

Executive

Developer Contributions Consultation

6 February 2012

Report of Head of Strategic Planning and the Economy

PURPOSE OF REPORT

To approve the commencement of a consultation on the Developer Contributions document.

This report is public

Recommendations

The Executive is recommended:

- (1) To authorise a consultation on the Developer Contributions document.
- (2) To endorse the additional actions proposed to strengthen s106 monitoring.

Executive Summary

Introduction

- 1.1 The Developer Contributions document was agreed by the Executive as a basis for negotiation in May 2011. It was not consulted upon at that time due to the changes to the Planning system being introduced at that time.
- 1.2 A public consultation on the document is an important means of ensuring all views have been taken into account and that its purpose and content is appropriate.

Proposals

- 1.3 For a period of public consultation to be undertaken and the results reported back to the Executive to enable the adoption of a Developer Contributions Strategy for the District.

Background Information

- 2.1 New development often creates a need for additional infrastructure or improved community services and facilities, without which there could be a detrimental effect on local amenity and the quality of the environment. National planning policy sets out the principle that applicants may reasonably be expected to provide, pay for, or contribute towards the cost, of all or part of the additional infrastructure/service provision that would not have been necessary but for their development. Planning Obligations are the mechanism used to secure these measures.
- 2.2 The CDC Planning Obligations draft Supplementary Planning Document (SPD) was agreed by the Executive in May 2011 as an 'interim' document and 'a basis for negotiation' with applicants.
- 2.3 It followed national planning guidance for developer contributions as set out in ODPM circular 05/2005
- 2.4 Due to the reforms to the planning system being proposed and enacted through the Localism Act, the consultation required to enable the SPD to be adopted as Council policy was never undertaken.

Consultation

- 2.5 A 'sound, adopted' Developer Contributions document has implications for many different people who either live, work or visit the District.
- 2.6 Consultation on the document completes the process of preparation by taking account of the community view. We need to seek the opinions of all those who could possibly bring forward future development throughout the district, to find out if it offers enough detailed guidance and whether the guidance itself is suitable. These include developers, architects and businesses.
- 2.7 We also want to engage communities within the District to see whether they believe this document provides them with enough information as to what they could expect with future developments, therefore we need to ensure we have worked with Town and Parish Councils, Neighbourhood Action Groups, local groups and organisations.
- 2.8 We also need to ensure we involve those organisations that are affected by development itself, work with communities who are affected by development, or who may be responsible for assisting the LPA in working to ensure planning obligations are delivered. These can range from bodies such as Environment Agency, Highways Agency and Oxfordshire County Council, through to Age Concern, Sport England and local NAG's
- 2.9 Following the consultation will be the compilation of responses, analysis and revision. The aim is to return to Executive in May 2012 with a revised SPD.
- 2.10 An adopted Planning Obligations SPD should provide clear guidance on how the Council will:
 - Decide what new infrastructure and facilities need to be provided as a result of development
 - Assess requirements for "in kind" provision and/or financial

contributions towards provision

Purpose of consultation

- 2.11 It is important that that all those affected by development understand the nature of the Developer Contributions required, its content and the implications for future development
- 2.12 We want to ensure the document enables developers to understand planning obligation requirements and costs from the outset and to assist them in making appropriate provision within their plans and financial appraisal.
- 2.13 We also want to assure residents and businesses that the Council aims to ensure that new development within the District makes a contribution to addressing the impact of the infrastructure demand it creates.
- 2.14 This consultation provides the opportunity to discuss the document in the public domain and allow any amendments as a result of the consultation to be made.
- 2.15 This consultation will ensure that all those that could be affected by the SPD have had sufficient time and opportunity to participate in the consultation

Consultation timetable

- 2.16 The method of consultation must accord with our Statement of Community Involvement and planning regulations. Legally an SPD requires between 4 and 6 weeks consultation.
- 2.17 It is proposed that the consultation will commence at the start of March for a 6 week period.

Documentation and engagement

- 2.18 Documentation to be produced will include the following:
 - Leaflet/Executive summary
 - Questionnaire – Online and Paper
 - Pull ups/Exhibition boards
- 2.19 Engagement Methods will include:
 - Press Briefing
 - Members Briefing – to explain what it is and its implications
 - Mail out with direct link to questionnaire. Around 2500 on our LDF mailing list

Consultation with Parish Councils

- 2.20 It is intended to fully consult Parish Councils on the draft, with a particular view to ensuring that in future they are fully consulted on how s106 monies relating to community facilities are spent within their community.

In the Interim

- 2.21 In the interim pending completion of this consultation it is proposed to continue to use the draft SPD as a 'basis for negotiation'.
- 2.22 In the interim it will be made much clearer than hitherto that the document is a draft and forms the basis for negotiation. But, further to consultation its content may change.
- 2.23 Given the challenges posed by applying the proposed policy to single dwellings it is proposed that the threshold for its application should be raised to 10 for the interim up to completion of the consultation and report back to the Executive on the outcome of the consultation. It is important to be clear that it's only residential developments that the new threshold will be applied to. The SPD will continue to apply to all commercial developments

Enhanced s106 monitoring

- 2.24 S106 monies received need to be accounted for and spent on the purposes for which it is secured within a 10 year period. This is a matter of considerable interest to both communities where development has occurred and developers who have paid contributions.
- 2.25 Officers are examining how CDC monitoring systems might be strengthened with a view to greater transparency over how the s106 monies have been spent.
- 2.26 One step will include annual reporting on monies received and how the monies have been spent.
- 2.27 One further step under active consideration is to explore the potential for the creation of a shared s106 Monitoring post with SNC through the shared services process. SNC has such a post, rigorous internal systems, six monthly reporting to committee as a result of changes introduced following an Audit.

The future of Developer Contributions - Preparation for CIL

- 2.28 How developer contributions are secured and the purpose for which they are secured is changing. By 2014, Cherwell District Council will need to have a Community Infrastructure Levy (CIL) in place.
- 2.29 As a first step towards this work has begun on the preparation of the Infrastructure Development Plan which forms part of the Core Strategy to identify the key infrastructure of all types. This includes physical infrastructure such as roads and buildings, social infrastructure such as community halls and green infrastructure such as public open space.
- 2.30 This assessment is a requirement of the preparation of a 'sound' Core Strategy and involves consultation with other stakeholders such as the County Council, Highways Agency, PCT and others.
- 2.31 It is intended that CDC will have completed the CIL preparation by Autumn 2012 with an adopted CIL schedule replacing the S106 regime in Spring 2013. Further detailed reports on this process will be produced as the work

progresses.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 To agree to the commencement of the consultation on the Developer Contributions SPD.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

Option One To continue to use the document while the consultation is conducted.

Option Two Not to consult.

Consultations

Head of Law and Government Has been actively involved in considering the need to complete the public consultation on the draft document.

Head of Public Protection and Development Management Has been actively involved in considering the need to complete the public consultation on the draft document.

Implications

Financial: None
Comments checked by Karen Curtin, Head of Finance and Procurement, 03000030106

Legal: The SPD will remain as interim guidance but consultation will give it greater weight in negotiations with developers.
Comments checked by Nigel Bell, Team Leader - Planning and Litigation 01295 221687.

Risk Management: The approach set out in this report is specifically intended to reduce the risk to the Authority.
Comments checked by Claire Taylor, Corporate Performance Manager, 0300 0030113.

Wards Affected

All

Corporate Plan Themes

A District of Opportunity

Lead Member

Councillor Gibbard

Lead Member for Planning

Document Information

Appendix No	Title
None	
Background Papers	
None	
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