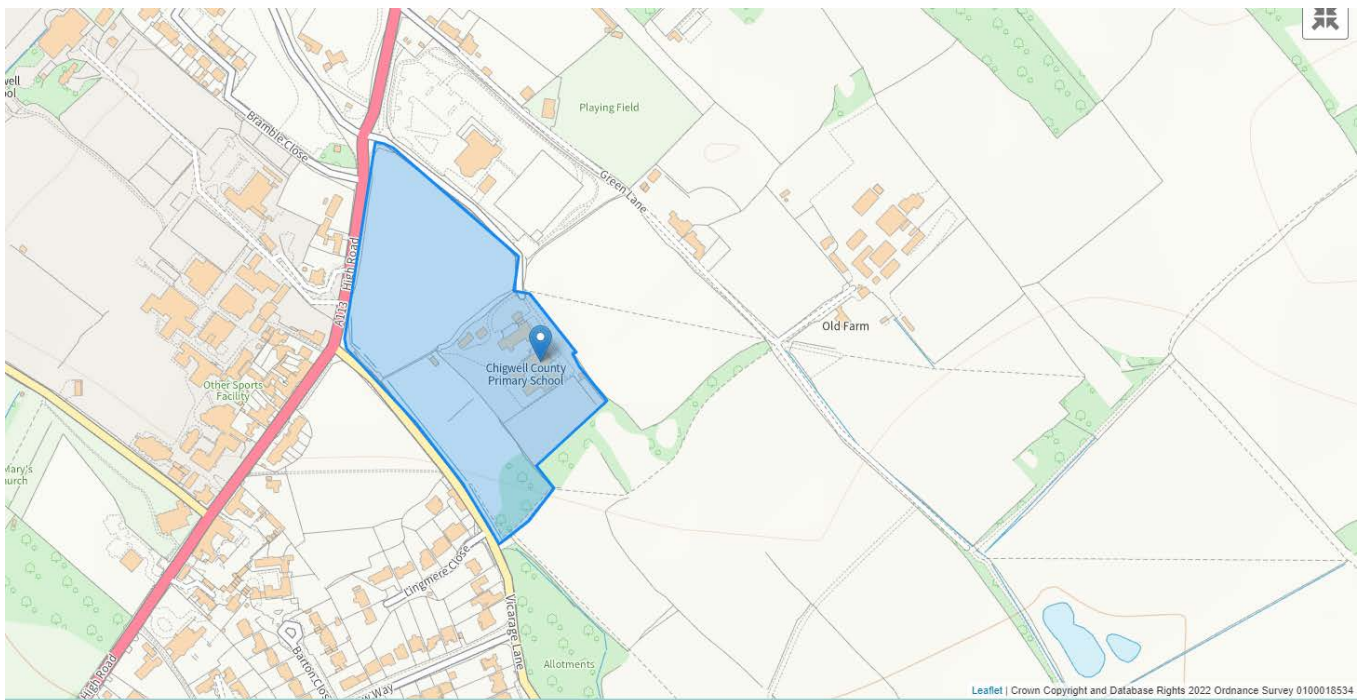


OFFICER REPORT

Application Ref: EPF/0047/24
Application Type: Application for deed of variation of planning obligations
Applicant: Andrew Hodgson
Case Officer: Muhammad Rahman
Site Address: Chigwell Primary Academy, Mandir Lane, Chigwell, IG7 6ED
Proposal: Deed of Variation to s106 Legal Agreement attached to EPF/1681/19 (Construction of new Chigwell Primary Academy school, followed by demolition of existing buildings and creation of new playing field and playground, together with residential development comprising 59 number dwellings, together with car parking, garden spaces, vehicular access from High Road (A113), external landscaping and associated development).
Ward: Chigwell Village
Parish: Chigwell
View Plans: <https://eppingforestdcp.force.com/pr/s/planning-application/a0hTv0000000yqv>
Recommendation: Approve



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REPORT TO DISTRICT DEVELOPMENT MANAGEMENT COMMITTEE

Date of Meeting: 13th February 2024

Democratic Services Officer: Gary Woodhall | 01992 564470

This application is before this Committee as the original application for;

EPF/1681/19 -Construction of new Chigwell Primary Academy school, followed by demolition of existing buildings and creation of new playing field and playground, together with residential development comprising 59 number dwellings, together with car parking, garden spaces, vehicular access from High Road (A113), external landscaping and associated development.

was decided by Members of the District Development Management on the 18th March 2020 and approved with conditions subject to a completed s106 Legal Agreement.

Planning Considerations

Section 106A of the Town and Country Planning Act 1990 (as amended) states that a planning obligation can be modified or discharged by agreement (at any time) between the appropriate authority and the person or persons against whom it is enforceable.

