

ALLOCATION AND EXPENDITURE OF PLANNING INFRASTRUCTURE CONTRIBUTIONS (PIC)

Summary

This report recommends the allocation and expenditure of specific funds received via planning obligations as part of Section 106 Agreements and Unilateral Undertakings collected from development schemes in Surrey Heath for specific categories of works.

Portfolio – Regulatory/Business

Date Portfolio Holders signed off report: 23 May 2016

Wards Affected

All

Recommendation

The Executive is advised to resolve that:

- (i) the projects identified in Annex A be carried out and funded by funds collected through Planning Infrastructure Contributions;
- (ii) the implementation of the individual schemes be delegated to the Executive head of Business after consultation with the Business and Finance Portfolio Holders.

The Executive is advised to recommend to Council that the Capital Programme for 2016/17 be increased by £526,000 as set out in Annex A.

1. Resource Implications

- 1.1 The monies earmarked for the expenditure on the identified projects contained in Annex A have already been collected through Planning S106 agreements and unilateral undertakings. There are no additional resource implications for the Council should this proposal be agreed. The maintenance costs relating to the identified projects are already accounted for within on-going maintenance budgets and the proposed expenditure will not therefore increase existing maintenance costs. In addition new equipment being proposed will have at least a 10 year guarantee hence, additional maintenance costs will be kept low.

2. Key Issues

- 2.1 The authority to raise and spend planning infrastructure monies on the specific projects stems from Planning Circular 05/2005, which has now been superseded by the National Planning Policy Framework, Policy CP12 Infrastructure Delivery and Implementation of the Core Strategy & Development Management Policies DPD 2012, the Council's adopted Infrastructure Contributions (Developer Tariff) Scheme February 2009 and the Developer Contributions Supplementary Planning Document 2011.
- 2.2 The principles behind applying the tariff scheme to new development proposals is to ensure that all development, including small scale development, addresses the collective impact of development proposals on existing local infrastructure provision.

2.3 Planning Infrastructure Contributions (PIC) must be spent in accordance with the Council's 'Developer Contributions Supplementary Planning Document 2011, adopted by the Council's Executive on 18th October 2011. This now allows for the collection of infrastructure contributions under the following categories:

- Primary Education
- Secondary Education
- Transport,
- Libraries and Museums
- Open Space
- Outdoor recreation (Incl LEAP, NEAP & MUGA)
- Indoor sports facilities,
- Community facilities,
- Waste and recycling
- Environmental improvements
- Town Centre management

The tariff scheme criteria together with the unilateral undertakings and s106 agreements signed as part of the approved planning permissions do not allow for funding of projects outside these categories.

2.4 Contributions collected for libraries and transport, are not spent by SHBC but under the agreed tariff scheme are allocated and spent by Surrey County Council on identified new transport infrastructure and library facilities. The contributions made on the remainder of the PIC categories are held and overseen by SHBC.

2.5 Of the funding categories for which SHBC is responsible, the agreed tariff scheme requires that the majority of the sums raised are spent on equipped play space with reduced proportions spent on the other identified category areas.

2.6 With contributions collected through s106 agreements, there are time constraint requirements on the Council to allocate and spend the monies on projects within a specific time scale. Even where such time constraints do not apply, the PIC monies that have already been collected need to be spent in accordance with criteria as set out in the tariff scheme as well as in a timely and reasonable manner.

2.7 The monies collected under PIC cannot be used for the general maintenance of existing play space sites (see paragraph 1 above).

2.8 As new development schemes come forward and make contributions under the Developer Contributions SPD, different categories of proposed works will come forward for consideration.

3. Options

3.1 The options before the Executive are as follows:

- (i) To AGREE the list of identified projects to which Planning Infrastructure Contributions can be allocated as set out in Annex A.

- (ii) To NOT AGREE the list of identified projects or the expenditure of PIC already collected for the projects set out at Annex A.

3.2 The Executive is advised to agree options (i).

4. Proposals

4.1 The list of projects for which member approval is sought to implement with the PIC monies collected is at Annex A.

5. Supporting Information

5.1 Work has been undertaken with the Business Services Team in relation to identifying suitable Equipped Play Space, Environmental Improvements and Community Facilities projects for which PIC can be utilised.

