

**PETERBOROUGH
CITY COUNCIL**

**PLANNING OBLIGATIONS
IMPLEMENTATION
SCHEME**

SUPPLEMENTARY PLANNING DOCUMENT
ADOPTED ON 8 FEBRUARY 2010

(Recommended to Cabinet, 8 February 2010)

Head of Planning Services
& Head of Delivery
Stuart House East Wing
St John's Street
Peterborough
PE1 5DD

FEBRUARY 2010

www.peterborough.gov.uk

Peterborough City Council

Planning Obligations Implementation Scheme Supplementary Planning Document

CONTENTS		PAGE
1	Summary	1
2	Introduction	4
3	Integrated Development Programme	8
4	Determination of Contributions	13
5	Pooling & Allocation of Contributions	17
6	Monitoring and Annual Review	18
7	Application of the Standard Contributions - Examples	20
Appendix 1	National and Regional Planning Policy	21
Appendix 2	The Standard Contribution Figures	23
Appendix 3	Impact Assessment	25
Appendix 4	Process Structure	29
Appendix 5	Case Studies	30
Appendix 6	Glossary of Terms	34
Appendix 7	Useful web site addresses	35

1. Summary

- 1.1 This Peterborough Planning Obligations Implementation Scheme (POIS) was adopted by Peterborough City Council as a Supplementary Planning Document (SPD), forming part of the [Peterborough Local Development Framework](#), on 8 February 2010.
- 1.2 The SPD supports policy IMP1 of the [Peterborough Local Plan \(First Replacement\)](#) by providing additional details of the way in which the City Council will seek to negotiate contributions from developers and use those contributions to fund infrastructure and facilities.
- 1.3 The Council proposes to replace policy IMP1 of the Local Plan with a new policy in its Peterborough Core Strategy Development Plan Document (DPD) relating to Developer Contributions to Infrastructure Provision. Once the Core Strategy is adopted, policy IMP1 will cease to have effect and the contents of this SPD will supplement the new Core Strategy policy instead.
- 1.4 Peterborough has a challenging and wide ranging agenda for growth which has been established by the policies of the [Regional Spatial Strategy for the East of England](#) (The East of England Plan). Delivering growth that is sustainable and benefits existing and new residents of the city is the objective of the Council and its partners and is reflected in the [Sustainable Community Strategy 2008 - 21](#), the [Statutory Development Plan](#), and the [Local Area Agreement 2008 - 2011](#).
- 1.5 Significant investment in new infrastructure is required to support the growth of Peterborough. Together with its partners, the Council has produced an [Integrated Development Programme \[IDP\]](#) that sets out the infrastructure that will be required to support the growth of the city.
- 1.6 Development in the City Council area will need and benefit from the required infrastructure. New residential and commercial development must contribute towards the costs of this new infrastructure.
- 1.7 The City Council, its partners, stakeholders and the community will need to identify and secure a range of funding sources to facilitate delivery of the required infrastructure. 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.

Site Related, Neighbourhood and Strategic Infrastructure Costs

- 1.8 Three types of required infrastructure are defined in this POIS:
 - Site Related
 - Neighbourhood
 - Strategic Infrastructure.

The City Council expects all developments to self fund their own site related infrastructure and, in the case of residential development, to provide affordable housing in accordance with current Council policy.

- 1.9 New development also contributes to the need for additional Neighbourhood and Strategic Infrastructure proportionate to the scale and impact of the development.
- 1.10 The City Council has three Neighbourhood Management Areas and the element of the contribution paid towards neighbourhood infrastructure will be spent on Neighbourhood Infrastructure projects in that area, reasonably related to the development.
- 1.11 Further infrastructure is required to service the whole of the Peterborough area and beyond. Such infrastructure is defined as Strategic Infrastructure and every new development should contribute to such infrastructure proportionate to its scale and impact. This will disproportionate the risk of individual developments being held back by having to bear the cost of major infrastructure alone.

Standard Contributions

- 1.12 The City Council has set standard levels of contribution towards Neighbourhood and Strategic Infrastructure for most common forms of development. The figures have been informed by local development finance studies and advice from property consultants Navigant and GVA Grimley. The figures are summarised in [Appendix 2](#). For those types of development without a standard contribution figure the City Council will continue to seek an appropriate contribution towards Neighbourhood and Strategic Infrastructure.
- 1.13 For consistency and fairness, the City Council will not normally vary the standard contributions. If there are exceptional circumstances for a particular development then following evaluation of a full social, economic and environmental appraisal on an “open book” basis the City Council may agree to vary the standard contribution for that development. For example, if a developer elects to provide Neighbourhood or Strategic Infrastructure rather than the standard contribution then the standard contribution will be reduced by the value of the Neighbourhood or Strategic Infrastructure provided.

How will the Contributions be spent?

- 1.14 The contributions received will be pooled together and kept in separate funds for Strategic Infrastructure and each Neighbourhood. Pooled contributions are planning obligations that are pooled together from more than one development in order to address impacts across developments. Pooled contributions can enable developments to take place that would otherwise be unacceptable in planning terms by grouping contributions together to address the cumulative impact arising from a number of developments. Together with its partners, the Council has produced an **Integrated Development Programme** [IDP] that sets out the infrastructure that will be required to support the growth of the city which POIS contributions can part fund.

Division of Neighbourhood and Strategic Infrastructure Funds

- 1.15 The estimated cost of the Strategic Infrastructure projects exceeds the cost of the identified Neighbourhood Infrastructure. Many factors can be considered when seeking to decide how to divide the funds generated between the identified strategic and neighbourhood projects. Initially it is proposed to divide the standard contributions received with 65% for Strategic and 35% for Neighbourhood Infrastructure projects. These percentages will be reviewed each year

Ten Year Return

- 1.16** These growth plans are ambitious for our community and depend upon the receipt of funds to promote the delivery of the required Neighbourhood and Strategic Infrastructure. Nevertheless it is reasonable to expect to see the benefit of a development contribution within a reasonable period and so if funds provided by a developer have not been spent or committed upon Neighbourhood projects in their area or Strategic Infrastructure within ten years from payment then the relevant part of the payment will be returned with any interest accrued.

Monitoring and Review

- 1.17** The City Council will keep this POIS under review. A detailed annual report will be presented to the City Council.

Impact Assessment

- 1.18** The charges on which this POIS is based were drawn up by GVA Grimley in 2007 / 2008 and they reflected the land values prevailing in Peterborough at the time. The Council is concerned that in the time of difficult market conditions for the development industry that POIS does not undermine the viability of new development in the City. It has therefore assessed the likely impact at [Appendix 3](#) of this Scheme. This shows that the effect on development, which would have attracted the POIS contributions before the POIS was used, will not be worse off under the POIS Impact Assessment, although the changes affect alternative land uses differently.

2. Introduction

- 2.1. This Planning Obligations Implementation Scheme (POIS) was adopted by Peterborough City Council as a Supplementary Planning Document (SPD) on 8 February 2010. It sets out the Council's approach to the negotiation of planning obligations in association with the grant of planning permission. A planning obligation is a legal agreement made under Section 106 of the Town & Country Planning Act 1990 (as amended by Section 12(1) of the Planning and Compensation Act 1991) and usually relates to an aspect of the proposed development that cannot be secured by imposing a planning condition or by statutory controls.
- 2.2. [Circular 05/2005](#) paragraph B3 states that "*Planning obligations are intended to make acceptable development which would otherwise be unacceptable in planning terms*". Obligations can be secured by unilateral undertakings by developers. The reasons for planning obligations are that most developments have an impact beyond the boundary of the site, some times across the whole City, with social, economic and physical impacts which need to be considered.
- 2.3. This Scheme contains guidance by which the Council will assess the impact of development in order to secure planning contributions for the city's growth and to mitigate the impact of new development upon existing infrastructure.
- 2.4. Recognising that planning obligations will only provide a proportion of the funds necessary for new city infrastructure, the City Council will seek to use a range of other approaches such as 'prudential borrowing', or contributions from other private or public bodies or funds, to ensure delivery of the infrastructure.
- 2.5. The aim of planning obligations is to enable development by solving planning problems or dealing with any pressures associated with development which might otherwise make it unacceptable in planning terms. The Council does however recognise development viability issues and will seek to draw in and co-ordinate funding from other sources to deliver its infrastructure programme
- 2.6. This Scheme provides land owners, developers and inward investors with clarity on the level of Neighbourhood and Strategic Infrastructure contribution required from developments while also recognising that additional funds from other sources will be necessary to deliver the required infrastructure. It does not expect new development to fund the total cost of new infrastructure.
- 2.7. The proportion of infrastructure costs borne by the developer will vary from time to time and place to place. Evidence suggests that a significant proportion of infrastructure costs have been, and will continue to be, borne by public bodies.
- 2.8. The City Council, its partners, stakeholders and the community will need to explore the widest possible range of further funding sources at European, national, regional and local level, from both the public and private sector.
- 2.9. For Peterborough to develop in a balanced and sustainable way, the Council must ensure that developments provide adequate infrastructure, including housing, education, community facilities and transport.

