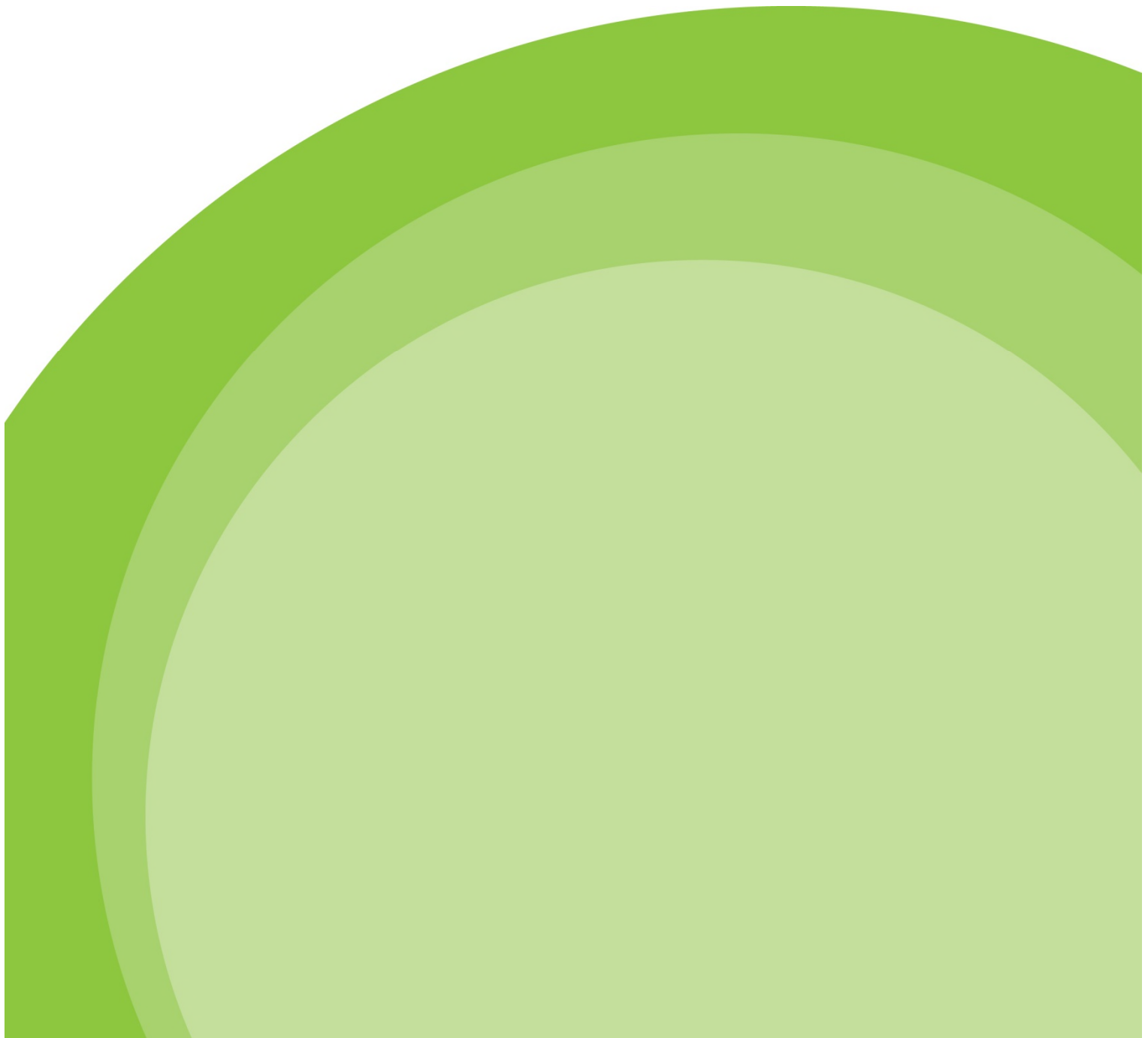




# The Planning Obligations Strategy

January 2015 (Draft)





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Draft January 2015

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# SECTION 1

## 1.0 Introduction

### Purpose of the Document

- 1.1 The purpose of this technical guidance document is to set out Central Bedfordshire Council's approach (as local planning authority) to developer contributions when assessing planning applications. It must be read alongside the Council's Community Infrastructure Levy (CIL) Charging Schedule.
- 1.2 This document sets out the Council's position on Planning Obligations (or Section 106 agreements) from *Insert date* and applies to the whole of Central Bedfordshire. This document will be a material consideration in the determination of planning applications as well as assisting developers, professional advisors and the local community in understanding what developer obligations may be sought.

### Status

- 1.3 This document is a technical guidance document, but the intention is that this will be adopted as a Supplementary Planning Document (SPD) following the adoption of the Development Strategy and CIL.

### Context

- 1.4 Central Bedfordshire Council has previously operated a Planning Obligations SPD for the North and for the South, alongside S106. These Planning Obligations SPDs contained a formula based approach to planning obligations for a number of contribution types. The CIL Regulations 2010 (as amended) mean that from 6<sup>th</sup> April 2015 this approach can no longer be applied in Central Bedfordshire. Once adopted, this document will therefore supersede both of these SPDs and they will be formally revoked at the same time.
- 1.5 This document is not intended to stand alone and must be considered alongside the CIL Charging Schedule. The Charging Schedule sets out the types of new development to which the CIL will relate and the charges that will be applied to them. Section 106 requirements will be scaled back to those matters that are directly related to a specific site providing that they are not set out in the Regulation 123 list of projects towards which CIL may contribute.
- 1.6 Pooling restrictions also apply meaning that no more than five separate planning obligations entered into since 6 April 2010 will be able to be pooled towards types of infrastructure or specific infrastructure projects.
- 1.7 As well as the charging schedule, this document must be read in conjunction with relevant Council policies and strategies (including emerging guidance).

## 2.0 Planning Policy Context and Infrastructure Needs

### The National Planning Policy Framework (NPPF)

- 2.1 The NPPF (paragraphs 203 to 206) sets out the Government's policy on planning obligations and those tests for planning obligations set out in the CIL Regulations. It

states that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition. In addition, where obligations are sought local planning authorities should take account of changes in market conditions and be sufficiently flexible to prevent planned development from being stalled.

## **Central Bedfordshire Development Strategy**

- 2.2 This technical guidance will provide further details to support the development plan for Central Bedfordshire and in particular *Policy 19: Infrastructure* which is set out below. The Development Strategy sets out the overarching spatial strategy and development principles for the area together with more detailed policies to help determine planning applications. The strategy has reached an advanced stage in preparation and was formally submitted to the Secretary of State for public examination on 24<sup>th</sup> October 2014. Following an Examination in Public in spring 2015, it is expected that the Strategy will be adopted by the Council by the end of the year.
- 2.3 The plan seeks to deliver 31,000 new homes between 2011 and 2031 and a total of 27,000 new jobs across a variety of sectors. An appropriate mix of sites will be provided of sufficient scale to ensure the right balance between new homes and jobs, and to create sustainable communities and promote Central Bedfordshire as a location for economic growth.

## **Draft Policy 19 – Infrastructure**

*The track changes show the proposed Minor Modifications*

All new development must be supported by the required infrastructure at the appropriate stage. Where existing infrastructure will be placed under strain due to the impact of new development, improvements to existing such infrastructure or compensatory provision ~~should~~ must be made ~~such to ensure that there is~~ no overall reduction in provision. Developers will be required to make appropriate and necessary contributions, ~~following viability testing, as necessary~~ to offset the cost of providing new physical, social, community and environmental infrastructure required as a result of their proposals either ~~by way of~~ through financial contributions, or, within larger developments, direct provision of such infrastructure ~~within larger developments~~. Viability appraisal may be used to inform the extent of such contributions where appropriate. The Council will continue to work in partnership with infrastructure providers; neighbouring authorities and other delivery agencies in seeking the provision of the necessary infrastructure to support new development. Contributions ~~will~~ may be phased or selectively pooled as appropriate to ensure the timely delivery and implementation of the necessary infrastructure. The Council ~~will~~ intends to introduce a Community Infrastructure Levy on types and sizes of development found to be capable of bearing a CIL charge and to retain the use of site specific residual Section 106 agreements, including limited pooling where appropriate permitted by the CIL regulations. ~~In advance of the adoption of the Community Infrastructure Levy, the Council will continue to ensure the delivery of strategic infrastructure by Planning Obligations and other appropriate funding sources. An SPD on the continuing role and purpose of Section 106 agreements when a CIL has been adopted will be prepared.~~

## **Infrastructure Needs for Central Bedfordshire**

- 2.4 From 6<sup>th</sup> April 2015 there has been a restriction on the pooling of contributions that are collected; no more than five may be pooled to deliver a 'type' or a specific piece of required infrastructure. More detail on this is provided from paragraph 3.15 of this document. Officers should therefore be clear about what pieces of new infrastructure are required in relation to each site, in each geographical area.
- 2.5 More details about this can be found in the CBC Infrastructure Schedule which is ordered by type of infrastructure, where items of infrastructure are graded as critical, essential or desirable. The items identified as 'critical' should be prioritised. This can be accessed on the website at [www.centralbedfordshire.gov.uk/devstrat](http://www.centralbedfordshire.gov.uk/devstrat). It is important to note that any list of infrastructure requirements and associated costings will always be based on a 'snapshot in time' and so this schedule will be updated periodically to reflect these changes in priorities.

## **3.0 Securing Developer Contributions**

- 3.1 The Council will expect new development to contribute to site related and other infrastructure needs through a combination of ways, of which planning obligations are one.

1. Planning conditions (related to the specific site or development).
2. Planning Obligations – to secure developer contributions or works in kind through a S106 obligation (related to the specific site or development).
3. Central Bedfordshire Community Infrastructure Levy (CIL) (strategic or local requirements).
4. Section 278 Agreements, covered under the Highways Act 1980.

These different mechanisms are explained in full below.

## **Planning Conditions**

- 3.2 Planning conditions are requirements made by the local planning authority for actions to make a development acceptable in planning terms. They cannot be used to secure financial contributions but can be used to ensure that certain elements related to the development proposal, and which may benefit the wider community, are carried out. There are six tests specified in the NPPF about the applicability of planning conditions<sup>1</sup>. Further guidance is also provided in Planning Policy Guidance<sup>2</sup>.

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<sup>1</sup> Paragraph 203 of the NPPF

<sup>2</sup> National Planning Policy Guidance – ID 21a Updated -6-03-2014  
<http://planningguidance.planningportal.gov.uk/blog/guidance/use-of-planning-conditions/>

- 3.3 In Central Bedfordshire such conditions are likely to cover, among other things e.g. the requirement to undertake archaeological investigations; submission of reserved matters; and the need to carry out tree planting and drainage works.

### **Planning obligations**

- 3.4 Planning Obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as s106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. It may require the developer to do something or restrict what can be done with land following the grant of planning permission. They are focused on **site specific** mitigation of the impact of development. S106 agreements are often referred to as 'developer contributions' and the obligations are formal commitments given between a land owner (and subsequent owners) and local authority. These agreements are legally enforceable.
- 3.5 Regulation 122(2) of the Community Infrastructure Levy Regulations 2010 (as amended) introduced into law three tests for planning obligations:
- necessary to make the development acceptable in planning terms;
  - directly related to the development; and
  - fairly and reasonably related in scale and kind to the development.
- 3.6 Such obligations may be financial or in kind and negotiated as part of planning applications. Unlike planning conditions, a planning obligation contribution can relate to land outside the application site which may or may not be under the control of the applicant.
- 3.7 A S106 planning obligation can:
- restrict the development or use of the land in any specified way;
  - require specified operations or activities to be carried out in, on, under or over the land;
  - require the land to be used in any specified way; or
  - require a sum or sums to be paid to the authority on a specified date or dates or periodically.
- The common uses of planning obligations are to secure affordable housing, and to specify the type and timing of this housing; and to secure financial contributions to provide infrastructure or affordable housing.
- 3.8 A planning obligation can specify the timing of payments and make various other stipulations. If the S106 is not complied with, it is enforceable against the person that entered into the obligation and any subsequent owner. The S106 can be enforced by injunction or by direct action, with the recovery of expenses.
- 3.9 The S106 planning obligation is a legal document, a deed, which states that it



is an obligation for planning purposes, identifies the relevant land, the person entering the obligation and their interest and the relevant local authority that would enforce the obligation. The obligation can be a unilateral obligation or multi party agreement.

### **The Community Infrastructure Levy (CIL)**

- 3.10 The Community Infrastructure Levy is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010. CIL is essentially a tariff based mechanism for developer contributions which can support new infrastructure that is not directly related to the development site in question. CIL is charged per square metre on net additional (internal) floorspace. Rates can vary by geographic area, use or size and these will be set by Central Bedfordshire Council as the charging authority.
- 3.11 Under Regulation 123 of the CIL Regulations, the Council is expected to publish a list of infrastructure that CIL funds will contribute towards. The purpose of the list is to differentiate between those types of infrastructure that the authority intends to fund through CIL and those areas where a S106 planning obligation or Section 278 highway agreement will be sought to make the development acceptable in planning terms.
- 3.12 The list can specifically exclude certain infrastructure projects for which S106 will be used. However, it is important to note (see section 4.0) that a maximum of five contributions can be sought in relation to each piece of infrastructure. The Council's Regulation 123 list will be published with its CIL Charging Schedule and the draft can be found at **Appendix B**.

### **Section 278 Agreements**

- 3.13 Section 278 agreements under the Highways Act 1980 (as amended by section 23 of the New Roads and Street Works Act 1990) are legally binding agreements between the local highway authority and the developer to ensure delivery of necessary highway works to the existing highway network. The agreements identify the financial and other responsibilities of the parties involved in the constructing works on the public highway.
- 3.14 If in the assessment of a planning application, it is identified as necessary to make modifications to the existing highway to facilitate or service a proposed development a S278 agreement will be required. Normally, these works will be off-site required to mitigate the impact of the proposed development.

### **The Pooling of Planning Obligations**

- 3.15 The CIL Regulations 2010 (as amended) prevent the pooling of S106 obligations towards an infrastructure project or 'type', where five or more such obligations have been entered into on or after 6 April 2010. To be clear, no

more than five obligations can be pooled in order to deliver a 'type' or specific piece of infrastructure.

- 3.16 It is certainly the case that for the types of generic infrastructure for which contributions were sought through the SPD, this limit on five has already been exceeded. Five contributions may however be pooled where they meet the site specific tests outlined at paragraph 3.5.
- 3.17 It is expected that CIL will become the main source of infrastructure funding to be obtained through the planning application process. All interested parties should be aware of the split between those infrastructure items that will be funded by CIL and those that will be funded by Planning Obligations. A table is provided at **Appendix A** that sets this out by contribution 'type'.
- 3.18 In summary, proposals will be required to contribute through S106;
- for affordable housing (where meeting the threshold of over 10 units or 1000sqm of gross floorspace)
  - for standard site/design mitigation
  - for additional 'development specific' implications.

## Summary of Mechanisms for Securing Planning Contributions

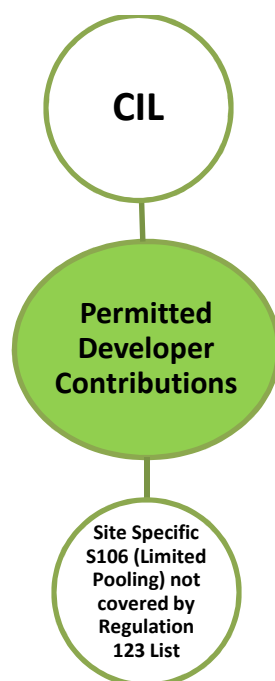


Figure 1

## **4.0 Section 106 Agreements**

### **Application Considerations**

- 4.1 Planning Obligations may be sought from all housing, commercial and mixed-use developments as well as minerals and waste developments. Where a new scheme replaces an existing development the assessment will normally be applied to the net impact of development.
- 4.2 Consideration may be given to seeking contributions for facilities beyond the Council's administrative boundary where they are designed to meet the needs of the particular development (for example education provision at the Wixams).
- 4.3 To prevent avoidance of contributions, where the application proposal forms a sub-division of a larger developable area (such as an identified large scale major development), any requirement will take into account the extent of the whole development site, rather than the area or number of homes/ floorspace of a specific proposal this will be done by assuming appropriate densities. It will also need to take into account the need to size the school to whole forms of entry. For example, a one form entry primary school provides for 210 pupils (7 classes of 30 pupils).

### **Priorities**

- 4.4 Planning obligations will be negotiated on a site-by-site basis and the priority given to the differing types of obligation will be at the discretion of the Local Planning Authority. A balanced judgement will be made by taking into consideration a range of policy issues, site characteristics, financial viability of the proposed scheme government guidance and comments received during the consultation on the planning application.
- 4.5 This approach will ensure that Paragraph 204 of the NPPF and Regulation 122 of the CIL Regulations are applied consistently and that obligations are related to the site from which they are sought. It is not considered appropriate for obligations relating to different development types to be set out in priority order, as circumstances will differ across Central Bedfordshire and each development proposal will have its own characteristics, which may make adhering to a prioritised list of obligations inappropriate.

### **Index Linking of Section 106 Contributions**

- 4.6 The commencement of development may not take place immediately following completion of the legal agreement. Consequently, all contributions will be index linked to ensure that their value stays in line with inflation and reflects changes in costs.
- 4.7 Most contributions are index linked from the date that Committee or Delegated approval is given for the relevant planning application. The exception is where commuted maintenance payments are required and in these instances the payment will be index linked from the point at which the maintenance costs are agreed.
- 4.8 A range of index linking calculations will be used, relevant to the type of contribution, the main ones being the Retail Price Index (RPI) and the Building Costs Information Service (BCIS) Public Sector Quarterly Building Price and Cost Indices.

- 4.9 Interest will be payable if contributions are not paid to the Council at the agreed time. This will be 2.5% above the Bank of England base rate. This is in addition to any index linking. It must be noted that all prices quoted in this document for contributions are indicative and are subject to change.

### **Bonds or Guarantees**

- 4.10 Bonds or guarantees will be required where a developer intends to carry out work themselves instead of payment of contributions to the Council. For example, building a community building agreed as part of the development proposed. The bond or guarantee sum can then be drawn upon by the Council to provide the facility if the works are not carried out as agreed.
- 4.11 Bonds or guarantee will also be required where for example; the development is funding a school, where development is phased and not all in place prior to contract being let.

### **Maintenance**

- 4.12 Maintenance contributions ensure that the capital works are maintained for its intended purposes, for instance, the upkeep of public open space. Contributions can be:
- Non-financial – the developer makes direct provision for the maintenance regime or provides maintenance via an agent acting on their behalf
  - In kind payments – the developer is required to submit an agreed payment to the Council so it can undertake the appropriate maintenance
- 4.13 In those instances where the Council considers it more appropriate to take on responsibility for maintenance, it will normally require commuted sums to cover the cost of 20 years management and maintenance, in order to bridge the gap between the provision of a facility and inclusion in local authority funding streams. Commuted sums will be calculated using current maintenance contract prices and will be index linked. Details of the Council's current commuted maintenance requirements can be found in the Leisure Strategy.

### **Template Agreement**

- 4.14 In order to ensure a consistent approach to developments within Central Bedfordshire, the Council will seek to use a standard form of legal agreement in dealing with all planning obligations. A copy of the Council's template agreement is available at [Appendix C \(when finalised\)](#).

### **Costs of Preparing and Monitoring Legal Agreements**

- 4.15 Draft legal agreements will normally be prepared, negotiated and completed by the Council's legal team. The Council will expect to recover the full costs of preparing, negotiating and completing the agreement.
- 4.16 The Council will charge applicant's to cover the legal costs of concluding legal agreements and unilateral undertakings. Fees will apply as follows:
- Standard S106 Agreements: £620
  - S106 Agreements for large-scale schemes (generally in excess of 50 dwellings or 2000 sqm commercial floorspace): individual basis

- 4.17 Applicants should note that the current hourly cost of Central Bedfordshire Council's solicitor is £182 per hour. This is revised annually as part of the Council's review of charges. More complicated legal agreements may however be concluded on the Council's behalf by external solicitors or lawyers. Where this is so, rates of costs will be notified to the applicant in advance.
- 4.18 The Council will also expect applicants to pay towards the costs of administering and monitoring planning obligations once entered into. Administration/monitoring is charged at a rate of £25 per hour. Fees will apply as follows:
- Unilateral undertakings: £175
  - Standard S106 Agreements: £350
  - S106 Agreements for large-scale schemes (generally in excess of 50 dwellings or 2000sq.m commercial floorspace): individual basis, based upon the cost of £175 per trigger point included in the agreement.

### **Timing and Phasing of Payments**

- 4.19 The provision of infrastructure and the timing of payment of contributions will be negotiated on an individual basis for large developments. This may involve a phased programme of payments, which will include development completion/occupancy trigger points.
- 4.20 All contributions will be paid to the Council in the first instance unless specifically stated in the agreement. The Council will pass on any contributions intended for release or for spending by another organisation, in accordance with the requirements of the agreement.

### **Liability**

- 4.21 Section 106 obligations bind the original and subsequent owners of the site and if a Site, or part of a site, is sold on. The owner will be required to advise the Council. Where part of a development site is sold on, the original developer who entered the agreement is liable for fulfilling the obligation unless clear documentary evidence is provided to the Council to the contrary.

### **Repayment of Unused Contributions**

- 4.22 Contributions that have not been spent or released to another organisation for spending within 10 years of the date of receipt by the Council (or longer if stated in the legal agreement) will be returned to the paying party. Contributions received by the Council will be held in interest bearing accounts, and this interest will be paid to the paying party on return of the contribution.

### **Monitoring and Enforcement**

- 4.23 Planning obligations will be monitored to ensure that they are being undertaken or paid at the agreed times. If there is a failure to comply, the Council will take appropriate action and full cost recovery will be sought.
- 4.24 Financial contributions will be ring-fenced to be spent on specific projects. The spending/release of financial contributions will be monitored to ensure that contributions are spent by the Council and other relevant organisations as required

by the agreement. Monitoring information will be presented in the Council's annual Monitoring Statement each year.

### **Compliance Officer**

- 4.25 The Council currently employs a Compliance Officer who undertakes a range of tasks associated with securing, managing and implementing planning obligations. The role is responsible for negotiating Heads of Terms, making a timely response to planning applications and maintaining a developer obligations database. A monitoring charge for this service (proportionate to the scale and complexity of the other obligations within the S106 agreement) will normally be included as an obligation.

