



WNDC Board Report

Report by the Director of Planning Services

Paper Reference: 2010-05-07-03

Agenda Item: 7

6 July 2010

Subject: Planning Obligations Strategy Review

Advice: That the Board:

1. **Note** the report
2. **Approve** the recommendations set out below
 - a) that the Review of the Planning Obligations Strategy be progressed and public consultation on the proposed revisions as set out be commenced.
 - b) that following the consultation exercise, the revised POS be presented to Board for approval for the purposes of development control.
 - c) that in the interim, the assessment and determination of planning applications and the provision of pre-application advice be continued reflecting the components of Option 2 and the requirements of the CIL Regulations.
 - d) that the Corporation continue to engage with public sector partners and provide assistance, where necessary and appropriate, in the development of the Developer Contributions Development Plan Document and/or their respective Community Infrastructure Levy(s).

Summary:

- WNDC has undertaken a review of the Planning Obligation Strategy as a response to market conditions, experience in the operation of POS, the Daventry Co-joined Inquiry and the coming into force of the Community Infrastructure Levy Regulations 2010 (the CIL Regulations).
- A revision to the POS is proposed as a matter of urgency, which reflects current circumstances, complies with the requirements of the CIL Regulations (so far as is applicable), and offers the flexibility required by public and private sector partners and the Corporation to deliver the growth agenda.
- Prior to the completion of the POS Review there is a need to establish an interim approach to ensure that WNDC's Business Plan/strategic objectives are achieved.
- The programme anticipates the completion of the POS Review in the third quarter of 2010/11 following a public consultation exercise and the revised POS being presented to Board for approval.

1. Purpose

1.1 The purpose of this report is to present the findings of the Planning Obligations Strategy (POS) Review process so far and to recommend next steps. Matters of detail in relation to the review are set out in the briefing paper attached as Appendix A.

2. Background

2.1 The POS was originally formulated to seek to establish robust arrangements for securing appropriate developer contributions towards the provision of strategic and local infrastructure. It sought to provide a level of clarity and certainty for developers and to provide a consistent approach in the negotiation of Section 106 planning obligations having regard to viability and the availability of other sources of funding.

2.2 There have been a number of key changes since the approval of the original POS which are relevant to its continued operation and review. Of these matters, the CIL Regulations can be identified as being of critical importance to how the Corporation operates and manages its planning obligations approach. Through the review process, these matters have been considered in detail and carried forward into a POS option assessment.

2.3 In addition, given the continuing lack of relevant and up to date Development Plan Document (DPD) policy and/or infrastructure planning and delivery framework, the need to take forward the determination of current applications in advance of the completion of the POS Review has also been considered to ensure the Corporation's Business Plan and regeneration and growth objectives can be achieved and the risk of appeals reduced.

2.4 It should be noted that the CIL approach and associated draft guidance comprises the thinking of the former government. Whilst the new government does support the principle of a levy on development, their intended approach toward a tariff based mechanism continues to evolve. That said, irrespective of any changes to the CIL regulations, there will still be a requirement for planning authorities to have a robust evidence base in order to justify seeking obligations for the delivery of infrastructure.

3. Consultation and Engagement with Key Stakeholders

3.1 In reaching the current stage in the POS review, a targeted consultation exercise and key stakeholder workshops have been undertaken. A summary of the key findings of these processes are provided as an annex to the attached briefing note.

3.2 The main points emerging relate to viability, lack of funding, inadequate evidence base, poor partnership working and fundamentally a lack of engagement, relevance and certainty surrounding the implementation of the Infrastructure Delivery Programme. That said, the principle of the POS and the need for the review was generally supported.

4. Revision to the POS Mechanism

4.1 A number of Options were developed and considered as part of the review process. These Options are set out in detail within the attached briefing paper. Through the review process they were assessed in light of their practical/functional application, comments made through the consultation process and the Corporation's practical experience in dealing with current application proposals. This reveals that there is a difference in the preferred approach depending on scale of development.

4.2 In essence, the small scale sites work well with a tariff approach as they are generally only able to realistically make monetary contributions towards necessary supporting infrastructure. In contrast, the larger sites through their very nature tend to operate outside the general POS approach. In simple terms, this is due to the scale of their

necessary infrastructure being in the form of on-site provision. These sites tend to be the ones where viability and cash flow are more complex and thus negotiations regarding deferred/in-kind contributions tend by their very nature to be detailed and protracted.

4.3 The review concludes that Option 2 offers the preferred and most flexible way forward reflecting the needs of the public and private sectors and assisting the Corporation in delivering its Business Plan targets. This will provide a properly evidenced tariff mechanism including a clear, consistent and expeditious approach linked to infrastructure provision, for the determination of smaller scale sites. The Option also offers a flexible approach which recognises and takes into account current market conditions, whilst also considering the value of on-site infrastructure and determining how this should be off-set against the overall level of contribution sought based on the full tariff approach.

4.4 In light of the flexibility and robustness that Option 2 offers, it is proposed that Option 2 also be introduced as an interim approach prior to the completion of the full review of POS. Taking this action now, will provide the added benefit of practically applying this Option and that in itself will be used to inform the review process.

5. Options for the Mechanics of the POS

5.1 As part of the Review various comments received from stakeholders, changing circumstances and the proposed Option identified above, have meant that the 'mechanics' in respect to the way in which the POS works also require re-appraisal.

5.2 The attached briefing paper considers these issues in more detail, a summary of the key points are considered below.

5.2.2 Following a comprehensive review of development viability, it is proposed that both the Full Standard Charge and a Discounted Standard Charge (DSC) should remain.

5.2.3 The previous level set for Full Standard Charge has not been re-assessed, as it is assumed that the key issue, leaving policy compliance to one side, is a developer's ability to fund and mitigate their infrastructure requirements. That said, it is acknowledged that public sector funding has contracted and this is likely to remain the case for the foreseeable future. For the purposes of

taking forward the POS, it is assumed that this contraction will be reflected in changes to the provision of services and associated delivery models.

- 5.2.4 The viability assessment has recommended that the overall level of the DSC should be reduced from £20,000 to approx £18,000 per unit across all scales of development. In addition, a Standard Benchmark rate is proposed for all types of commercial development. This rate varies per type of commercial use and will be used to bring a degree of clarity and consistency to assist within discussions relating to Section 106 contributions.
- 5.2.5 The in-kind contribution mechanism remains a fundamental element of the POS. This reflects the desire of the developers of many large scale schemes to maintain control and seek the greatest efficiency in the delivery of infrastructure associated with their developments. Further clarity on the mechanics and application of the mechanism will be provided as part of the consultation process.
- 5.2.6 To ensure the strategy is consistent with the CIL Regulations, it is proposed to consider the introduction of an area specific DSC across the towns of Daventry, Towcester and Northampton.
- 5.2.7 The Corporation will seek to bring a transparent and consistent approach to the consideration of viability matters. This will include detailing the approach to be followed in applying the DSC to small/medium scale schemes whilst applying a series of tests to allow large scale schemes to “cascade” into a more traditional negotiated approach; setting minimum requirements for the submission of information within financial appraisals; and the method to secure WNDcs reasonable costs incurred in assessing financial appraisals.
- 5.2.8 It is proposed that affordable housing continue to meet its POS requirements on an equal basis as that of market housing, until such time that the Government’s proposals to incentivise the delivery of affordable housing and the necessary match funding is provided to mitigate the impacts of development.
- 5.2.9 The evidence base of the POS has been reviewed and assessed against the requirements set by the CIL Regulations. This has led to the deletion of some items from the list of infrastructure on the basis that they did not appear to

comply with the CIL Regulations. A number of new items have also been identified and these have been detailed and referenced.

- 5.2.10 In addition, a number of the previous items have been identified as not having sufficient evidence relating to project programmes and/or costings. Further, through a greater understanding of funding and delivery mechanism, some of the previous items have been combined where this is appropriate and justified.
- 5.2.10 Work is continuing on the collection of the evidence base and it is anticipated that a number of those items currently identified as not being supported by sufficient evidence will be justified in due course. To reduce the potential for confusion unit costs have not been included at this stage.
- 5.2.11 To assist the process of determining planning applications in advance of the Joint Core Strategy and to inform Section 106 requirements, a WNDC Interim Infrastructure Schedule has been developed. This reflects elements of WNDC's previous Infrastructure Delivery Programme but now focuses on those elements of key infrastructure associated with the Corporation's strategic projects and major planning applications. A draft Interim Strategic Infrastructure Schedule is set out within annex E of the briefing paper, it is anticipated that this will be further informed through the consultation process.
- 5.2.12 It is vital that WNDC maintains close working relationships with its key public and private partners in taking forward the POS Review. This is particularly important in seeking to develop an agreed Interim Strategic Infrastructure Schedule and also supporting the other LPAs in their preparation and adoption of CIL(s).
- 5.2.13 The current POS does allow timing of payments and the levels paid to be deferred and/or varied. The importance of this mechanism continues to be recognised and it is proposed that this forms the primary mechanism to be applied on a case by case basis in those exceptional circumstances where viability and/or cash flow are critical issues, and these can be balanced with the provision of appropriate levels of infrastructure to mitigate impact and create sustainable development. Full details of the potential deferred

mechanisms and their application are considered further within the briefing paper. These will be informed further through the consultation process.

5.2.14 The significance of the banker role, ring fencing and governance are likely to diminish as a consequence of developers approach to in-kind contributions on large sites and the level of actual / projected income to be received by the Corporation. The continued relevance of these matters should be informed by responses received as part of the consultation process.

5.2.15 The funding and provision of infrastructure is a key element in the delivery of the growth and regeneration agenda. To facilitate this, the Corporation will seek views and engage with public and private partners through the consultation process to review existing funding and delivery mechanisms and explore opportunities to introduce new approaches.

5.2.16 Continual monitoring and review of the process and full accounting for monies received and spent is a fundamental element. The importance of this issue is recognised in recent draft government guidance, its significance was also recognised through the consultation process as a key concern of the current POS. It is proposed that a separate charge be levied to cover the resourcing of this.

6. Project Management Considerations

6.1 As part of the Review process there is a need for extensive consultation and engagement of stakeholders has been adopted. The detail of this is set out within the attached Consultation Statement (see Appendix B). The approach adopted will resolve previous issues raised whilst also maximising the robustness of the document for making decisions on planning applications. It is intended to complete the formal consultation process by late September 2010 and report back to the Board during the third quarter of 2010/11 seeking approval for the revised Strategy.

6.2 Of the Options considered, Option 2 is considered to carry the least risk from planning appeals and is most likely to carry the least overall resource implications and assist in attaining the Corporation's Business Plan targets. This is also likely to be the most acceptable to both the public and private sector partners, through being reflective and responsive to market considerations and bringing greater certainty and clarity to the decision making process.

- 6.3 Irrespective of the Option approved there will be a requirement to allocate an on-going budget for viability appraisals, although it is intended to reduce this cost exposure by seeking part-funding and/or full funding by developers (depending on scale).
- 6.4 Funding to date to undertake the POS Review has been secured through the Daventry Co-joined Inquiry budget, due to the inter-relationship between the appeal and the POS. The extent of the tasks required to complete the Review have evolved and expanded and these will necessitate the project budget being extended. That said, efficiency savings have been sought to reduce this cost to a minimum. In recognition of the importance of this project, it is proposed that its current budget and risk monitoring mechanisms are taken forward as part of the corporate approach.

7. Conclusions

- 7.1 There is a continuing requirement for a standard charge /tariff approach but it needs to be updated to reflect current circumstances. There is a need to develop a flexible, clear and lawful approach. In this context, it is recognised that there is a need to take a revision to the POS forward into a consultation and engagement process prior to the revisions being formally presented to Board for approval in the third quarter of 2010/11.
- 7.2 In the interim, prior to the Corporation formalising its approach, it is necessary, to continue with the assessment and determination of the current range of planning applications and also with the provision of pre-application advice. It is proposed that Option 2 is an appropriate interim mechanism to utilise and complete these tasks prior to formal ratification by Board following consideration of the consultation process. This will assist in achieving the Corporation's Business Plan Objectives, limit the risk of planning appeals and continue to support the Corporation in achieving its strategic growth and regeneration objectives.

8. Recommendation

- 8.1 Following consideration of the matters raised above and as detailed within the appended briefing paper, it is recommended:
- a) that the Review of the Planning Obligations Strategy be progressed and public consultation on the proposed revisions as set out be commenced.

- b) that following the consultation exercise, the revised POS be presented to the Board for approval for the purposes of development control.
- c) that in the interim, the assessment and determination of planning applications and the provision of pre-application advice continues following the approach set out in Option 2 and the requirements of the CIL Regulations.
- d) that the Corporation continue to engage with public sector partners and provide assistance, where necessary and appropriate, in the development of the Development Contributions Development Plan Document and/or their respective Community Infrastructure Levy(s).

Appendix A: West Northamptonshire Development Corporation:
Planning Obligations Review: Briefing Paper



PLANNING OBLIGATIONS STRATEGY REVIEW

Briefing Paper

July 2010

1. Purpose

- 1.1. The purpose of this briefing paper is to present the findings of the Planning Obligations Strategy (POS) Review process so far and to recommend next steps in the process of public consultation.
- 1.2. This briefing paper set out the main issues arising from the POS Review to date and the possible options going forward. Essentially the options involve (i) continuing with the status quo (ii) updating and revising the POS and its supporting documents and evidence base to varying degrees (iii) or to effectively abandon the POS approach and simply negotiate S106 terms and contributions on a site by site basis.

2. Introduction

2.1 Background to the original POS

2.1.1 The POS was originally formulated to seek to establish robust arrangements for securing appropriate developer contributions towards the provision of strategic and local infrastructure to support the significant level of growth identified in the Regional Spatial Strategy. It sought to provide a level of clarity and certainty for developers and to provide a consistent approach in the negotiation of Section 106 planning obligations.

2.1.2 At that time whilst the government envisaged setting up a levy on all development 'to ensure that the costs incurred in providing infrastructure to support the development of an area could be wholly or partly funded by owners or developers of land' (DCLG Briefing Paper on CIL, 2008) it had not been fully developed. Such a levy was not expected to come forward or be applicable until a Core Strategy was in place.

2.1.3 The POS tariff or standard charge approach reflected government thinking of the time in that it sought to develop an understanding of the necessary infrastructure and its cost and the realistic level of developer contributions that might be sought having regard to viability and the availability of other sources of funding. In that sense it was forward thinking in terms of seeking pooled contributions which WNDC would then be able to use effectively to deliver an infrastructure delivery programme managed by it.

2.2 Key Changes Since POS was Implemented

2.2.1 There have been a number of key changes since the approval of the original POS which are relevant to its continued operation and review.

Economic Downturn

2.2.2 Firstly, the current and ongoing economic downturn is having an effect on the level of activity and hence contributions which the development industry is prepared / able to make and thus negotiations have become increasingly difficult and protracted. At the same time, there is a squeeze on public and other funding which would normally be the main source of funding for major infrastructure. Therefore, it is becoming increasingly apparent that there will be further 'funding issues' associated with delivering growth.

Matters Arising from the Daventry Inquiry

2.2.3 Secondly, there are relevant matters which arose from the Daventry Co-joined Inquiry, not least comments made in the Inspector's Report and in the Secretary of State's decision. Whilst the fundamental approach adopted in the POS was not considered in great detail, there were a number of specific comments made in relation to the justification and evidence base regarding certain elements.

CIL

- 2.2.4 Thirdly, key changes to the ways in which Local Planning Authorities will be able to seek to secure funding for necessary infrastructure to support development within their areas have been put in place via the CIL regime. CIL will operate alongside Section 106 planning obligations (POs), which will continue to operate within the planning policy framework and the tests set out in the CIL regulations. WNDC will not be able to set up or charge CIL, but if the Local Planning Authorities adopt their own charging schedules, with their agreement, WNDC may become a collecting authority or spending authority. The items of infrastructure on which CIL may be spent will be set out in the approved charging schedule though authorities will not need to allocate monies to specific items or projects.

Change to Operation of WNDC

- 2.2.5 The outcome of the recent quinquennial review of WNDC and the changes to the type and level of development that it will be the determining authority for also raise relevant issues to the review. Whilst the full range of amendments to the planning thresholds are still subject to discussions between parties, it is known that, WNDC will only be dealing with sites of 200 units and over and will be prioritising those strategic planning applications and regeneration projects which reflect its renewed mandate as set out within its Business Plan. Thus there may be a need to consider the implications of such changes in terms of the way in which contributions are sought and levels secured.

Further Changes as a result of New Government

- 2.2.6 Following the election and the formation of the new coalition government, it is becoming clear that a number of fundamental changes

are likely to be put in place. Many of these are anticipated to be derived from the Conservative Green Paper *Open Source Planning* which was released in February 2010. The Government has already recently announced the 'rapid abolition of the Regional Strategies' and decisions regarding housing numbers are to revert back to the local planning authorities. A revised PPS3 has also been published. There are a number of issues in the Open Source Planning document which will be of relevance should they come forward. Of particular note in respect of planning obligations are that it is believed that the principle of expecting developers to make a contribution towards the additional infrastructure needed to make their development viable is sound. However, it is intended to simplify the system by returning POs to strictly seeking site-specific remediation and adaptation, modifying CIL and introducing a single unified local tariff for all development but at graded rates depending on the size of the development.

2.3 Need for a POS review

- 2.3.1 In the light of the above, there is likely to be some delay, possibly up to late 2012/ early 2013, until CIL or any form of new tariff is adopted by any of the local planning authorities within WNDL areas. The new tariff to replace and/or modify CIL will also rely on the progress of a new 'local plan' (instead of the Core Strategy). In the interim there will continue to be a legitimate role, and indeed a need, for a WNDL POS in some form to secure appropriate developer contributions towards securing necessary infrastructure.
- 2.3.2 This interim solution is required as a matter of urgency to reduce the risk of planning appeal(s) and more generally, to allow the Corporation to stimulate the growth agenda through moving forward those applications which are currently submitted to the Corporation but are constrained/

restricted from moving forward through general Section106 or viability issues. In addition, there is a need to ensure that there is a sound, robust, policy compliant and legally defensible basis for carrying forward those applications and regeneration projects identified within the Corporation's Business Plan. However, such an approach will need to be compliant with current relevant policy and law, whilst also bearing in mind the potential future changes to be pursued by the current Government.

- 2.3.3 Notwithstanding that it is recommended that WNDC progress with the POS review, it is also incumbent upon WNDC to share its expertise and knowledge on planning obligations through discussions and liaison with the LPAs. This would focus on assisting with their preparation of CIL / local tariff and bring consistency and efficiency in the application of both approaches and sums sought/ secured. This would ensure that the objectives and priorities of WNDC towards infrastructure provision are taken into account in the drafting of the CIL Charging Schedule. On a more strategic note, developing a collaborative willingness and capacity may pave the way in the medium term for discussions to begin with the LPAs for WNDC to operate as a collection and spending authority for infrastructure within its administrative area(s).

2.4 Approach taken with the review

- 2.4.1 One of the criticisms of the current adopted document has been that it was only subject to limited consultation with key stakeholders. Whilst WNDC is not a plan making authority and thus any adopted guidance cannot have the status of a Supplementary Planning Document (SPD), it is considered that in order to build greater consensus with both public and private sector partners and to ensure the most robust approach is taken, the various formal stages in SPD adoption as set out in Planning Policy Statement 12, should be followed, as relevant.

- 2.4.2 PPS12 at paragraph 6.3 provides that where bodies other than the planning authorities prepare supplementary guidance this will not be SPD but if the same disciplines of consultation and sustainability appraisal (where necessary) are applied, such information might, subject to the circumstances of a particular case, be afforded a weight commensurate with that of SPDs in decision making. This may be more likely if the district/borough/city councils to which it is intended to apply endorse the guidance, or if the document is an amplification of RSS policy and it has been prepared by an RPB.
- 2.4.3 The formal approach for the process of adopting SPD is set out in the Town and Country Planning (Local Development) (England) Regulations 2004. This is a similar approach to that taken within the WNDC Sustainability Manual.

3. Policy Context and Statute Requirements

3.1 Development Plan

- 3.1.1 Since the adoption of the POS, there have been changes which are relevant in providing the policy context for the review. This includes the adoption of the East Midlands Regional Plan and progress on the Emergent Joint Core Strategy. More detail is set out in Appendix A but it is relevant to note that whilst the EMRP provides the general policy framework it has yet to be evolved locally through the JCS and accompanying Developer Contributions DPD and/or CIL.
- 3.1.2 It should be noted however that the government has already reiterated its intention to 'rapidly abolish' regional strategies and return decision making powers on housing and planning to local councils. Consequently decisions on housing supply will rest with the LPAs without the framework of regional numbers and plans. Whilst this leaves some questions about the 'growth agenda', it is clear from the Open Source Planning document that the government still sees a need to provide for housing and growth generally and anticipates putting in place a number of incentives to encourage house

building. Details on how the transitional arrangements for the growth areas and Joint Planning Committees will operate will be dealt with in a later paper.

3.2 National Policy / Statute

- 3.2.1 Requirements for planning obligations are often set at the national level and taken forward, interpreted and cascaded into the Development Plan, flowing down through regional policy to the local development framework. National policy relevant to the WDC POS includes PSS1, 3, 4, 7, 12, 22, and associated companion documents.
- 3.2.2 The statutory basis for the system of POs remains in Section 106 of the Town and Country Planning Act 1990, as amended. The most recent change has been through the introduction of the Community Infrastructure Levy (CIL) Regulations, 2010. CIL Regulation 122 now sets in law tests which were previously guidance set out in Circular 05/05. This means that as from 6 April 2010 it is unlawful for a planning obligation to constitute a reason for approval in the determination of applications for development capable of being charged CIL if it does not meet all of the following tests:
- Necessary to make development acceptable in planning terms
 - Directly related to the development
 - Fairly and reasonably related in scale and kind to the development
- 3.2.3 These tests were taken into account in the preparation of the original POS as they were contained within Circular 05/05 and therefore were relevant national policy advice. However the effect of them being put into regulations is to make them statutory requirements and thus where relevant, they must be complied with.
- 3.2.4 There is scope for a PO to be taken into account as a material consideration but not to be relied upon as a reason for approval. Such circumstances are

likely to be limited and will need to be explained in detail in the relevant committee report.

- 3.2.5 Regulation 123 further restricts the use and number of POs for the funding of CIL infrastructure once CIL has taken effect (a charging schedule has been adopted) or from the 6 April 2014, whichever is the earliest.
- 3.2.6 The reasoning behind these changes is essentially to ensure that CIL and S106 POs can work alongside each other and do not overlap or result in double charging. The changes are intended to clarify the purpose of planning obligations in the light of CIL and to reinforce their purpose in seeking only local contributions towards granting planning permission rather than the more general contributions which are better suited to be secured through CIL.
- 3.2.7 In conjunction with the introduction of CIL, policy relating to the use of planning obligations is being clarified and updated, to supersede the current advice in Circular 05/05. The consultation draft of the 'New Policy Document for Planning Obligations' was published (by DCLG) for consultation in March 2010. This policy document seeks to clarify the application of PO's in the light of CIL and provides more detailed guidance on their working.
- 3.2.8 However, it should be noted that this policy document comprises the thinking of the former government. The new government, prior to being elected, whilst accepting the principle of a levy may choose to amend the current regulations and there is some indication that there may be an even more limited role for pooled contributions under POs. At this stage their approach is unknown. That said, it is considered that any future Section 106 mechanism would still require a robust, well evidenced base to justify and secure infrastructure contributions.

3.3 Implications for the POS review

- 3.3.1 Within the CIL approach it is clear that POs will continue to have a role in seeking a number of necessary obligations, including affordable housing, revenue payments towards infrastructure such as maintenance payments and other non-CIL infrastructure.
- 3.3.2 The CIL Regulation 122 tests are considered to have the following implications for any review:
- Necessary - there will need to be a clear justification for the requirement in that without those obligations the development would otherwise be refused.
 - Directly related - there will be a need for a clear link or relationship between the development and the contribution being sought, either through policy or through a clear impact of that development
 - Fairly and reasonably related - this essentially requires that there is a reasonable / proportionate link between the scale and nature of the proposed development and the level of contribution sought.
- 3.3.3 The effect of the new regulations mean that POs will be subject to much tighter control through Reg. 122 notwithstanding that the tests were previously within Circular advice.
- 3.3.4 In respect of pooled contributions, these will have only a limited role once a CIL is in place. Where a CIL charging schedule is in place (or 6 April 2014 whichever is the earlier), pooled contributions can only be used for infrastructure not included in the CIL charging schedule. However, there will be an interim period before CIL is adopted (or 6th April 2014) in West Northamptonshire during which time it will be legitimate to seek pooled contributions under PO's for infrastructure. Regulation 123 provides that on or after a CIL charging schedule takes effect (or 6 April 2014), pooling of contributions will be limited to five separate PO's for a single piece of infrastructure not included in the CIL charging schedule.

3.3.5 In any event, where pooled contributions are sought, formulae and standard charges should be employed and the levels should be published in advance in a public document.

3.3.6 In addition, given the continuing lack of relevant and up to date Development Plan Document policy and/or infrastructure planning and delivery framework, in order to ensure those decisions taken in relation to strategic planning applications are linked to a holistic approach, there will be a need to identify the necessary infrastructure requirements in an Interim Strategic Infrastructure Schedule.

4. Consultation and Engagement with Key Stakeholders

4.1 In reaching the current stage in the POS review, to ensure that the initial views of key stakeholders and others involved in the planning process were considered an initial consultation in the form of a targeted consultation exercise and key stakeholder workshops have been undertaken.

4.2 A summary of the key findings of these processes are provided in Appendix B. The main points emerging related to viability, lack of funding, inadequate evidence base, poor partnership working and fundamentally a lack of engagement, relevance and certainty surrounding the implementation of the Infrastructure Delivery Programme. That said, the need to review the POS was generally supported

4.3 As indicated above, in order that the revised POS can be afforded 'weight commensurate with that of an SPD' it is necessary for a period of full public consultation to be undertaken on the recommended changes. This will involve an 8 week period of consultation which is longer than set out in the regulations but as it will necessarily involve the summer break it is considered appropriate to extend the usual 6 week period.

4.4 As is required by the regulations, the comments received will be recorded and where appropriate and justified, further revisions made to the POS before the final version is put to Board for adoption in the third quarter of 2010/11.

5. Revision to the POS Mechanism

5.1 Following consideration of the above, it is clear that the POS needs to be reviewed and updated if it is to continue to provide policy/ law compliant guidance to secure contributions and to respond to changes in circumstance. In particular, the completion of the review is required as a matter of urgency to enable WNDG to secure the optimum and necessary level of infrastructure through the current strategic development proposals submitted to the Corporation for determination. There continues to be a role for the POS, in some form, given the gap before any Developer Contributions DPD and/or CIL or other local tariff is likely to be adopted. In the absence of POS, the fall back of fully negotiated POs is also an option, and is considered below.

5.2 A number of options for the Corporation’s future approach to obligations were considered. These were refined to 3 options, of which the key points are set out below.

<p>Option 1 POS unaltered</p>	<ul style="list-style-type: none"> • No changes to Full Standard Charge. • No Changes to Discounted Standard Charge • Commercial development by negotiation. • Accept legitimacy of third party evidence base • Continuation of WNDG banker role. • Refined flexibility for pooling contributions for strategic infrastructure • Maintain charging approach and encourage deferred contributions to resolve current viability issues.
<p>Option 2 POS updated and evidence base tested Small / medium sites to continue to be subject to Discounted Standard Charge (DSC)</p>	<ul style="list-style-type: none"> • Apply PPS12 approach to rigorously assess evidence base against Reg 122 and remove those requirements which are not compliant • Update service costs for inflation and availability of up to date data. • Revise transport costs and/or allow ‘offsetting’ of transport spending by applicants. • Revise DSC based on updated viability and set separately for the 3 areas. • Establish a Discounted Standard Charge for commercial development as a mechanism to bring consistency to

<p>Introduce a clear 'cascade' approach for larger sites and/or sites with viability issues</p>	<p>negotiations</p> <ul style="list-style-type: none"> • Continuation of banker role. • Refine flexibility for pooling contributions for infrastructure • Clarify rules for 'deferred contributions' and 'allocation of standard charge receipts, taking into account viability and likely overall level of contributions • Introduction of a clear 'cascade' approach allowing in-kind / on-site provision to be off-set against POS costs • Introduction of a policy compliance check list for viability assessments • Allow for pooling to continue linked to type of infrastructure and geographic coverage.
<p>Option 3 POS 'abandoned' and all S106 revert to negotiated stance</p>	<ul style="list-style-type: none"> • Supported by existing and proposed charges set out in existing documents / guidance • Set rules for appraisals. • Negotiate 'deferred payments' • Provide 'benchmark contributions' for certain services ie the menu of charges adopted by other LPAs. • Allow for pooling to continue linked to type of infrastructure and geographic coverage. • Contributions received 'automatically' pass to service providers.

5.3 Option 1 involving a continuation of the 'status quo' is discounted due to the considerable number of disadvantages, not least that it would not meet the expectations of stakeholders and would not provide fully robust guidance in the context of the changes identified in 2.2 above.

5.4 Option 2 would involve the full consideration of the evidence base. Through this Option, a judgement may have to be made on the basis of the urgency to complete the review of the evidence base, where there is currently insufficient evidence and/ or little likelihood that this could be developed to meet the required POS Review timetable. In these circumstances, it may be appropriate to hold these elements in abeyance alongside the POS until such time that the necessary evidence is developed. Alternatively, encourage the service provider to concentrate efforts in developing their evidence to meet the timetable of the Local Development Framework.

5.5 In this option a revised Full Standard Charge and Discounted Standard Charge would be set and clear guidance introduced to indicate how on-site / in-kind provision of infrastructure and services would be off set against the charge. The

assessment and approval of an in-kind mechanism would be established through consistent clear framework, set out and agreed with partners through the consultation process. The Corporation, through the Section 106 process would place itself in difficulty if it insisted on a single approach. Developers on the larger developments appear to favour this mechanism through the certainty it brings to both cost and delivery. Therefore continuing to offer both options i.e. a standard charge and/or in-kind provision would be reasonable.

- 5.6 It should be noted that if the current trend of in-kind provision (on large sites) continues, then the anticipated level of actual Section 106 income that the Corporation will receive will continue to reduce. Should the Corporation wish to continue to use this income flexibly, subject to the CIL regulations, then the level of income and its associated cashflow will have to be routinely scrutinised on a case by case basis as applications are approved and permission issued and closely monitored in operation.
- 5.7 Further, the current difficulties faced by the market would be recognised and a transparent approach set out as to how viability issues and deferred contributions would be considered by the Corporation. This would involve a cascade mechanism, where developments which demonstrate either viability and/or cashflow constraints would, following verification, move away from making the simple charge payment toward engaging in an iterative process to establish project viability. This would involve consideration against established criteria to be assessed as part of any financial appraisal including identifying the components to be secured through POs that are necessary to achieve sustainable communities.
- 5.8 Option 3 would involve seeking contributions on a negotiated case by case approach, albeit supported by a tariff schedule backed by public sector guidance on standard charges and formulae. This approach would be the most resource intensive of those considered. Within this Option there would be more likelihood of varying outcomes arising from individual negotiations and resulting

difficulties in resolving competing requirements of the various service providers. In addition, in such circumstances it may be difficult for WNDC to secure monies to spend on identified projects unless specifically provided for within supporting guidance.

