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21 December 2017

Our ref: KWL.573272.25

Your ref: 08/00127/FUL

Dear Sirs

Modification of a Planning Obligation at the Old Gaol Abingdon

We are instructed by Cranbourne Homes Ltd ("**the Developer**") to seek a modification of an agreement made pursuant to section 106 of the Town and Country Planning Act 1990 ("**the Act**").

Background

An agreement was made pursuant to section 106 of the Act between (1) the Vale of White Horse District Council ("**the Council**"), (2) Cranbourne Holdings Limited, (3) National Westminster Bank, (4) Bradford Securities Limited, and (5) Cranbourne Old Gaol (Abingdon) Limited on 29 October 2012 ("**the Original S106**") in relation to planning permission 08/001327/FUL ("**the Permission**").

The Original S106 contained inter alia obligations to provide off-site affordable housing. A planning application with reference P14/V0710/FUL for eight units of affordable housing was subsequently submitted in accordance with the Original S106 on 1 April 2014.

However, the Council's local housing need had changed since 2012 and the Council no longer considered the proposed off-site affordable housing site to be appropriate.

On 30 June 2015 a further agreement was made pursuant to section 106 of the Act and entered into between (1) the Council, (2) the Developer, (3) Cranbourne Enterprises Limited, (4) Silverdog Investments Limited and (5) Cranbourne Holdings Limited on 30 June 2015 ("**the Supplemental S106**").

Five years have passed since the date of the Original S106 and, although five years have not passed since the Supplemental S106, a planning obligation may be modified by agreement within five years (as prescribed under section 106A(4)(a) of the Act).

Clause 4 of the Supplemental S106 contained obligations on the Developer to pay the sum of £1,000,000 in instalments over six years as a contribution to affordable housing in lieu of on-site provision. The Developer has thus far performed its obligations under the Supplemental S106 (paying a total of £460,000 to date).

The outstanding liabilities are for payments of: £180,000 by 30 April 2018, £180,000 by 30 April 2019 and

£180,000 by 30 April 2020.

Reason for Proposed Modification of a Planning Obligation

The Permission granted the development of: the demolition of a sports hall, a swimming pool, No.4 Turn Again Lane, part of the police station and garage block; the construction of a new building containing 43 apartments; the conversion of the Old Gaol to a restaurant and 10 apartments; the conversion of the police station to communal use and 3 dwellings; the conversion and extension of 25, 27, 1 and 2 Bridge View to 2 restaurants, a café take away and 5 apartments; new vehicular access onto Bridge Street; a pedestrian link to East St Helens Street via Twickenham House and underground parking for 68 cars and 132 cycles. The development was carried out in accordance with the Permission and the proposed restaurant unit at the Old Gaol is known as Unit 3.

Having marketed the restaurant for three years through specialist agents, the Developer has been unable to let Unit 3 to a restaurant operator and thus has incurred restricted cash flow which would have enabled the 2018 to 2020 payments under the Supplemental S106 to be made. Moreover, the Developer has been unable to obtain further funding from alternative equity or debt sources.

The Developer is however able to meet the outstanding payments but on a reduced annual quantum basis.

Proposed Modification of a Planning Obligation

The Developer therefore seeks to agree with the Council, in principle, a revised payment schedule of instalments for the outstanding sum, being 6 annual payments on the 30th April of £90,000 with the last payment being made in 2024.

The Developer remains fully committed to settling the affordable housing contribution in full and also seeks to agree that instalments will revert to £180,000pa in the event all the commercial space is let. The Developer therefore also acknowledges that they should be obliged to continue to market Unit 3 and provide evidence of such.

We therefore ask the Council to consider the above request and enter into a deed of variation with our client to secure the remaining affordable housing contribution.

Please find enclosed our application form and accompanying certificate together with the site location plan for the purposes of the Council registering our request.

We look forward to the Council's response.

Yours faithfully

Blake Morgan LLP

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