

UPDATE REPORT 29 April 2021

Reference: 3/26/19/016

Applicant: Acorn Developments (SW) Ltd.

Description of Development

Erection of 9 No. dwellings with associated access, landscaping, public open space, drainage and footpath works at Former Nursery Site, A39, Washford, Watchet, TA23 0NT

This update report will begin with a brief and necessary history of planning applications and consents at two related sites in Washford, this former nursery site is the first and the Huish Lane site the second. The planning history is set out below:

(former nursery site)

3/26/14/025 - outline: erection of up to 6no. dwellings, footpath – C/A – 20/06/2017

3/26/19/016 (this updated application) - Erection of 9 No. dwellings with associated access, landscaping, public open space, drainage and footpath works at Former Nursery Site – resolution to grant at planning committee 12 March 2020

(Huish Mews site)

3/26/14/026 - outline: erection of up to 10no. affordable dwellings, relocation of allotments – C/A – 20/06/2017

3/26/19/015 – Reserved Matters: erection of 5no dwellings, relocation of allotments – C/A – 17/10/2019

NMA/26/19/001 - minor revisions to plan numbers approved under 3/26/19/015 - approved

The developers for the Huish Lane site are a registered social housing provider and have approached the LPA seeking to change the financial obligations contained in the section 106 agreement which is tied to both sites for the earlier outline consents 3/26/14/026 (Huish Lane affordable site) and 3/26/14/025 (nursery site – private sector housing).

The recommendation to grant consent at this site – the former nursery site – made at the 12 March 2020 planning committee included revisions to the extant section 106 agreement from the 2014 outline applications cited above. One section 106 agreement covered both sites due to the peculiarities of the affordable housing arrangements (100% affordable housing at Huish Mews, open market at the former nursery site). Also contained within this existing (ie signed and sealed) section 106 agreement were financial obligations for the affordable housing developers including for community infrastructure and education contributions which total up to £12,501.

The agents acting on behalf of Acorn, the private sector developers of this former nursery site have commented that firstly “Falcon are unable to proceed with delivery of the affordable units at Huish Lane with the financial burden of contributions” and secondly that “Acorn Developments are content to pay the contributions required by the Huish Lane site on behalf of Falcon with the intention that there is a

commensurate reduction in contributions for any subsequent permission at the Former Nursery Site, essentially cross-subsidising delivery of the affordable units as originally envisaged by the two schemes.”

Members of the Planning Committee previously resolved to grant planning permission for the proposed development on 12 March 2020, the original committee report is available in Appendix 1.

Since the resolution to grant planning permission, officers have been working with the agent of this planning application to secure the S106 agreement. The S106 agreement is still being negotiated and therefore planning permission has not been granted to date.

The developers for this application (Acorn), in consultation with the registered social housing providers for the related site at Huish Lane (Falcon Housing) have requested that the terms of the section 106 agreement are varied to allow for Acorn to pay for the financial commitments currently required from Falcon Housing and that Acorn's obligations be reduced proportionately, as Falcon Housing cannot afford the agreed financial contributions.

The varied section 106 agreement would change the Heads of Terms for the Section 106 agreement and the amount paid by the private sector developer (Acorn) would be the same, only Falcon Housing would benefit from a reduction in consented financial obligations. Additionally there would be a minor amendment to condition 9 as per the March 2020 committee recommendations to reference the footpath connecting the two sites.

Falcon Housing are not receiving government subsidies for the entirely social housing development at Huish Lane and the current section 106 obligations for the Huish Lane affordable site could make the scheme unviable.

The Heads of Terms now sought are as follows:

- Secure affordable units at Huish Lane as such in perpetuity.
- Payment of Public Open Space Contribution of £17,451 (i.e. £29,952 - £12,501).
- Payment of Huish Lane Education and Community Infrastructure Contributions totalling £12,501.
- Management and maintenance issues related to the estate road and culverting of the watercourse on site.

The Heads of Terms that Members previously approved are as follows:

- Development beyond five units cannot take place unless all the affordable units at Huish Mews have been delivered or an appropriate off-site affordable housing contribution has been agreed and paid by the developers.
- Secure works for the footpath connecting the Former Nursery Site to development at Huish Lane and the wider village.
- Payment of Public Open Space contributions amounting to £29,952.
- Management and maintenance issues related to the estate road and culverting of the watercourse on site.

The key differences between the previous resolution to grant from the 2020 committee and those outlined above are firstly in relation to the affordable housing triggers these would be amended to ensure that the social housing units at the Huish Lane site remain as social housing in perpetuity, secondly the provisions related to the connecting footpath would be removed and condition 9 (estate roads) amended accordingly, and thirdly the financial obligations would remain at the same level for the private sector developer (Acorn) at the nursery site in terms of the headline figure of £29,952 but would be removed from the Huish Lane site for Falcon Housing so there would be a reduction in the monies allocated to local play space down to £17,451 but funds would also go towards educational contributions in the locality.

The private sector developer would be paying the same amount as agreed at the previous committee as they would cover the full contributions currently expected from Falcon Housing, it would only be Falcon Housing, a registered social landlord and a not-for-profit entity, who would benefit from a reduction in their financial obligations. There would therefore be no private gain from the proposed changes and the only beneficiary would be a social housing provider and the revised approach would help to enable the development of social housing units at the Huish Lane site.

Given that Falcon Housing have acknowledged viability issues with the Huish Lane development and there is a recognised risk of the development not being completed and then no concurrent financial obligations being paid, the LPA consider that the proposed solution is appropriate in the circumstances.

There is a planning balance here in regards to the proposed overall reduction in the contribution to local play space of £12,501 (although still with a contribution of £17,451 to play spaces) and need for local affordable housing. As the proposed amendments would not be of financial benefit to the open market housing developer (Acorn) the proposal must be weighed against the aims of the Local Plan considered holistically, specifically in relation to the provision of affordable housing (SC4).

The proposed development at the nursery site would still be in compliance with policy SC4 as the affordable housing site at Huish Lane has been delivered and sold on to Falcon Housing, as required in the original section 106 agreement as per the two outline consents. Significant weight is given to the planning benefits of ensuring that social housing is delivered in Washford and this is considered to outweigh the harm caused by the reduction in the quantum of monies due for local play spaces.

It is considered therefore that the proposed development continues to accord with planning policy and therefore it is recommended that Members note and approve the proposed amendments to the S106 agreement and to condition 9, as per the earlier recommendation.

The revised condition for condition 9 would read as follows:

The proposed estate roads, footways, footpaths, tactile paving, cycleways, lay-bys, verges, junctions, street lighting, sewers, drains, retaining walls, service routes, surface water outfall, vehicle overhang margins, embankments, visibility splays,

accesses, carriageway gradients, drive gradients, car, motorcycle and cycle parking, and street furniture shall be constructed and laid out in accordance with details to be approved by the Local Planning Authority in writing before their construction begins. These details shall include those for the footpath as illustrated in approved plan 18.82 21 A. For this purpose, plans and sections, indicating as appropriate, the design, layout, levels, gradients, materials and method of construction shall be submitted to the Local Planning Authority.

Reason: To ensure that the development is well designed and internal estate roads are functional and fit for purpose.