- 2.10. Peterborough forms part of the London-Stansted - Cambridge - Peterborough Growth Area, which is defined by the [Government's Sustainable Communities Plan](#). A key part of this Plan is to ensure that this growth is supported by investment in economic, social and environmental infrastructure, to create sustainable and balanced communities.
- 2.11. This theme is repeated in the [Regional Spatial Strategy for the East of England](#) (The East of England Plan), which envisages at least 25,000 new homes and 20,000 net additional jobs in Peterborough over the twenty-year period 2001 – 2021, along with economic, environmental and community developments to support these.
- 2.12. To create successful communities, new housing and employment space will need to be supported by investment in local facilities – from schools and healthcare to community, leisure and cultural facilities, waste management facilities and open space. It will also be necessary to invest in existing city-wide and city centre infrastructure, which is liable to sustainably support the scale of further growth required.
- 2.13. Some existing infrastructure in Peterborough is near to its capacity or the end of its current lifespan. Investment to renew this will help to create the conditions for the City's continued expansion and prosperity.
- 2.14. This Scheme aims to address these planning challenges, by contributing to and promoting the provision of new infrastructure and the improvement of existing facilities.
- 2.15. This will be achieved in a fair and proportional way by requiring those who develop in Peterborough to pay a share towards the real costs of development. The Council's approach will create a transparent, efficient and streamlined framework for planning obligations and will give developers and landowners clarity as to the level and scope of contributions for any type of development and the infrastructure that will result from their own and other's contributions. This will allow them to advance their plans with confidence.
- 2.16. [Sustainable Community Strategy 2008 - 2021](#) sets out a vision for
- *A bigger and better Peterborough that grows the right way and through truly sustainable development and growth.*
 - *Improves the quality of life of all its people and communities and ensures that all communities benefit from growth and the opportunities it brings.*
 - *Creates a truly sustainable Peterborough, the urban centre of a thriving sub-regional community of villages and market towns, a healthy, safe and exciting place to live, work and visit, famous as the environment capital of the UK.*
- 2.17. The [Peterborough Local Plan](#) (First Replacement) 2005, together with the [Cambridgeshire and Peterborough Waste Local Plan 2003](#), the [Cambridgeshire Aggregates \(Minerals\) Local Plan 1991](#) and [Regional Spatial Strategy for the East of England](#) and the City Council's emerging [Local Development Framework \[LDF\]](#) set out the current spatial framework for delivering this vision. The Council, together with Opportunity Peterborough, commissioned an [Integrated Growth Study](#) which considered the future growth of Peterborough. This Study has influenced all of the emerging Development

Plan Documents that will make up the Council's LDF and which, together, will eventually supersede the policies of the current Local Plan.

Planning Policy Framework

- 2.18. The authority for this Planning Obligations Implementation Scheme is derived from the adopted Peterborough Local Plan (First Replacement) 2005 and the provisions of. [Circular 05/2005](#)
- 2.19. Government advice as set out in [Circular 05/2005](#) and case law, gives further guidance as to how planning agreements are to be used.

Obligations are used to:

- prescribe the nature of development (such as in the requirement for delivery of affordable housing)
- mitigate the impact of development (such as through supporting provision of necessary infrastructure and facilities or improved public transport provision)
- Compensate for loss or damage (such as of open space or rights of way).

East of England Regional Economic Strategy

- 2.20. The [East of England Regional Economic Strategy](#) (RES) was published in 2008 and identifies Greater Peterborough as an engine of growth. This provides the preconditions for growth and regeneration of the City which informs the LDF process, the Opportunity Peterborough Business Plan and the [Sustainable Community Strategy 2008 - 2021](#). This Scheme seeks to support that vision.

Adopted Local Plan

- 2.21. Peterborough City Council's [Peterborough Local Plan \(First Replacement\)](#) 2005, provides the policy basis for this Supplementary Planning Document [SPD]. Policy IMP1 states that:

“Planning permission will not be granted for any development unless provision is secured for all additional infrastructure, services, community facilities, and environmental protection measures, which are necessary as a direct consequence of the development and fairly and reasonably related to the proposal in scale and in kind.

The provision of such requirements shall be secured as part of development proposals or through the use of conditions attached to planning permissions, or sought through planning obligations.

Where provision on an application site is not appropriate or feasible, provision elsewhere, or a contribution towards provision, will be sought where necessary.

Where a planning application is for part of a larger area planned for development, a pro rata provision of any necessary facilities, services or infrastructure, or a contribution towards them, will be sought”.

- 2.22.** The explanatory text accompanying policy IMP1 states that Peterborough City Council will provide separate guidance (this Scheme) which will outline priorities for the provision of infrastructure and facilities through Section 106 Agreements. It explains that this will specify the size of development for which provision may be sought and explain how commuted payments will be calculated. Also that it will act as a basis for negotiation of planning obligations, but the specific details of each site and the viability of development will also be taken into account in preparing agreements. It confirms that the scheme is to be reviewed periodically to take account of changing circumstance.
- 2.23.** Other strategies and policy statements produced by Peterborough City Council and partner organisations will be material considerations in determining planning applications and will inform Section 106 negotiations
- 2.24.** A developer's preparedness to pay the infrastructure contribution indicated by this Scheme does not replace or relax the need for each development to conform to the Development Plan policies and other material planning considerations.

Peterborough Core Strategy

- 2.25.** Under the provisions of the Planning and Compulsory Purchase Act 2004, the Council is preparing a number of documents which will form the Peterborough LDF. These include a Peterborough Core Strategy. The Council proposes to replace policy IMP1 of the Local Plan with a new policy in the Core Strategy relating to Developer Contributions to Infrastructure Provision. Once the Core Strategy is adopted, policy IMP1 will cease to have effect and the contents of this SPD will supplement the new Core Strategy policy instead.

Affordable Housing

- 2.26.** The specific requirements for securing affordable housing are part of this Scheme. Affordable housing is a cost to development and reduces the land value. Therefore this cost has been taken into account in the impact assessment and in the formulation of the standard contribution figures. Information regarding the provision of affordable housing is set out in Policy H21 of the [Local Plan](#) although in due course this will be replaced by a revised policy in the LDF Core Strategy. The approach to planning obligations in this Scheme will be applied to developments comprising affordable housing in the same way as they will be applied to developments comprising market housing.

3. Integrated Development Programme

- 3.1. Peterborough City Council, together with Opportunity Peterborough, has produced its **Integrated Development Programme [IDP]** which recognises the need for new and the replacement of existing infrastructure as an essential part of the sustainable growth of the City.
- 3.2. The IDP sets out a summary of the Strategic and Neighbourhood Infrastructure projects proposed for future years. The scale and expense of the infrastructure projects shows the extent of the challenge faced by the City, emphasising that new development must make a contribution towards the overall cost of the expansion of Peterborough in accordance with Government advice and legislation. ([Model planning obligation \(section 106\) agreement](#)).
- 3.3. This infrastructure requirement will be reviewed and reported annually and modified as the growth develops.

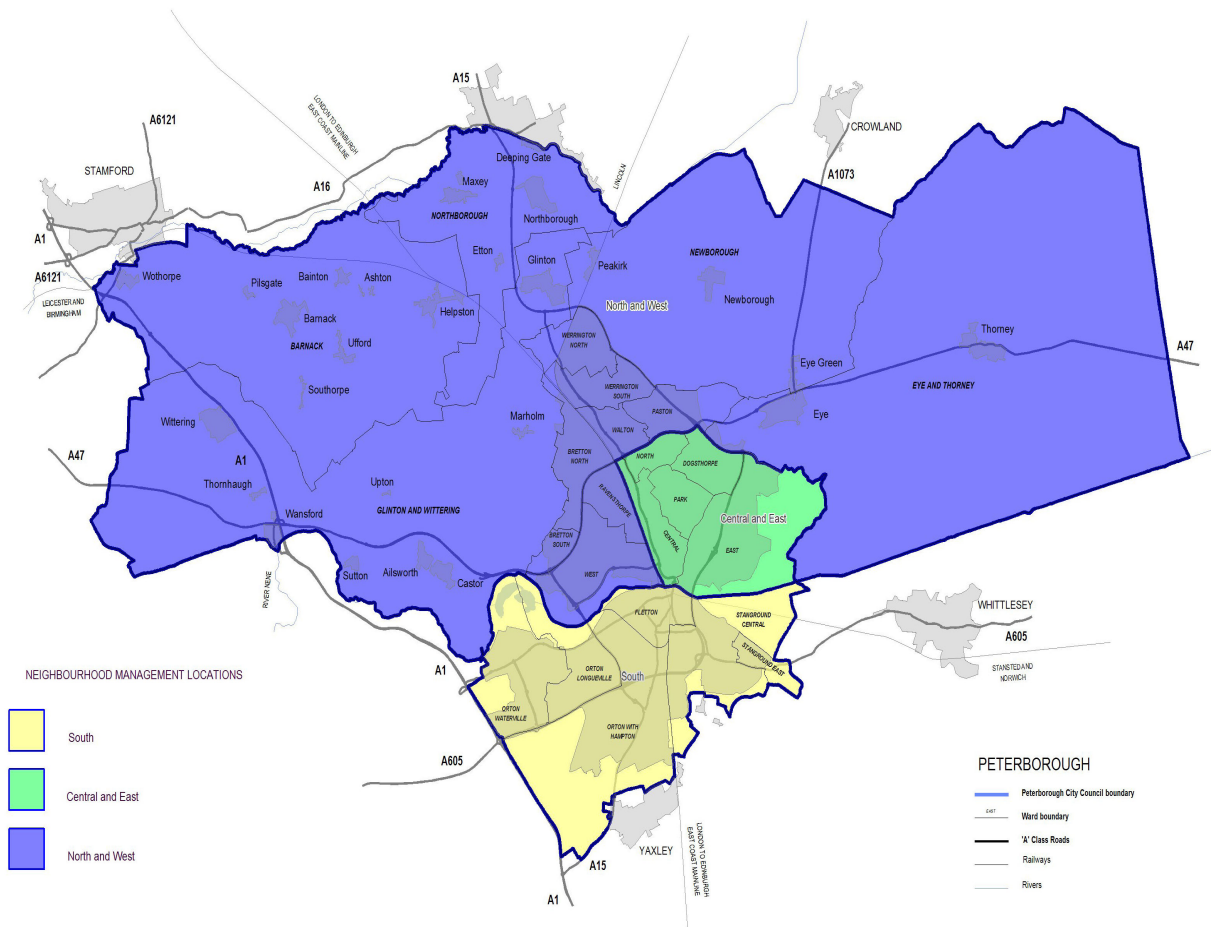
Site related, Neighbourhood and Strategic Infrastructure

- 3.4. Three types of required infrastructure are defined in this Scheme:
 - Site Related
 - Neighbourhood
 - Strategic Infrastructure

The City Council expects all developments to self fund their own site related infrastructure and in addition, residential developments should provide affordable housing.

- 3.5. New development creates the need for both Neighbourhood and Strategic Infrastructure. This Scheme ensures fair contributions by all new development towards the cost of providing Neighbourhood and Strategic Infrastructure. This is based on Neighbourhood Management Areas shown over leaf. Some contributions will be in-kind and others a financial contribution.

PLAN SHOWING NEIGHBOURHOODS AND CITY CENTRE



Definitions of each type of infrastructure:

Infrastructure	Means of Delivery
<i>Site Related Infrastructure and other inclusions (e.g. Affordable Housing) required as a direct result of the impact which a development scheme places on its site and surroundings.</i>	<i>Provided by the developer as part of the development proposal, although the scale is subject to negotiation.</i>
<i>Neighbourhood Infrastructure arising from the impact of development and growth on the surrounding neighbourhood facilities</i>	<i>Pooled Standard Charges / Direct Provision by the developer and/or commuted payments/additional sources of funding (GAF/CIF etc)</i>
<i>Strategic Infrastructure arising from the impact of development and growth across the City as a whole.</i>	<i>Pooled Standard Charges/ Direct Provision by the developer and/or commuted payments/additional sources of funding (GAF/CIF etc)</i>

Site Related Infrastructure

- 3.6.** This is defined as land or development, works or facilities which are required as part of the development proposal either on-site or within its immediate vicinity, normally on land controlled by the promoter. This will vary depending on the type, scale and location of proposal and can include, but is not limited to:
- Affordable housing, including Lifetime Homes & Wheelchair Housing
 - Standards of construction and building performance to meet specified minimum requirements contained within documents making up the LDF
 - Local open space & landscaping (including maintenance contributions)
 - Sustainable transport and travel plans, enhanced transport contributions, footpath, cycleway provision and highway improvements
 - Provision of land and funding for new schools to be provided as part of the development
 - Environmental Improvements
 - Securing restoration or enhancement of historic buildings and spaces
 - Sustainable drainage systems
 - Health provision and promotion, and public safety e.g. CCTV
 - Protection and enhancement of biodiversity
 - Site-related flood mitigation
- 3.7.** Developers will be expected to provide directly all necessary site-related infrastructure associated with their development. Planning obligation requirements will vary according to the type and scale of the development proposed and the costs of the site development.
- 3.8.** Provision of affordable housing on site by residential developers will normally be as stipulated by Council policy (currently 30% of all dwellings) and form part of Section 106 requirements. Enabling people who cannot afford to buy or rent a home on the open market to amass affordable housing important to create sustainable, mixed communities. This will often be achieved through the provision of affordable homes on site by developers, but the Council recognises that innovative alternative solutions may also be appropriate.
- 3.9.** In appropriate cases, the Council will be prepared to negotiate on the level of contributions to Neighbourhood and Strategic Infrastructure on sites where a proportion of affordable housing above the Council's requirement is proposed, or an equivalent financial contribution to an affordability scheme is made
- 3.10.** When a financial contribution towards an affordability scheme is accepted, the Council considers that it should be based on a number per unit equal to the cost of providing the land that would be required for the equivalent amount of affordable dwellings as set out in its Policy. This principle will also apply where on-site open space is less than the Council's expected standards.

Neighbourhood Infrastructure

3.11. These are works or facilities which are required to deal with the wider movement, social, recreational, leisure and cultural impacts arising from development within a neighbourhood. The City Council area is divided into three Neighbourhood Management Areas. For every development the element of the contribution paid towards Neighbourhood Infrastructure will be spent on Neighbourhood Infrastructure projects in that development's Neighbourhood Management Area. The intention will be to ensure that these projects benefit the occupiers or users of the development

3.12. Appropriate Neighbourhood Infrastructure includes, but is not limited to:

- Transport & communications – walking and cycling network, public transport enhancement, local highway schemes and area traffic management
- Education, Learning and Children's Services public place provision – early years, childcare, primary and secondary schools, youth provision for the local area
- Cultural and leisure facilities – for example arts, heritage and libraries
- Primary Health and adult social care facilities for the local area
- Police, fire and other public service facilities
- Environmental improvements serving the neighbourhood
- Neighbourhood facilities and village halls
- Public open space and recreation facilities
- Protection and enhancement of biodiversity

3.13. Pooled contributions will be expected to partly fund the provision of Neighbourhood Infrastructure where direct on-site provision is not made.

Strategic Infrastructure (City Centre and City Wide)

3.14. These are major land or development, works or facilities which are required to enable development to proceed. Such infrastructure includes but is not limited to:

- Transport & communications - including major road and/or public transport improvements
- Education, Learning and Children's Services including university and skills, new primary and secondary schools provision serving the city
- Major Cultural and leisure facilities including strategic arts, heritage, theatres, libraries, play, sport and open space serving the city
- Environmental facilities including waste management facilities, burial grounds, and crematoria
- Flood mitigation and alleviation to protect the city
- Emergency Services including police facilities serving the city as a whole

- Protection and enhancement of biodiversity

Development Baseline for Growth

3.15. For the purposes of quantifying the impact of development in the period 2001-2021 the IDP will define the baseline costs for this Scheme which justifies PCC requiring contributions in line with the Local Plan and emerging LDF Core Strategy.

