

9th October 2018

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REVISED APPLICATION FOR REDEVELOPMENT OF SITE TO DELIVER ELDERLY HOUSING DEVELOPMENT WITH INTEGRATED CARE AND AMENITY FACILITIES (EDFC APPLICATION REF. EPF/2115/18)

LAND AT 13-15A ALDERTON HILL, LOUGHTON, ESSEX, IG10 3JD

Dear Stephan

As you will be aware from our recent discussions, I wrote to Nigel Richardson in July 2018 on behalf of my client, Elysian Loughton Site Ltd ('Elysian'), in relation to a variety of matters prior to the submission of the above revised application and following the refusal of application ref. EPF/2499/17 (referred to as 'the previous application' below) in April 2018.

That letter included reference to key changes made to the revised scheme to address the reasons for refusal of the previous application by:

1. Promoting design changes to the satisfaction of you and your colleague officers and the acknowledgment of the local community.
2. Providing a financial contribution towards affordable housing (notwithstanding the fact that the viability process has concluded that this cannot be sustained).

We have been working together to progress the revised application through its determination period and we had another useful and constructive meeting with David Baker, Iona Breddick and you on 1st October to discuss design matters. We are working through the schemes amendments that we discussed and will submit these to you shortly.

This letter focusses on point 2 above with regard to provision of an affordable housing contribution as part of the revised application.

DP9 and Elysian maintain the view that the proposed development that is the subject of the revised application should not be the subject of a viability assessment or required to provide affordable housing in the context of adopted planning policy. However, Elysian also remains committed to working with the Council to reach an acceptable conclusion and so has re-commissioned Viability Consultant DS2 to prepare an updated Financial Viability Assessment ('FVA') for the revised scheme, in dialogue with the Council's appointed specialist consultant, Kift Consulting, to agree key inputs to inform the Assessment.

The updated FVA has been submitted to Kift Consulting to review (we understand the Council is in the process of formally instructing Kift – please confirm) and, based on work carried out to date, that this exercise is expected to result in the same conclusion as for the previous application (i.e. that the scheme cannot afford to provide any affordable housing). This is also in keeping with the Council's South Sub-Area Committee recent agreement at its meeting on 26th September to drop viability as a reason for refusal to the previous application following further consideration of the findings of Kift's report in relation to that application.



You will be aware that an appeal is currently running in relation to the previous scheme and we have openly discussed our commitment to withdraw the appeal were the Local Planning Authority to approve the revised application. Elysian has assessed its likely costs associated with running the appeal to a conclusion at Inquiry at the end of February 2019 to be in the region of £400,000.

On the basis that it is the equivalent to the cost to Elysian of servicing the planning appeal – and without prejudice and notwithstanding the anticipated findings of DS2's updated FVA – Elysian wishes to propose a £400,000 contribution towards the delivery of affordable housing in the District as part of the revised application proposal.

There is a window of opportunity to negotiate and agree the second planning application prior to both Elysian and the Council incurring substantial costs with the appeal. Put simply, Elysian is forced to spend this money – but would prefer to direct it towards affordable housing (a local priority) rather than spend it fronting an appeal.

I am sure you are aware that this offer of affordable housing does not travel with the planning appeal as it is not technically required given common ground between the valuers, and as has been agreed by Members at the Committee meeting on 26th September. It should also be noted that if the current appeal is permitted our client would seek costs from the Local Planning Authority.

I trust the above provides you and your colleague officers with a clear understanding of Elysian's position on the matter of an affordable housing contribution and that the offer contained within this letter will be considered as part of the information submitted to the Council to inform its determination of application ref. EPF/2115/18. However, please do not hesitate to contact me should you wish to discuss further.

Yours sincerely

David Morris
Board Director
DP9 Ltd

cc. Nigel Richardson Epping Forest District Council
Alan Hall Epping Forest District Council