### **Applications to Discharge or Vary a Planning Condition**

- 4.26 In some cases, where an agreement has been entered into and a change in circumstances has resulted in the inability for an obligation to be carried out, applicants can apply for an obligation to be discharged or varied.
- 4.27 An application to discharge or vary a planning obligation will only be agreed by the Council if it can be fully justified. This situation may arise where an anticipated need for a particular facility at the time of the grant of planning permission is no longer required. The variation or discharge of obligations will not be used as a means for developers to backtrack on obligations agreed where needs as a result of development are still present.

## **5.0 Viability**

- 5.1 The Council accepts that there may be occasions where development proposals are unable to meet all the relevant policy requirements and still remain viable. Where the Council is satisfied that an otherwise acceptable development cannot be fully policy compliant and remain viable, a reduced package of planning obligations may be recommended. In most cases where viability is an issue, the application will be determined by committee and not under delegated powers.
- 5.2 The purpose of this planning guidance is to provide developers with information on the planning obligations likely to be required in association with new development at the earliest stage, so that obligation costs may be factored into negotiations on land acquisition. Where a developer considers that the requirements of the Council would have a significantly harm the viability of a proposal, the onus will be on the applicant to demonstrate this.

### **Evidence Required**

- 5.3 In order to enable the Council to assess the viability of a proposal, the applicant will be required to provide a full viability assessment to the Council, and pay the Council's full costs in appointing consultants to undertake the assessment. In all cases, the Council requires viability to be undertaken using a residual land value approach. Viability claims based on an over-inflated price that has been paid for a site will not be accepted, as the Council does not consider it right that the public purse should suffer due to an ill judged purchase of land by a developer.
- 5.4 The Council accepts that there may be occasions where development proposals are unable to meet all the relevant policy requirements and still remain viable. There

must be a strong justification for any change and the resultant obligation must still be sufficient to make the development acceptable in planning terms.

### **Modification or Renegotiation of a Section 106**

- 5.5 Where the application or request for renegotiating one or more elements of the S106 affects the overall principle of the original decision (e.g. the application would not have been approved without the obligation) the application or proposed variation will be determined by Planning Committee and not under officer delegated powers.
- 5.6 Formal applications to modify or remove S106 obligations under S106 B will be registered and publicised in a similar way to planning applications with Town and Parish Councils and statutory consultees being consulted. Town or Parish Councils will also be consulted on any informal applications to renegotiate obligations that would affect the nature or timing of delivery.
- 5.7 Where viability has been raised by the applicant as a reason for the modification or discharge of an obligation and the Council considers that a viability assessment is required to enable the Council to assess the viability of the development, the applicant will be required to provide any necessary cost and income figures to the Council, and pay the Council's reasonable costs in appointing consultants to undertake the assessment.
- 5.8 Section 106A of the Town and Country Planning Act 1990 allows voluntary renegotiation of a planning obligation at any time. Where voluntary agreement cannot be reached there may be a formal application to modify or discharge an obligation when that obligation is 5 years old. The local authority must take a decision on such an application. If the local authority decision is not to grant the application then there is a right to appeal to the Planning Inspectorate. The principles for modifying planning obligations are given in Section 106A of the Town and Country Planning Act 1990. This requires that an obligation to be discharged must "no longer serve a useful purpose" or that it "continues to serve a useful purpose...equally well" as modified. These principles will be the underlying considerations during negotiations.

### **Assessment and Evidence**

- 5.9 In all cases, the Council requires viability assessment to be undertaken using a residual land value approach. This means that the costs of the development and the value to be created are compared and then the resulting residual land value is compared with a threshold value which is linked to the existing land value or alternative use value that would be permitted. The viability appraisal process is not based on actual prices paid as part of a land transaction. For a shortfall in viability to be considered as a reason to accept a reduced obligations package, it must be demonstrated to the Council's satisfaction that the residual land value falls below the threshold value.
- 5.10 The Council strongly recommends that a developer considers fully the implications of planning obligation requirements prior to acquiring land/entering into options as stated above. Considering such implications is particularly important and standard practice in the development industry. Therefore gross land costs, land clearing costs, abnormal infrastructure costs and other obligation requirements which would have been requirements, reasonably known, will not be accepted as a valid reason for evidence of non-viability.

- 5.11 In instances where it is necessary to appoint an independent valuation advisor to assess the submitted viability evidence, the costs will be met by the applicant. Proven impact on the viability of the scheme will be a material consideration in the assessment of the planning application.



## **SECTION 2: Planning Obligations by ‘Type’**

The types of contributions covered in this section are limited to those which are capable of meeting the three legal tests outlined in paragraph 3.5. Those that are not listed e.g. leisure centres can only be collected as generic contributions through CIL as they would not meet these three tests. For further guidance as to the split between Planning Obligations and CIL, please refer to **Appendix A**.

### **1.0 Education and Skills**

#### **Schools**

##### **Overview**

- 1.1 Paragraph 72 of the NPPF requires local planning authorities to take a proactive, positive and collaborative approach to ensure a sufficient choice of school places is available to meet the needs of existing and new communities and that development will widen choice in education. Policy 19 of the submitted Development Strategy requires that all new development must be supported by the relevant infrastructure.
- 1.2 Central Bedfordshire currently operates a majority three-tier education system. The current system splits pupils into three age groups: lower (ages 5-9), middle (ages 9-13) and upper (ages 13-18). Dunstable and Houghton Regis are the exception, as schools in this area are becoming primary (ages 5-11) and secondary schools (ages 11-18).

##### **When Will Planning Obligations Be Sought?**

- 1.3 In determining the requirement for pupil places in schools across Central Bedfordshire, the Council uses a census-based model which forecasts the age structure of children arising from development. The model currently estimates that 4 children per academic year group, per 100 dwellings, will be generated. The model takes account of the number and mix of dwellings to be provided. The current pupil yield assumption is to be reviewed and updated in 2014/15. Once completed, the results of this review will be reflected in the model.
- 1.4 The estimated pupil yield from housing development is compared against the capacity of local schools and future pupil forecasts. The pupil forecast takes into account new housing permitted but not yet built. The School Organisation Plan provides detail of the number on Roll at every school in Central Bedfordshire, and 5 year forecasts. This Plan is produced annually and published on the Council's website.

##### **Types of Contribution**

- 1.5 For mainstream education provision, one of the following types of contribution may apply
- 1.6 If there is enough capacity in existing schools to manage pupil growth from new housing then no contributions will be required.
- 1.7 Where the scale of development is such that a new school is required the developers will be expected to provide a fully serviced site free of charge (transferred freehold to

the Council for £1), the building costs for a school including site infrastructure, playing fields and a contribution towards the capital costs of education equipment, in line with the charges detailed below. Sites for new schools in accessible locations within new housing development will be sought in line with the preferred site size as per the guidance of the Education Officer.

- 1.8 Where the scale of development is such that an extension of existing educational settings would be appropriate to provide the additional capacity required, then the developer will be expected to provide a financial contribution in line with the charges detailed below.

### Provision Requirements and Costs

- 1.9 The level of contribution required is determined using 2009 pupil cost multipliers provided by the Department for Education (DfE), multiplied by a regional cost factor of 1.04. These multipliers are based on the DfE analysis of national building costs per pupil adjusted to reflect regional variations in costs. The charges below are provided for illustrative purposes and are subject to change. Education Officers in Children's Services can provide up-to-date guidance on the contribution required.