5.9 In addition, it is clear from the consultation process that developers favour, in principle subject to the IDP issues being resolved, a standard charge system supported by clear guidance provided that it is properly and robustly justified. Option 3 would enable the pooling of contributions albeit that the overall amount of such monies is likely to be limited given the piecemeal nature of this type of negotiated approach and the limited pool of smaller sites from which contributions would be sought. Other elements of the mechanics of the POS, such as WNDC's banker role, would be lost.

5.10 The above Options have been considered further in the light of practical experience in dealing with current application proposals. This reveals that there is a difference in terms of the preferred approach in relation to the scale of development.

5.11 In essence, the small scale sites (up to approximately 500 units) work well with a tariff approach as it is generally the case that such sites are only able to realistically make monetary contributions towards necessary supporting infrastructure. In contrast, the larger sites, typically those that comprise the main urban extension proposals, provide the bulk of the necessary infrastructure in the form of on-site provision. This ensures that such schemes are fully sustainable in their own right whilst also providing valuable land for infrastructure which may support other smaller sites. These larger scale sites also tend to be the ones where viability and cash flow is a crucial issue and thus negotiations regarding the relevance and level of appropriate contributions tend by their very nature to be detailed and protracted.

5.12 It can be concluded that there is a continuing need for a properly evidenced tariff mechanism which provides a clear, consistent and expeditious approach linked to infrastructure provision, to the determination of smaller scale sites. Experience has shown that this approach is favoured by most developers in giving clarity and certainty in respect of the necessary obligations. In conjunction with this, there is also a need for a more flexible approach which recognises and takes into account current market conditions, whilst also considering the value of on-site infrastructure and determining how this should be off-set against the overall level of contributions which would be expected based on a full tariff approach.

5.13 Therefore following consideration of the available Options and current practice, it is concluded that Option 2 offers the preferred and most flexible way forward reflecting the needs of the public and private sectors and to assist the Corporation in delivering its Business Plan targets. Essentially, this Option would contain many of the features of the original POS, but would involve the necessary updating and testing of the evidence base and clear advice regarding viability assessments and in-kind contributions would be provided.

5.14 In light of the flexibility and robustness that Option 2 offers, it is proposed that Option 2 be introduced as an interim approach prior to the completion of the full review of POS. This approach will provide the added benefit of practically applying this Option and that itself will be used to inform the review process.

6. Revision to the Mechanics of the POS

6.1 Background

6.1.1 The current system is based on a reasonably straightforward system whereby the application of an overall standard charge simplifies the calculation of necessary contribution amounts. Whilst it is considered that the revised POS can still operate in a similar way (ie. based on a revised discounted standard charge related to the costs of necessary infrastructure, taking into account development viability), there is a need for a more flexible approach to be set up to deal with the larger sites and

the issues arising from those and from other issues as set out above. Thus there is a need to review the mechanics of the operation of the system to allow for this and to set out in more detail how those situations will be dealt with.

6.2 Full / Discounted Standard Charge

- 6.2.1 The level of the discounted charge has been given a thorough re-appraisal in the light of the economic downturn. The original level of discounted standard charge was set at £20,000 per unit. It is of note that a recent High Court decision held that it is appropriate to consider both current and improved market conditions provided that is reasonable taking account of the timescales involved. There is also support for the 'residual land value' approach as used in the original POS. It is clear that the full costs of meeting all the necessary infrastructure requirements remains beyond the ability of developers to fund.
- 6.2.2 The funding and delivery of the Full Standard Charge remains reliant on the public sector to facilitate and deliver, and it is clear that in the current circumstances the reconsideration of wider public sector service standards and funding models will be necessary to deliver these full requirements. Therefore, it is concluded that the critical matter remains a developers ability to meet the costs associated with the mitigation of the impacts of their development and hence the review focused on assessing the level of the discounted standard charge (DSC).
- 6.2.3 The full viability assessment has been undertaken as part of the Review and the key matters of note are set out below:-
- there is a local land value level at which owners are likely to sell
 - whilst there is no doubt that the sharp downturn in sales values has stalled many schemes there are signs of improvement, though it is noted that buyer confidence has been hit by lower mortgage availability

- current modelled residential values do not take account of all off-site or extraordinary costs, such as highway costs to both the local and strategic networks
- the standard charge cannot be too punitive otherwise it will not be readily accepted in the majority of cases and contested
- in 2007/08 developers were known to be prepared to accept a (discounted) standard charge of £18,000 and at the Daventry inquiry, contributions in the range £15,000 to £18,000 were agreed.
- whilst the £18,000 level may remain difficult to negotiate, a lower level of DSC may have little effect on some smaller schemes which are more dependent on agreed land value and deals secured with other funders. A lower DSC may also be used as a benchmark by the developers of the bigger schemes. It is thus recommended that the formal DSC rate is reduced to £18,000 and where developers choose to submit viability assessments, WNDC should promote deferred payment contributions (see below).
- Consideration should be given to allowing for geographic variations where these are justified by varying sales values, infrastructure requirements and/or to comply with the CIL Regulations.

6.2.4 It is concluded therefore that there is justification for a reduction in the DSC to around £18,000 per dwelling across WNDC's area for all scales of development in order to ensure that appropriate levels of contribution towards the necessary infrastructure can still be achieved. This may have to be amended in due course to reflect slight geographic variations within each of the three towns.

6.3 Commercial Development

6.3.1 The ability and legitimacy of applying a standard charge to commercial development is more difficult due to the fact that the range of actual / potential schemes and site circumstances are so varied. However, in order to assist negotiations further consideration should be given to the use of a

'standard benchmark' which could be used to assess schemes, particularly those involving greenfield B2 / B8 development where the costs and values are more consistent.

6.4 Affordable Housing

- 6.4.1 The costs associated with the provision of affordable housing (AH) and the effect that this has on scheme viability have been highlighted in the consultations undertaken thus far. In addition, it is noted that in common with many other LPA and appeal decisions recently, negotiations relating to the phased provision of AH and the proportions to be achieved within those phases have been undertaken to enable schemes to be viable whilst still providing much needed AH. Such approaches may also be considered in exceptional circumstances where demonstrated to be necessary whilst ensuring that adequate levels of AH are brought forward.
- 6.4.2 It is noted that in relation to CIL and the 'local tariff' likely to replace it, AH will be exempt. However, at least in the case of the latter, it is noted that the government intends to introduce various incentives to encourage the provision of AH. Currently it is envisaged that this is to be in the form of a 'Matching Fund' which will provide for 125% of the Council Tax for an AH unit to be provided for a period of 6 years.
- 6.4.3 However, until such time as these financial incentives are in place there is still a need to mitigate the impact on infrastructure, services and facilities by AH and thus it is intended that the DSC will apply to AH until such time as alternative funding is available.

6.5 Viability/ Deferred Contributions and Cash-Flow Issues

- 6.5.1 Where issues of viability become apparent, the Corporation should engage proactively with developers to secure the delivery of appropriate forms of development. The approach adopted and degree of engagement will be proportionate to the scale of development proposed.

- 6.5.2 A consistent approach across differing scales of development should be secured through adopting common approaches towards developing and assessing viability assessment by the Corporation.
- 6.5.3 It is recognised that developers are best placed to assess the viability and feasibility of delivering viable schemes and it is not for the Corporation to specify one particular viability model above all others. However, it is critical that a common understanding and language is used to develop and assess viability assessments in an open and transparent way. To assist this process, it will be necessary to develop a standard list of inputs to viability assessment. These should be developed and consulted on as part of the next stage of the review process.
- 6.5.4 Through the review, the difficulties of delivering developments, especially large scale proposals, which are viable and comply with government policy are recognised. Whilst the merits of development must be considered on a case by case basis, it is acknowledged that a degree of consistency and clarity of approach is necessary to expedite the delivery of sustainable growth.
- 6.5.5 It is proposed that a cascade mechanism be introduced which comprises a number of checks to expedite any proposed viability case put forward. In terms of application, it is assumed that the revised DSC is an acceptable benchmark which most developers will be able to afford. In this circumstance, the DSC should be paid in line with the approach as set out in the POS.
- 6.5.6 In those circumstances where a developer submits to the Corporation initial evidence of viability issues associated with scheme delivery, the Corporation should explore with the developer the cause for such concerns. Where it becomes apparent, at a strategic level, that a

development's reasonable costs of delivery cannot be afforded (land purchase cost, Section 106 requirements, construction/ development costs, profit level), then the developer will be invited to participate in an open book appraisal. The requirements of such are discussed above. It should be noted, that those invited should not assume that planning permission will be issued in due course, as the Corporation has an overarching objective to deliver sustainable development which fulfils national policy requirements.

- 6.5.7 There is also a recognition that a viability assessment may lead to the construction of a complicated set of Section 106 requirements which necessitate the need to move away from WNDC's standard Section 106 template (see deferred contributions/ timing of payments etc below). A decision on the appropriate Section 106 approach must be taken having regard to the particular circumstances of each case..
- 6.5.8 As the cost of the POS is set at a reasonable level, any variation from that level will place an unexpected additional burden upon the Corporation's financial and staff resource. In acknowledging and applying the need for a flexible approach to resolve concerns over viability, it should be expected that the development industry make a reasonable and proportionate contribution toward meeting these additional costs. It is proposed that views are sought as part of the consultation process for small/ medium sized developments (up to 500 units) to pay for the full costs of independent financial evaluation(s) and for large scale development to pay 50% of the costs of independent financial evaluations as a minimum.
- 6.5.9 As indicated above there remains a need to consider, in exceptional circumstances, whether a mechanism to allow deferred contributions is appropriate. In general this allows for a reduced amount to be paid initially with the deferred element being payable, subject to certain predetermined viability criteria being met, at a later date. Such an

approach is contained within the current POS. This position has been re-appraised and informed by the briefing note prepared by WNDC's legal advisors. A copy of the note is provided within Annex C.

- 6.5.10 The adopted mechanism will be based on the principle that the developer will know the maximum liability at the start of the development but may pay less if market conditions and scheme viability do not facilitate full payment. The briefing note proposes a number of options for taking forward the deferred contribution mechanism and views on the appropriate mechanism will be sought through the consultation process.

6.6 Timing of Payments

- 6.6.1 Currently the POS seeks a standard approach to the payment of monies in a set way, 25% on commencement with regularly timed quarterly payments thereafter based on unit completions. Whilst deferred payments are recognised as an alternative mechanism to accommodate viability or cash flow issues, these need to be expressed as deferred contributions (simply collecting later what was due initially) in order to avoid criticisms that they could be interpreted as a form of profit sharing.
- 6.6.2 Clearly the current POS does allow timing of payments and the levels paid to be varied depending on circumstance. In order to resolve criticisms of this mechanism, there will be a need to ensure that this is taken forward and considered fully as part of any review.
- 6.6.3 The employment of a 'Long Stop Date' ie. that all monies will be payable within 10 years of commencement, may become questionable. The recent draft planning obligations document is likely to require unspent monies to be returned. However, given the build out periods for many of the sites, the limited Section 106 funds available and the need to ensure that infrastructure is ultimately delivered, it is considered that this matter

should be considered further with private and public sector partners through the review process.

6.7 Interim Strategic Infrastructure Schedule & Revised Annex A Schedule

- 6.7.1 The Annex A list contained within the POS was based on a number of existing guidance documents and established mechanisms for securing necessary infrastructure and facilities arising from development, most notably that contained within the County Council's document. Other local and national guidance was also considered. The POS was also based on the Corporation's own assessment of the likely infrastructure needed to support the growth to be set out in the developed IDP (Infrastructure Delivery Programme) which included a number of projects which WNDC would be actively involved through their regeneration remit.
- 6.7.2 However, a fully detailed and tested IDP was not consulted upon and agreed with third parties and this inadequacy was a repeated criticism of the current POS regime, as identified through the consultation process, and has caused many concerns with regard to the timely delivery of necessary infrastructure. It has become clear through the consultation process that whilst the process of POS collection of monies was in principle supported, the lack of a clear link and accountability in the spending of those monies and thus the delivery of necessary infrastructure was seen as a fundamental shortfall. Thus, in seeking contributions there is a need to provide information as to how and when those monies are expected to be spent. This will give clarity and certainty especially to those developers of smaller sites who will wish to be confident that the supporting infrastructure and services will be in place in a timely manner to support their development.
- 6.7.3 The Corporation is involved in the production of the Joint Core Strategy (JCS) IDP. However, that process is unlikely to provide the necessary

information within a timescale which will enable it to be taken into account in the POS review nor prove useful to feed into the determination of the Corporations key Business Plan targets for this year. In addition, it may be that there is further delay in this process whilst the new system of 'Local Planning' is set in place - and it is noted that a strategic level infrastructure plan may be drawn up at County level with the cooperation of all relevant partners.

6.7.4 Therefore, in the absence of a fully detailed and agreed Joint (IDP) an Interim Infrastructure Schedule will be drawn up based on existing and known requirements, including those arising from consultation with key service providers, associated with existing development proposals. It is considered that these provide a reasonably good indication of the amount and locations of development proposals which are likely to be considered by the Corporation and will assist in meeting the short to medium term growth requirements. This will be taken forward as part of the consultation process and it is anticipated that this will be developed further through feedback and dialogue with public and private stakeholders.

6.7.5 A draft list is attached at Annex E.

6.8 Existing POS Annex A Appraisal & Evidence Base

6.8.1 An appraisal of all infrastructure items included in the existing POS Annex A has been undertaken to include a review of the relevant policy base, a CIL Regulation 122 test and reconsideration and update of the relevant evidence base. These elements are interlinked to some extent but are necessary requirements flowing from the Regulation 122 'tests'.

6.8.2 This has led to the deletion of some items from the list on the basis that they did not appear to comply with the Regulation tests or evidence relating to project programmes / costings could not be provided. In

addition, it has led to some items being combined where this is appropriate and justified. Additional items have also been added and justified in policy terms, where it is considered that they form a necessary addition to the creation of sustainable communities.

- 6.8.3 Work is continuing on the collection of the evidence base and it is anticipated that a number of those items currently identified as carrying insufficient evidence will be justified in due course. To reduce the potential for confusion unit costs have not been included at this stage.

6.9 Financial v. In Kind Contributions

- 6.9.1 As referred to above it has become apparent through experience of dealing with current proposals and through the negotiations associated with the Daventry proposals that a distinction can be made in respect of the process to be followed for different size / scale of developments.
- 6.9.2 In practice this has meant that in relation to the smaller / medium scale schemes the payment of a standard charge (DSC) is generally accepted by developers as being the most straightforward and acceptable means to provide for the necessary infrastructure and other impacts arising from their schemes. This is particularly because such schemes are unable or it is impractical for them to provide on-site facilities.
- 6.9.3 In contrast, large schemes usually provide for a high proportion of the infrastructure requirements to be met on-site, such as schools, playing fields and community facilities. The provision of such 'physical' infrastructure is generally to be encouraged and enables the timely provision of necessary facilities as part of the scheme development. However, there will continue to be a need to seek some contributions towards facilities or infrastructure projects in respect of which it is not possible or practical to provide for on-site. In these circumstances a

'hybrid' approach will need to be taken and guidance set as to how such schemes will 'cascade' from the contributions (DSC) approach into the on-site provision approach.

- 6.9.4 The details of how such schemes will work in practice are being considered further but most importantly there will need to be guidance which sets out how the value of the in kind infrastructure is to be off-set against the value of relevant contributions, to include an appropriate land value.

