost of providing this facility. However, it will only be reasonable for the sum to be payable upon the commencement of the development, which may be up to three years in the future. Due to this period of time, it is considered reasonable that the legal agreement secures the funding for a use which fulfils a community need (in accordance with Policy E4B) but does not specifically relate to the provision of a children's play area, in order that the community's needs may be considered at the time that the contribution is actually paid.

8. On 16th March 2011 the application was reported back to Plans East with a recommendation by officers that planning permission should be granted, subject to the completion of a S106 legal agreement within six months to secure the contribution of £10,000. At the Committee there was some debate, with some Members suggesting that the sum was inadequate. However, prior to a vote being taken on the application, four Members stood, to defer the application to the District Development Control Committee.

Conclusion

9. The planning merits of this application have, generally, previously been considered acceptable by Members of the Area Plans Sub Committee East.

However, the provision of a community benefit to address Policy E4B of the Local Plan is one upon which there has been no conclusion.

10. This Committee should now consider, based on the planning merits of the case, whether or not planning permission should be granted for the proposed development.