5.2 Projects are allocated on a case-by-case basis depending on the location of Development sites in relation to project catchment zones and compliance with the collection criteria.

6. Corporate Objectives And Key Priorities

6.1 The proposals contained in this report support Objective 1 of making Surrey Heath an even better place where people are happy to live through the protection, management, maintenance and enhancement of public green spaces and supports sustainable living, construction and development. The proposal is in line with the Play Areas and Playgrounds in Surrey Heath report approved at Leisure and Environment Scrutiny Committee in September 2011 and strategy on Play Space provision in the Borough.

6.2 These proposals also support Key Priority 4 to keep Surrey Heath a clean, green and safe place for the continued wellbeing of our borough

7. Policy Framework

7.1 The relevant planning policies are as follows: Policy CP2: Sustainable Development and Design, Policy DM16: Provision of Open Space and Recreational Facilities and Policy DM14 Community and Cultural Facilities of the Surrey Heath Core Strategy and Development Management Policies 2012 and Policy CC7: Infrastructure and Implementation of the South East Plan 2009.

8. Legal Issues

8.1 The categories of the proposed infrastructure have been specifically identified in the Unilateral Undertaking and s106 Agreements submitted as part of the grant of planning permission and as such the contributions need to be spent on the identified infrastructure categories. The identified projects also comply with the CIL (Community Infrastructure Levy) regulations that came into force in 2010.

9. Governance Issues

9.1 None arising.

10. Sustainability

- 10.1 The spending of Planning Infrastructure Contributions and delivery of projects to enhance and expand infrastructure provision in the borough, in accordance with the list of projects put forward in this report, will deliver additional and enhanced facilities to address the increased pressures on existing facilities from new development. The delivery of projects identified in this report would enable a sustainable approach being achieved when dealing with the pressures of new development on infrastructure facilities provided by SHBC.

11. Risk Management

- 11.1 The key risk identified is that the approach taken by SHBC in levying PIC can be challenged at appeal. Therefore, it is necessary to take action to demonstrate that funds are being allocated to identified infrastructure projects and the projects being provided.

12. Equalities Impact

- 12.1 An equalities impact assessment has been undertaken for the projects identified in this report. The funding of the proposed projects will ensure that all residents in the borough have access to high quality equipped play facilities and improved leisure and community facilities irrespective of age.

13. Human Rights

- 13.1 No matters arising.

14. Community Safety

- 14.1 Ensuring that the Borough's play areas are improved and upgraded to a high standard where children as well as adults are able to recreate in a well-designed safe environment. In addition the provision of new community facilities will ensure that the wider community benefits from better facilities within the Borough.

15. Consultation

- 15.1 Internal consultation has been undertaken between the Section 106 Implementation Officer, the Development Manager and the Business Services Team.

16. PR And Marketing

- 16.1 N/A.

17. Officer Comments

- 17.1 The proposed funding of the identified projects by utilising developer contributions (secured and collected via Section 106 Agreements and Unilateral Undertakings) will help address deficiencies that arise from new development in the borough and the resulting increase in demand and usage of existing infrastructure facilities. The proposed works identified in the schedule will contribute towards ensuring that the borough is providing improved public infrastructure for existing and future residents and that new

development is not having a detrimental impact on the built environment and the quality of living in the borough.

Annexes	Annex A – List of projects for which member approval is sought to implement with the PIC collected to date.
Background Papers	None
Author/Contact Details	Steven Appleby, Community Infrastructure Delivery Officer, Regulatory Services Jonathan Partington, Development Manager, Regulatory Services
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Consultations, Implications and Issues Addressed

Resources	Required	Consulted
Revenue	✓	
Capital	✓	10/05/2016
Human Resources	✓	10/05/2016
Asset Management		
IT		
Other Issues	Required	Consulted
Corporate Objectives & Key Priorities	✓	10/05/2016
Policy Framework		
Legal		
Governance		
Sustainability		
Risk Management		
Equalities Impact Assessment		
Community Safety		
Human Rights		
Consultation		
P R & Marketing	✓	10/05/2016

Review Date:

Version: