

PLANNING COMMITTEE 23rd July 2015 2006/02421/PA

Financial appraisal for development consented under 2006/02421/PA.

- 1.1 The planning consent was subject to a S.106 legal agreement to secure £100,000 for works which would 'benefit the local community in the vicinity of the Birmingham Great Park development'. The Applicant seeks to vary the agreement, arguing that the development's finances cannot sustain the last £30,000 due.
- 1.2 The £100,000 was due upon occupation of 60% of the wider industrial site (the five original plots anticipated in applications through the 1990s, of which two were the application 2006/02421/PA).
- 1.3 The Applicant was written to in January 2012 when it became evident that more than 60% of the wider site had been developed. In February 2012 the applicant sought deferral of the payment, until the development on the last site, Plot 101. Given the economic circumstances of the time, the Director of Planning and Regeneration agreed in March 2012 that £50,000 should be paid immediately, and £50,000 upon completion of Plot 101, or by 31st March 2014, whichever was the sooner. The first £50,000 was paid to the City Council in June 2012.
- 1.4 In December 2013, the Council requested that 60% (£30,000) of the remaining £50,000 be paid immediately, on the basis that around 60% of Plot 101 had been developed for an ambulance station (2012/03657/PA). The Applicant paid £20,000 in January 2014. Therefore, £30,000 remains outstanding.
- 1.5 The Council requested payment of the remaining £30,000 in March 2014. In April 2014, the Applicant was advised that either the balance was due or that a request for a formal Deed of Variation should be submitted.

1.6 The Applicant submitted financial viability evidence in April 2014 to support their stated inability to pay the sum due. The viability appraisal should have related to the entire development, but instead it focussed on only the two plots the subject of the 2006 consent. The Applicant was advised accordingly and was given a limited time in which to submit a more appropriate appraisal. The Applicant has not made a further submission.

1.7 The Council has shown flexibility in order to allow development to come forward with a phased S.106 payment. The wider site is now substantially complete, with one half plot left beside the new ambulance station. The Council reasonably seeks payment of the monies due, especially as they are needed for capital works to secure the future use of the Hollymoor Centre and Old Chapel buildings as community and educational facilities.

RECOMMENDATION

1. That the Director of Planning and Regeneration dismisses the Applicant's financial viability evidence of April 2014 as not sufficient to justify a Deed of Variation.

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