Key Service Providers

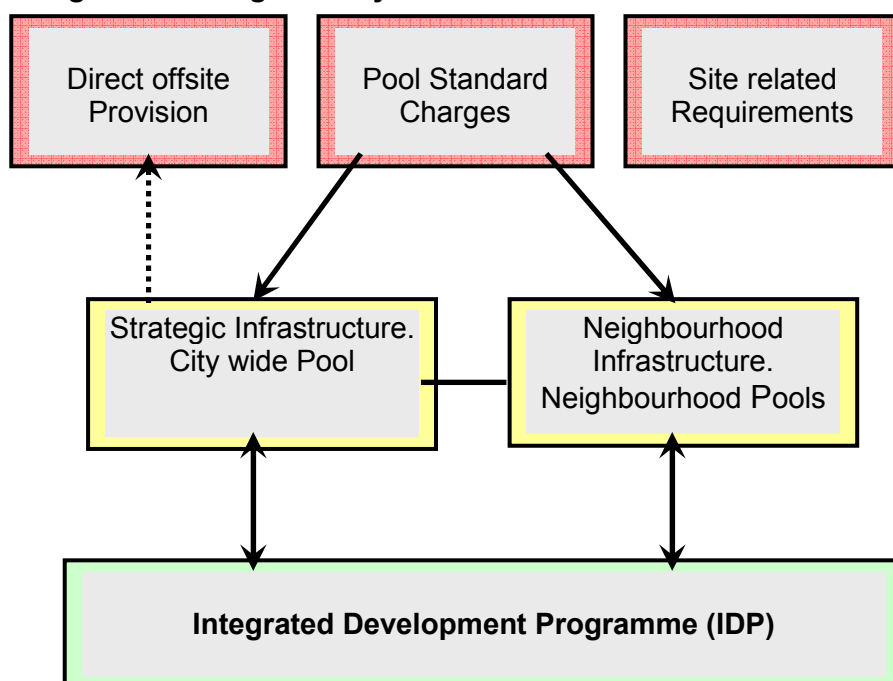
3.16. The scope of infrastructure provision set out in this Scheme is led by a number of service providers which are acting in unison to ensure timely comprehensive provision. These are shown in the table summarised here:

Service Provider	Infrastructure Element
PCC	Education & Children Services
PCC, Highways Agency	Highways and Transportation
PCC	Leisure, Recreation and Cultural facilities
PCC	Environment & Public Realm Improvements
PCC	Local and Strategic Open space
PCC	Public art
Peterborough Housing RSL	Affordable Housing
Greater Peterborough Partnership	Other services
Opportunity Peterborough	Growth Strategy
Primary Care Trust (PCT)	Health and Adult Social Care
Cambridgeshire Constabulary	Police Services
Cambridgeshire Fire & Rescue Service	Emergency Services

Delivery Mechanism

3.17. The Scheme sets out a comprehensive structure for collecting planning contributions for delivering infrastructure. This can be diagrammatically shown as set out below

Diagram showing Delivery Framework and connection with S106



4. Determination of Contributions

- 4.1. Site related infrastructure, including affordable housing, will be funded directly by development. In addition, developments will make standard contributions to Neighbourhood and Strategic Infrastructure.
- 4.2. The impact of this Scheme is universal in that all new residential and commercial development is expected to contribute to the Scheme where it has impacts on the City. For single houses and smaller developments this is measured as a standard contribution to make it simple and fair. For larger sites, where completely new infrastructure is essential before a development starts, the responsibility lies with the developer to provide the heads of terms for a Section 106 agreement preferably as part of the pre-application discussions which includes the mitigations as measured under this Scheme. Where there is some existing infrastructure available, or for smaller developments, the Council will seek a fair contribution to the cost of additional infrastructure or upgrading existing infrastructure.
- 4.3. Planning obligation contributions received in place of on-site provision will generally be pooled with other similar contributions in order to fund timely delivery of new infrastructure. Equally, contributions may be used to upgrade existing facilities to increase capacity to accommodate growth. Contributions can also be received from subsequent developers where the infrastructure has already been provided by the Local Authority or a third party in advance of development.
- 4.4. The Council has prepared a simple "[S106 Calculator](#)", which will give an immediate guide to your Planning Obligation in all but the largest or most complex cases.

Standard Contributions

- 4.5. The detailed standard contribution figures are set out in [Appendix 2](#). Individual development proposals can only make a partial contribution to the Strategic and Neighbourhood Infrastructure required. In determining the standard contribution figures rather than looking at the overall infrastructure costs, emphasis has been placed upon the capacity of residential and commercial development in Peterborough to viably achieve the standard contribution figures. [Viability testing](#) has been undertaken to establish the standard contribution figures. As such this scheme should leave a development viable and therefore should not be a deterrent to undertaking development in Peterborough.
- 4.6. Standard contributions for non-residential development are calculated per square metre (Gross Internal Area). Different rates per square metre will apply to each category of non-residential development to reflect the wide variation in the viability of such schemes. Less common forms of development will continue to be negotiated 'case by case'.
- 4.7. The standard contribution for houses and flats is based on size measured by the number of bedrooms, to broadly reflect the impact on infrastructure.
- 4.8. To avoid discouraging larger houses, for which there is an acknowledged need in the city, there will be no additional contribution after the fifth bedroom.

- 4.9. Where a developer provides Neighbourhood or Strategic Infrastructure beyond the obligated needs of their actual development, subject to agreement with the Council, it may be set against the expected standard contribution for Neighbourhood and Strategic Infrastructure
- 4.10. For “major” residential development applications which would result in the creation of at least 10 residential units or residential development of a site of 0.5 hectares or more, the Council recognises that some Neighbourhood Infrastructure might be provided on-site, that a level of affordable housing might be provided which is above the Council’s minimum policy requirement, and that in some exceptional circumstances, Strategic Infrastructure may be provided by developers. As the Council wishes to encourage direct infrastructure provision, in these circumstances it may negotiate a reduced standard contribution, i.e. off-set the cost of direct infrastructure against the standard tariff.
- 4.11. The Council’s presumption is that the standard contributions will apply. Where applicants wish to seek to negotiate lower amounts to reflect direct provision of additional infrastructure, or difficulties with the viability of the proposal, the Council will expect applicants to submit a statement of their proposed obligations, providing a detailed justification for this, alongside the planning application. Normally a full development appraisal on an “open book” basis, for audit by the Council, will be required to substantiate the position. This will be treated as commercially confidential by the Council. The submission of an open book appraisal does not guarantee that the Council will approve a development with an inadequate contribution to infrastructure but where a robust appraisal has been submitted it will be treated as a material consideration as part of the negotiations process.
- 4.12. Only where exceptional and objective social, environmental or economic factors or on site costs justify reduced infrastructure provision will part or all of the standard contribution for a development be waived. Failure to accept the standard contribution figures in the absence of such exceptional factors will lead to refusal of the application on the basis of contravention of Policy IMP1 of the Local Plan.

Details of the [Viability Testing](#) can be found on the council’s web site under the Planning Obligations Scheme web pages.

- 4.13. The Council seeks to capture a proportionate contribution from both residential and non-residential development schemes. This includes some types of smaller schemes which have previously made little or no contribution to infrastructure provision. These still make use of and benefit from infrastructure and services provided, adding cumulative pressures to existing infrastructure. The Council will monitor and resist proposals designed to avoid contributing to common infrastructure.
- 4.14. For development below the ‘trigger points’ set out in [Appendix 2](#), no contribution will be sought. At or above the trigger point, a contribution will be sought for the total development

Residential Development

- 4.15. At this stage, the Council will not seek a contribution from minor extensions to homes, where the Planning Obligation would be small and where it is satisfied that there is no likelihood that the resultant dwelling could be subdivided or extended immediately after practical completion thereby creating a separate

planning unit. For this Scheme, a bedroom is defined as any room within a dwelling that may be primarily used for sleeping and consists of the following elements:

- Provides privacy to the occupants
- Provides one or more windows or doors suitable for emergency escape
- Provides one or more interior methods of entry or exit

Minor Non-residential Extensions

4.16. The Council will not seek a contribution from minor non-residential extensions, where it is satisfied that the scale of development has not been specifically designed to avoid a contribution, for example - the addition of a small front reception area to an industrial property. Minor includes developments falling below the trigger points indicated in [Appendix 2](#).

