

Item No.11**SCHEDULE B**

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| APPLICATION NUMBER | MB/03/01205/OUT |
| LOCATION | LAND SOUTH OF, POTTON ROAD, BIGGLESWADE |
| PROPOSAL | OUTLINE: RESIDENTIAL DEVELOPMENT OF APPROXIMATELY 1450 DWELLINGS, CONSTRUCTION OF EASTERN RELIEF ROAD, LOCAL CENTRE, PRIMARY SCHOOL, PUBLIC OPEN SPACE, STRUCTURAL LANDSCAPING, INFRASTRUCTURE INCLUDING SURFACE WATER BALANCING FACILITIES AND ASSOCIATED WORKS. DEMOLITION OF 128 POTTON ROAD TO FACILITATE VEHICULAR ACCESS. (ALL MATTERS RESERVED EXCEPT MEANS OF ACCESS) |
| PARISH | Biggleswade |
| WARD | Biggleswade |
| WARD COUNCILLORS | Cllr M Jones, Cllr D Lawrence, Cllr J Lawrence & Cllr P Vickers |
| CASE OFFICER | Hannah Pattinson |
| APPLICANT | Martin Grant Homes (UK) Ltd and Taylor Woodrow Developments Ltd |
| AGENT | King's Reach Project Management |
| REASON FOR COMMITTEE TO DETERMINE RECOMMENDED DECISION | PUBLIC INTEREST APPROVE THE DEED OF VARIATION |

Location

Site 1, Land East of Biggleswade, is part of the overall strategic housing site known as Land East of Biggleswade. The site is located to East of Biggleswade with access being taken off Stratton Way.

Background

The developers approached the Council to request the execution of a Deed of Variation to vary certain provisions and triggers within the legal agreement to enable them to commence works on the strategic residential site known as Site 1, Land East of Biggleswade.

The reasoning behind the Deed of Variation is because of the current global and national economic climate. The large amount of sub-prime / bad debt lending has led to a lack of confidence in the Global and UK financial sector. This has led to both the major banks, mortgage lenders and the major house builders being among the first sectors of the economy to be hit by this situation.

The overall affect of what has become known as the "credit crunch" has resulted in an increase in the number of repossessions, a number of large national house

builders stopping work or cutting down to skeleton staff on many of their major development sites and a large number of redundancies.

Outline planning permission was granted on 13th November 2006 (planning application ref no. 03/01205/OUT) for residential development of approximately 1450 dwellings, construction of the Eastern Relief Road, Local Centre, primary school, public open space, structural landscaping, infrastructure including surface water balancing facilities and associated works. Demolition of 128 Potton Road to facilitate vehicular access. (All matters reserved except means of access).

The legal agreement attached to the outline planning permission provides the obligations and provisions on behalf of both the developers and the Council. The legal agreement was prepared in a rising market and no provisions had been included to take into consideration the market place may change as has happened through the current economic crisis.

As such the developers approached the Council to vary the legal agreement by way of moving various triggers to ease their cash flow and enable the implementation of the outline planning permission. The purpose of this Deed of Variation is solely to enable development and not to allow the developers to reduce the level of the contributions. As such only triggers up to the 350th occupation have been considered.

Discussions have been held with relevant Officers within the Council to obtain their agreement for the proposed trigger alterations. To confirm none of these alterations would result in a variation in monies or provision receivable.

The Proposal

The following variations through a Deed of Variation are proposed to ensure that the existing legal agreement reflects the current economic situation. These are discussed individually under topic headings below.

Staff Agreement

As part of the legal agreement the developers and the Council entered into a staffing agreement to ensure the provision of a high quality service. Within the legal agreement it states that the staffing agreement payments commenced in quarter 1 of 2007.

To date the planning permission has not yet been implemented. As such it is recommended that the staffing agreement payments are suspended until implementation of the planning permission.

Affordable Housing

The existing affordable housing cascade was only designed to reflect a rising market. The economic crisis has resulted in the existing cascade not being able to react or reflect the current market conditions. Therefore discussions have been held to provide a cascade system which would react to the changing market place.

The proposed Deed of Variation would provide a cascade which would allow the developer to make an informed choice on the percentage of different mixes whilst retaining the overall provision of affordable housing across the development. The

cascade would be linked to the existing tenure definitions contained within the legal agreement.

Education

Discussions have been held with Education Officers to alter the education contributions. The purpose of these alterations is to bring them in line with the current need for the site and the likely timescales involved in bring forward the new Lower School.

As such the following has been agreed in principle:

The Lower School Contribution would be moved back from implementation of the planning permission to the occupation of 75 residential units.

An additional clause would be added requiring the payment mechanism and timing of payments to be agreed between the Council and the Developers prior to the occupation of the 25th residential unit to ensure that monies are solely collected as required by the Council in relation to this contribution.