### DfE Cost Multipliers: New Provision

	Per 100 dwellings	Cost per pupil place	Cost per 1 dwelling	Cost per 10 dwellings	Cost per 100 dwellings
<b>Early Years</b>	6 places	£13,565	£814	£8,139	£81,388
<b>Lower</b>	20 places	£13,565	£2,713	£27,129	£271,294
<b>Middle</b>	16 places	£16,968	£2,715	£27,149	£271,490
<b>Upper</b>	16 places	£20,842	£3,335	£33,347	£333,470
<b>Primary</b>	28 places	£13,565	£3,798	£37,981	£379,812
<b>Secondary</b>	24 places	£20,685	£4,964	£49,644	£496,442

- 1.10 The current pupil yield assumption of 0.04 pupils, per year group, per dwelling means that proposed development schemes of more than 750 dwellings will normally require provision of 30 additional places across every year group, which is equivalent to a new 1 form entry lower school (150 places) and 1 form entry extensions to local middle (120 places) and upper (120 places) schools.
- 1.11 Proposed development schemes of more than 3,000 dwellings will normally require provision of 120 additional places across every year group. This is equivalent to 2 no. 2 form entry lower schools, (600 lower school places in total), new 4-form middle school (480 places) and an extension to, or creation of a new, upper school to allow for an additional 4 forms of entry (480 places).

## Early Years Education and Childcare

### Overview

- 1.12 The 2006 Childcare Act places a statutory duty upon the Council to firstly assess the level of Early Years Education and Childcare that is available and then to be responsible for ensuring that there is sufficient provision to satisfy the demands of every community. It also requires local authorities to secure sufficient childcare for parents who wish to work.
- 1.13 Local Authorities have a duty to ensure Early Years Provision offers free nursery education for every 3 and 4 year old. The entitlement is 570 hours a year over 38 weeks. Eligible 2 year olds, as defined by qualifying criteria set by the government are also able to access 570 hours per year over 38 weeks. Extended Services are those that offer wrap around care opportunities for pupils within their school setting.

### Types of Contribution

- 1.14 Provision for ages two years and above can be made in several ways but any facility would need to meet Government guidelines as required by the Early Years Foundation Stage Regulations:
- A nursery on a proposed new lower school
  - A unit on an existing school
  - Space in a Community Centre suitable for pre-school use
  - A day nursery on a large development site
  - Provision for Early Years and Extended Services at new or existing schools.
- 1.15 Government policy is for extended schools for childcare. School sites are viewed as a good location for these facilities.

### Provision Requirements and Costs

- 1.16 A 30 place unit for ages 2 years and above as part of new school will cost approximately £250,000 and a 50 place unit will cost approximately £350,000. A new 'standalone' pre school facility will cost more. There is no statutory duty to provide for children under the age of 2.
- 1.17 The average number of children between the age of 3 and school year entry age for every 100 dwellings is estimated to be 6. Based on this, an average charge can be calculated as follows:

DCSF cost per pupil x 6 pupils = £71,790 for every 100 dwellings

Cost per dwelling =  $\frac{£71,790}{100}$  = £717.90

- 1.18 The timing of contributions will need to be negotiated but will take into account various factors such as the proximity and ability of nearby facilities, and the need to make proper provision at the earliest opportunity

## **Skills and Apprenticeships**

### **Overview**

- 1.19 Paragraphs 18 and 19 of the NPPF state the Government is committed to securing economic growth in order to create jobs and prosperity and ensuring that the planning system does everything it can to support sustainable economic growth. The employment chapter of the submitted Development Strategy also supports this approach.
- 1.20 The Economic Development Plan and All Age Skills Strategy for Central Bedfordshire clearly articulate the importance of skills and employment to the local economy. A highly skilled and employable workforce, with access to training and work opportunities, is essential to support Central Bedfordshire's growth agenda. Ensuring individuals have the skills to participate in employment and supporting the creation of local employment opportunities, are fundamental to growing the economy, promoting economic wellbeing and enabling the area to achieve its economic potential.
- 1.21 Consequently, the Council is keen to maximise the learning and employment opportunities associated with local developments, particularly around apprenticeships, work experience and local employment.
- 1.22 There is evidence that such requirements are advantageous for developers, particularly around simplifying recruitment and training processes, enhancing retention rates, building community relations and developing and maintaining a positive company profile.

### **Types of Contribution**

#### **Employment and Skills Plans**

- 1.23 For planning applications of sufficient scale (this will be agreed by the Council) to make such initiatives reasonably and practically; applicants will be required to submit an Employment and Skills Plan. This Plan will set out how the contractor will meet a number of employment and skills benchmarks (approved by the National Skills Academy) through the development. Employment and Skills Plan templates are available and assistance is available to support the implementation of the plans. The Council will seek to work in partnership with developers to ensure that an acceptable Employment and Skills Plan is submitted.
- 1.24 This plan should include targets for work experience, training and apprenticeships, as well as measures to improve access to jobs for local people. The Employment and Skills Plan relates to both construction and occupation phases (where relevant) of development and the extent of the commitment expected will reflect the scale of the development. For example, developments where construction will take place over several years will be expected to offer apprenticeships.

#### **Apprenticeships**

- 1.25 Apprenticeships and post 16 work placements will be encouraged for residential and commercial developments. The amount of placements sought will be dependent on the size of the development. The number of apprenticeships and placements would increase in line with the value of the development. For example, for a development

of between £1m and £3m, a minimum of three post 16 work placements would be sought. For developments between £3m and £6m, five post 16 work placements and two apprenticeship starts would be sought. *DW - this example was taken from The National Skills Academy "Client Based Approach to developing and implementing an Employment and Skills strategy on construction projects through on site training". These benchmarks are copyrighted so if it is considered appropriate to adopt them, CBC need to sign up to the approach*

- 1.26 Priority should also be given to the employment of local people, both within the development phase, and where appropriate, within end usages. For developments over an agreed threshold, a specified proportion of the workforce should be from the local area.
- 1.27 The financial implications of such requirements are minimal. Work placements are voluntary and of no cost to a developer. With apprenticeships, a minimum salary is required to be paid, but dependent upon the age of the apprentice, the cost of training can be fully or partially covered. A grant is also available to those employing apprentices between the ages of 16 to 24. The CITB offers training grants and assistance to employers in the construction sector.
- 1.28 The Council's Regeneration and Business Directorate can support developers and their sub-contractors to meet these requirements through facilitating linkages with Jobcentre Plus (for free recruitment support and work placements), the National Apprenticeship Service (for apprenticeships) and local colleges and training providers for any other skills requirements. In some circumstances, the Council may also be able to utilise its own existing provision and funding, for example, that delivered and commissioned by the Adult Skills Service.
- 1.29 A recent example is Centre Parcs at Woburn. The Council supported the creation of a partnership between the Sector Skills Council for Hospitality (People 1<sup>st</sup>), local colleges, Jobcentre Plus and Tragus (managers of the on-site restaurants) to deliver local hospitality training tailored to the employment opportunities available at Tragus. Centre Parcs were also supported to encourage local events to promote their employment opportunities and have been supported to utilise local suppliers. As a result, 93% of the 1,200 employees at Woburn Centre Parcs live within 15 miles of the site.
- 1.30 Although the focus is upon the construction phase, the Regeneration and Business Directorate would be keen to encourage and support end users to consider apprenticeships, work placements and other local skills and employment initiatives.
- 1.31 Provision should be secured through S106 Agreements. Thresholds will be kept under review but developments of over 300 dwellings, large employment sites and buildings (of 5000 sqm and over) will generate significant employment opportunities and will be expected to contribute.