Phasing and Indexing Payments

4.17. Urban extensions and large developments may incorporate phased completion, in which case the infrastructure contributions may also be phased if forward provision is not appropriate. As development can take place over several years, inflation can eat into any agreed payment. Financial obligations therefore will be increased in line with an agreed 'index'.

4.18. Contribution figures will be reviewed every April to take into account development viability (capturing land values and construction costs) and the dynamics of the local property market, together with the evolving infrastructure requirements set out in the Council's IDP. For clarity, any changes to the Standard Charge Rates will not apply to negotiations already taking place or those that have been completed.

4.19. Financial contributions will normally be linked to the Royal Institute of Chartered Surveyors (RICS) Building Cost Information Service (BCIS) indices. This will reflect the inflation costs between the negotiation of a Section 106 agreement and payment.

4.20. Financial contributions arising from agreements will normally be payable upon commencement of development.

4.21. For large commercial schemes, or phased residential schemes of 15 dwellings or more, the Council will consider requests from developers for phased payments made at the start of each phase.

4.22. In circumstances where the developer agrees to pay any cost immediately prior to the grant of planning permission a Unilateral Undertaking may be used as evidence of such payment. This does not of course preclude the use of Unilateral Undertakings in other circumstances but the Council strongly encourages the use of agreements for the benefit of both sides.

“Claw-back”

- 4.23.** While the City Council plans and expects to use all contributions for the agreed infrastructure, where it fails to deliver, the money will be repaid.
- 4.24.** In some cases it will be necessary to accumulate financial contributions over a number of years before infrastructure is delivered. However it is not reasonable for developers' money to be held indefinitely and so, where appropriate, agreements will include a provision for the Council only to retain financial contributions for a period of 10 years from the date of the last payment of the money in respect of any particular contribution. After this time, any contributions that have not been spent or committed will be repayable to the developer, with any interest accrued.
- 4.25.** Contributions collected on behalf of third parties, including Cambridgeshire Constabulary and Peterborough Primary Care Trust are not normally subject to these 'claw-back' arrangements as these involve decisions and resources beyond the council's control. However the Council intends to enter into a Service Level Agreement (SLA) with third parties to provide 'claw-back' arrangements.
- 4.26.** Where redevelopment of a site is proposed contributions will only be sought where there is additional impact from the new proposal compared with the previous development.

5. Pooling and Allocation of Contributions

Division between Neighbourhood and Strategic “Pools”

- 5.1. Pooled contributions, augmented by other funding, will be expected to fund provision of Strategic and Neighbourhood Infrastructure where direct provision is not made. In accordance with Government guidance there will be a clear audit trail between the contribution made and the infrastructure provided. The Council will ensure that allocation of a particular contribution is made to appropriate schemes that relate to the development, to ensure legitimacy.
- 5.2. On the basis of the known and predicted infrastructure requirements in the IDP and known and assumed infrastructure provision/funding from other sources, it is proposed to divide contributions received to 65% for Strategic Infrastructure and 35% for Neighbourhood Infrastructure.

Division between Delivery Services

- 5.3. A proportion of each ‘pool’ will go to agreed schemes from under the headings – Transport & Communications, Community and Leisure, Education and Learning, Emergency Services, Environment, Health and Adult Social Care.
- 5.4. The proposed expenditure breakdown for each pool is shown in the table below. This will be used as a basis for planning expenditure within pools during the first annual cycle.

Infrastructure Type	Strategic ‘Pool’	Neighbourhood ‘Pools’
Transport & Communications	25%	5%
Community & Leisure	7%	7%
Education & Learning	10%	10%
Emergency Services	8%	
Environment	15%	5%
Health & Adult Social Care		8%
Total	65%	35%

- 5.5. Recognising the critical need to provide school places in step with development, and the lead role that Children’s Services are currently playing in developing sustainable school buildings and extensions, in addition to contributions identified for Education & Learning, they will have first call on 10% of all contributions in the Planning Obligation pools identified for Environment.

6. Monitoring and Annual Review

Fund Management

- 6.1.** All financial contributions made under the Scheme will be managed by Peterborough City Council, which will also be responsible for their distribution as agreed. This Scheme will be monitored by Peterborough City Council to ensure that it achieves its objectives and is transparent and accountable to all parties.

Audit and Annual Review

- 6.2.** The Scheme will be internally audited and reviewed at least annually.
- 6.3.** The Council's Planning & Environmental Protection Committee will ensure the scheme complies with the requirements for entering into planning agreements and will propose modifications where necessary.
- 6.4.** The Council's Cabinet will consider the overall working of the Scheme in its contributions to real costs incurred by those delivering infrastructure for the Growth Strategy. Recommendations will be made on changes to the Scheme by the Council
- 6.5.** Such review will be informed by the following:-
- The Council's Corporate Planning Obligations Database – which details all Planning Obligations and the relevant commitments made. It is accessible to officers of the Council and its partners. This Database is the mechanism through which individual Obligations are recorded, invoiced and the funds allocated to spending heads for each service. These are monitored for compliance. Such monitoring includes physical site checks and checks against deposited project plans as necessary and appropriate.
 - The value of Planning Obligation receipts and the respective pools into which such funds have been allocated.
 - The extent of expenditure made by services and projects. Any funds which are within a specific pool and which are due to be returned to the contributor(s) as a result of one or more infrastructure projects having been delayed, or abandoned or otherwise not being delivered in the stated time.
 - The delivery of Strategic and Neighbourhood Infrastructure.
 - The plans for, costs of and timescales for delivery of Strategic and Neighbourhood Infrastructure and in particular Peterborough's IDP and the Council's Medium Term Financial Strategy [MTFS].
 - Experience of the effect of meeting the standard contributions upon Peterborough's development and property market.
 - Relevant changes in policy and legislation
 - Public, developer and stakeholder views upon the Scheme.

Review of the Scheme

6.6. The review may but not exclusively consider:-

- The impact of the scheme upon development and the market in Peterborough and its relative performance based on comparable Growth Centres
- Whether the percentage allocation between Strategic and Neighbourhood Infrastructure pools should be changed;
- Whether the percentage allocation between the specific themes within both the Strategic and Neighbourhood Infrastructure pools should be changed;
- The scope of standard contributions and whether any revisions are required
- The level of standard contributions
- Whether any further changes to the Scheme or its management are required.

Method and Reporting Review

6.7. The Annual Report will be made to the Council as explained above and this will consider the workings of the Scheme and introduce modifications. This will be reported in the Council's Annual Report. It will include an annual statement on the receipt of standard charges and their distribution across the contribution pools and any reassessment necessary. It will include the recognition of abortive projects and the use of unspent balances. In reviewing the expenditure under the Scheme the Council will review the impact and effectiveness of the standard charges.

6.8. Minor administrative variations to the Scheme will be dealt with by the Head of Planning. Any policy, formulaic or financial changes will be referred to the [Council's Executive](#), which consists of the Cabinet and individual Cabinet members, for approval.

6.9. The annual review and major changes to the Scheme will be subject to the Council's decision-making process. The IDP will be updated with partners.

Fees and Charges

6.10. In administering and monitoring this Scheme the Council will incur costs. As a result, the Council will make a charge of 2% for the first £3m and 1% thereafter on the total sum of all S106 contributions.

6.11. Developers will be expected to pay their own legal costs and those of the Council on entering into the Section 106 Agreement. The Council's Legal Service will require a solicitor's undertaking to meet these fees before they start substantial work. This guarantees that the developer's solicitors will pay for the work Legal Services has done even if the agreement is never signed.

Process Structure

6.12. This is outlined at [Appendix 4](#) .

7. Application of the Standard Contributions

- 7.1.** Detailed provisions regarding the application of the standard contributions are set out at [Appendix 5](#) together with case study examples to illustrate how the standard contribution will be calculated in practice.
- 7.2.** The scenarios have been created to illustrate a number of examples of how Peterborough City Council's Implementation Scheme will be applied in practice. All scenarios will include an appropriate S106 monitoring fee.

