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20th December 2024

Planning Department
Huntingdonshire District Council
Pathfinder House
St Marys Street
Huntingdon
PE29 3TN

Dear Sirs

INTENTION TO INVOKE PARAGRAPH 1.8 OF SECTION 106 AGREEMENT DATED 16TH MAY 2024, RELATING TO PLANNING PERMISSION 23/02383/FUL

DEMOLITION OF EXISTING COMMERCIAL BUILDINGS, ERECTION OF 17 DWELLINGS, PUBLIC OPEN SPACE AND CONSTRUCTION OF ACCESSES TO HIGHWAY

LAND ADJACENT 9 CROSS STREET FARCET

ON BEHALF OF FORMATION DEVELOPMENTS LTD

I write regarding the above Section 106 Agreement, your legal reference HDCS106024827.

In particular, the relevant part of the Section 106 Agreement is the Affordable Housing Scheme as set out in the definitions and the Schedule, Part 1 – Affordable Housing.

The thrust of the Section 106 Agreement is that Affordable Housing will be provided in the form of 2 shared ownership units and 4 affordable rented units, and an Affordable Housing Scheme is required to be submitted to the Council prior to the Commencement of Development (Paragraph 1.1 of the Schedule). The details required under the Affordable Housing Scheme were approved with the Planning Application, save for the Registered Provider's details, as at that time no Registered Provider was willing to take possession of the Affordable Housing Site.

Since the completion of the Section 106 Agreement the Owner has been unable to obtain sufficient interest from registered providers in taking possession of the Affordable Housing Site. Therefore, the Owner is now proposing to invoke Paragraph 1.8 of the Schedule to the Section 106 Agreement, this states that in such circumstances, the Affordable Housing Units can be provided as First Homes after 3 months of the Commencement of Development, the 28th of October 2024, subject to the following provisions:

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Regulated by RICS

1.8 In the event that no interest has been shown by a Registered Provider, in acquiring the Affordable Housing Units after a period of 3 months from Commencement of Development then the Owner shall be free to provide the Affordable Housing Units as First Homes on the terms in this Deed.

PROVIDED THAT:-

1.9 At least 20 Working Days prior to the Commencement of Development the Owner shall inform the Council of the date of the Commencement of Development:

1.9.1 Within three months after the date of Commencement of Development the Owner shall have provided to the Council written evidence of their endeavours to dispose of the Affordable Housing Units to a Registered Provider; and

1.9.2 the Council shall have confirmed in writing that such endeavours were reasonable (such Council confirmation not to be unreasonably withheld or delayed) or an expert shall have determined that such endeavours were reasonable; and

1.9.3 the Council have confirmed that they are not willing or able to buy the Affordable Housing Units.

Paragraph 1.9.1 requires the Owner to provide to the Council with written evidence of their endeavours to dispose of the Affordable Housing Units to a Registered Provider. I enclose with this letter an email from the Owner's agent at Sharman Quinney with correspondence from the following Registered Providers, Cross Keys Homes and Muir Group.

The correspondence from the agent shows that Cross Keys Homes, Longhurst, Accent, Flagship Homes, and Flint Housing all found that the number of units was not viable for them in order to take possession. An offer made by the Muir Group was so unreasonably low that it demonstrated their lack of seriousness on this matter. Furthermore, they have not responded to subsequent correspondence from the agent, which further demonstrates that their proposed offer was not made in good faith.

The provisions of the Section 106 Agreement allow that no Deed of Variation is required to provide the Affordable Housing Units as First Homes should no interest have been shown by a Registered Provider. The Owner submits that is clear from the above that the Muir Group's interest was not made in good faith, and they have not been willing to engage in any further correspondence with the agent on this matter.

Paragraph 1.9.2 requires the Council to confirm that the Owner's endeavours to dispose of the Affordable Housing Units to a Registered Provider have been reasonable. Please can the Council confirm that the above information and evidence submitted herewith constitutes that a registered provider has demonstrated 'no interest' in the Affordable Housing Units, and this letter constitutes such notification as prescribed at paragraph 1.9.1 of the Section 106 Agreement.

Finally, Paragraph 1.9.3 requires the Council to confirm that the Council is not willing or able to buy the Affordable Housing Units itself, please can the Council confirm its position on this point?

I look forward to hearing from you on the above matters and please let me know if there is anything else you need.

Yours faithfully

Kate Wood

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DIRECTOR
EDDISONS INCORPORATING BARKER STOREY MATTHEWS