6.10 Collection and Spending of Monies

- 6.10.1 The WNDC 'Banker role' is more limited than was envisaged when the POS was first being developed. As a consequence of market conditions and the approach taken by developers toward POS, the overall level of monies received is limited. This is due to the proportion of contributions secured from the small sites and the concentration of infrastructure on large sites, where the preference of developers is to provide in-kind provision. There have also been occasions where the payments of contributions secured are directed to the service providers, rather than being held by the Corporation.
- 6.10.2 Continuation of this approach is likely to have an impact on WNDC's ability to use such Section 106 contributions to directly provide strategic infrastructure or to secure external funding in order to support the delivery of elements of infrastructure.
- 6.10.3 In addition, it is understood that public service providers may wish to see monies 'ring-fenced' to provide certainty in terms of securing all of their identified growth priorities. Reliance solely on the POS to deliver such infrastructure is unlikely to be practical or acceptable to the Corporation,

given the levels of income received and the approach adopted by developers to provide in-kind contributions.

6.10.4 It should also be noted that this would not reflect the CIL approach, whereby once the charging schedule has been agreed and comes into effect, monies will be spent on various items of infrastructure as set out within it, ultimately the charging authority decides on the priorities. It may be that a similar approach is taken whereby WNDC in negotiation with service providers may consider 'ring-fencing' a proportion of monies provided full justification is provided.

6.10.5 That said, the Regulation 122 tests will require monies spent to be 'directly related' to the development. As such there will need to be a tighter control in terms of the relationship between the contribution and the infrastructure / service on which it is to be spent. This in practice is likely to mean that consideration will need to be given to 'geographic' links as well as functional links to the collections and spending of monies. This may in turn lead to a variation between the levels of tariff applied and spent in the different locations and restrict the ambitions of both the Corporation and public sector partners to ring fence and spend monies flexibly across West Northamptonshire.

6.10.6 These issues combined are likely to also reduce the significance placed upon the governance and decision making structures surrounding the POS. Publication of this information as part of the POS Review is likely to benefit WNDC and its public sector partners.

6.11 Partnership Working

6.11.1 It is of course key to any approach that WNDC maintains close working relationships with its key partners and this will be particularly important in

agreeing overall charge levels, and the delivery of projects through the Interim Infrastructure Schedule.

6.11.2 Partnership working will also enable full consideration to be given to all funding sources and will enable WNDC to consider either on its own or with partners issues of forward funding.

6.11.3 In addition, WNDC will maintain close liaison with the other LPAs and assist them wherever possible in their preparation and adoption of CIL. It is intended that the POS review will align with these processes and continue to secure contributions towards the necessary supporting infrastructure as an interim measure before the LPA's CIL charging schedules are in place.

6.12 Funding and Delivery Approaches

6.12.1 Funding and delivery remain key to the creation of sustainable communities and the consultation process so far has revealed these issues as of importance to both public and private stakeholders. Contributions derived through the POS will provide only a proportion of the total costs of infrastructure and thus the ability to secure other means of funding to ensure it is actually delivered is fundamental.

6.12.2 WNDC is in a good position to secure funding through various means and to play a key role in bringing forward infrastructure programmes and projects. Of particular importance is the need to continue to secure this through partnership working, as referred to above, in understanding the roles and plans of key providers and assisting in the drawing up of infrastructure programmes. Funding is of course key to these programmes and WNDC will continue to engage with key partners and others with a view to ensuring as far as possible that funding is available so that the infrastructure can be provided in a timely manner.

- 6.12.3 There may also be a role in terms of partnership funding involving the public and private sector. WNDC intend to investigate how such partnership arrangements might work and how the private sector might be able to assist with funding and delivery in both a traditional and 'innovative' way(s) - it may be that there are other means by which certain facilities and services can be provided; it is noted that the current government has indicated that Housing Trusts may have a role in the provision of affordable housing for instance.
- 6.12.4 WNDC may also consider the possibility of seeking and engaging with other external funding sources, eg. institutions, charities, and other non-profit organisations to deliver investment, regeneration and growth. Opportunities to progress with these options should be considered in due course.

6.13 Monitoring and Review

- 6.13.1 The continual monitoring and review of the process and full accounting for monies received and spent is a key element of any system. This was recognised through the Corporation's consultation process as a key concern of the current operation of the POS.
- 6.13.2 Emerging government policy suggests that there should be systems in place which enable interested persons to access information regarding proposed and agreed POs. In addition, it is recommended that authorities publish on their websites on a quarterly basis details of all POs agreed and delivered, including any monies received that remain unspent and their intended use. The monitoring of such POs is identified as an important way of ensuring their contribution to sustainable development. These approaches are generally recommended in any option.

7. **Risk and Budgetary Considerations**

- 7.1 Of the Options considered, Option 2 is considered to carry the least risk from planning appeals and is most likely to carry the least overall resource implications.

This is concluded as the Option is likely to be the most acceptable to both the public and private sector partners, through being reflective and responsive to market considerations and bringing greater certainty and clarity to the decision making process.

- 7.2 In progressing the POS Review, consideration should be given to the resource implications of the Options considered. Option 1 although requiring the least resource, would have the greatest risk of challenge and failure (see above). Option 3 would have greater resource requirements than that of Option 1 to revise and seek approval for any revisions. In addition, this Option would have significant resource implications at the operational level associated with the negotiation of individual applications.
- 7.3 The preferred Option, Option 2, would require greater resources than Option 1 to revise and seek approval from Board, but fewer resources than Options 1 and 3 during operation. All Options would also require additional budget provision towards the cost of appraising developer finance to be provisional allocated. Currently, through the existing POS (Option 1) the cost exposure of this is between £5,000 - £15,000 per appraisal, although agreements have been secured from developers to either pay fully for these, in the case of small applications or to a 50:50 cost share on the large proposals.
- 7.4 Moving forward it is proposed that this approach be formalised within any review and the Corporation seek to reduce its exposure. This could be potentially achieved through playing a greater role in the appraisal process, streamlining consultancy input to appraisal and establishing internal appraisal benchmarking thresholds. That said, there will still be a requirement to have a budget allocated to this work, the extent of this would be depend upon the number, scale and complexity of appraisals to be undertaken.

7.5 Funding to date to undertake the POS Review has been secured through the Daventry Co-joined Inquiry budget, due to the inter-relationship between the appeal and the POS.

7.6 That said, the extent of the tasks required as a consequence of the enactment of the CIL regulations and the initial consultation process have evolved and expanded. There is a need in carrying the project forward, to ensure a CIL Regulation compliant and robust approach is adopted, which is developed in close liaison with public and private sector partners especially the JPU. These tasks and associated timetable, are subject to Board approval, likely to extend beyond the current project completion date (September 2010).

7.7 In seeking to minimise the level of additional cost, a review of current tasks and resources has been completed. This highlighted the opportunity to reduce the input of certain specialists. Although saving a degree of the necessary additional funding, this is not sufficient to cover all additional costs. It should be noted that, in taking forward Option 2, there will be a requirement to commit additional funding to the project over that secured. In order to manage budget and risk considerations, an internal highlight report has been operated to date. With on-going commitment to the project and the issues and risks associated apparent, as noted above, it may be timely to transfer this informal approach to the Corporation's corporate approach.

8. Conclusions

8.1 It is concluded that there is a continuing legitimacy for a standard charge / tariff approach albeit that there is a need to review, as a matter of urgency, the need for and unit costs of the infrastructure items which make up that charge. In addition, there is a need to adopt a more flexible and clear approach to sites which face viability or cash flow issues, especially large scale proposals and. in recognition of the value provided in terms of on-site infrastructure and the overall contribution of this to the creation of sustainable communities. In this

context, it is recommended that Option 2 is preferred and that it should be taken forward as part of the on-going review process.

8.2 In the interim, prior to the Corporation formalising its approach to the Section 106 process, it is necessary, to continue with the assessment and determination of the current range of planning applications submitted to the Corporation and also with the provision of pre-application advice. To reflect current circumstances, CIL Regulations and current public/ private sector engagement, this approach in practice would be similar to that of Option 2, minus the application of the Infrastructure List. This is required to allow the Corporation to continue progress toward meeting its Business Plan Objectives, limit the risk of planning appeals and to continue allowing the Corporation to achieve its strategic growth and regeneration objectives.

8.3 To support the above, the following next steps are necessary to;

- Continue engagement with public and private sector partners to progress current planning applications
- Feed into the review process and prior to the determination of any planning application fully check any policy and infrastructure requirements against CIL Regulation 122
- Engage and liaison with the Joint Planning Unit and respective Local Planning Authorities to prepare for the formulation of the CIL provisions.
- Undertake public consultation with respect to the proposed option and associated mechanics.

8.4 As previously rehearsed, the public consultation exercise should be undertaken in accordance with PPS12 and supporting regulations to ensure as robust an approach as possible and allow the Strategy to be afforded maximum weight, given that any document cannot be formally adopted as SPD.

8.5 Following an assessment of the consultation responses received and any necessary amendments to the POS completed a finalised draft POS would be presented to WNDC Board for approval.

8.6 It is considered that, subject to resources, a finalised Revised POS could, following the assessment of consultation responses received and the government policy position being maintained, be presented to the Board for approval and publication in quarter 3 of 2010/11.

LIST OF ANNEXES TO BRIEFING PAPER

ANNEX A: Policy Context and Statute Requirements

ANNEX B: Initial Consultation Responses

ANNEX C: Deferred Contributions Report

ANNEX D: Revised POS Annex A

ANNEX E: Draft Interim Strategic Infrastructure Schedule

Annex A: Policy Context and Statute Requirements

- a. Development Plan
 - i. Since the adoption of the POS, the East Midlands Regional Plan (EMRP) has been approved. Policy 57 requires LPA's, developers and statutory agencies and other stakeholders to produce delivery plans outlining infrastructure requirements to secure the implementation of the Local Development Document's. These should include guidance on the appropriate level of developer contributions and the mechanisms for securing their delivery.
 - ii. The adoption of the EMRP had the effect of superseding the Structure Plan with the exception of policy SDA1 relating to Strategic Development Areas (including mixed use urban extensions at Daventry and Towcester). The supporting text sets out that planning authorities will use planning obligations to secure necessary infrastructure, facilities and services to support the development, either through direct provision on-site or off-site through developer contributions.
 - iii. NBC Local Plan – policy E19 (Implementing Development) and Appendix 1 of the LP which sets out types of infrastructure which may need to be funded by development; SNDC IMP1 (Developer Contributions) plus Developer Contributions SPG; DDC –Interim SPD.
 - iv. The (Emergent) Joint Core Strategy – the publication version is due in October 2010, thereafter with the submission version published in March 2011. Following examination, it is intended to be adopted in December 2011. The Developer Contributions DPD – work has started and publication is due in November 2010. Thereafter the document will be submitted in November 2011, with a programme for adoption in August 2012.
- b. Statute and National Policy / Guidance of Note
 - i. S106 of the Town and Country Planning Act, 1990 (as amended)
 - ii. S216 of The Planning Act, 2008.
 - iii. The Community Infrastructure Levy Regulations, 2010 (CIL)
 - iv. Circular 05/05, Planning Obligations, 2005.
 - v. Consultation Document - New Policy on Planning Obligations, March 2010.

Annex B: Initial Consultation

POS REVIEW - RESPONDENT KEY

PUBLIC SECTOR RESPONDENTS	
3	EMRA
5	Natural England
6	HA
7	English Heritage
8	Northants Police
9	Wildlife Trust
13	PCT
15	HCA
16	Sport England
19	WNDC (internal)
20	DDC
21	WNJPU
22	NCC
23	DVT
24	NBC
PRIVATE / DEVELOPER RESPONDENTS	
1	Derwent Living (Social Housing)
2	Abbeyross Property Consultants
4	KLW
10	Drivers Jonas (for L&G)
11	Woolf Bond Planning
12	Turley Associates
14	CBRE (on behalf of GARBE)
17	Croudace
18	Pegasus Planning (Bloor Homes and Persimmon)

POS REVIEW – RESPONDENT TABLE: KEY ISSUES ARISING

ISSUE	REF. NO.	RESPONSE / COMMENT
1. Need for / support review / continuing relevance	3, 4, 6, 8, 10, 13, 14, 18, 20, 21, 22, 23, 24	A number of respondents see the POS as an important means to secure additional funding from the growth to support necessary infrastructure. The role of the POS (or whatever replaces it) is clearly key to the sustainable growth of the area as envisaged by the EMRP
2. No need for full review	12	
3. Not fully Circular 05/05 robust	4, 6, 14, 15, 18, 20,	General consensus that tests in Circ. 05/05 need to be properly and fully addressed, although there are likely to remain questions over a 'pooled' approach – however if robustly evidenced and found in policy this should not be a big issue
4. In general conformity with regional policy	3	Given the lack of up to date policy, important to ensure that any relevant regional and sub-regional policies are fully referenced – this is an area where the current document could do with a fuller consideration / coverage
5. Links with JCS / IDP key / align with DPD Developer Contributions	3, 4, 6, 8, 13, 14, 21, 24	Number of respondents saw this as a key linkage and given the stage of JCS / DPD production was a clear need to ensure that they work together
6. Further work required on infrastructure assessment and requirements (What is needed)	3, 4, 6, 8, 12, 13, 20, 21, 22, 23	A number of respondents saw this as a key weakness in the existing POS – there appears to have been insufficient and fully evidenced testing of existing infrastructure to provide a baseline against which the need for further infrastructure is required (arguably not in Daventry though) – there is a need to ensure that growth is as sustainable as possible and thus ensure that existing infrastructure is utilised as efficiently as possible. This seems a logical approach and supports the 'new' system whereby the core strategy and site allocation process is undertaken at the same time as infrastructure planning so as to identify what is required and its timely delivery.
7. IDP needs updating– involvement with public agencies & key stakeholders (when / priorities)	4, 6, 8, 11, 12, 13, 14, 18, 20, 22	Many respondents virtually all public sector expressed their concerns over this issue – but at the same time make clear indication that they welcome involvement and would be prepared to undertake a fully cooperative / consultative process to ensure that the work is as comprehensive and informed as possible. The stakeholder workshops should be a good forum for such discussions and could may be pave the way for more regular meetings if considered appropriate / necessary.
8. Should align with / pave the way for CIL	6,8, 10, 13, 14, 20, 21, 22, 23, 24	Divergent views were expressed as to how successful CIL will be and some expressed concerns over specific issues – however as government appears to be heading towards its introduction in some form it would be sensible to amend the strategy in a way which fits in with the general CIL approach. Generally this is what the POS does, though as indicated above there needs to be a much clearer link / justification through an infrastructure planning process and clear accountability / deliverability – funding is also a clear element to the overall approach with CIL clearly seen as a way to 'fill gaps' in funding overall

9. Should not align with CIL	2, 4, 12	
10. Need to further explore / investigate funding – what will POS provide	2, 6, 8, 11, 13, 15, 18 20,	Linked to points in 8 above – there is a need for a clearer indication to be set out as to what level / proportion of funding the POS monies will provide.
11. Need for more certainty to support specific infrastructure / ring fencing	6, 8, 13, 22	There is some concern that monies received through the POS do not / will not actually go towards all the infrastructure that is needed – as this is a pooled approach, there is likely to be a need to prioritise schemes and clearly some projects can only go forward once the funding has been secured. The CIL approach makes a clearer link between contributions and specific infrastructure elements – this may need to be given further consideration
12. Need to review tariff level in light of risk investment costs / economic climate	4, 11, 14, 18, 20, 24	Generally accepted that an ‘economic / viability’ re-assessment is needed, however number respondents also made the point that a similar consideration needs to be given to available funding for infrastructure as well – there is less public money ‘out there’ to fund major schemes thus arguably more reliance should be placed on the ‘growth’ funding itself. This is a difficult balancing exercise – viability is generally accepted as a key issue (and may affect delivery of the growth) but regional policy is clear in ensuring that the growth is matched by the timely provision of appropriate and necessary infrastructure.
13. Cost of AH / CfSH should be given more weight / consideration	11, 24	Whilst not many respondents referred to this matter, there is perhaps a need to consider the arguments – the provision of AH is key to the governments policy of sustainable communities but has proved to be the area where ‘sacrifices’ have been made in terms of negotiations through S106 agreements. A deferral or phased negotiation on appropriate levels may be one way of dealing with the issue (as in Daventry appeals).
14. Section on viability needs review / more flexibility / consideration	4, 12, 13, 14, 15, 18, 20, 22, 23, 24	Although some respondents thought that the existing wording in the POS was adequate in addressing this issue, the general consensus was that more thought / information was needed –albeit this is something that is always open to negotiation. The issue is possibly more to do with the basic assumptions on matters such as land values, sales values, etc which is related to the basic rate of the standard charge (linked to 12 above) – this matter is being looked into by ERM
15. Background evidence update required	4, 6, 9, 15, 18, 22	Areas of weakness were identified through the Daventry inquiry although this was not a major issue for respondents – there is however a clear need to provide robust evidence of all contributions sought – much of this will need to come from public sector stakeholders – a matter to be stressed in the workshops?
16. Deferral of payments not reasonable / reasonable	14 / 10	Perhaps some consideration should be given to this matter though clearly not a big issue for most
17. Apply geographic variations – yes / no	4, 10, 12, 15, 20, 21, 22, 23, 24 /	Seems to be general support for this – particularly if fully justified / evidenced. Also need to base on possible division between strategic and local infrastructure requirements (eg. some larger public sector providers (police) saw no need / reason to vary as costs tend to be the same across the whole County. Support also