Appendix 1 - National and Regional Planning Policy

National

1. England's planning system aims to deliver sustainable development and create sustainable communities. National planning policies are set out in Planning Policy Statements (PPSs) and Planning Policy Guidance (PPGs). The government, in the Sustainable Communities Plan (2003), has also identified four 'growth areas' in which significant increases in levels of housing development is planned. Peterborough sits within the London-Stansted-Cambridge-Peterborough growth corridor which is intended to deliver over 180,000 new homes between 2001 and 2016.
2. The statutory framework for planning obligations is established in section 106 of the Town and Country Planning Act 1990 as amended. Section 106(1) provides that anyone with an interest in land may enter into a planning obligation enforceable by the local planning authority. Obligations, which relate to the land, may restrict its development or use; require operations to be carried out in, on, under or over it; require that the land is used in a specified way; or require payments to be made to the planning authority either in a single sum or periodically. S106 contributions can be made 'in kind' or as a financial contribution.
3. Circular 05/2005 – Planning Obligations provides revised guidance to local authorities in the use of planning obligations. It emphasises the fundamental principle that planning obligations should not legitimise unacceptable development (i.e. developers should not be able to 'buy' planning consents) or be used purely as a means of extracting a share in the profits of development. It indicates that local authorities should negotiate planning obligations according to five tests, of being:
 - (i) **relevant** to planning;
 - (ii) **necessary** to make the proposed development acceptable in planning terms;
 - (iii) **directly related** to the proposed development;
 - (iv) fairly and reasonably **related in scale and kind** to the proposed development; and
 - (v) **reasonable** in all other aspects.
4. The circular promotes a plan-led system by which planning authorities set out policies relating to the scope of planning obligations sought, and levels of contributions expected. It recommends that in future the overarching policy framework should be established in Development Plan Documents (DPDs), with detailed policies, such as matrices setting out the size and types of contributions sought, to be provided in Supplementary Planning Documents (SPDs). The publication and use of standard heads of terms agreements/undertakings or model agreements is also promoted.
5. The Circular encourages use of formulae and standard charges where appropriate, as part of their framework for negotiating and securing planning obligations. This should include charges to be applied in preparing and completing the S106 agreement.

6. This approach aims to provide greater certainty to developers regarding likely contributions required and reduce the time spent in negotiating agreements.

Regional

7. The [Regional Spatial Strategy](#) [RSS] for the East of England sets a framework for the growth of Peterborough. It identifies Peterborough as a Priority Area for Regeneration (Policy SS5), Regional Centre and Transport Node (E5), a Regionally Significant Employment Location (E3), and a Key Centre for Development and Change (PB1). Policy PB1 aims to deliver an increase of at least 20,000 additional jobs in the period 2001-2021 together with strong housing growth, sustainable transport improvements and the provision of social, community and green infrastructure. Objectives, targets and sub-regional apportionment for the management of waste in Cambridgeshire and Peterborough are set out in policies WM1 – WM8. Key policies include:
 - development and regeneration of the city centre to create an improved range of services and facilities including retailing, housing, leisure, cultural and green infrastructure provision;
 - the regeneration of inner urban areas;
 - delivery of a significant and sustained increase in housing;
 - maximising on its credentials as an Environment City;
 - improving access to locally-based further and higher education facilities through a strategy to establish and expand provision of higher education and work towards the provision of a university;
 - providing improved transport choices both within the urban area and between the town and hinterland.
 - waste disposal authorities should ensure that 'bring sites' and household waste recycling sites are widely available.
8. The [RSS](#) defines a minimum housing target of 25,000 dwellings for the city over the 2001-21 plan period, equal to a requirement to deliver at least an average of 1,420 dwellings per year over the period from April 2006 – March 2021 (Policy H1).
9. Planning obligations will help to meet this package of objectives to achieve the sustainable growth of the City.

Appendix 2 – The Standard Contribution Figures

Land use	Type	Standard Charge Rate	Trigger Point
A1 Shops	<i>Shops, post offices, travel and ticket agencies, sandwich shops. Hairdressers, funeral directors, domestic hire shops, dry cleaners, internet cafes</i>	£75 per m ² GIA	500 m ²
A1 Supermarkets		£125 per m ² GIA	500 m ²
A2 Financial and Professional Services	<i>Professional and financial services (other than health or medical services), betting shops. Banks, building societies, estate and employment agencies</i>	£75 per m ² GIA	500 m ²
A3 Restaurants and Cafes	<i>Sale of food and drink for consumption on the premises</i>	£20 per m ² GIA	250 m ²
A4 Drinking Establishments	<i>Public houses, wine-bars or other drinking establishments</i>	£20 per m ² GIA	250 m ²
A5 Hot Food	<i>Sale of hot food for consumption off the premises</i>	£20 per m ² GIA	250 m ²
Exceptions	<i>Retail warehouse clubs, shops selling and/or displaying motor vehicles, laundrettes, taxi or vehicle hire businesses, amusement centres, petrol filling stations</i>	Negotiated case by case	
B1 Business	<i>Offices not within Class A2 Research and development of products or processes, laboratories, light industry</i>	£10 per m ² GIA	500 m ²
B2 General Industry	<i>General Industry</i>	£8 per m ² GIA	500 m ²
B8 Storage or Distribution	<i>Use for storage or as distribution centre</i>	£8 per m ² GIA	500 m ²
Exceptions	<i>Use for any work registerable under the Alkali, etc Works regulation Act 1906</i>	Negotiated case by case	
C1 Hotels	<i>Hotels, boarding or guest houses where no significant element of care is provided</i>	£500 per bedroom	50 beds
C2 Residential Institutions	<i>Residential schools and colleges, hospitals and convalescent/nursing homes</i>	Negotiated case by case	

Appendix 2 – The Standard Contribution Figures

Land use	Type	Standard Charge Rate	Trigger Point
C3 Dwelling Houses	Flats: Studio Flat	£2,000	1 dwelling
	1 Bedroom	£3,000	
	2 Bedroom	£4,000	
	3+ Bedroom	£5,000	
	Houses: 1 Bedroom	£3,000	
	2 Bedroom	£4,000	
	3 Bedroom	£6,000	
	4 Bedroom	£8,000	
	5+ Bedroom	£9,000	
Exceptions	Hostels	Negotiated case by case	
D1 Non-residential Institutions	Places of worship, church halls	Negotiated case by case	
	Clinics, health centres, crèches, day nurseries, day centres. Consulting rooms, museums, public halls, libraries, art galleries, exhibition halls		
	Non-residential education and training centres		
D2 Assembly and Leisure	Cinemas, concert halls, dance halls, sport halls. Swimming baths, skating rinks, gymnasiums	£8 per m ² GIA	500 m ²
	Other indoor and outdoor sports and leisure uses, bingo halls, casinos		
Exceptions	Theatres, nightclubs	£8 per m ² GIA	500 m ²
Mineral Extraction, Restoration and Afteruse		Negotiated case by case	
Waste Management Facilities		Negotiated case by case	

GIA = Gross Internal Area

Change of Use applications will be assessed on a case by case basis in order to determine whether POIS is applicable due to a net impact on infrastructure.

Appendix 3 – Impact Assessment

Peterborough S106 A comparison between current assessment of S106 obligations and Implementation Plan 2008 formula

Analysis of previous consultation

Background:

Two separate consultancies were engaged by Peterborough City Council to help the Authority put together the Planning Obligations Strategy. In a letter to the S106 officer, dated 21 December 2007, one of the consultants proposed a change to the original consultancy paper, to switch from using habitable rooms to either using Gross External Area (GEA) or to using bedrooms for the purposes of assessing S106 contributions on dwellings.

The December 2007 proposal was as the table below shows.

	Per dwelling	Per habitable room	Per bedroom	GEA Per m ²
2 bed flat	£3,900	£4,000	£1,950	£53
3 bed house	£9,999	£6,000	£3,333	£97
4 bed house	£14,000	£8,000	£3,500	£80

The view was expressed that there were difficulties in using GEA as a measure and that using a charge per dwelling or per habitable room was preferable, a methodology that Brent was using. It then appeared that Brent was using a charge per bedroom and in a second letter dated 11 January 2008, the consultancy expanded this concept by first trying to define a bedroom as there is no planning definition for a bedroom.

Rates for residential dwellings, taking into account (a) a level of affordable housing at 35% and (b) the requirement to build all affordable housing to Code Level 4 were proposed. These rates are below and were based on an assessment of the impact that S106 has on residual land values. The consultancy felt that cutting land values by more than 20-25% would inhibit development and so proposed the following for residential:

		Suggested rate	Suggested maximum payment per dwelling
Flats	Studio	£1,200 per bedroom	£2,000
	1 bed	£1,200 per bedroom	£3,000
	2 bed	£1,200 per bedroom	£4,000
	3 bed	£1,200 per bedroom	£5,000

		Suggested rate	Suggested maximum payment per dwelling
Houses	2 bed	£1,750 per bedroom	£4,000
	3 bed	£1,750 per bedroom	£6,000
	4 bed	£1,750 per bedroom	£8,000
	5 bed or more	£9,000 per dwelling	£9,000

At a meeting on 14 January 2008 between Peterborough City Council and Opportunity Peterborough it was decided to accept the maximum values per dwelling.

