

## **BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE**

**27 MARCH 2008**

### **DRAFT GUIDE TO DEVELOPER CONTRIBUTIONS**

Overview and Scrutiny  
Committee:

Business Support

Report from:

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#### **Summary**

The Draft Guide to Developer Contributions, and its Sustainability Appraisal, has been subject to a further consultation process and has been amended as appropriate. It is scheduled to be considered by Cabinet on 22 April 2008 for approval to adopt as a Supplementary Planning Document.

The document sets out the contributions/obligations Medway Council would expect from developers intending to develop within the Medway area.

#### **1. Budget and Policy Framework**

- 1.1 The proposed guide, when adopted, will be a supplementary planning document in conformity with Policy S.6 of the Medway Local Plan. It is therefore consistent with the Policy Framework and a matter for the Cabinet to determine on 22 April 2008.

#### **2. Background**

- 2.1 The Developer Contributions Guide, which was consulted on in 2006, has been revised. The Guide sets out Council requirements for financial and other contributions from developers under Section 106 of the Town and Country Planning Act 1990.
- 2.2 Once adopted the Guide will provide developers, land owners and their advisors with clear advice on S106 requirements and should assist officers in negotiating individual S106 Agreements.

- 2.3 The Guide includes Council requirements for developer contributions under headings including affordable housing, education and childrens' services, transport and travel, open space, sport and leisure facilities, environmental mitigation, community development, community safety, training and workforce development, health, adult services social care, waste services and air quality.

### **3. Options**

- 3.1 If the Guide is adopted as a Supplementary Planning Document (SPD) and published, developers will have a reliable source of information regarding Medway Council's requirements for Section 106 contributions.
- 3.2 This SPD should enable the developer to reflect the costs of S106 contributions in the purchase price of land.

### **4. Advice and analysis**

- 4.1 Adoption of the guide will result in a clear and comprehensive reference for developers to access at the initial stages of a proposed development.
- 4.2 Table 5 of the Sustainability Appraisal compares the possible effects of adopting the guide as a Supplementary Planning Document, against non adoption. There is clear evidence to support that adoption of the guide would result in meeting sustainability objectives, such as improving accessibility to key services and facilities to local communities, and to meet the needs of affordable housing.
- 4.3 A further comprehensive consultation exercise has recently been carried out.
- 4.4 An initial assessment (screening) for a Diversity Impact Assessment has been completed and signed off by the Assistant Director, Development and Transport.
- 4.5 The screening process has shown that a full assessment is not required. The screening form has been sent to Research and Review.

### **5. Consultation**

- 5.1 A comprehensive consultation exercise with internal and external stakeholders was carried out on the original draft between 26 November 2007 and 11 January 2008, and again on the waste services, health, adult social care and air quality between 29 February and 14 March 2008.
- 5.2 A range of comments has been received which have been discussed and the guide updated as appropriate.

## **6. Financial and legal implications**

- 6.1 Planning obligations, or agreements, and Unilateral Undertakings are normally entered into in accordance with Section 106 of the Town & Country Planning Act 1990 (as amended).
- 6.2. All obligations/contributions must be relevant to planning, necessary to make the proposed development acceptable in planning terms, directly related to the proposed development, fairly and reasonably related in scale and kind to the proposed development; and reasonable in all other respects.
- 6.3. All obligations/contributions received must be spent on the actual project and within the timescale detailed in the agreement. Failure to do so could result in the developer requesting a refund of the contribution with interest.

## **7. Recommendations**

- 7.1 That Members support the adoption of the Medway Council Guide to Developer Contributions, and its Sustainability Appraisal, as Supplementary Planning Documents and recommend them to the Cabinet.

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### **Background papers**

Draft Guide to Developer Contributions  
Sustainability Appraisal  
Planning Circular 05/2005