

PLANNING AND ENVIRONMENTAL PROTECTION COMMITTEE	AGENDA ITEM No. 6
12 JANUARY 2010	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor Peter Hiller - Cabinet Member for Neighbourhoods, Housing and Community Development Councillor Piers Croft - Cabinet Member for Strategic Planning, Growth and Human Resources	
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PLANNING OBLIGATIONS IMPLEMENTATION SCHEME (POIS)

R E C O M M E N D A T I O N S	
FROM : Head of Planning	Deadline date : 14 th January 2010
That Committee offers any comments on the Planning Obligations Implementation Scheme (POIS) before it is presented to Cabinet for approval.	

1. ORIGIN OF REPORT

- 1.1 This report is submitted to the Committee following approval of the draft version of the Planning Obligations Implementation Scheme (POIS) by Council on 10th December 2008 which was followed by an extensive public consultation exercise and further evidence gathering since that date.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to enable the Committee to comment on the draft POIS before it is presented to Cabinet on 8th February 2010 for approval for the purposes of adopting as a Supplementary Planning Document (SPD).
- 2.2 The City Council website is located at <http://www.peterborough.gov.uk> and has a series of pages dedicated to the POIS and associated background information. These pages can be accessed via the following link:
http://www.peterborough.gov.uk/planning_and_building/other_planning_and_building/s106_planning_agreements.aspx
- 2.3 A copy of the POIS document has been placed in each of the Members' Group Rooms.
- 2.4 The POIS, once approved by Cabinet, will be published.
- 2.5 This report is for the Committee to consider under its Terms of Reference.

3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	NO
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4. **PLANNING OBLIGATIONS IMPLEMENTATION SCHEME (POIS)**

BACKGROUND

- 4.1 The City Council agreed in 2007 that it needed to adopt a more detailed Section 106 (S106) framework and consultants working jointly for PCC & Opportunity Peterborough (OP) developed proposals. A report on the POIS was submitted to the Joint Scrutiny Committee on 28 July 2008. In the light of comments made, it was agreed to reflect further on the concerns raised, therefore subsequent discussions have been held with house builders, developers' representatives and others.
- 4.2 Following consultation between the City Council, its partners, stakeholders and the community the City Council resolved to approve the draft POIS at the Full Council meeting held on 10th December 2008. The POIS has been used as a material consideration in making planning decisions since that date. It was intended that the POIS would then be adopted as a Supplementary Planning Document (SPD), thus forming part of the Local Development Framework (LDF). In order to achieve this, a 6 week consultation period was undertaken resulting in the receipt of substantial external and internal representations. These representations have been reviewed and discussed by officers. Some of the comments have been incorporated into the revised POIS thereby creating a clearer, more user friendly document.
- 4.3 The revised POIS was then sent to Counsel to review in order to assess its robustness and the risk of legal challenge. Counsel's opinion has been received and discussed between officers. Whilst some initial reservations were made about the viability studies these have been overcome and our consultants that carried out the studies are confident in standing by their results and the recommended tariff charges outlined in the POIS (Please see Appendix 2 of the POIS).
- 4.4 The City Council has a Planning Obligations Policy (IMP1) in the 2005 Adopted Local Plan. As part of that policy the City Council confirmed that separate guidance would be produced to outline priorities for the provision of infrastructure and facilities within the city. This POIS delivers on that commitment.
- 4.5 The City Council has plans to grow Peterborough, which requires new infrastructure and replacement infrastructure to ensure that the city's growth is sustainably achieved. The City Council has worked with partners to capture the infrastructure requirements which are set out in the Integrated Development Programme (IDP), which was approved by Cabinet on 14th December 2009.
- 4.6 The POIS will have a hyperlink to the IDP website when it is launched. The IDP is used as our required evidence base to justify 'charging' developers a financial contribution for wider infrastructure (via the S106 route, or potential CIL in the future).
- 4.7 S106 contributions will only part fund the infrastructure outlined in the IDP. Funding from other sources will be used to meet the overall costs of infrastructure provision. The City Council will seek such infrastructure funding, as appropriate, on a European, national, regional and local level from both the public and private sector.
- 4.8 At a recent officer-level Growth Delivery Steering Group meeting the POIS was discussed against the background of a potential future mechanism for charging developers for infrastructure, known as the Community Infrastructure Levy (CIL). The conclusion of the Steering Group was to progress POIS to an adopted SPD status in the interim prior to the possible introduction of CIL. The following background information provides the Committee with a fuller insight into CIL.