Comparison between current S106 methodology and Consultancy Tariffs

A review was then undertaken of 11 applications that have S106 agreements either still in negotiation or now complete. 7 were residential applications with 3 purely commercial and 1 of mixed development. The comparison was made between the current S106 negotiated settlements and the consultancy tariff rates as per Appendix 2 of the Planning Obligations Strategy.

The residential results were as follows:

		Current	Consultant
Site A			
	Per 100 dwellings (79 flats, 21 houses)	£1,220,817	£406,779
Site B			
	7 flats	£14,210	£28,000
Site C			
	1 (4 bed) house	£7,920	£8,000
Site D			
	4 (1 bed) flats, 60 (2 bed) flats, 5 (2 bed) houses, 38 (3 bed) houses	£604,628	£500,000
Site E			
	1 (1 bed) flat		
	Unilateral	£620	£3,000
Site F			
	1 (3 bed) house	£7,060	£6,000
Site G			
	(2005 app) 12 (2 bed) flats, 12 (5 bed) townhouses	£38,780	£156,000

NB These sums do not include affordable housing

Site A is an outline application and assumptions were made that the flats would be a combination of 1 and 2 bed flats and the houses would be 3 bed. This site is still under negotiation and the data has been modified to illustrate the changes for 100 properties.

Site G is an application dating from 2005 and so was assessed under the S106 obligation process current at the time.

The commercial and mixed site results appear below:

	M ²	Current	New
Site N			
B1	992		
B2	2314		
		£48,000	£28,432
Site O			
A1	4849		
B8	7174	£329,552	£421,067
Site P Mixed			
B1	2335		
6 (1 bed) flat			
8 (2 bed) flat		£117,779	£73,350
Site Q			
B1	3590	£46,576	£35,900

Note, it was time consuming to research each file for current S106 assessments, whilst calculating the new financial obligation required very little time and effort.

Conclusion re the findings

The limited research showed that there were both winners and losers. Many of the larger sites were subject to specific negotiations, for example, about highways improvements which are included where applicable in the current totals. Under the new system, they may see a reduction but in general, there were no direct conclusions to draw from such a small sample except to note that whatever was previously charged would be different under the new system.

While for the large developments, there appeared to be a significant drop in costs, for smaller developments, the picture was mixed.





The main difference is consistency in the methodology, where currently there is none, that the new process will be much more efficient and easier to operate and that it will be much more transparent to developers.

Conclusion re affordability of S106

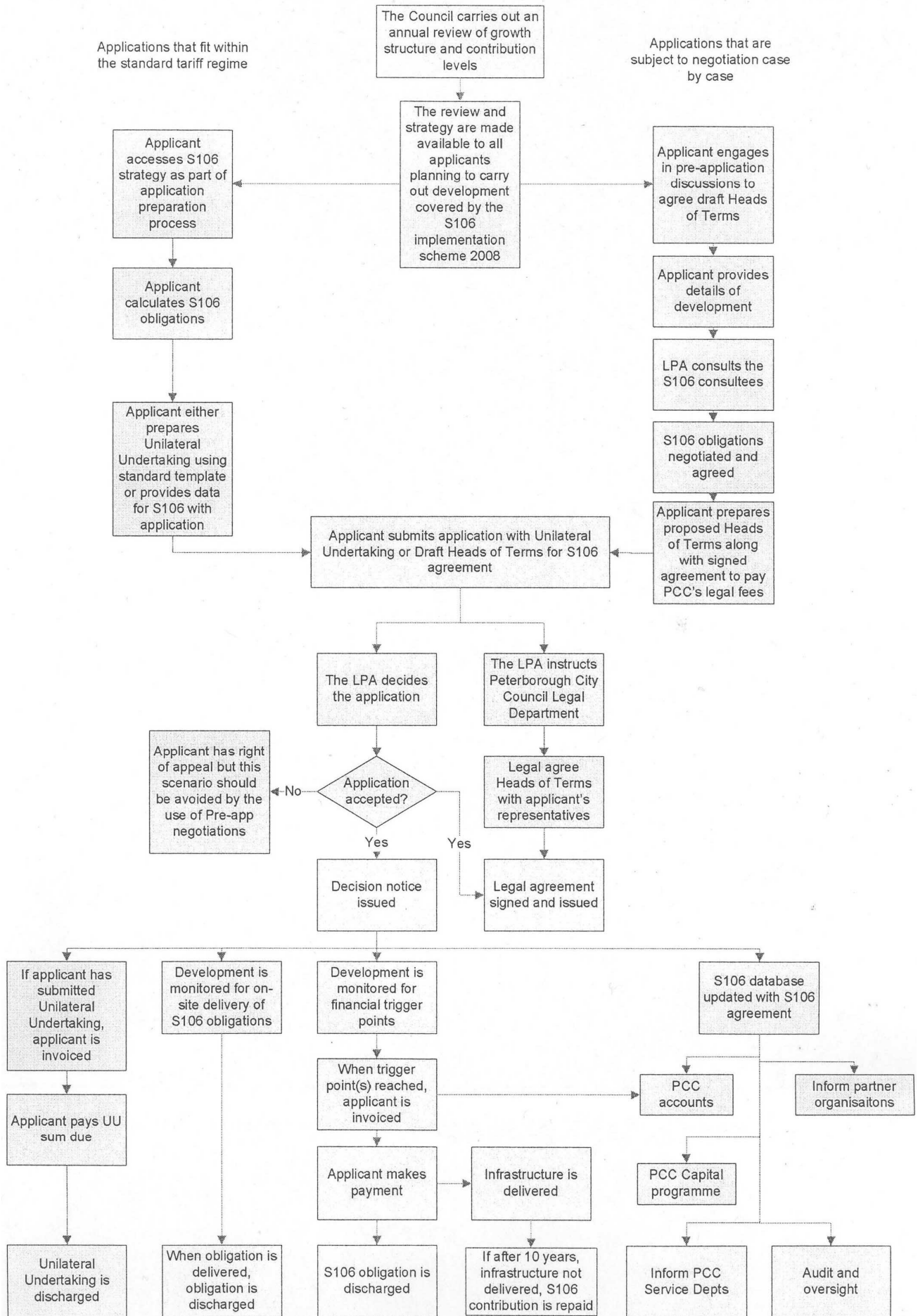
As the consultancy points out in their letter dated 11th January 2008 and events since have proved correct, the property market is weakening and the case can now be easily made for a further discount. It was suggested that if the Council wished to pursue this option, the members should reconsider the affordable housing strategy first and look to reduce the affordable housing contribution, currently standing at 35% based on regional guidance and the Housing Needs study, either by cutting it from 35% to say 30% or alternatively reducing the social rent element of the total. The affordable housing is split 70% social rent, 30% market rent/shared ownership and by changing the mix to 50%:50%, this should yield more profit for the developer, thereby somewhat mitigating the impact of lower land values.

Furthermore whilst reducing the tariffs as they appear in Appendix 2 of the Planning Obligations Strategy might be directly appealing in terms of reducing the S106 burden, in practise it will create other problems as the off-site infrastructure will have to be paid for when the development is built and the monies for this infrastructure will have to come from somewhere, if not from the development itself. Since in the current environment, funding from other sources is likely to be much more difficult to obtain, reducing these tariffs will probably otherwise compromise the ability of the Council to deliver the additional infrastructure needed to make the developments viable.

The final recommendation was that further modelling should be undertaken of the possible changes that can be made to affordable housing to enable developments to remain viable in this difficult and challenging environment.