## **2.0 Sustainable Transport**

### **Overview**

- 2.1 The strategic framework for investment in transport within Central Bedfordshire is contained within the Local Transport Plan. It details the issues associated with different journey purposes, and areas of intervention through which these issues can be overcome, focusing on land use planning, smarter choices measures, new infrastructure and service provision, network management and demand management.
- 2.2 Section 278 of the Highways Act 1980 provides the remit for local authorities to secure off-site works to the highway, whilst s106 provides the scope for securing other site related improvements to mitigate the impact of new developments on the transport network, particularly sustainable transport.
- 2.3 More local scale schemes, and those specifically associated with individual developments can appropriately be secured through planning obligations to mitigate the impact on the immediate network while strategic transport schemes will be funded by CIL.
- 2.4 Central Bedfordshire Council is the highway authority responsible for all works undertaken on the local road network, whilst the Highways Agency is responsible for works on the strategic road network (SRN). The transport improvements secured through S106 will be in conformity with the appropriate regulations of each network. The relevant authority will deliver the actual works on each particular highway, unless otherwise stated in the individual agreement.
- 2.5 Transport Assessments will identify the potential adverse transport impacts of development. Travel Plans will set out, as far as is practicable, how development proposes to mitigate its adverse transport impacts and promote sustainable travel, and may include measures relating to encouraging sustainable transport behaviour and infrastructure provision. Travel Plans will include resources for supporting and maintaining the travel plan. Travel plans may include provision for financial penalties to fund the promotion or provision of sustainable transport until travel plan objectives are met.

### **Types of Contributions**

- 2.6 Site related requirements could range from small-scale footway reinstatement and kerb build-outs up to the construction of new junctions or access roads. Needs should be identified through the Travel Plan and Transport Assessment (see Appendix 5 of the submitted Development Strategy for applicable thresholds) and may be categorised under the following headings:
  - Highway works (e.g. junction improvements, control crossings);
  - Public transport infrastructure including park and ride, bus lanes, real time information and service improvement provisions for public and community transport;
  - Pedestrian and cycle facilities (e.g. new links to existing routes, safe crossing facilities, cycle parking provisions);
  - Travel Plan provisions (which may include physical works as well as promotional measures and required sums towards monitoring).
  - Traffic Regulation Orders for speed and waiting restrictions and associated lines and signs;

- Traffic monitoring and mitigation contributions for schemes as part of a plan, monitor, manage and implementation package.

### **3.0 Housing**

#### **Affordable Housing**

- 3.1 Affordable housing is not infrastructure (as defined by the CIL Regulations) and can not be part of any CIL Charging Schedule. Affordable Housing will be provided through planning obligations for qualifying sites of more than 10 units or with a maximum combined floor space of more than 1,000 square metres.
- 3.2 The NPPF sets out the government's clear intention to provide good quality affordable housing for all. The Council will seek to secure appropriate affordable housing provision in accordance with the emerging Development Strategy Policy 34, as well as the emerging Housing SPD.
- 3.3 Affordable housing is provided to eligible households, whose needs are not met by the market and includes an appropriate mix of affordable tenures, including Social Rent, Affordable Rent, and Intermediate Tenures, having regard to housing needs and best available evidence.

#### **Viability**

- 3.4 Based on the results of the SHMA, the emerging Development Strategy requires that 30% of all qualifying sites should be affordable housing to help meet the affordable housing needs within Central Bedfordshire.
- 3.5 The viability of each site will be considered on a case by case basis and will be discussed with the applicant. The emphasis of these discussions will be to deliver a viable degree of affordable housing on site. The applicant will be expected to provide comprehensive supporting information to enable the Council to make an informed decision on the financial viability of the proposed development scheme. This information will include, as a minimum, a detailed cost plan and specification together with properly analysed evidence justifying proposed sales values and a detailed valuation of existing use value.
- 3.6 In order to secure delivery and provide mixed new communities, the Council requires affordable housing delivery on-site. In exceptional cases, it may be appropriate to consider a commuted sum instead of on site provision. The applicant will have to submit a robust case to justify why on-site provision is not appropriate. In this case a commuted sum towards off-site provision may be considered in lieu of the 30% requirement. Commuted sums in lieu of on-site affordable housing provision received by the Council will be used for affordable housing purposes informed by Council housing plans and policies
- 3.7 The commuted sum will be calculated to represent the total value of delivering the affordable housing on-site. This will include the build cost and impact on the remainder of the site. Commuted sums will be calculated on the basis of 70% of the open market value units provided in order to maintain parity with onsite provision and broadly retain the 30% affordable/70% open market split.

- 3.8 As affordable housing is not infrastructure the Council will not be restricted in terms of the numbers of obligations that may be pooled, but will have regard to the wider policies set out in Circular 5/05 *Planning obligations*. Where a site is delivered in phases, either as a single permission or as a reserved matters application, it will be expected that the affordable housing will be delivered proportionally in each phase to ensure a consistent delivery and sustainable tenure mix through the development.

### **Extra Care Housing**

- 3.9 The demographics of Central Bedfordshire mirror national trends, showing significant growth in the older population of 65 years and above, with particular growth in the over 85 years category. Alongside this trend based population growth, residents of Central Bedfordshire have a longer life expectancy than the national average. The combination of these statistics poses a challenge in terms of providing appropriate accommodation and care for an ageing population. With ageing, there is an increase in disease, disability and frailty that can lead to complex and challenging care needs, perhaps requiring specialist care.
- 3.10 The Council is committed to developing a number of new housing schemes for older people that 'fill the gap' between the existing specialist housing and residential and nursing care homes. The vision for these new schemes is one where excellent design is combined with communal facilities and on-site care and support to offer people independence, choice, empowerment and participation in a safe environment. Such facilities may also in some cases provide community space that will contribute to identified requirements.
- 3.11 The Council either through Housing Revenue Account (HRA) funding or in partnership with Registered Providers is planning to deliver six extra care facilities by 2020 to meet the needs of older people across Central Bedfordshire. Facilities are currently planned or are being delivered in Dunstable, Leighton Buzzard, Biggleswade, Houghton Regis and Ampthill.
- 3.11 Contributions for on-site specialist accommodation to meet the needs of older people (e.g. a cluster of warden supported bungalows) may be sought where appropriate. However where a development above the qualifying threshold set out in the Development Strategy at Policy 31 (Supporting an Aging Population) is unable to deliver this specialist accommodation on site, contributions may be sought to fund a local named extra care home project as referenced above so that these needs can still be met.
- 3.12 In planning, designing and delivering schemes the applicant and Council will work alongside the relevant NHS bodies, NHS England (Hertfordshire and South Midlands Area Team) and the Clinical Commissioning Group, Locality-based GP practices and Community Health. The purpose of this is to ensure not only that provision within the schemes meets appropriate needs but also that the planning and delivery of NHS services takes these schemes into account.



## **4.0 Healthcare**

- 4.1 The levels of housing and population growth planned for Central Bedfordshire will place additional pressure on existing health and social care provision. Whilst in some instances, existing infrastructure has capacity to cope with growth; the NHS England (Hertfordshire and South Midlands Area Team) and the Clinical Commissioning Group (CCG) indicates that new developments will need new or extended health facilities to cater for their own needs.
- 4.2 NHS England (Hertfordshire and South Midlands Area Team) and Bedfordshire CCG are responsible for planning, organising and buying healthcare for Central Bedfordshire. This includes planned hospital care, rehabilitative care, urgent and emergency care, community health services, mental health and learning disability services.
- 4.3 The scope of health care infrastructure may include capital provision and/or related funding and services. A new GP is necessary for every 2000 population. Opportunities for combining health service provision, with other infrastructure or facilities provision as part of shared floor space within a local centre will be explored.
- 4.4 For applications of 200 dwellings or more, applicants should contact the Council to determine whether the proposal is likely to have a health impact within an area of known deprivation or limited access to services.

### **Types of Contribution**

- 4.5 Provision for on-site primary health care will be secured by Section 106 where a proposal directly increases the need for local access to such facilities, and where no spare capacity exists in the near vicinity; nor is reasonably expected to be provided in the near future. All new hospitals, secondary and mental healthcare will be funded by CIL.