	6, 8, 13	on viability base to encourage brownfield development rather than Greenfield and in CAA.
18. Apply to commercial – yes / no	6, 13, 15, 20, 21, 22, 23, 24 / 8, 10	General support for this particularly from public sector respondents. Again needs to be fully evidenced / justified – may not be as clear links to some areas as with residential.
19. Should apply per sq.m.	20	
20. Need for more balance between cumulative (pooled) contributions (strategic / local?) and site specific requirements	1, 20, 21	These comments would seem to support the geographic variations where local variations to necessary infrastructure may be more obvious. Need to take into account some larger elements which may be more central (eg. Services or facilities provided in Northampton only? - links to its role as the PUA and how this should grow)
21. Annex A too generic / needs refinement / change / updating	1, 7, 13, 14, 15, 18, 20, 21	A number of additional potential infrastructure elements suggested – allotments the most popular. These should all be (at least) given consideration – many could be incorporated within existing items perhaps?
22. Further justification / updating of unit costs required	5, 8, 9, 11, 13, 14, 18, 20	Linked to the evidence base / infrastructure issues referred to above – need for more information on costings / and how they are to be apportioned etc.
23. Should be varied for different types development (eg AH, social)	1	Not much support for this but need to consider how the viability of such schemes might be affected – arguably this is already catered for through the negotiated approach
24. Longstop date for payment on bigger schemes too soon	14	Surely something that can be varied through discussion / negotiation – on the really big schemes would seem sensible?
25. Clearer info on where monies will be spent / have been spent (monitoring report)	1, 4, 6, 8, 10, 12, 14, 15, 20, 21, 22, 23, 24	Almost unanimous support for clearer scheme of reporting on monies collected / spent (and is referred to in the current document?). This would reflect the suggested CIL approach and seems entirely legitimate and reasonable – suggestion that could be published or managed on the web could/should be investigated
26. WNDC – accountability & delivery – lack of links with development	4, 11, 12, 14, 20	This is really linked to 25 above – clearer reporting will ensure better accountability. The link with development should come out of a better infrastructure planning regime.
27. Model agreement needs updating	14, 19	Agreed – provide something on line with appropriate help / links to various issues?
28. WNDC legacy – what will happen with monies	8, 11, 15	Thought needs to be given to this – should not be difficult to give an indication of how it is expected that this will be dealt with?

THEME PAPER

Further to the above meeting this paper has been drafted to record the key points / main themes emerging from the day together with the actions points emerging and next steps. These themes are broadly set out in the order recorded and do not necessarily reflect a ranking of importance or priority.

Key Points and Main Themes Emerging

1. **Common Vision** – with a reduction in access to funding streams and a reduction in the overall level of funding available, it is a necessity for the public sector to work with increased effectiveness and efficiency to an agreed vision. In order to deliver the vision increased coordination, consensus and a common understanding will be necessary between the public sector partners. This will have to be extended through effective engagement with a wide range of delivery partners from all sectors to ensure that the growth agenda is delivered in a high quality sustainable way.
2. **Involvement of Stakeholders** – this will be fundamental to taking forward a shared vision and coordinating the effective delivery of the growth agenda. Understanding of each others agendas and abilities to affect delivery will be critical.
3. **Governance** – this is a critical aspect in taking forward the delivery of the growth and regeneration agenda in West Northamptonshire. This may vary from the short to medium/ longer term. Nevertheless, there is a need to develop a coherent governance structure. This may include the creation of a sub-group of the Public Service Board (PSB). This sub-group would be focused on West Northamptonshire and include the key public sector agencies operating within the area. It would act as a strategic advisory body, identifying priorities in the delivery of infrastructure. The evolution of the governance structure will have to take account of and interact with CLG and the Single Conversation at a strategic level. In the short term there is a role for GoEM (in liaison with CLG) to draw together and promote the co-ordination of input from development and infrastructure authorities and agencies, via the PSB sub-group, on growth proposals. .

4. **Infrastructure Planning** – infrastructure planning continues to be key to the delivery of growth. The totality of infrastructure needed to meet the growth requirement should be developed in a consistent and transparent manner and set within a programme. Access to funding streams and the totality of funding available may necessitate different ways of providing for a particular impact of growth or deliver a particular service. To meet the current needs emerging from existing development proposals a short term or limited infrastructure plan will be needed, with sign-up expected of key agencies and authorities. This will have to recognise and be coordinated with the on-going work of the Joint Infrastructure Delivery Programme to support the Joint Core Strategy.
5. **Housing / Affordable Housing Provision** - issues remain with the delivery, location and provision of both types of housing. Further discussions needed to ensure the timely delivery of both affordable and market housing within urban and rural areas. The important role that rural housing plays in underpinning an areas housing land supply and creating sustainable communities needs to be recognised and balanced with the protection of the intrinsic values of these communities.
6. **Transport / CO₂ / Climate Change** – government now pressing to ensure carbon reductions, zero carbon development – this affects both transport issues and built construction, though the two are separate. Emphasis on means of transport that minimizes emissions rather than enables further car travel; also need to consider fully most sustainable transport options and locations for development – where will it have the least impacts?
7. **Engagement of the Development Industry** – clear need to continue to engage with the development industry, interests of taking delivery forward and ensuring that there is seen to be a joint working approach to solving the delivery issues and problems.
8. **Legacy** – WNDC has significant role in short and medium terms to deliver on existing applications and proposals but there is a need to consider and facilitate the delivery of the building blocks for the medium / longer term.
9. **Local Community / Messaging** – importance of ensuring that the local community are involved; the original growth message was ‘sold’ on basis of infrastructure / jobs first to support the housing – different line of messaging needed to ensure that growth is not unduly hindered and that the local communities see the benefits.
10. **Big Ticket Infrastructure / Alternatives** – the big items of infrastructure are clearly under threat as they are the most costly; in terms of strategic road improvements, also seen to be bringing the least overall gains? Lack of funding will force a re-think in terms of finding solutions to the impacts of development. There is likely to be general movement toward low cost - low carbon solutions.
11. **Short / Medium / Long Term** – due to its limited life time, WNDC essentially concerned with short term but it is recognized that there is a need to consider the medium to longer term in any decisions reached.

12. **Current Development Sites** – there is need to set a series of collaborative workshops to work through the priorities, components and balance the trade-offs necessary to release those current development sites considered acceptable.
13. **Value for Money** – will be important in the negotiation process, and deciding on the priorities that the investment levered maximizes the return to both public and private sectors.
14. **Open / Transparent Approach** – key to collaborative working between all partners and to involve the wider public.
15. **Communication Strategy** – important to set out the key principles and ways in which all involved will work together and how key decisions will be made.
16. **GoEM broker role** - to chair / head a forum of key stakeholders; regular meetings to ensure continuing dialogue and progress made on the issues identified through this first key workshop.
17. **Leadership** – high level buy in to the process of decision making and identifying the way forward. The Public Service Board is likely to have role of ratifying decisions and/or being consulted – it is a significant leadership body but not a statutory decision-making body so absolute decision making role should probably stay within the West Northamptonshire area.
18. **CIL** - need to consider implications and seek to align the Planning Obligations Strategy with CIL in the short term to develop a transparent and robust decision making framework to take forward the current development sites.

Going Forward

1. **Theme paper** – public sector partners are to consider and comment on the draft theme paper; this will be revised and finalised accordingly by WNDC.
2. **Protocol** – a protocol will be drawn up for discussion and to lead the way forward. This will identify who will be involved and responsible at which level for the delivery of the growth and regeneration agenda. This may have differing approaches in the short to medium/ longer terms.
3. **Co-ordination Meetings** –four meeting structures have been identified whose approach and governance will be set out in detail within the Protocol. These are:-

(i) The Public Service Board

This would continue to take forward the wider strategic public service agenda across Northamptonshire and seek to formalize its governance and reporting structures.

(ii) The West Northamptonshire Public Service Board Sub-Group

Authority would be sought from the Public Service Board to establish this Sub-Group. The delivery and co-ordination of growth and regeneration in West Northamptonshire could be the focus of this group's remit. The group could be represented at member/ executive officer level and include a range of public sector agencies delivering services and/or funding towards the growth agenda. Reporting arrangements could involve seeking approval on matters which relate to the wider regional scale and providing regular progress reports. This could be a West Northamptonshire's vehicle to engage within the Single Conversation.

(iii) The Growth and Regeneration Public Sector Officer Group

This would be led by GoEM (in liaison with CLG) and facilitated by WNDC. This would be an officer lead group and focus on maintaining the momentum and seek to co-ordinate and advise on the delivery of the growth agenda. This would meet on a bi-monthly basis. Priority would be given to taking forward appropriate current development proposals and programming the infrastructure facilitation of further growth proposals via providing advice. This is likely to require technical papers and/ or technical officers to assist in the consideration to inform and advise the PSB and determining authority.

4. **Communication Strategy** – develop communication strategy to ensure that full and proper involvement at all levels, to update and consult on key matters; consider use of 'Single Conversation' forum, maybe a 'Wider Conversation'
5. **Prioritisation** – there will be a need to consider and take on board the requirements of current (and often competing) development proposals for the short term. There is recognition that the prioritization of infrastructure and outputs are different depending on short / medium or long term. The Protocol will need to set out how the process of setting priorities is to be resolved and taking forward into the meeting structures.
6. **Infrastructure Delivery Programme** – this will be taken forward through a twin tracked approach. These approaches can be identified as:-
 - (i) WNDC would engage and assist WNJPU in the refresh of the Corporations IDP to feed into the Core Strategy.

- (ii) The prioritization and identification of the short to medium term infrastructure will be defined through the determination (including phasing) of the current development proposals.
- 7. **Governance** – will be derived from finalization of the protocol. It is key for all to agree, collaborate and (in some instances) compromise so that there is clear way forward and as much certainty as possible can be provided within the defined parameters set.
- 8. **Next Meetings** - the following meetings are proposed:-
 - Public Service Board: 28th May 2010 (This is a confirmed meeting).
 - The West Northamptonshire Public Service Board - to be confirmed by the PSB.
 - The Growth and Regeneration Public Sector Working Group: tbc

Further to the above meeting this paper has been drafted to record the key points / main themes emerging from the day together with the actions points emerging and next steps.

Key Points and Main Themes Emerging

19. **Financial 'Crisis'** – development can no longer contribute as before – need for re-think / compromises.
20. **Affordable Housing** – hidden costs to developer, with lack of SHG will become difficult to bear – need to consider other / innovative solutions. But need to balance against meeting the need – those in most need cannot access shared ownership / low cost / other market housing – social rented is the only solution in majority cases. Need to respond to the local agenda.
21. **Funding Gap** – has always been a funding gap, it has just got bigger.
22. **New ways of working needed** – a re-think of the whole process is needed, the mould has been broken?
23. **Key Deliverables** – need to reconsider what can be delivered in context of changed economic circumstances. Key public service providers need to be involved in further discussions to deal with the big issues here.
24. **Prioritisation** – need for priorities to be identified to enable concentrated effort – supporting the existing development proposals in the system is the first priority.
25. **Consider other sources of funding** – TIF (Tax Incentive Fund) – can this work / be used?
26. **Clear Vision needed** – in absence of JCS there is need for an 'interim vision' to make things happen in the short term whilst not prejudicing the medium / longer term vision in the JCS
27. **Sustainability Challenge** – requirements are constantly evolving, but higher code levels are rendering sites economically unviable. Public do not yet perceive sustainable developments as a real benefit so no knock-on effect in terms of sales values to mitigate increased costs? Alternative solutions – developer contributions towards improving existing housing stock where potentially gains are far higher?
28. **Cashflow** – need to build in flexibility to enable development to go ahead of infrastructure provision – deferred / phased payments and provision?

29. **Joint Working** – key to success of delivering current development and to work towards future provision. If can demonstrate successful partnership working now this will assist in the future.
30. **Messaging** – need for the agreed message and vision to be acknowledged and shared by all.
31. **CIL-** need to consider implications, work to align with CIL. Implications of the 3 tests to be set out in Regs for all future planning obligations prior to adoption of CIL.

Going Forward

9. **Continuing Communication** –set up regular (6 monthly) developer group meeting, PM as chair, to consider growth and delivery of sites through WNDC
10. **Impact of Financial Situation** – need to reconsider / change in approach; set new key priorities, investigate funding sources, reassessment of necessary infrastructure requirements including new / innovative solutions to delivery of services and other infrastructure items
11. **Common Approach** – need for all service providers / key public sector stakeholders to ‘embrace’ new ways of working and reassess their infrastructure requirements and methods of delivery.

Annex C: Deferred Contributions: A mechanism to deal with viability issues

1. Introduction

- 1.1. The introduction of the Community Infrastructure Levy Regulations 2010 (CIL) has enshrined the tests in Circular 05/05 into a statutory requirement which planning obligations are now required to meet if they are to constitute a reason for granting planning permission (Regulation 122). Local planning authorities must apply Regulation 122 when determining planning applications, in particular the nature of the planning obligations sought from development.
- 1.2. With the downturn in the property market there has been a real tension between the level of contributions sought by local planning authorities (LPA) and decreased land values which affect the overall viability of schemes. The ability to obtain funding and more stringent conditions being imposed as a condition of funding, is also affecting development viability.
- 1.3. In order to try and address developer concerns, whilst balancing the requirements of the LPA in terms of not stifling development which could bring forward valuable infrastructure and regenerative benefits, there has been a need to consider alternative means by which planning obligations can be secured. One such mechanism has been that of deferred planning obligations, whereby contributions ordinarily payable in respect of development can be linked to the viability of the development as it proceeds. The essential basis being to encourage development to start whilst being satisfied (to the extent it is possible to do so) that over the longer term the full scale of contributions will be recoverable as development progresses.
- 1.4. It is important to stress that the use of deferred contributions should only be used in exceptional circumstances, this is the approach which most local authorities have taken. It is not a mechanism which is used simply to assist a developer where viability is an issue; there needs to be tangible planning benefits which the local planning authority consider acceptable for the purposes of delaying the realisation of contributions properly payable, for example the provision of infrastructure, regenerative benefits or where development is needed to meet the aims of the development plan for the area.
- 1.5. The Planning Obligations Strategy (POS) has acknowledged that use of the deferred contribution method may be appropriate in certain circumstances and will consider its application on a case by case basis. This note deals particularly with deferred contributions, different options available to deal with deferred contributions and how they are dealt with in the POS.

