

CABINET

15 JULY 2014

REVIEW OF THE GUIDE TO DEVELOPER CONTRIBUTIONS

Portfolio Holder: Councillor Jane Chitty, Portfolio Holder for Strategic Development and Economic Growth

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Summary

The latest version of the Council's Guide to Developer Contributions, a Supplementary Planning Document (SPD), was adopted in November 2012, and sets out the level of developer contributions required under Section 106 agreements.

On 8 April 2014 Cabinet approved a consultation exercise for a revised and updated draft SPD, which includes up to date contact details, and inclusion of sport facilities and public realm sections.

This report seeks Cabinet approval to adopt the revised Guide as a Supplementary Planning Document, to supercede the current November 2012 version.

1. Budget and Policy Framework

1.1 The Guide to Developer Contributions is a Supplementary Planning Document, which is consistent with the provisions of the 2003 Medway Local Plan, therefore, this is a matter for Cabinet.

2. Background

2.1 In April 2008 the Guide to Developer Contributions was adopted as a Supplementary Planning Document (SPD). A revised version was adopted in November 2012, following approval at Cabinet on 30 October 2012.

2.2 This Guide sets out the levels of Section 106 contributions which a developer should provide when intending to build 10 dwellings or more.

- 2.3 The draft Guide reflects current requirements and includes a section on public realm. A sport and leisure section has also been included. The draft Guide is attached at Appendix 1.
- 2.4 A public health section has also been included, which seeks contributions from hot food take aways acquiring planning permission after adoption of this 2014 Guide. These contributions will help to fund public health initiatives which are directed at reducing the level of obesity in Medway's population. Inclusion of this chapter is dependent on Cabinet approving the adoption of "Hot Food Take Aways in Medway: A Guidance Note" at this meeting.
- 2.5 Section 7B has been expanded to cover heritage and museums as well as open space, outdoor formal sport and Great Lines Heritage Park, but the total contribution sought for this section has not changed.
- 2.6 The draft Guide takes account of the National Planning Policy Framework, which was issued by the Government in March 2012.

3. Options

- 3.1 If the Guide to Developer Contributions is not updated, developers will not have current information available to them, and will not be clear about Medway's current requirements.
- 3.2 Adoption of this draft Guide will provide developers with an appropriate level of awareness and understanding of Medway Council's current Section 106 requirements.

4. Advice and analysis

- 4.1 The Guide to Developer Contributions needs to be regularly reviewed to ensure that contact details, information and evidence bases are appropriate.
- 4.2 A Diversity Impact Assessment (DIA) has been completed and shows that no further assessment is required (please see Appendix 3).
- 4.3 It is proposed that Cabinet agree a delegation to the Director, in consultation with the Portfolio Holder, to make any minor amendments prior to adoption and publication of the revised guide. This will only relate to issues such as spelling, grammar and/or updated contacts, and not any issues of substance to the guide itself.

5. Risk management

Risk	Description	Action to avoid or mitigate risk
1. developers will not have the appropriate information available to negotiate contributions	to continue to use the current version	to update the current Guide to Developer Contributions

Risk	Description	Action to avoid or mitigate risk
2. planning officers do not have the appropriate information available to negotiate contributions	to continue to use the current version	to update the current Guide to Developer Contributions

6. Consultation

- 6.1 In preparing supplementary planning documents to be adopted, the Council is required to meet a minimum level of public involvement under the Town and Country Planning (Local Planning) (England) Regulations 2012 and to comply with its Statement of Community Involvement.
- 6.2 The consultation arrangements adhered to the statutory requirements.
- 6.3 On 8 April 2014 Cabinet approved a consultation exercise on a revised Guide to Developer Contributions (November 2012).
- 6.4 Representations received were reviewed and the draft Guide updated, where appropriate, to address issues raised by consultees. A schedule of representations and responses is at Appendix 2.

7. Regeneration, Community and Culture Overview and Scrutiny Committee – 26 June 2014

- 7.1 The Assistant Director – Housing and Regeneration informed the Committee that the Council's Guide to Developer Contributions, a Supplementary Planning Document (SPD), had been adopted by the Council in April 2008 and revised in November 2012. The Guide set out the level of Section 106 contributions a developer should provide when proposing to build 10 or more dwellings. Such Guide was to be regularly updated to adjust contributions in line with inflation and to include reference to any new evidence base or legislation.
- 7.2 At its meeting on 8 April 2014, Cabinet had agreed to undertake a consultation exercise on a revised Guide, a copy of which was set out at Appendix 1 to the report.
- 7.3 It was confirmed that the revised Guide took account of the National Planning Policy Framework issued by the Government in March 2012.
- 7.4 A summary of representations received following consultations undertaken between 22 April – 30 May 2014 was set out at Appendix 2 to the report. Representations were currently being considered and the draft Guide would be updated to address issues raised by consultees following which it would be submitted to Cabinet for adoption on 15 July 2014.

- 7.5 Referring to Section 106 contributions from fast food outlets and relating to flood management, it was confirmed once Cabinet had adopted Strategies on these issues the Guide would be updated to include these topics.
- 7.6 The Council intends to continue to levy Section 106 contributions until a revised Local Plan is adopted.
- 7.7 The Committee considered the report and Members received clarification on a number of issues as follows:
- As 'Health' related contributions relate to infrastructure, funding would be passed onto the NHS and not retained by the Council.
 - The Developer Contribution Guide, once adopted could be updated as and when necessary to taken account of flood risk without the requirement to wait for the Community Infrastructure Levy to be introduced.
 - The level of funds received via the proposed Community Infrastructure Levy was likely to be approximately equal funds received through Section 106 agreements.
 - The Council has adopted Interim parking standards that are used by the Planning Committee in determining planning applications
- 7.8 The Committee noted the revised Developer Contribution Guide 2014 (for consultation) and the representations received.

8. Financial and legal implications

- 8.1 The draft Guide to Developer Contributions contains up to date information regarding council officer and other contacts and evidence justifying the collection of contributions where appropriate.
- 8.2 If adopted the amended Guide to Developer Contributions will be a supplementary planning document prepared in conformity with 'saved' Medway Local Plan Policies. As an adopted supplementary planning document the Guide will carry considerable weight in the determination of future planning applications.
- 8.3 Due regard should be given to the consultation responses.

9. Recommendations

- 9.1 That Cabinet agrees to adopt the updated 2014 draft Guide to Developer Contributions, as set out in Appendix 1 to this report.
- 9.2 That Cabinet agrees to delegate authority to the Director of Regeneration, Community and Culture, in consultation with the Portfolio Holder for Strategic Development and Economic Growth, to make any minor amendments needed to the draft Guide to Developer Contributions, prior to adoption.

10. Suggested reasons for decision

- 10.1 The updated Guide to Developer Contributions (2014) will provide up to date information on Medway Council's policy on developer contributions. This will benefit all stakeholders, including developers and Medway Council services.

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Background papers

Guide to Developer Contributions, adopted November 2012

<http://www.medway.gov.uk/planningandregeneration/developercontributions.aspx>