



WNDC Interim Planning Obligations Strategy

Executive Summary

June 2011

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- 1.1 National and local planning policy seeks to ensure that all development contributes to the key objectives of delivering sustainable development and securing sustainable communities. There is a continuing need to ensure that development contributes in an appropriate way and to ensure that it meets WNDC's own objectives of delivering regeneration and sustainable development in West Northamptonshire and assisting public sector partners and other providers to deliver their visions and objectives. Developer contributions remain key to the achievement of these objectives.
- 1.2 WNDC's Planning Obligations Strategy (POS) was first adopted in 2008 as a development control tool to which weight may be given as a material consideration when making planning decisions. However, the planning and economic context has changed considerably since that time and taking into account the issues arising from the initial operation of the POS, it was considered appropriate to undertake a review. Notwithstanding the advent of the Community Infrastructure Levy (CIL), WNDC considers that there is still a role for an updated POS to provide clear and consistent guidance development control guidance to developers to minimise the time taken to negotiate and agree relevant planning obligations. It will also provide a reliable funding stream to be used towards delivering the identified costed infrastructure for the area.
- 1.3 In anticipation of the review, a comprehensive, focussed pre-consultation exercise was carried out via e mail in October 2009. This sought feedback on the principle of the need and relevance of the POS review and the general matters which such a review should focus on. The responses were generally positive in terms of supporting the review, but cautious in terms of the need to ensure continued development viability in the light of the economic recession.
- 1.4 Following the above, in March 2010, workshops were held with key stakeholders from the public and private sector. This resulted in a useful level of debate on the main issues. Once again, much of the discussion focussed on the need to ensure that any changes took into account the difficulties in achieving an appropriate level of infrastructure to support viable development.
- 1.5 Thereafter a full 8 week public consultation exercise was carried out during October / November 2010. All consultations have been carried out in accordance with the Town and Country Planning (Local Development) Regulations 2004 (as amended). For the purposes of this consultation, revised POS documentation was produced including a Main Document and supporting Technical Documents and Evidence Base. This received a total of 20 responses from both public and private sectors. The key points that emerged were:
 - There was general support for the review but a need to recognise that CIL will emerge as the main means by which development will contribute towards infrastructure provision
 - In the interim, any obligations must comply with the tests within the CIL Regulations, 2010.
 - The appropriateness of any geographic variation should be considered, particularly where justified by varying levels of available capacity in infrastructure
 - Key assumptions underlying the viability review should be justified / robust
 - The level of the DSC must not threaten viability for the majority of cases
 - Consideration should be given to exemptions

- 1.6 WNDC has fully considered all comments made / points raised and assessed them through an option appraisal process and sought further comment from expert consultants. As a result further revisions have been carried out to comprise the final suite of documents making up what is now termed the 'Interim' Planning Obligations Strategy (IPOS) in recognition that it will be superseded in due course by the successor planning authorities approaches which are likely to include a CIL. The final version includes the following key points:
- Developer contributions remain a key component to the provision of sustainable communities and a legitimate means of funding notwithstanding the recent change in government and likely changes to planning policy
 - A review of development viability demonstrates that a standard charge approach remains appropriate however there is justification for a reduction in the discounted standard charge (DSC) (albeit that the full standard charge level has not changed significantly)
 - An assessment of the Annex A items of infrastructure in respect of the CIL tests has shown that some items may no longer be justified on the basis of the evidence available
 - There remains justification for a standard charge approach which reflects the genuine pre-estimate of the identified infrastructure costs of the majority of developments
 - Where, notwithstanding the reduction in the DSC, developers consider that viability issues remain and are supported by an appropriate viability assessment, WNDC will take a flexible approach to negotiations, including the use of deferred contributions and the provision / phasing of the necessary infrastructure
 - Where practical and appropriate the provision of on-site infrastructure is preferred
 - A variation in the level of DSC based on geographic location is not justified either in terms of land cost / sales value or the level of necessary infrastructure provision as the DSC is set at level which is significantly below the FSC.
 - WNDC's key objective to deliver sustainable development will remain the overriding consideration
 - The Standard Charge will continue to apply to residential developments which are not subject to a resolution to grant permission from 1 June 2011. It will not apply to commercial developments although appropriate obligations will be negotiated on a site by site basis having regard to the benchmark figures set out in the main document.
- 1.7 The final version was considered by WNDC Board on the 17 May 2011 where it was agreed that it should be adopted as a development control tool and will be given appropriate weight as a material consideration when determining planning applications. For the purposes of clarification it is not, and cannot be interpreted as development plan policy as WNDC is not a plan making authority.
- 1.8 It is acknowledged that the IPOS can only provide interim guidance which is likely in due course to be replaced by a CIL in the individual local planning authority area or possibly one joint CIL for West Northamptonshire flowing from the Joint Core Strategy and associated Infrastructure Schedule. However, it is intended that it will provide a sound base for the future development of such guidance.