## **5.0 Multi-Purpose Sports and Community Halls**

### **Overview**

- 5.1 New residential development and significant commercial development generates additional demands for leisure and recreation infrastructure to ensure Central Bedfordshire residents have appropriate, accessible and good quality facilities which support them in living healthy, active lives. These facilities are generally multi-purpose community halls which can include indoor sports provision. They could also be stand alone indoor sports facilities if it can be evidenced that the need for the facility has been generated by the development itself.
- 5.2 The Council's enabling role requires it to ensure the delivery of leisure and recreation facilities in accordance with the accessibility, quantity and quality standards and facility requirements as detailed in the Council's adopted Leisure Strategy. The Strategy, Chapters 1, 2 and 3 provide the evidence and priorities to support the Council's decision making relating to both existing and future facility provision requirements up to 2031.
- 5.3 The strategy identifies existing and future indoor facility requirements, and highlights where deficiencies in provision fail to meet the needs of Central Bedfordshire residents. To meet the legal tests set out in paragraph 3.5, the requirements

identified by the Leisure Strategy will support the Council in securing appropriate provision if it can be demonstrated that this is necessary to meet the additional need generated by the new development itself.

- 5.5 On large scale sites where it is necessary to provide community facilities directly on-site to meet the needs of the development or provide a site to enable provision by other service providers such as the NHS; this can be funded by S106. In making its assessment the Council will have regard to the evidence outlined above.
- 5.6 For all potential projects the relevant Town or Parish Council should be engaged at an early stage in accordance with the Central Bedfordshire Community Engagement Strategy to determine the type of facility that may be required and to help determine future management of any such facility.

### **Types of Contribution**

- 5.7 A multi purpose community hall can be an invaluable asset to a settlement, providing a venue for a range of community uses to support wellbeing including indoor sport and social activities. In some instances revenue funding may also be sought in the form of facility management and maintenance costs for a limited period of time.
- 5.8 A community hall should be a maintained facility that meets equality of access and health and safety standards and should include a main activity and assembly space, an entrance foyer, an equipment and furniture store, a kitchen, toilets, including facilities for disabled people, changing provision, a cleaner's store and a boiler or plant room. In addition, this core accommodation should be capable of being expanded to include an office, changing or dressing rooms and showers, more or larger activity spaces, a licensed bar, a permanent stage and meeting or club rooms. Different internal features will be required if specific indoor sport uses are proposed.
- 5.9 New facilities, extensions or refurbishments should aspire to maximise the amount of flexible/multi use space available to be able to support a wide variety of uses and ensure the facility is truly multi purpose. Opportunities should be taken to co-locate facilities as part of the new build design wherever possible. In conjunction with the primary role of the new facility, such 'multi uses' could be developed by the inclusion of such services as external sports provision, school use, community policing, public health, free internet access facilities medical facilities.
- 5.10 It is estimated that the cost per square metre for the construction of a community building is £2,167. This takes account of the 2008 cost per square metre for the construction of a community building (£1,769) based on the SPONS Architects and Builders Price Book item for "General Purpose Halls" with an addition of 4.5% per year in inflation for building costs and 15% for fees and 5% administration.

### **6.0 On Site Playspace and Recreational Open Space**

- 6.1 Developers will be required to consider the respective requirements for on site play space and recreational open space generated by their development within the context of local requirements and priorities as detailed in the Leisure Strategy. Where possible and appropriate (see Leisure Strategy Developers Guidance) open space should be delivered on-site. In this instance, provision will be in accordance with the

required standards and facility requirements, and will be provided as an integral part of new development, planned in at the early stages.

- 6.2 Where on-site provision of playspace or recreational open space is not possible or appropriate, contributions will be sought to create or enhance specifically identified projects in lieu of on-site facilities, if they are capable of meeting the legal tests outlined at paragraph 3.5 of this strategy. This will include the costs of maintenance and operation of off-site open spaces.
- 6.3 Where SuDs have been designed to meet the recreation and open space needs, and this approach has been agreed by both Leisure and Drainage departments of the Council, these may be considered to count towards recreational open space provision.
- 6.4 Developers will also be required to make contributions towards maintenance and running costs of any required on site play space or on site recreational open space. Contributions will be secured through planning obligations.

## **7.0 Public Realm and Public Art**

### **Overview**

- 7.1 Central Bedfordshire Council actively encourages the integration of Public Art into new developments and projects across the area. It is the Council's preference that developers and promoters of projects should take responsibility for the funding, management and implementation of Public Art either directly or through specialist agents, in consultation with Town and Parish Councils and Central Bedfordshire Council.
- 7.2 The Central Bedfordshire Design Guide sets a threshold to include Public Art as part of Public facing schemes of over 100 homes and 1000 sq. feet and as part of major projects or schemes (e.g. Town Centre regeneration, highways schemes) and requests developers produce a Public Art Strategy to be agreed with the council.
- 7.3 Provision should if it all possible be made on-site and where this is the case, planning obligations may be sought.

### **Types of Contributions**

- 7.4 Public art is understood as the specific commissioning of artwork for public places, interior and exterior; almost always with a site-specific or context-specific dimension. Therefore, the work should be commissioned and created specifically for the development.
- 7.5 It can take a wide variety of forms and can range from artists working as part of the design team through artist-led events, the commissioning of artist-designed public spaces e.g. street furniture such as seating lighting, signage, bridges, jetties and other freestanding structures, or integrated architectural elements, water/landscaping/planting and environmental art, lightworks, fireworks and interactive artworks. Artworks may provide a specific function within developments, or be commissioned as independent works in their own right.

## **8.0 Site Specific Flood Risk Management**

### **Overview**

- 8.1 The predicted effects of climate change include a greater risk of extreme weather events which may increase the risk of flooding, including flash flooding and droughts. An important role for local planning authorities, in partnership with the Environment Agency, the water companies and developers, is to help new development adapt and mitigate current and future flood and drought risk.
- 8.2. Developers will be expected to identify the extent to which developing sites could result in increased runoff rates, and demonstrate what mitigation measures have been put in place to ensure that the development does not result in a net increase in runoff rates. Therefore, the provision of sustainable ways of managing flood risk, including surface water run-off from new development is important; the use of sustainable drainage systems will be a material consideration for major developments, while all developments will be subject to Central Bedfordshire Council's planning policies, including the Sustainable Drainage Supplementary Planning Document.
- 8.3 Central Bedfordshire Council will support the use of Sustainable Drainage Systems (SuDS) to manage flood risk and improve water quality, as well as providing biodiversity and amenity benefits, in accordance with the adopted Sustainable Drainage Guidance SPD. Conditions attached to planning permissions and / or section 106 agreements will be used to ensure that the drainage systems are constructed and maintained in accordance with the drainage scheme agreed as part of the Planning Permission.

### **Types of Contribution**

- 8.4 It is expected that works that could be funded by S106 will include the future long term maintenance, refurbishment and replacement of those flood risk management facilities including drainage and treatment systems, provided on-site by developer to serve development.
- 8.5 Contributions might also be necessary to improve existing off-site systems which developments outfall in to, so as to maintain the required standards of service with the extra demand on the system created by additional development. These sorts of site related mitigation measures would therefore meet the legal tests set out in paragraph 3.5 of this strategy.
- 8.6 Alterations to flood defence assets will require design and works costs to be born by the developer when approved by the appropriate Flood Risk Authority, e.g. LLFA, Internal Drainage Board, Water Company.
- 8.7 This would be assessed on a case-by-case basis, depending on outcomes of the Flood Risk Assessment, which has to be prepared by the developer to the satisfaction of the Flood Risk Authority , either the Environment Agency or the Bedfordshire and River Ivel Internal Drainage Board.