2. Deferred contributions

- 2.1. While LPAs are willing to accommodate developers requests for lower upfront section 106 payments there is the need to be mindful that this should not be at the expense of being able to fund and bring forward infrastructure for their areas. With this in mind it should be explicitly clear that the use of deferred contributions will only be used in exceptional

circumstances. It will be important to consider why an unviable development should be assisted to come forward through the use of the deferred mechanism

- 2.2. The general principles which should be considered before an LPA considers adopting a deferred mechanism structure to any particular case include:
- 2.3. What are the exceptional circumstances applicable to the development which would justify a deferred contributions approach being taken? This can only be considered on a case by case basis. Ideally, LPAs should set out the sort of principles which would enable it to make a decision as to whether any particular development would meet this "exceptionality" test.
- 2.4. Is viability of the scheme genuinely an issue having regard to the nature of the planning obligations which should be properly secured and satisfy Regulation 122 requirements? This can be established through the carrying out of an independent audit. Again it is recommended that an LPA should identify the process through which a developer is required to establish whether viability is an issue. In most instances the developer is expected to meet the costs of the LPA in verifying the underlying viability position.
- 2.5. Where viability is an issue what is the likelihood of the full amount or an acceptable proportion of contributions ordinarily due, being recovered over the length of the development process? If a development is unlikely to ever achieve viability then the LPA is unlikely to recover the full amount of contributions payable and in this instance should consider whether planning permission be refused,
- 2.6. In general the deferred contribution mechanism allows a developer to pay a reduced amount now while a deferred element (the difference between what the actual contribution should have been and what the developer paid) may, subject to certain viability criteria being met, be repayable at some defined time in the future.
- 2.7. This mechanism is based on the important principle that the developer knows their maximum liability for section 106 contributions at the start of the development (through the section 106 agreement) but may pay less if market conditions (and scheme viability) do not facilitate payment of the full set of obligations.
- 2.8. Deferred contribution mechanisms are generally more applicable to larger developments where build out is over a longer period of time and where circumstances are likely to change as time elapses after planning permission was granted but where viability is an issue for the purposes of development getting underway.
- 2.9. It is important to bear in mind however, that a local planning authority, when considering whether a deferred mechanism is appropriate should always be satisfied that when determining the application the application meets with the requirements of the relevant Development Plan. It should also bear in mind whether a reduced planning obligations package affects the extent to which the application is genuinely in compliance. It may be that there are other non-financial benefits which can be secured by allowing the development to proceed which would make the reduced/deferred package acceptable.

3. Deferred contributions: Options

3.1. There are a number of local planning authorities which have formalised their approach to the use of the deferred mechanism. Indeed earlier this year, Atlas, in light of the more structured approach being adopted by LPAs to the deferred mechanism approach, issued the paper "Contingent Deferred Obligations" (January 2010). The topic paper essentially sets out the main principles of the deferred mechanism approach, and offers guidance on how other LPAs should go about adopting their own policies for the use of deferred mechanisms.

3.2. Both London Thames Gateway Development Corporation (LTGDC) and Ashford Borough Council (Ashford) have successfully introduced deferred payment mechanisms. For more detail we would refer you to the base documents themselves which can be found at:

Ashford:

<https://secure.ashford.gov.uk/cgi-bin/committee/index.cfm?fuseaction=DocTrack.getPlanningDoc&PlanningID=842>

LTGDC:

standard legal agreement – <http://www.ltgdc.org.uk/PDF/LTGDC - Standard Legal Agreement.pdf>

Planning Obligations Community Benefit Strategy - http://www.ltgdc.org.uk/planning_information/planning_obligations_community.aspx

3.3. Options

3.4. The deferred element will vary on a site by site basis having regard to the viability of the development. Once the deferred element has been calculated a mechanism will need to be secured in the planning agreement to secure the future payment of this part of the contribution. In all cases, an initial payment of the total contribution payable will be secured earlier on in the development process, this can vary from pre-commencement to first occupation; the remaining part being payable at a later stage, the amount of which depends on the particular option chosen.

3.5. LTGDC sets out three options in their Planning Obligations Community Benefit Strategy (POCBS) although only one option, based on scheme viability, has been taken up by developers. This approach is the same one adopted by WNDC in the POS (i.e. option 1).

3.5.1. **Option 1:** Average sales linked to repayment of deferred charge

The first option links the deferred element to scheme viability by calculating the average value obtained for sales of market housing within a particular period. A base line can be set in a policy document but it is likely that this will be negotiated on an individual basis. If the sales values, on a per square metre basis, exceed the base line figure then the deferred charge will become payable. This is usually in steps up to the standard charge, being the charge at the time the agreement was entered into plus indexation.

However, the amount of the deferred charge repayable after the initial payment has been made is capped at the difference between the standard charge and the discounted standard charge. In other words the sums reclaimed will never be more than the standard charge (total contribution) payable at the time the agreement was signed plus any indexation. As the deferred charge is only payable on market housing a proportion of the deferred charge is lost on any affordable housing units within the development.

The POCBS then suggests that only around 35% of the additional receipts arising from the development will be captured in this way. Having reviewed the model agreement, there is no such explicit clause dealing with this, but the 35% figure is implicit in the model table of values and may act as a baseline figure for individual negotiations.

3.5.2. Option 2: The prevailing discounted standard charge

The deferred charge would be the Discounted Standard Charge applicable at the time the contribution was payable.

This option provides an element of risk to developers as it is arguable that the standard charge could rise depending on the number of developments taking place and/or the level of discount could decrease if market conditions improve. It is arguably that for this reason alone developers are unlikely to adopt this option in their section 106 agreements even though there is a chance that the level of standard charge could go down. However, a key drawback of this approach for developers is that it gives them no certainty as to the level of contribution payable from the outset.

3.5.3. Option 3: Fixing the levels of deferred charge payable at particular dates

The level of the deferred charge is fixed and payable on all completions regardless of whether they are market units or affordable housing. The charge is repayable as and when a certain number of units are completed.

Again this is unlikely to be acceptable to developers as together with option 2 it is not based on development viability. Furthermore, if the charge is capped from the outset and then decreases over time the developer is unlikely to accept that he will be paying more than the going rate.

There is a fourth option, which is to tie the amount of deferred contribution to the reappraisal of later phases of a scheme at the time of commencement of those phases. This allows viability to be reassessed in "present" time rather than predicting the future viability of the project as Options 1, 2 and 3 require.

4. The POS and the deferred charge

- 4.1. Paragraphs 2.42 to 2.48 of the POS set out how WNDC will deal with deferred charges. The option set out here broadly follows the 'option 1' type of approach adopted by LTGDC and

Ashford Borough Council (albeit with some differences). It is our advice that while including option 2 and 3 in the POS would give developers greater flexibility on how they chose to deal with the payment of the tariff these options are not likely to prove popular. The benefit of including them is therefore likely to be marginal. As mentioned above, it should be explicitly clear in the POS that the developer should pay the discounted standard charge and only if he is able to show on an open book basis that he is unable to meet the discounted charge should the deferred mechanism be used.

- 4.2. The POS does provide an incentive to developers to accept the discounted charge. Paragraph 2.41 mentions that if the developer pays the discounted standard charge from the outset then the rate for the site will be fixed at the discount. However, if the deferred charge approach is agreed then the developer will, subject to the scheme meeting viability criteria, be liable up to the standard charge.
- 4.3. The POS however differs from both LTGDC and Ashford Borough Council in that paragraph 2.45 states that “any recovery of the deferred charge will be limited to the amount of the full standard charge applicable at the time that the additional contribution becomes payable”. Normally, it would be the standard charge at the time the section 106 was signed plus any indexation. WNDG are likely to face intense objection to this approach if that is carried through into specific agreements. The biggest drawback with this approach is that the developer will be unable to calculate the exact liability for the development from the outset. Arguably, this approach also creates a tension with the requirements of Regulation 122 of CIL as the relationship between the impact of the development and measures secured by the planning obligations will not be fixed from the outset.
- 4.4. Paragraph 2.46 deals with the timing of payments. The POS currently requires 25% of the “total contribution for the application site” to be payable on commencement. However, this will need to vary on a case by case basis having regard to the viability of the development.

5. Refining the Deferred Mechanism Approach

- 5.1. *The increased use of deferred mechanisms does mean that there has been the opportunity to refine its operation. There are a number of issues which should be considered when adopting the deferred approach to the application of WNDG's standard charge having regard to the following:*
 - a) Be clear whether the charge is payable in relation to all units completed including affordable housing. Although in reality this is mainly presentational since the thresholds/payments will reflect what is viable for the market to bear.
 - b) Be clear if all affordable housing is to be treated the same. If the unit is cascaded then should any exemption apply.
 - c) Identify whether receipts from RSL enter the calculation, for example if there is a greater receipt than the expected level of grant then consider whether the payment thresholds for the payment of the standard charges will be raised.

- d) Assuming that deferred charge payments are calculated yearly be clear about whether charges relate to that year or, whether (if profits are high enough) there is the ability to recover deferred charges from earlier years. It is generally considered that calculating on a yearly basis is simpler.
- e) When calculating the amount to be recovered note that it can only relate to units sold but that it will be paid on all units completed. There is a danger that expensive units will be left to the end of the year. The reason it is tied to completed units is to avoid the LPA having to wait until there is a sale if, for any reason there is any delay.
- f) Consider when the longstop payment gets triggered. It is potentially onerous for there to be an automatic longstop on all units at the end of 10 years following commencement if only one phase has been completed. Consider applying the longstop on a phase by phase basis or that it only kicks in after a specific percentage of units have been commenced.
- g) Be clear whether there is a long stop deferred charge payment and if so at what rate it is to be calculated at, for example is the thresholds set at the final year average or the average of all units built on the site (with appropriate indexation being applied).
- h) Cater for the possibility of new consents post development. If more expensive parts of development are carved out and subject to another consent consider how this will affect the deferred charge payment; for this reason consider building in a protective clause to allow for a good faith rebasing.

6. Setting the Benchmark for Viability

- 6.1. Assessing development viability can take various forms. There are a number of toolkits available for assessing this, developers have also created their own in-house models. In very crude terms there needs to be a consensus between the parties as to what can genuinely be considered to be "costs" of the development as this will set the foundation for assessing scheme viability.
- 6.2. It would seem prudent from WNDG's perspective to try and minimise the amount of time and costs which inevitably get utilised in agreeing the viability benchmark for each scheme. We would advocate, if possible, that WNDG formulate its own minimum criteria (and form) of what a viability assessment should entail. As well as cutting costs and time, this should also be promoted on the basis that it sets a level playing field for all developers seeking to reduce their overall standard charge liability. As part of the updated generic viability appraisals, ERM are looking at ways to standardise the appraisals submitted by developers, so that discussion can be focused on the headline values eg existing use values, costs of construction and sales values. This should make it easier for developers to accept a standard formula for deferred contributions.
- 6.3. The next important benchmark is the criteria which will be taken into account in assessing at what point development which has the benefit of a deferred payment mechanism becomes

obligated to pay back the remainder of the standard charge. It seems that there is probably no precise science and each scheme will be difference.

Annex D: Revised POS Annex A - Initial Assessment (incorporating Regulation 122 test, relevant policy, evidence base)

The previous Annex A list has been reviewed particularly in the light of the CIL Regulations and clearer links with policy and evidence base identified.

WNDC's proposed approach to securing the necessary and proportionate infrastructure to achieve sustainable development and cohesive communities is based around the principle of resource minimization set within a cascade mechanism. In summary, this is as follows:-

- i. use up capacity first within a defined catchment;
- ii. seek to intensify and/or redevelop/ enhance existing facilities within a defined catchment;
- iii. seek to secure financial contributions towards capital construction, land purchase and maintenance costs (as appropriate)
- iv. seek to secure the provision of land within a development (based on a site of sufficient size to accommodate the proposed use)

In taking forward this approach, those developments which provide, due to practical reasons, infrastructure requirements over and above their defined generated need will benefit from in-kind compensation in taking forward their development.

Full costings are to be added at a later date as these are dependent on viability.

Facility	Policy Context ¹	Compliance with CIL Regulation 122:	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
		a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind				
Primary School including Early Years (and all Special Needs)	Strategic Policy 3 (MKSM)	a) Where can be demonstrated that lack of capacity generally will be justified on basis that clear impacts ie lack of infrastructure to support increased population generation b) Generally accepted that where new residential development proposed it will impact on educational facilities within the relevant catchment area; c) NCC evidence so far is not fully detailed enough to demonstrate that there will always be an impact ie. is there any spare capacity within any such areas? Arguably there is a need to identify a more localized approach to support the pooling of contributions and how they will be spent.	(a) Northamptonshire County Council Planning Obligations and Local Education Authority Facilities SPG, which was adopted in 2004 and later updated in 2006, (b) NCC's Draft Planning Obligation Framework and Guidance (Jan 2010); (c) BSF Minimum design standards; http://www.cabe.org.uk/design-review/schools/minimum-design-standard (d) Building Bulletin 98 and 99 NB Based on people generation survey, 2005, which is to be updated this year (2010)	Yes	NO	
Secondary School including Post-16	Strategic Policy 3 (MKSM)	a) In situation of full capacity clear need to contribute to provision of necessary infrastructure b) Residential development – associated population increase / pupil generation c) Per pupil / per dwelling contribution calculated on basis of above but need to consider how in kind to be offset.	(a) Northamptonshire County Council Planning Obligations and Local Education Authority Facilities SPG, which was adopted in 2004 and later updated in 2006, (b) NCC's Draft Planning Obligation Framework and Guidance (Feb 2008): from Tables 7 and 8, derived from Pupil Generation Survey for Northamptonshire County Council, BMG Research, Final Report, May 2005 (c) DTZ's Strategic Housing Market Assessment for West Northants (June 2007): Figure 8.17 – dwelling	Yes	YES	

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	<i>Evidence Base:</i> <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	<i>Cost (per unit)</i>
			<i>requirement by size to accommodate household growth in Western Northants 2006 to 2021</i> (d) <i>Calculated from (iii), (iv) and (v)</i> (e) <i>Calculated from (vii) and (i)</i> (f) <i>Calculated from (viii) and (vi)</i> NB Based on people generation survey, 2005, which is to be updated this year (2010)			
Libraries	Strategic Policy 3 (MKSM)	a) yes – increased population equates to increased demands b) yes – clear links to residential c) Need more localized information to identify capacity / need in separate towns. Any justification for contributions to County wide provision in Northampton?	(a) NCC Library Strategy to 2021 (target of 85% population to be within 2 miles of library – through improved existing or new) (b) NCC's Consultation Draft Planning Obligation Framework and Guidance (Jan 2010); based on Public Libraries, Archives and New Development prepared by Museums Libraries Archives (MLA) South East (June 2008)	Yes	Unknown	
Archives	Strategic Policy 3 (MKSM)	a) No clear evidence base demonstrating need at this time b) Yes – would meet this test as linked to population increase c) Once costs known can meet this test	(c) NCC's Consultation Draft Planning Obligation Framework and Guidance (Jan 2010); Public Libraries, Archives and New Development prepared by Museums Libraries Archives (MLA) South East (June 2008) NB The County Council will be establishing a service plan to highlight the impact of growth on the service and identify where new or expanded services are required to support growth in the	Within Cultural element if justified	-	

