

# **Report to Area Plans Sub-Committee East**

**Date of Meeting: 08 July 2020**



**Epping Forest  
District Council**

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**Address:** Brent House Farm, Harlow Common, North Weald, Essex CM17 9JD

**Subject:** Deed of Variation/release from S106 agreement financial contribution on EPF/2523/16 (Demolition and reconstruction of the Farm House together with the erection of 19 no. additional dwellings, served off the existing approved vehicular access on Harlow Common / Foster Street together with internal road layout, parking and a scheme of landscaping and tree planting).

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## **Recommendation:**

**That the S106 legal agreement be modified to allow for an additional payment of £134,000 towards the provision of affordable housing in lieu of the two no. 2 bed town houses to be provided as affordable rented units on site.**

## **Report:**

On 11 October 2017 planning consent was granted by Area Plans Sub Committee East for the demolition and reconstruction of the Farm House together with the erection of 19 no. additional dwellings, served off the existing approved vehicular access on Harlow Common/ Foster Street together with internal road layout, parking and a scheme of landscaping and tree planting. (Alterations to existing consents EPF/2027/14, EPF/1285/11 and EPF/1370/10). This was approved subject to a legal agreement for the following:

**That planning permission be issued after the completion of a legal agreement (Section 106 of the Town and Country Planning Act 1990) within 3 months of the date of this committee meeting that ensures the following as necessitated by development proposal:**

- (A) a satisfactory financial contribution to the Council in respect of:-
- (1) £90,000 for off-site Affordable Housing;
  - (2) The payment of £50,000 towards the provision of local community facilities, prior to first commencement of the development hereby approved, and

**(B) provide on site, 2 of the proposed 2 bed town houses as affordable rented units in accordance with the Council's normal affordable housing requirements.**

The Developer has advised that, despite their best endeavours, there has been no interest in the two affordable housing units from Registered Providers. Their reasons for this were generally outlined as the inefficiencies of taking only two units in an 'out-of-the-way' location, and management issues within a private housing estate.

The Council's Housing department were approached to take on the units; however they rejected the affordable housing units for the following reasons:

- 1) There were concerns with the number of units offered;
- 2) Concerns about construction methods used;
- 3) Concerns about potential issues with residual and surface condensation; and
- 4) Concerns about the structural warranty being provided including uncertainty about its effectiveness and level of cover.

In lieu of the two on site affordable houses, the developers have put forward a financial proposal of an affordable housing contribution of a minimum payment of £134,000, as well as a payment of 50% of the proceeds of any sale of the two units should the sale value rise above £350,000.

Section F of Policy H2 of the Epping Forest District Local Plan (Submission Version) 2017 states that in exceptional circumstances, where the Council agrees that it would be inappropriate for the required affordable housing to be provided on-site as part of the development, the Council will accept a financial contribution to fund the provision of affordable housing on another site provided that the Council is satisfied that:

- (i) The financial contribution is at least equivalent to the increased development value if affordable housing was not provided on site, subject to such a contribution being viable.

An independent assessment has been undertaken on behalf of the Council which explored the possibility of the Council accepting a payment in lieu of the provision of Affordable Housing on site. The report concludes that a financial contribution of £134,000 as a minimum payment, alongside a payment of 50% of the proceeds if the sale value exceeds £350,000, would be appropriate.

The Council's Housing department were consulted as part of this application and confirmed that the additional payment of £134,000 is recommended, as well as the initial affordable housing contribution of £90,000 and the community facility contribution of £50,000 (which has been paid), as outlined in the original section 106 agreement. The financial contribution would be in accordance with local policy in relation to affordable housing.

**Conclusion:**

It is considered that this Deed of Variation in relation to affordable housing would be acceptable due to the circumstances as outlined above and should be added to the S106 agreement pursuant to planning permission EPF/2523/16.