Finally, as there are existing spaces available in Biggleswade at both the Middle and Upper Schools it is considered appropriate to move the Middle School and Upper School Contributions back to the occupation of the 250th residential units.

Transport / Highways

The Highways Officer, has had discussions with the developers and the following trigger alterations have been agreed in principle.

In some instances works have been brought forward to ensure a sensible chronological order or works to be undertaken.

| Location | Works | Existing Trigger | Proposed Trigger |
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| London Road/ Pegasus Drive Roundabout | Minor widening on approaches | 150 residential units | 300 residential units |
| London Road/ Saxon Drive Roundabout | Minor widening on approaches | 150 residential units | 300 residential units |
| Pedestrian splitter island on London Road immediately to the north of the Drove Road junction | Uncontrolled crossing to be provided close to Eagle Farm Road | 0 residential units | 1 residential unit |

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| From south east corner of Hitchmead Special School along Bridleway 28 westwards to Stratton Way | New shared surface for pedestrians/cycles/equestrian users. New signage. New lighting. | 50 residential units | 1 residential unit |
| FP27 from site boundary to Eagle Farm Road | New surfacing. New signage. New lighting. | 50 residential units | 1 residential unit |
| Eagle Farm Road / Drove Road, London Road junction | New tactile paving and signage | 50 residential units | 1 residential unit |
| Drove Road from Potton Road to South Walk | New signage and tactile paving | 100 residential units | 300 residential units |
| Lawrence Road to Crab Lane | New signage and low level lighting at eastern end | 100 residential units | 300 residential units |
| Crab Lane to the Baulk | New signage | 100 residential units | 300 residential units |
| Pedestrian link to Lawnside | New signage | 100 residential units | 300 residential units |
| Stratton Way from FP33 to South Walk | New signage | 100 residential units | 300 residential units |
| FP35 westwards from site to Stratton Way | New lighting and signage | 100 residential units | 300 residential units |
| South Walk from Stratton Way to Drove Road | New low level lighting and signage | 100 residential units | 300 residential units |
| Stratton Way south from South Walk to Hitchmead Road | New signage | 100 residential units | 300 residential units |
| Hitchmead Road to Drove Road | New signage | 100 residential units | 300 residential units |
| Drove Road to Lawnside | Minor highway improvements (Build outs). New signage | 100 residential units | 300 residential units |

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| London Road and The Baulk | Cyclists to use carriageway. New signage | 100 residential units | 300 residential units |
| Link from the site via Fennel Drive and Sorrell Way to Eagle Farm Road | New signage | 100 residential units | 300 residential units |
| Sustrans route 12 – St John’s street crossing to Crab Lane | Upgrading of signage. New additional signage | 100 residential units | 300 residential units |
| London Road / Back Street | New signage | 150 residential units | 300 residential units |
| Toucan crossing on London Road immediately to the north of the Drove Road junction | Resurfacing of footway to provide a shared pedestrian / cycle facility. Controlled crossing to be provided close to Eagle Farm Road. | 200 residential units | 300 residential units |
| Eagle Farm Road / Access to Stratton Upper School | New crossing from Chervill Close. New tactile paving and signage. New guard railing. | 250 residential units | 300 residential units |
| Orchard Close | Extend eastern footway on Orchard Close north to Hitchmead Road – only if land made available | 250 residential units | 300 residential units |

In addition it is proposed to alter the wording of the legal agreement to enable the Council to recoup any monies from the developer if any of the smaller works are undertaken by the Council prior to the trigger point within the legal agreement.

An update in relation to Public Highways Contributions will be provided on the late sheet due to Officer sickness.

Public Art

The legal agreement states that public art should be provided as part of each Reserved Matters Application. Discussions have been held with the relevant Officer and it is considered best practice to involve the local community / new residents when resolving the public art project across the development.

As such it is recommended that the trigger is moved to the occupation of the 350th residential unit to enable public consultation when determining the overall theme of the public art provision.

In addition it is considered that an individual trigger should also be added into the agreement to ensure that the installation of the public art in each sub area is

completed prior to the completion of the last open market residential unit in that sub area.

Conclusion and Recommendation

Taking into consideration the current economic climate and the difficulty in obtaining affordable mortgages it is recommended that the above variations are accepted. The proposed variations have been designed to enable the commencement of Site 1, Land East of Biggleswade.

The Deed of Variation would not reduce the overall provision of contributions secured within the legal agreement. The purpose of the Deed of Variation would be to reduce the number of early cash contributions to enable the commencement of development on Site 1, Land East of Biggleswade.

It is considered that the proposed variations are considered acceptable and as such it recommended that the principle of the proposed Deed of Variation is approved.

DECISION

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