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
			county - this provision is referred to in the various Cultural Strategies of the LPA's and it is therefore relevant to include this within the Cultural Investment element if sufficient evidence exists			
Community facilities	Strategic Policy 3 (MKSM)	a) Yes – clearly need to ensure sustainable cohesive communities b) Equally related to residential or commercial development c) Clear relationship between the level of costs related to population increase	(a) <i>SPG on Planning Obligations for Leisure, Recreation and Sport Facilities (2004) Milton Keynes Borough Council??</i> (b) <i>Northamptonshire Community Cohesion Framework, 2006</i> (c) <i>DDC Older Persons Strategy?</i> (d) <i>Daventry District Community Cohesion Strategy, 2007</i>	Yes	Potentially (need to consider variation of existing capacity between towns)	
Play space (equipped and non-equipped)	Strategic Policy 3 (MKSM) H14 & L4, L6(NLP) RC10 (SNLP) RC1, RC12, RC14 (DDL P)	a) Clear need to provide for play space to service residential development b) Clear link between population increase in impact on use / need for additional play space c) Costs of increased provision and maintenance can be identified and linked to population / dwelling increase	(a) <i>Fields in Trust (formerly NPFA) standards</i> (b) <i>Open Space Standards for Northampton Borough Data taken from PMP/ Northampton Borough Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit, Update Report Sep 2009</i> (c) <i>Open Space Standards for Daventry District (Northampton fringe sub-area). Data taken from PMP/ Daventry District Council (2008) Draft Open Space, Sport and Recreation Needs Assessment and Audit.</i> (d) <i>Open Space Standards for South Northamptonshire Council (rural areas) Data taken from PMP/ Northamptonshire District Council</i>	Yes	Potentially (need to consider differing LPA's approaches to adoption and maintenance)	

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
			<i>(2006) Open Space, Sport and Recreation Needs Assessment and Audit.</i>			
Playing pitches	Strategic Policy 3 (MKSM) H14 (NLP) RC12 (DDL P)	a) clear policy requirement linked to population increases b) increase in population has clear and measurable impacts on pitch provision c) requirements and costs known which can be used to identify clear and reasonable contributions	(a) <i>Sport England Toolkit(2nd Quarter 2008)</i> (b) <i>Fields In Trust</i> (c) <i>Sports Facilities Strategy for West Northamptonshire April 2009</i> (e) <i>Open Space Standards for Northampton Borough</i> <i>Data taken from PMP/ Northampton Borough Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit.</i> <i>Open Space Standards for Daventry District (Northampton fringe sub-area). Data taken from PMP/ Daventry District Council (2008) Draft Open Space, Sport and Recreation Needs Assessment and Audit.</i> <i>Open Space Standards for South Northamptonshire Council (rural areas) Data taken from PMP/ Northamptonshire District Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit.?</i>	Yes	YES – See above	
District park		There is no identified project for this provision therefore it is to be included with the general GI provision (to include provision/extension of existing Country Parks, eg. Daventry)		NO (within GI)		

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	<i>Evidence Base:</i> <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	<i>Cost (per unit)</i>
Green infrastructure (GI) (including District Park & Country Parks & Woodlands)	Strategic Policy 3 (MKSM) EMRP policies 26, 28 & 30 H14 (NLP) RC12 (DDL P)	Policy requirement the need for which derives from increased use by rise in population or increase use by local workers / employers / employees; area requirement can be based on population / dwelling or related to increased floorspace	<p>(f) <i>NORTHAMPTON LANDSCAPE SENSITIVITY AND GREEN INFRASTRUCTURE STUDY (Prepared by Living Landscapes Consultancy Ltd On behalf of the River Nene Regional Park CIC Final Report, February 2009)</i></p> <p><i>Open Space Standards for Northampton Borough Data taken from PMP/ Northampton Borough Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit.</i></p> <p><i>Open Space Standards for Daventry District (Northampton fringe sub-area). Data taken from PMP/ Daventry District Council (2008) Draft Open Space, Sport and Recreation Needs Assessment and Audit.</i></p> <p><i>Open Space Standards for South Northamptonshire Council (rural areas) Data taken from PMP/ Northamptonshire District Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit.(Updated 2008)</i></p> <p><i>TOWCESTER LANDSCAPE SENSITIVITY AND GREEN INFRASTRUCTURE STUDY Prepared by Quartet Design on behalf of the West Northamptonshire Joint Planning Unit June 2009</i></p>	Yes	YES – Dependant on local/ scale of development	

Facility	Policy Context ¹	Compliance with CIL Regulation 122:	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
		a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind				
Public realm & Town Centre Enhancements	Strategic Policy 3 (MKSM) Northamptonshire Policies 2 & 3: Northampton Central Area & NIA	a) Mitigation of legitimate impacts on public realm and town centre b) Both residents and workers benefit / place demands upon such infrastructure c) Need for clear costs / details of proposed projects in order to calculate proportionate contributions	<i>Town based centre strategies– DDC, SNDC, NBC</i> <i>Northampton Principal Urban Area Improvements; Central Action Area Plan</i>	Yes – provided the evidence base is sufficient to identify projects & costs	YES plus additional charge for Northampton PUA	
Cultural investment (arts, theatre, heritage etc & archives if justified)	Strategic Policy 3 (MKSM) Northamptonshire Policies 2 & 3: Northampton Central Area & NIA EMRP policy 41	a) Mitigation of impacts b) Increased population arising from residential development would place additional demands on such facilities c) Need to be clear about costs / projects and proportionate amount of contribution required	(a) <i>The Place of Choice A Cultural Strategy for the East Midlands 2006 – 2011</i> (b) <i>Creating Connections – A Strategy for Culture and Sport in Northamptonshire 2009-2012, Northamptonshire County Council (Draft?)</i> © Northampton Borough Council (Interim) Cultural Strategy 2008 – 2013 (section 2.1 for list of properties / programmes / events?)	YES	YES	
Burial grounds / cemeteries	Strategic Policy 3 (MKSM)	a) Clear link to mitigation of impacts b) Link to residential – increase in population within an area – geographic link? c) Directly relate to costs of provision	Open Space Standards for Northampton Borough Data taken from PMP/ Northampton Borough Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit, Update Report Sep 2009. Open Space Standards for Daventry District (Northampton fringe sub-area). Data taken from PMP/ Daventry District	YES	YES	

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	<i>Evidence Base:</i> <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
			Council (2008) Draft Open Space, Sport and Recreation Needs Assessment and Audit. Open Space Standards for South Northamptonshire Council (rural areas) Data taken from PMP/ South Northants District Council (2006) Open Space, Sport and Recreation Needs Assessment and Audit.			
Sports hall	Strategic Policy 3 (MKSM)	a) Mitigation of impacts arising from increased use of facilities b) Can arise both in relation to residential and commercial development as residential population and workforce will use c) Town/County based and relative to capacity?	(a) <i>Sports England Toolkit (2nd quarter 2008)</i> (d) <i>Sports Facilities Strategy for West Northamptonshire April 2009</i>	YES	YES	
Swimming pool	Strategic Policy 3 (MKSM)	a) Mitigation of impacts arising from increased use of facilities b) Can arise both in relation to residential and commercial development as residential population and workforce will use c) Town based and relative to capacity? Is there a County wide facility which needs to be taken into account?	(b) <i>Sports England Toolkit (2nd quarter 2008)</i> (e) <i>Sports Facilities Strategy for West Northamptonshire April 2009</i>	YES	YES (Need for new pools only identified in Northampton (wider area) and Towcester)	
Police Facilities	Strategic Policy 3 (MKSM)	a) found in policy requirement b) residential and commercial development will impact on resources and facilities c) once full projects / costings identified and demonstrated will be possible to satisfy	(a) <i>Northamptonshire Police Draft "Policing Contributions from Development Schemes" (undated)</i> <i>To check latest information</i>	YES	NO	

Facility	Policy Context ¹	Compliance with CIL Regulation 122:	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
Fire & Rescue Facilities	Strategic Policy 3 (MKSM)	<ul style="list-style-type: none"> a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind 	<ul style="list-style-type: none"> (a) <i>NCC's Draft Planning Obligation Framework and Guidance (Feb 2008)</i> <p><i>The above document assumes a continuation of the existing level of service (ie. X persons per fire station) However, there is no justification given for simply continuing with this level of provision nor is there a capital programme to identify where such monies would be spent.</i></p>	YES	-	
Health centre	Strategic Policy 3 (MKSM) Northamptonshire Policies 2 & 3: Northampton Central Area & NIA	<ul style="list-style-type: none"> a) Clear policy requirement / context for provision to ensure sustainable and healthy communities - b) Clear link to population increase c) Known costs of increased provision therefore can be fairly and reasonably related 	<ul style="list-style-type: none"> (a) <i>Government target for average number of patients per GP (implicit in GP contracts)</i> (b) <i>Technical Report on Infrastructure Requirements in the South East 2006-2026" SQW for SEERA (Sept 2006) – advice from Dept of Health (b)</i> (c) <i>Northamptonshire Teaching Primary Care Trust (communication June 2008)</i> (d) <i>Calculated from (ii) and (iii)</i> 	YES	NO	
Dentist (incorporate in health centre)		As these are essentially commercial businesses their provision could logically and practically be incorporated within health centres	(a) <i>Northamptonshire Teaching Primary Care Trust (communication June 2008)</i>	YES (within health centres)	NO	
Acute hospital	Strategic Policy 3 (MKSM) Northamptonshire Policies 2 & 3: Northampton	No current programme for delivery though Estates Strategy nearing agreement / adoption??	(a) <i>Northamptonshire Teaching Primary Care Trust, based on HUDU model (communication June 2008)</i>	NO		

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	<i>Evidence Base:</i> <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
	Central Area & NIA					
Intermediate health care provision	Strategic Policy 3 (MKSM) Northamptonshire Policies 2 & 3: Northampton Central Area & NIA	No current programme for delivery though Estates Strategy nearing agreement / adoption??	(a) Northamptonshire Teaching Primary Care Trust, based on HUDU model (communication June 2008)	NO		
Waste disposal	EMRP policy 38	a) At present there is no evidence that development results in additional costs / need for improved or new services – therefore does not meet necessity test at present b) Yes – would comply if above proven c) Yes – once costs known contribution can be fairly and reasonably related	NCC's Consultation Draft Planning Obligation Framework and Guidance (Jan 2010) <i>NB current review being undertaken in relation to the HWRC provision – no exact costs or projects to provide costings at present</i>	NO	-	
Transport (to be identified separately as Strategic and local requirements)	Strategic Policy 3 (MKSM) Northamptonshire Policies 2 & 3: Northampton Central Area & NIA EMRP policies 43, 44, 46, 51, 52, 53 & 54	Need to set out as Strategic requirements and local requirements (as per the towns) (Costed items associated with Northampton, Daventry, and Towcester, and proposed mainly for funding by developers, County Council or regionally)	"Transport Strategy for Growth", Northamptonshire County Council (Sept 2007): www.northamptonshire.gov.uk/en/councilservices/Transport/TP/Pages/Strategy_Growth.aspx Travel Plans: http://www.dft.gov.uk/pgr/sustainable/travelplans/rpt/makingresidentialtravelplans5775 Town Strategies / costs: http://www.northamptonshire.gov.uk/en/councilservices/transport/tp/pages/def	YES	YES plus possible strategic project contributions	

Facility	Policy Context ¹	Compliance with CIL Regulation 122:	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
		a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	<i>ault.aspx</i> <i>Local Transport Plans:</i> http://www.northamptonshire.gov.uk/en/councilservices/Transport/TP/Pages/LTP.aspx			
Land		Relates to the land element of infrastructure provision and the costs associated with purchase. To be considered in relation to the need to value land which is to be offered as part of in-kind payment NB the calculation of how such value is to be assessed in the case of in-kind (on site physical infrastructure provision is to be carried out on a site by site basis.	<i>To be investigated further – some land value assessments have been undertaken in relation to the viability report.</i>	Yes	YES	
Training	Strategic Policy 3 (MKSM)	a) integral part of creation of sustainable communities and support the development itself b) all development will have an impact on and need for provision of training schemes c) costs of relevant projects can be assessed and related to increases in population / development size	Construction Futures Programme: http://www.constructionfutures.org.uk Link to details of projects and costings: [via WNDG website?]	Yes	NO	
Community Foundation	Strategic Policy 3 (MKSM) EMRP policy 19	a) integral part of creation of sustainable and cohesive communities b) all development will have an impact on and need for community cohesion	Northampton Community Foundation: www.ncf.uk.com <i>Northamptonshire Community Cohesion Framework, 2006</i>	Yes	YES (extent of need may vary between towns but wider needs	

Facility	Policy Context ¹	Compliance with CIL Regulation 122: a) Necessary to make development acceptable b) Directly related to the development c) Fairly and reasonably related in scale and kind	Evidence Base: <i>Sources and calculations</i> <i>Project Details (where relevant)</i>	To be taken forward	Geographic Variations	Cost (per unit)
		c) costs of relevant projects can be assessed and related to increases in population	<i>Daventry District Community Cohesion Strategy, 2007</i>		in addition)	
ADDITIONAL ITEMS						
<i>Carbon Offset</i>	Strategic Policy 3 (MKSM) EMRP policies 39 & 40	a) integral part of the creation of sustainable communities b) all development will have an impact unless it has been demonstrated that through use of sustainable construction and design the development in question would be zero carbon c) Can relate to amount development and take into account what measures are proposed as part of the development		Yes	-	
<i>Adult / Child Social Care?</i>	Strategic Policy 3 (MKSM)	a) integral part of creation of sustainable and cohesive communities b) all development will have an impact on and need for social care unless it is specifically provided for within the development proposal c) costs of relevant projects can be assessed and related to pop. increases	<i>Northamptonshire Community Cohesion Framework, 2006</i> <i>DDC Older Persons Strategy?</i> <i>Daventry District Community Cohesion Strategy, 2007</i>	Yes	NO	
<i>ICT Development</i>	EMRP Policy 25	a) Clear link and requirement of sustainable development b) All forms of development likely to have some impact c) Need for provision can be related to the type of development proposed		Yes	NO	

NOTES:

The following policy context is relevant to all infrastructure elements - Policy 57 of the EMRP provides a general framework and requires the production of delivery plans outlining infrastructure requirements to include guidance on the appropriate level of developer contributions and mechanisms for securing delivery. Policies 1, 2 and 11 also provide general guidance in relation to the regional core objectives, promoting better design and in relation to development in the Southern Sub-area. Policy E19 of the Northampton Local Plan (1997) and Policy IMP1 of the South Northants Local Plan (1997) also provide for ensuring that development provides necessary infrastructure and community facilities.

At the national level there are various relevant Planning Policy Statements (PPS) but of particular note are PPS1 (Delivering Sustainable Development), PPS1 Supplement on Climate Change, PPS3 (Housing) and PPS4 (Planning for Sustainable Economic Growth).

The additional policies referred to are specific to the types of infrastructure / facilities listed.

² SP policy SDA1 only refers to the Strategic Development Areas (mixed-use urban extensions)

The following SPG / SPD is also relevant:

Daventry District Council Interim Infrastructure Document (2004)

Daventry District Council Design Codes (2005)

Daventry District Council Energy and Development SPD (2007)

Northamptonshire County Council Planning Out Crime SPD (2005)

Northamptonshire County Council Planning Obligations and LEA Schools Provision SPG (2004)

Northamptonshire County Council Sustainable Communities Planning Obligations Framework and Guidance, Jan 2010

South Northamptonshire Council's Affordable Housing SPG (2003)

SOUTH NORTHAMPTONSHIRE COUNCIL DEVELOPER CONTRIBUTIONS SPD CONSULTATION DRAFT, (May 2010)

Annex E: Draft Interim Strategic Infrastructure Schedule

Ransome Road - Northampton

Onsite Provision

Community Centre (x1)
Equipped Play
Non-equipped play
Emergency Services (Police/ Fire/ Ambulance Services – space available within community building)
Health Centre/ Dental (community building includes space for these facilities)
Employment Training
Green Infrastructure
Public Realm

Financial Contributions – off site

Primary School (required to serve Ransome Road and Avon Nunn Mills sites)
Secondary School
Library
Swimming Pool
Burial Grounds
Playing pitches (note: NBC currently developing City Meadows Masterplan for adjacent areas of open space/ parkland/ leisure and wildlife resource)
District Park (see note above)

Transport

Off Site

Junction improvement at London Road/ Ransome Road junction (Note: Bedford Road junction improvement costs to be met by Avon Nunn Mills sites)
Commuted sum for road bridge/ footbridge crossing over Northampton- Bedford safeguarded railway

On site

Travel Plan 20% Modal Shift.
Bus stop improvements.
Infrastructure leading up to road bridge

Other

Local retail facilities
Pub/ Restaurant/ leisure facility at Delapre Lake
22% affordable housing (historically agreed on Ransome Road site)
Monitoring contribution
POS maintenance contribution
Flood defence scheme at Upton funded by EP (HCA) to enable brownfield initiative sites to proceed.