 Letter 1 dated 211207.pdf	Letter dated 21 November 2007
 GVA Grimley Letter 1 data.pdf	GVA Grimley Letter 1 data
 Letter 2 dated 110108.pdf	Letter 2 dated 11 January 2008
 GVA Grimley Letter 2 data.pdf	GVA Grimley Letter 1 data

Appendix 4 – Process Structure



Appendix 5 – Case Studies

Scenario A

A developer submits an application to build five, four bedroom houses on an infill site or the edge of the city with good road access directly to the site. It complies with existing planning policy. S106 Approach:

Site specific –	Planning Officer will need to liaise with Highways re on-site provision of footpaths and travel plans etc								
Open Space –	Local Plan Policy trigger of nine dwellings not met so no contribution is required								
Affordable Housing –	Local Plan trigger of 15 dwellings not met so no contribution is required								
Neighbourhood Infrastructure –	Pooled contribution accepted								
Strategic Infrastructure –	Pooled contribution accepted								
Total Contribution	<table> <tr> <td>Site specific works</td> <td></td> </tr> <tr> <td>+ 5 dwellings x £8,000 per dwelling</td> <td>£40,000</td> </tr> <tr> <td>+ monitoring fee</td> <td>£ 800</td> </tr> <tr> <td>TOTAL</td> <td>£40,800</td> </tr> </table>	Site specific works		+ 5 dwellings x £8,000 per dwelling	£40,000	+ monitoring fee	£ 800	TOTAL	£40,800
Site specific works									
+ 5 dwellings x £8,000 per dwelling	£40,000								
+ monitoring fee	£ 800								
TOTAL	£40,800								

Scenario B

A large retailer wishes to develop a new retail unit on the edge of an existing business park. Once completed the building will comprise 1500m² (16,140sq feet) Net Internal Floor space. S106 Approach:

Site specific -	Planning officer will liaise with Highways/Transport to agree provision of highways and transport infrastructure including travel plans etc								
Neighbourhood Infrastructure -	Pooled contribution accepted								
Strategic Infrastructure -	Pooled contribution accepted								
Total Contribution:	<table> <tr> <td>Site specific works</td> <td></td> </tr> <tr> <td>1500m² x £75/m²</td> <td>£112,500</td> </tr> <tr> <td>+ monitoring fee of</td> <td>£ 2,250</td> </tr> <tr> <td>TOTAL</td> <td>£114,750</td> </tr> </table>	Site specific works		1500m ² x £75/m ²	£112,500	+ monitoring fee of	£ 2,250	TOTAL	£114,750
Site specific works									
1500m ² x £75/m ²	£112,500								
+ monitoring fee of	£ 2,250								
TOTAL	£114,750								

Scenario E

A developer works together with a Registered Social Landlord to build a small estate of 25 three bedroom houses comprising 15 affordable units and 10 market dwellings. S106 approach:

Site Specific	Planning Officer to liaise with Highways to agree provision of footpaths, travel plans and on-site roads etc. Open space – On-site provision to be made, no financial contribution required in accordance with Local Plan Policy Affordable Housing – 30% Affordable Housing equates to eight dwellings (rounding up), therefore there is an over provision of seven affordable units. The strategy would encourage delivery of on-site infrastructure and Planners/S106 Officer would be willing to negotiate with developers regarding the remaining S106 standard contribution in recognition of this over-provision
Neighbourhood Infrastructure -	Negotiated Pooled contribution accepted
Strategic Infrastructure -	Negotiated Pooled contribution accepted

Scenario F

RSL submits application to build 50 affordable units. S106 Approach:

Site Specific	Planning Officer to liaise with Highways to agree provision of travel plans, footpaths and on-site roads etc. Open space – On-site provision to be provided on-site in accordance with Local Plan policy Affordable Housing – Scheme is for 100% Affordable Housing therefore Local Plan policy is met.
Neighbourhood Infrastructure -	Pooled contribution accepted
Strategic Infrastructure -	Pooled contribution accepted

The Council recognises that this is an RSL application and so funding constraints may significantly impact on the ability of the developer to make a financial contribution. The Council will consider an “open book” negotiation.

Scenario G

A developer submits an application to demolish a small terrace of 10 two bedroom dwellings and build 10 brand new, two bedroom dwellings. S106 Approach:

No contribution anticipated. This development is unlikely to place any additional demand on the city's infrastructure and services and circular 05/2005 is not satisfied.

Scenario H

Developer proposes a development of 750 dwellings on the edge of the city as part of a new township. S106 Approach:

Full consultation with the s106 Officer's Group to agree the infrastructure that the developer will be expected to provide directly will inform subsequent negotiations with the developer. The POIS anticipates that on a development of this size, some city-wide infrastructure contributions will be pooled, for example waste management facilities. Other infrastructure may be provided directly on-site by the developer, for example, a new primary school. The nature and level of on-site infrastructure that a developer agrees to provide will be reflected in the negotiations for contributions towards pooled contributions.

Appendix 6 – Glossary of Terms

Business Plan

A document that sets out the detailed rationale, costings, phasing, funding regime and delivery contingencies for identified Infrastructure

Contributions Framework

A framework outlining the mechanisms by which planning contributions will be sought

DCLG

Department for Communities and Local Government

Delivery Framework

The overarching structure for securing planning contributions and coordinating, planning and managing the delivery of infrastructure

Infrastructure

All aspects of land or development, works and facilities required to support new development

Infrastructure Layer

The definition of infrastructure types within broad groups

Legal Agreement

A legally binding agreement to secure contributions through a Planning Obligation

Local Delivery Mechanism

A partnership of key service delivery authorities and agencies established to co-ordinate, plan and manage the delivery of infrastructure

Planning Contributions:

Contributions secured through the planning system for necessary infrastructure to mitigate the impact of, and support, new development.

Planning Obligation

A commitment made by a landowner, usually to secure necessary infrastructure, in conjunction with a grant of planning permission

Service Level Agreement (SLA)

A contractual arrangement with a third party to deliver an agreed service.

Appendix 7 – Website addresses for the hyperlinks contained within the POIS

The 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

Details of the **Cambridgeshire Aggregates (Minerals) Local Plan 1991** are located at <http://www.cambridgeshire.gov.uk/environment/planning/policies/minerals+local+plan.htm>

Details of the **Cambridgeshire and Peterborough Waste Local Plan 2003** are located at <http://www.cambridgeshire.gov.uk/environment/planning/policies/waste+local+plan.htm>

Details of **Circular 05/2005** are located at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/147537.pdf>

Details of the **Council Corporate Plan 2007 – 2010** are located at <http://www.eastofengland.uk.com/res/>

Details of the **East of England Regional Economic Strategy RES** are located at <http://www.eastofengland.uk.com/res/>

Details of the **Government's Sustainable Communities Plan** are located at <http://www.communities.gov.uk/communities/sustainablecommunities/sustainablecommunities/>

Details of the **Integrated Development Programme [IDP]** are located at **To follow when launched**

Details of the **Integrated Growth Study** are located at <http://www.opportunitypeterborough.co.uk/keydocuments.aspx>

Details of the **Local Area Agreement 2008 – 2011** are located at <http://www.peterborough.gov.uk/pdf/LAA.pdf>

Details of the **Model planning obligation section 106 agreements** are located at <http://www.communities.gov.uk/planningandbuilding/planning/planningpolicyimplementation/planningobligations/modelplanningobligation/>

Details of the **Peterborough Local Development Framework [LDF]** are located at http://www.peterborough.gov.uk/planning_and_building/planning_policy/draft_development_plans/draft_peterborough_development.aspx

Details of the **Peterborough Local Plan** are located at http://www.peterborough.gov.uk/planning_and_building/planning_policy/peterborough_local_plan.aspx

Details of the **Planning and Compulsory Purchase Act 2004** are located at http://www.opsi.gov.uk/acts/acts2004/ukpga_20040005_en_1

Details of the Council's **Core Strategy DPD** are located at
http://www.peterborough.gov.uk/planning_and_building/planning_policy/local_development_framework/core_strategy.aspx

Details of the **Regional Spatial Strategy** [East of England Plan] are located at
http://www.gos.gov.uk/goeast/planning/regional_planning/regional_spatial_strategy/

Details of the “**S106 Calculator**” are located at
http://www.peterborough.gov.uk/ufs/ufsmain?esessionid=3&formid=PCC_PLAN_SECTION_106_CALCULATOR&PAGEID=640

Details of the **Statutory Development Plan** are located at
http://www.peterborough.gov.uk/planning_and_building/planning_policy/statutory_development_plan.aspx

Details of the **Sustainable Community Strategy 2008 – 21** are located at
<http://www.peterborough.gov.uk/pdf/SustainableCommunityStrategySummary.pdf>

Details of the **Viability Testing** are located at
http://www.peterborough.gov.uk/planning_and_building/other_planning_and_building/s106_planning_agreements.aspx