4.9 Community Infrastructure Levy

The Government has recently consulted on draft regulations on the CIL, which is an instrument to raise funding for local infrastructure needs. It is expected that the regulations will come into force in April 2010.

4.10 The Government states that CIL will improve predictability and will allow the cumulative impact of development to be better addressed.

4.11 The draft regulations indicate that S106 agreements (planning obligations) will become increasingly limited to mitigate impacts solely resulting from the development. This means that the POIS tariff could eventually become illegal and, therefore, only a temporary solution to help fund infrastructure provision. As such, although adoption of the CIL will be optional, it is likely that most Councils will choose to implement the Levy given the increasing limits of S106 Agreements, the outlawing of POIS-style tariffs and the need to help fund infrastructure provision.

4.12 The CIL charging structure would form a new type of document within the Local Development Framework and be subject to consultation and independent review.

4.13 We will request that Cabinet, at their meeting on 8th February 2010, endorses a proposal that officers research in detail the potential of implementing a CIL in Peterborough, with detailed submission to a future Cabinet meeting towards the end of 2010/early 2011.

4.14 Further information on CIL can be found on the following websites:

Department of Communities and Local Government:

<http://www.communities.gov.uk/planningandbuilding/planning/planningpolicyimplementation/reformplanningsystem/planningbill/communityinfrastructurelevy/>

The Planning Advisory Service:

<http://www.pas.gov.uk/pas/core/page.do?pagelid=122677#contents-1> and
<http://www.pas.gov.uk/pas/core/page.do?pagelid=109617#contents-2>

4.15 A copy of the POIS and IDP have been placed in the Members' library.

5. CONSULTATION

5.1 The POIS has had extensive consultation internally with officers and externally with developers and other parties who have contributed to the development of the scheme, plus a 6 week consultation between March and April 2009. There is not any intention to have any further public consultation on the document.

5.2 Within the Council, the route of this document is:

- Cabinet Policy Forum - 11th January 2010
- Corporate Management Team – 12th January 2010
- Planning & Environmental Protection Committee – 12th January 2010
- Sustainable Growth Scrutiny Committee – 18th January 2010
- Cabinet – 8th February 2010

5.3 After the draft POIS document has been approved by Cabinet it will be published as a SPD.

6. ANTICIPATED OUTCOMES

It is anticipated that Committee will offer any comments on the draft document. These will be presented to Cabinet, which will take them into account in reaching a decision on recommending the approval of the POIS as a SPD.

7. REASONS FOR RECOMMENDATIONS

- 7.1 Committee is recommended to make its comments known to assist Cabinet in reaching its decision. Cabinet will be recommended to approve the POIS as a SPD.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 The alternative option of not progressing the POIS as a SPD was rejected, as the Council would not have a policy document of considerable weight for planning purposes.

9. IMPLICATIONS

- 9.1 The POIS is intended to be adopted as an SPD and will support the emerging policy CS12 of the Core Strategy (as approved by Council on 2nd December 2009).
- 9.2 The proposed POIS will be administered corporately by the S106 Officer supported by planning case officers, and relevant staff in services and partner organisations.
- 9.3 The POIS will create a more efficient and consistent method of collecting S106 contributions that can be pooled and spent on the infrastructure projects outlined in the IDP. This will assist in delivering the City Council's growth agenda.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

- 10.1 The POIS refers to and has been informed by a wide range of publicly available documents, including: the Integrated Development Programme, Sustainable Communities Strategy, Local Development Framework, Local Area Agreement and regional documents, such as, the Regional Spatial Strategy for the East of England and the East of England Regional Economic Strategy. Full details are contained within Appendix 7 of the POIS document.
- 10.2 A sustainability appraisal report (original main report dated February 2009, plus an update report dated December 2009) are available on request and will be published with POIS.