

APPENDIX O

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 31 MARCH 2009

Title:

**UPDATE ON THE PLANNING INFRASTRUCTURE CONTRIBUTIONS
SUPPLEMENTARY PLANNING DOCUMENT (SPD)**

**[Portfolio Holder: Cllr Mrs Carole Cockburn]
[Wards Affected: All]**

Summary and purpose:

Members will recall that in April last year the Council adopted the Planning Infrastructure Contributions Supplementary Planning Document (SPD), which has applied to all qualifying planning applications submitted since then (i.e. since 22nd April 2008). It was also agreed that the system be reviewed after 6 months to assess progress with the process. This review was subsequently deferred, because after 6 months there had not been sufficient planning applications approved, that were subject to the S106 tariff, to be able to assess the progress with the process. The purpose of this report is to provide an update on the application of the tariff and how the process is operating.

How this report relates to the Council's corporate priorities:

The application of the SPD, which secures financial contributions to mitigate the impact of new development on services and infrastructure, contributes to the Council's corporate priorities in relation to the Environment, Leisure and Improving Lives.

Equality and diversity implications:

There are no equality and diversity implications.

Resource/value for money implications:

The application of the S106 SPD is mainly managed through existing resources. In addition, the Council charges a monitoring fee (based on 5% of the tariff payable for the particular proposal) together with a standard fee to cover the Council's legal costs. The tariff itself helps to secure contributions to mitigate the individual or cumulative impact the development has on specific services and infrastructure in the area.

Legal Implications:

There are no specific legal implications arising from this update report.

Background

1. The Planning Infrastructure Contributions SPD has its origins in the collaborative work carried out across the County to develop a Code of Practice to secure financial contributions from both residential and commercial developments to mitigate the impact that such developments have on local infrastructure and services. The aim in particular was to target smaller developments that previously had made little or no contribution towards infrastructure and services. The tariff-based approach is well suited to address the cumulative impact on infrastructure and services. Whilst a small development of, for example, five houses may not have a significant impact on local infrastructure, the cumulative effect of a number of small schemes is more significant.
2. In April 2008, following a period of consultation, the Council resolved to adopt the Planning Infrastructure SPD and it has been applied to qualifying planning applications submitted since 22nd April 2008. In resolving to adopt the SPD the Council was keen to keep the matter under review and specifically resolved to revisit the system after 6 months to assess progress with the process. It was subsequently decided to defer that review, because insufficient schemes had gone through the system in the first 6 months to allow for an effective review of how the process had bedded in.

Application of the Planning Infrastructure SPD

3. The SPD does not apply to all planning applications. It is intended to apply to residential schemes where there is a net increase in the number of dwellings. It also applies to certain forms of commercial development where the addition, new building or change of use results in additional workers. As stated above, it is intended to apply to smaller developments. Larger schemes may be subject to the SPD tariff or may require a negotiated S106 agreement to deal with the specific effects on infrastructure and services resulting from that scheme. This is because larger schemes may have a more direct impact requiring specific measures to be put in place, such as localized highway improvements.
4. There are also certain exemptions that apply. For example, the tariff does not apply to new affordable housing. Under the SPD, contributions are required towards a range of county and district services as follows:
 - County level – transportation/highways, education, libraries.
 - District level – Leisure and recreation, recycling, community facilities, environmental improvements.

Impact of the S106 SPD to date

5. As the tariff is normally only payable on commencement of a development, there have only been five cases, to date, where the developer contribution has been paid. As a result, the Council has received **£29,518.17** in contributions, of which **£23,335.46** is for the County-level services and **£6,182.71** is for the district-level services. In addition, there have been 20 planning permissions granted subject to S106 agreements requiring payment of contributions on commencement. These are being monitored. Total contributions expected from these permitted

schemes amount to **£255,784.60**, of which the County element is **£201,990.93** and the district element is **£53,793.67**.

6. There are a further 12 planning applications where a S106 agreement has been signed, but where planning permission has not been granted. Six of these are subject to appeal. There are approximately 17 further planning applications in the system, where Heads of Terms have been submitted but the legal agreements have not yet been signed.

Arrangements for monitoring the application of the S106 SPD

7. An officer within the Planning Service has responsibility for monitoring the scheme. This involves keeping track of planning applications that are subject to the tariff. Once permission has been granted the monitoring includes checking on commencements of schemes to ensure that contributions are paid at the appropriate time.
8. Contributions that are received are paid into the Council's accounting system. They are kept in a central account but allocated to the relevant departments and the budget sheet is presented to the monthly General Fund Capital Monitoring Group. This process is still in its very early stages as the Council has only recently started receiving the contributions themselves and, to date, only a relatively small amount has been received in terms of contributions relating to services administered at the district level.
9. With regard to contributions relating to county administered services, the arrangement is that these funds are forwarded to the County Council on a quarterly basis. As part of the on-going monitoring, the intention is not only to identify funds that are received, but also to provide information on the projects that these contributions are being used to fund, both at County and district level. However, given that we are only now starting to receive contributions it is too early to start providing details of where the monies have or will be spent.

Reviewing the SPD

10. Officers recognise that it will be necessary to keep that SPD under review. This review would look at whether it is right to continue collecting contributions towards the services and infrastructure currently covered by the SPD, to ensure that the level of the contributions is correct and to identify whether there are any additional services/facilities that should be covered by the SPD. Officers anticipate linking this to the on-going work on the LDF Core Strategy. An important part of the Core Strategy is the assessment of infrastructure and services needed to support the development of the new housing required by the South East Plan. The evidence gathered to support the Core Strategy will, therefore, be relevant in the review of the SPD.

Recommendation

It is recommended that the update on the application of the Planning Infrastructure Contributions SPD be noted.

Background Papers (CSP)

There are no background papers (as defined by Section 100d(5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICER:

Name: Graham Parrott

Telephone: 01483 523472

Email: graham.parrott@waverley.gov.uk

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