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| <b>COUNCIL</b>          | <b>AGENDA ITEM No. 8</b> |
| <b>10 DECEMBER 2008</b> | <b>PUBLIC REPORT</b>     |

## **EXECUTIVE REPORT – RECOMMENDATION**

### **1. S106 PLANNING OBLIGATIONS IMPLEMENTATION SCHEME**

1.1 Following a referral from the Scrutiny Committee, Cabinet at its meeting on 24 November 2008 considered the S106 Planning Obligations Implementation Scheme.

1.2 The S106 Scheme has been devised as a corporate framework which is intended to be acceptable to landowners and developers and meet the needs of service departments and the council's partners in its growth strategy. The current and proposed arrangements are integral to providing funding to the Corporate Plan, Sustainable Community Strategy and Local Area Agreement (LAA) priorities and outcomes. The document helps to deliver Local Plan Policy IMP1 and is consistent with the emerging policy CS11 of the draft Core Strategy.

1.3 The scheme seeks to provide: -

- a costed social and physical infrastructure programme which has to be funded for the growth strategy to succeed, and to which new development needs to make a proportionate contribution
- the principle that all significant developments including minor residential but not house extensions make a contribution to infrastructure growth because of their impact on the use of social and physical infrastructure like schools and public transport
- on-site infrastructure and contributions to neighbourhood and city-wide provision, on a phased basis in some cases and by negotiation on larger sites
- standard contribution figures for a range of different developments which will be used to assess the S106 Obligation. This includes a range of softer community, social and environmental projects which would not necessarily have attracted a contribution under the current Scheme
- a requirement that contributions are paid on all housing – including affordable
- pooled arrangements for taking funds from a series of relevant developments and banking them over a period, adding other funding until the project is fully funded and can commence implementation
- scenarios showing the impact on new development, and a separate report which assesses this. The report's conclusion is that the new scheme's impact will vary case by case, but that it enhances transparency and consistency for developers
- the scheme will be carefully monitored and reviewed at least annually and modified to ensure it meets its objectives. Its infrastructure costs and contributions will be indexed
- the scheme will collect contributions for PCC and partner services
- there will be a charge on development towards the costs of running the S106 activity which will be administered within the Planning Service and be accounted for to the Planning and Environmental Protection Committee

- 1.4 there has been extensive consultation with developers and other parties who have contributed to the development of the scheme
- 1.5 Cabinet has approved the scheme prior to its submission to Council.
- 1.6 The Cabinet report is attached as **Appendix A** to this report. The draft minutes of the Cabinet meeting are attached as **Appendix B** to this report and include an annexe detailing questions raised by Cabinet during its discussion of the report.

**IT IS RECOMMENDED** that Council:

Approve the S106 Planning Obligations Implementation Scheme for phased introduction after this meeting of Council and agree:

(i) That there be further work carried out to give the Implementation Scheme status as a Supplementary Planning Document

(ii) That for applications both approved between 1 January 2009 and 31 December 2009, and substantially completed before 31 December 2010 there will be:

- A discount of 30% on s106 financial contributions
- A reduction of 'expected' Affordable Housing level from 35% down to 25%

(iii) That meetings are convened for the members of each Neighbourhood Investment Area, to ensure that Members are fully involved in discussing, identifying and confirming required infrastructure for each area, and the means of provision, including S106 Planning Obligations.