The completed s106 attached to EPF/1681/19 requires the following payments including the trigger points;

A. Introduction

Current payment obligation for the above planning consent are categorised as follows

Clause	Payment Schedule			
	<u>Affordable Contribution</u>			
5.1	PP Implementation	£	500,000	✓
5.2.1	15 Units Occupation	£	500,000	
5.2.2	35 Units Occupation	£	1,000,000	
5.2.3	50 Units Occupation	£	1,000,000	
		£	3,000,000	
	<u>Sustainable Transport</u>			
5.6	PP Implementation	£	250,000	✓
5.8	1st Year Anniversary	£	110,000	
	2nd Year Anniversary	£	110,000	
	3rd Year Anniversary	£	110,000	
	4th Year Anniversary	£	110,000	
	5th Year Anniversary	£	110,000	
		£	800,000	
	<u>Other Contribution</u>			
5.22	SAC	£	20,768	✓
5.24	NHS	£	22,402	✓
5.26	Community Facility Contribution	£	60,364	✓
5.28	Council Monitoring Fees	£	25,000	✓
Sch 3	Early Year Educational contribution	£	92,336	✓
Sch 3	Secondary Educational contribution	£	273,925	✓
		£	494,795	

The applicant has stated the following;

B. Payment Schedule

The current payment schedule is onerous and burdens the construction cash flow with large early payments, herein marked (✓) that amounts to £1,244,795.

The construction cash requirements are frontloaded as the project also requires the construction and delivery of approximately 1,800 sqm school. This work has more constraints than other aspects of the projects because of the logistical and coordination requirements to be made with the school operations

The housing construction will also need to be run in parallel with the school in order to reach milestones with the funders for repayment and security

Therefore, minimizing other payments by rescheduling them would assist in a seamless construction programme of both school and residential elements which would then reach the milestones for delivering the school, releasing the residential units and hereby enabling payment of the planning obligations and paying off the debt.

Two options have been presented to the Council as set out in proposed schedule below;

Clause	Current Schedule		2024 Proposed Schedule			
	Payment Schedule		Payment Schedule (Original Affordable)		Preferred Payment Schedule (Adjusted Affordable)	
	<u>Affordable Contribution</u>					
5.1	PP Implementation	£ 500,000	PP Implementation	£ 500,000	PP Implementation	£ 250,000
5.2.1	15 Units Occupation	£ 500,000	15 Units Occupation	£ 500,000	15 Units Occupation	£ 750,000
5.2.2	35 Units Occupation	£ 1,000,000	35 Units Occupation	£ 1,000,000	35 Units Occupation	£ 500,000
5.2.3	50 Units Occupation	£ 1,000,000	50 Units Occupation	£ 1,000,000	50 Units Occupation	£ 1,500,000
		£ -		£ -		£ -
		£ 3,000,000		£ 3,000,000		£ 3,000,000
	<u>Sustainable Transport</u>					
5.6	PP Implementation	£ 250,000	PP Implementation	£ -	PP Implementation	£ -
5.8	1st Year Anniversary	£ 110,000	1st Year	£ -	1st Year	£ -
	2nd Year Anniversary	£ 110,000	2nd Year	£ -	2nd Year	£ -
	3rd Year Anniversary	£ 110,000	3rd Year	£ -	3rd Year	£ -
	4th Year Anniversary	£ 110,000	4th Year	£ 580,000	4th Year	£ 580,000
	5th Year Anniversary	£ 110,000	5th Year	£ 220,000	5th Year	£ 220,000
		£ 800,000		£ 800,000		£ 800,000
	<u>Other Contribution</u>					
5.22	SAC	£ 20,768	PP Implementation	£ 20,768	PP Implementation	£ 20,768
5.24	NHS	£ 22,402	1st Year	£ -	1st Year	£ -
5.26	Community Facility Contribution	£ 60,364	2nd Year	£ -	2nd Year	£ -
5.28	Council Monitoring Fees	£ 25,000	3rd Year	£ -	3rd Year	£ -
Sch 3	Early Year Educational contribution	£ 92,336	4th Year	£ -	4th Year	£ -
Sch 3	Secondary Educational contribution	£ 273,925	5th Year	£ 474,027	5th Year	£ 474,027
		£ 494,795		£ 494,795		£ 494,795
TOTAL		£ 4,294,795		£ 4,294,795		£ 4,294,795

- The first column shows the current payment schedule.
- The middle column (option 1) retains the affordable housing and SAC contributions as agreed, but the remainder are deferred to a later date.
- The last column (option 2) is similar to option 1 but the affordable housing contribution is slightly lower upon implementation with the shortfall deferred to a later trigger point.

The Councils Affordable Housing Officers have objected to option 2, for the following reasons;

Please note that our standard approach for trigger points for financial contributions in our S106 agreements is 50% at commencement and the remainder at the occupation of 50% of the open market units.

However, the trigger points in this S106 agreement leave a substantial proportion of the contributions to later in the development, and the proposed amendments will further increase the risk to the Council.

As the current agreed AH contribution is already a compromise no further reductions will be supported. As such, this option is not one Officers endorse. However, Officers are satisfied with option 1, which retains the affordable housing and SAC contributions as agreed but deferring the remainder of contributions to a later date, which are also largely linked to the occupation and use of residential dwellings. This option raises no concerns, as the key priority is the delivery of the school. Deferring the

suggested payments would free up cash flow, given that costs have risen since the scheme was granted consent.

Conclusion

For the reasons set out above, it is recommended that the Deed of Variation as per option 1 is agreed.