## **9.0 Waste**

### **On Site Household Waste Recycling Centres (HWRC)**

- 9.1 In accordance with the 'Managing Waste in New Developments SPD' (April 2006) for residential developments where the proposed number of dwellings exceeds 100, a financial contribution may be sought towards the provision or upgrading of an on-site HWRC.
- 9.2 The question of whether a contribution is required will depend on the location and capacity of existing facilities and whether the development would necessitate the need for such a facility.
- 9.3 HWRCs tend to serve relatively large catchment areas and it is therefore unlikely that a need for a new HWRC would be created solely for one development, except potentially in the case of the large strategic allocations proposed in the Development Strategy. It may however be appropriate for five or fewer contributions to be pooled to fund a new facility if the legal tests at paragraph 3.5 are met by all contributing developments.

## **10.0 Carbon Off-Setting**

### **Overview**

- 10.1 The Council recognises that the significant housing and employment growth planned for in the Development Strategy will have an impact on the environment and contribute significantly to the Central Bedfordshire area's Green House Gas emissions, even when taking into account the impact of national policy and the implementation of 'zero' carbon homes via the Building Regulations.
- 10.2 In response to these impacts the Council is implementing the Sustainable Buildings policy which aims to reduce reliance on fossil fuels through installation of low carbon and renewable energy technologies by requiring all residential development to provide a 10% of their energy consumption from renewable and low carbon sources.
- 10.3 In exceptional circumstances where renewable or low carbon technologies are not technically feasible, the Council will allow the developer to make a payment to the Council's Energy Offset Fund. This will provide a local carbon compensation mechanism for when the national zero carbon standard becomes operational.

### **Type of Contribution**

- 10.4 Planning obligations will be sought to offset any shortfall in meeting the Council's policy requirements on-site. The contribution would be used locally to support the following projects:
- Retrofitting existing housing stock with energy efficient and low carbon or renewable energy measures. This could include providing enabling finance for

Green Deal projects which are unable to meet golden rule (helping to tackle fuel poverty);

- Energy efficiency and renewable energy projects for community focused buildings, such as schools and leisure centres;
- Supporting community projects delivering energy efficiency and low carbon or renewable energy measures.

### **Charging Method**

- 10.5 The need for any contribution will be assessed based on the energy consumption and renewable/low carbon production data (kWh/m<sup>2</sup>) from the BRUKL Output Document and will apply to residential developments of 5 dwellings or more.
- 10.6 The payment will be calculated based on the energy price metric and shortage in energy production from renewable or low carbon sources to meet the 10% requirement. The baseline for calculation of 10% will be total energy use (TEU) multiplied by end use [kWh/m<sup>2</sup>/year] multiplied by the Total Floor Area (FTA) of the dwelling over an assumed lifetime of renewable technology of 20 years.
- 10.7 The Council's energy price metric of £2.50/kWh/year is based on the cost of energy generation from PV panels, shown by the feasibility study<sup>1</sup> as the most cost effective domestic scale renewable energy solution.

### ***Calculation example:***

1. Take the Total Energy Use of the dwelling from the BRUKL Output document and multiply by the total gross floor area:

$$56.8 \text{ kWh/m}^2/\text{year} \times 125\text{m}^2 = 7100\text{kWh/year}$$

2. Calculate 10% of total energy use per dwelling:

$$7100\text{kWh/year} \times 10\% = 710\text{kWh/year}$$

3. Deduct actual renewable energy production per dwelling per year (e.g. 400kWh/year) from the 10% figure from step 2

$$710\text{kWh/year} - 400 \text{ kWh/year} = 310\text{kWh/year}$$

4. If total renewable energy production is lower then required 10%, then multiply the difference by the Council's price of 1kWh of renewable energy to calculate payment to the Council's Energy Offset Fund

$$310\text{kWh/year} \times £2.50/\text{kWh/year} = £775$$

<sup>1</sup> Evidence base for requiring 10% of energy from renewable or low carbon sources. Cutland Consulting Ltd, 2014.

## Appendix A

### Division of Planning Contributions by Securing Mechanism

Infrastructure Type	CIL	S106	Condition (specific policy requirement)
<b>Housing Mix</b>			
Affordable Housing		✓	
Commuted off-site payments for the provision of affordable housing		✓	
Extra Care Housing on site		✓	
Named Extra Care Housing Facility		✓	
Lifetime Homes on site			✓
<b>Highways, Access and Transport</b>			
Strategic Highways and Transport	✓		
Sustainable Transport Directly Related to Site		✓	
Site Specific infrastructure (e.g. road safety improvements, highway capacity improvements, mini-roundabouts, access infrastructure, footways and cycle infrastructure, etc.) and Transport measures (e.g. travel plans, bus routes)			✓
<b>Education</b>			
Educational facilities	✓		
Site specific educational facilities and extensions		✓	
Children's Centres	✓		
Skills and Apprenticeships		✓	
<b>Public Realm and Public Art</b>			
Public Realm projects	✓		
Site specific Public Realm and Art		✓	
<b>Broadband</b>			✓
<b>Healthcare</b>			
Improvements to existing Primary Healthcare provision	✓		
Provision of new Primary Healthcare facilities on site		✓	
Secondary Healthcare - Intermediate placements /day cases / in-patients	✓		

Infrastructure Type	CIL	S106	Condition (specific policy requirement)
All new hospitals	✓		
Mental healthcare	✓		
<b>Indoor Sport and Community Facilities</b>			
Multi-use	✓		
Youth centres	✓		
Leisure centres	✓		
Site specific sports and community halls (on large developments)		✓	
Community Halls (including youth provision)	✓		
<b>Flood Protection and Water Management</b>			
Strategic Flood Alleviation Measures	✓		
Site specific Flood Mitigation Measures		✓	
Sustainable Drainage Systems			✓
<b>Historic and Green Environment</b>			
Archaeology and Historic Environment			✓
Biodiversity and Geology			✓
Landscape			✓
Strategic Green Infrastructure	✓		
Play Space on site		✓	
Indoor Recreation	✓		
Open Space (ongoing maintenance)			✓
<b>Waste</b> (On site recycling)		✓	
<b>Carbon Offsetting</b>		✓	



## **Appendix B – Draft Regulation 123 List**

### **Qualifying Criteria (at least one must be met)**

- Identified on Infrastructure Schedule as critical / essential or specified over-riding reason for inclusion
- Delivery identified in initial 5 year period 2014/15 – 2018/19
- Funding gap in excess of £3m
- Not located in identified SUEs, to include Wixams
- Scheme / project design in place & Reliable cost estimate
- Unrealistic to expect funding through ongoing s106 site specific pooling arrangements

### **List of Potential Infrastructure Projects**

- Woodside Link
- East – West Rail
- A5 – M1 Link, spur to Thorn Turn
- Town Centre Masterplan Implementation at Dunstable; Biggleswade; Leighton Buzzard & Flitwick (see attached project list)
- Strategic Green Infrastructure outside SUEs(to include off-site contributions within Marston Vale Forest & Bedford – MK Waterway\*)
- Multi-purpose Community Facilities excluding SUEs +Wixams)
- School safety zones (excluding named schools to be met from s106)
- Household Waste Re-cycling Centres (to be specified)
- Educational provision outside SUEs and excluding named facilities

Notes    Leisure Centre Provision, outside SUEs, to be added in first review when identified through Leisure Strategy, site identified and project costed

\* Agreed cross-boundary projects

## **Appendix C – Template Agreement**

**TBC**



**A great place to live and work**

**Contact us...**

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