Remediation Strategy for former landfill site.

Avon Nunn Mills – Northampton (Likely to be 2 separate applications but joint ES/ TA/ TP)

Onsite Provision

Community Centre (x1)
Equipped Play
Non-equipped play
Employment Training
Green Infrastructure
Public Realm (Waterside public space/ riverside corridor)
Primary School (required to serve Ransome Road and Avon Nunn Mills sites)

Health and emergency services – position uncertain at present. Potential for space within local centre or within the Ransome Road community building.

Financial Contributions – off site

Secondary School
Library
Swimming Pool
Burial Grounds
Playing pitches (note: NBC currently developing City Meadows Masterplan for adjacent areas of open space/ parkland/ leisure and wildlife resource)
District Park (see note above)

Transport

Off Site

Junction improvement at London Road/ Ransome Road junction (Note: Bedford Road junction improvement costs to be met by Avon Nunn Mills sites)
Committed sum for road bridge/ footbridge crossing over Northampton- Bedford safeguarded railway

On site

Bedford Road junction improvements (may be part funded by WNDC)
Improvements/ reinforcements to vehicular bridge across river
Travel Plan 20% Modal Shift.
Bus stop improvements.
Infrastructure leading up to road bridge
Footbridge linking site to Becket's Park/ town centre

Other

Local retail facilities
Pub/ Restaurant/ leisure facility at waterfront
22% affordable housing (historically agreed on Ransome Road/ Avon sites)
Monitoring contribution
POS maintenance contribution

WNDC CPO costs

Dallington Grange – Northampton

Onsite Provision

Primary school (x2)
Secondary school (on site but development not required to fund full school)
Community Centre – within Multi Use building (x1)
Sports Hall (4 court hall likely to be shared facility with school)
Children's day nursery
Library (within multi use community building)
Health and emergency services (within multi use building)
Equipped Play
Non-equipped play
Playing pitches
District park
Employment Training
Green Infrastructure
Public Realm (Waterside public space/ riverside corridor)
Primary School (required to serve Ransome Road and Avon Nunn Mills sites)
Community gardens/ allotments

Financial Contributions – off site

Swimming Pool
Burial Grounds

Transport

Off Site

Contribution to strategic highway improvements – Northampton NW Bypass
Contribution to junction/ signalling improvements at the Cock Hotel junction - Kingsthorpe
Provision of vehicular link through to Kings Heath (not likely to be delivered directly by developer as public sector involvement would be required to achieve this – financial contribution required.

On site

Travel Plan 20% Modal Shift.
Bus stop improvements.
Access road to Harlestone Road forms the first section of NW Bypass (higher level of construction required than if this road was simply a site access plus land to be reserved for future dualling)
Mill Lane junction improvements
Improvements to footpaths/ bridleways
Links across bypass into Harlestone Firs.

Other

Local retail facilities
35% affordable housing
Monitoring contribution
POS maintenance contribution

Upton Lodge - Northampton

Onsite Provision

Primary School (x1)
Community Centre (x1)
Sports Hall (x1)
Equipped Play
Non-equipped play
Playing pitches
District Park
Green Infrastructure
Emergency Services (Police/ Fire/ Ambulance Services)
Health Centre/ Dental
Employment Training

Financial Contributions – off site

Secondary School
Library
Swimming Pool
Burial Grounds
Public Realm

Transport

Off site
junction improves M1 15A and 16;
CVLR;
SLRR,
Weedon Road Bus Lane.

On site

Travel Plan 20% Modal Shift.
Provision of Park & Ride Facility.

Other

1 District Centre & 2 local centres
35% affordable housing
Residents Management Co.
Monitoring contribution
POS maintenance contribution

Grange Park – Northampton

Onsite Provision

Equipped Play
Non-equipped play
Employment Training
Public Art
Land for Employment (up to 10,500 sqm Class B1)
Land for Hotel (circular 0.7 ha)
Open Space/ District Park

Financial Contributions – off site

Primary School
Secondary School
Library
Community Centre
Sports Hall
Playing pitches
Green Infrastructure
Public Realm
Emergency Services
Health / Dental

Transport

Roads
Public transport
Bus shelters
Enhanced bus services
Predominantly off site On site - Travel Plan 20% Modal Shift.

Other

35% affordable housing
Residents Management Co.
Monitoring contribution
POS maintenance contribution
Upgrade of existing foul sewer at Saxon Roundabout
Contamination / remediation

Pineham Village – Northampton

Onsite Provision

Equipped Play
Non-equipped play
Employment Training
Primary School
Community Resource Centre
Sports Hall
Playing pitches
Emergency Services

Financial Contributions – off site

Secondary School
Library
Green Infrastructure – Upper Nene valley Country Park
Public Realm
Swimming Pool
Town Centre Regeneration and Enhancement
Health / Dental
Fire and Rescue Services

Transport

Roads
Public transport
Bus shelters
Enhanced bus services
Travel Plan 20% Modal Shift.
Canal Bridge
Bridleway Upgrade

Other

Local centre
35% affordable housing
Monitoring contribution
POS maintenance contribution

Church Fields – Daventry (Duplicate Scheme)

Onsite Provision

3 primary schools
1 secondary school
Community Centre (incl. sports hall)
Play areas / sports pitches
GI / Informal OS
Extension to Daventry Country Park
Site for a Health Centre
Main and Subsidiary Sports Pavilions
Apprentices (in lieu of training contribution)
Land for Employment (up to 8,294 sqm Class B1)

Financial Contributions – off site

Borough Hill CP
Canal Towpath
Public Realm etc (incl. burial)
Swimming pool
Library

Transport

Norton traffic calming
A5/A45 improvements
By-pass contribution
Local Highway Contribution
Strategic Highway Contribution
PT enhancement
Residential TP
Re-alignment of B4036

Other

1 District Centre & 2 local centres
35% affordable housing
Residents Management Co.
Monitoring contribution
POS maintenance contribution
Undergrounding of onsite 33Kv power lines

Monksmoor - Daventry

Onsite Provision

1 primary school
Community centre
(incl. sports hall& changing facilities for sports pitches)
Play areas/sports pitches
GI / Informal OS
Extension to Daventry Country Park
Site for a Health Centre
Land for Employment (up to 2,000 sqm of Class (B1)and 2,150 live work units)

Financial Contributions – off site

Public Realm etc.
Swimming Pool
Police
Health (in lieu of on-site)
Employment Training
Canal Towpath
Burial Grounds
Library

Transport

By pass contribution
Res. & Employm. Travel Plan
Travel plan coordinator contribution
PT contribution
Bus stop contribution
Pedestrian/cycle improvements to Welton Lane

Welton Roundabout – contribution

Other

1 local centre
35% affordable housing
Community Interest Company incl. Start up contribution
GI / Country Park Extension Maintenance Contribution
Monitoring contribution

Danetree – Daventry (No Requirements Known Apart from Those of The Appealed Scheme)

On-site Provision

3 primary schools
1 secondary school
Community Centre
Site for a Place of Worship
Play areas/sports pitches
GI / informal OS
Sports hall
Site for a Health centre
Land for employment (up to 40,600 sqm Class B1(b) & 1,848 sq m Class B1 (a))

Financial contributions – offsite

Public Realm (Marches)
Swimming pool
Borough Hill
Police
Burial Grounds
Library

Transport

Forward funding provisions for By-pass
Strategic (incl. By pass contrib. and junctions)
PT – bus service & associated enhancements
Res, Workplace & School TPs
TP & TP coordinator contribution
Local Highway Contributions

Other

3 neighbourhood centres
35 % affordable housing
Management Entity incl. Start up contribution
POS Maintenance contributions
Monitoring Contribution
Borough Hill Country Park Extension

Daventry Strategic

Whilton Waste Water Treatment Works – Upgrade
Flore Weedon Upper Heyford Bypass
Highway Improvement Works to A5/A45 Crossroad: Weedon

Towcester Urban Extension – Towcester

Onsite Provision

2 primary schools

1 secondary school

Community Centre

Play areas / sports pitches

GI / Informal OS

Health Centre (D1) between 800m² to 5,000 sq m-

Main and Subsidiary Sports Pavilions

Land for Employment (up to 20.6 ha of employment land to support B1,B2 and B8 uses capable of accommodating up to :-

- 32,240m² approximately B1a/B1b/B1c
- 17,735m² approximately B2
- 13,335m² approximately B8

150 bed hotel and conference facilities

Financial Contributions – off site

Public Realm etc (incl. burial)

Swimming pool

Library

Police

Town Centre Enhancement including public realm improvements

Transport

PT enhancement

Residential TP

Employment TP

TP coordinator contribution

Provision of Towcester south bypass

Improvement to A43 Tove Roundabout (financial contribution)

Improvement to A43 Abthorpe Roundabout (financial contribution)

Local highway network improvements

Other

One local centre and one neighbourhood centre

35% affordable housing (Current SNC policy position 40%)

Monitoring contribution

POS maintenance contribution

Appendix B: West Northamptonshire Development Corporation:
The Planning Obligations Strategy: Consultation Statement

JUNE 2010



The Planning Obligations Strategy: Consultation Statement

EVENT	Timing
<p>Introduction</p> <p>This consultation statement provides an outline of the consultation that has taken / will take place for the West Northamptonshire Planning Obligations Strategy (POS) Review, together with timing implications.</p> <p>The POS is a guidance document prepared in the context of current policy and circular advice. It sets out a tariff approach to secure developer contributions towards necessary infrastructure. It has been adopted by WNDC as material consideration in the determination of planning applications.</p> <p>In response to a number of issues raised at the recent Daventry appeals, and having regard to the current economic downturn and the introduction of the Community Infrastructure Levy (CIL) it was decided that it would be timely to review the document.</p> <p>WNDC are keen to ensure that not only is the document up to date but also that it is as robust as possible given that it is not a plan-making authority and therefore the document cannot attain the full weight of SPD. It is intended however that the document review adheres as closely as possible to the requirements for the production of SPD (LDD's) as set out in the T&CP (Local Development)(England) Regulations 2004 (as amended) (the Regulations).</p>	
<p>Pre-Consultation / Focussed Consultation with Key Stakeholders and Consultees</p> <p>A comprehensive pre-consultation (via e mail) has taken place with key stakeholders and consultees to advise of the review and seek initial views on the need for and extent of the review. This took place from 23 October with a deadline for comments to be received by 18 Nov 09.</p> <p>This was accompanied by a press release on the Corporation's website.</p>	w/c 19/10/09
<p>Follow up to Pre-Consultation</p> <p>WNDC identified key consultees who had not responded to the above and either engage via telephone or through meetings to encourage a response.</p> <p>Further workshops were held, initially with Key Public Sector Stakeholders and thereafter a joint workshop with developers and public sector bodies.</p>	w/c 23/11 & 30/11 05/03/10
<p>Full Public Consultation</p> <p>Full consultation on the suggested amendments to the POS to take place from</p>	From 30/07/10

30/07/10 - 24/09/10	
<p>Press</p> <p>A press release will also be prepared for the start of the consultation. This will be distributed to the local press (circulation list with WNDC Communications Team).</p>	w/c 26/07
<p>Notice</p> <p>A notice will also be prepared to advertise the consultation on the Obligations Strategy. This will also be distributed to the local press (circulation list with WNDC Planning Support team)</p>	w/c 26/07
<p>Web-Site</p> <p>Full details of the consultation documents will be available to download from the WNDC Web-Site</p>	w/c 26/07
<p>Consultees</p> <p>Consultees will include those specific and general consultation bodies as defined in the Regulations and:</p> <p>Local Authorities: South Northamptonshire Council (SNC), Northampton Borough Council (NBC), Daventry District Council (DDC), Northampton County Council(NCC), West Northants Joint Planning Unit (JPU) and North Northamptonshire Development Corporation (NNDC).</p> <p>Town/Parish Council's within West Northamptonshire.</p> <p>All developers who have either submitted a planning application to WNDC or been involved in pre-application discussions with WNDC. Also, if not included in the above, others who were consulted at the pre-con stage.</p> <p>The Consultees will receive an electronic letter outlining where the consultation information can be viewed, the dates of the consultation and how to make comments. Consultees without ready means of electronic access will be sent a consultation letter in hard copy.</p> <p>All of the consultation information and copies of the Schedule of Amendments and relevant background documents will be made available at the Libraries of Northampton, Daventry and Towcester (during normal office hours), on the WNDC website at www.wndc.org.uk and during normal office hours within the Corporation's offices at:</p> <p>WNDC Offices, First Floor, Franklin's Gardens, Weedon Road, Northampton, NN5 5BG</p>	
Consultation Documents	

<p>Documents to be produced:</p> <ul style="list-style-type: none"> - title of document, subject matter and area covered - background documents as appropriate to include additional evidence base documents to justify the need and cost of individual items of infrastructure as appropriate and necessary - background documents to support the proposed changes to individual sections of the POS eg. Viability assessment, deferred payments. - Statement setting out persons consulted in preparation of the documents, how they were consulted, summary of main issues arising and how addressed in the document. - statement of period for consultation, where documents can be inspected, where representations must be sent, <p>NB WNDC have sought legal advice and have been advised that as the POS is not a 'Plan or Programme' it is not subject to any requirement for a Sustainability Appraisal.</p>	
<p>How to Comment</p> <p>WNDC is committed to effective engagement with communities and partners in the review of the POS so that it can continue to support the timely provision of identified infrastructure needs and to provide a clear, robust and transparent process of developer contributions.</p> <p>All comments should be marked West Northamptonshire Development Corporation Planning Obligations strategy (POS) Review and can be submitted as follows:</p> <p>By post to – WNDC, PO BOX 622, Franklins Gardens, Northampton, NN5 5WR;</p> <p>By fax to – 01604 586648;</p> <p>By email to – planning@wndc.org.uk</p> <p>All enquiries to Philippa Jarvis (01604 586615) or Eric Owens (01604 586627)</p> <p>In addition, and where considered appropriate and necessary, WNDC will arrange meetings and / or workshops with key consultees / stakeholders in order that they may be fully informed prior to submitting their response.</p> <p>Please note that all comments and views on the document will be carefully considered and made available to the public.</p>	
<p>Consultation Responses:</p> <p>The consultation responses will be summarised and tabulated by respondent,</p>	

<p>with each respondent given a unique reference number. The table will be accompanied by a summary of the main issues raised and how these have been addressed in the documents (response statement) and will be made available to the public. Following an initial assessment of the responses received, further engagement will be undertaken with respondents (where appropriate) to clarify areas of agreement and seek to resolve areas of disagreement.</p>	<p>From mid/late August to mid/late September</p>
<p>Consultation Feedback:</p> <p>The consultation responses will be reviewed and amendments/alterations made to the document(s) as appropriate.</p> <p>Details of how the comments are taken forward will be included in the summary table noted above and made available to the public.</p>	<p>w/c 27/09/10 w/c 11/10/10 or 08/11/10</p>
<p>Board Approval</p> <p>A finalised version of the POS and accompanying background documents will be presented to the Board, for approval, on 2 November or 7 December 2010. The date of presentation is dependent on the extent of feedback and the revisions required.</p>	<p>Final report deadline 25/10/10 or 29/11/10</p>
<p>Final Document / Adoption:</p> <p>The final documents will be produced and consultees notified accordingly by email/letter.</p> <p>A copy of the final documents together with the response statement and adoption statement will be placed on the WNDC web-site and cross-referred to as such in the email/letter and made available during normal office hours at WNDC offices. The adoption statement will also be sent to any other person asked to be notified and not included above.</p>	<p>Dec 2010 or Jan 2011</p>