

SAMM tariff

The SAMM Legal Agreement was signed in July 2011 by the eleven Local Authorities which make up the Joint Strategic Partnership Board (JSPB). The project was implemented from 14 July 2011. Schedule 1 of this agreement is the Natural England Guideline Methodology (NEGM)

<https://www.surreyheath.gov.uk/sites/default/files/documents/residents/planning/planning-policy/CIL/sammtariffguidance.pdf>

It sets out the amount that should be collected per dwelling to fund the SAMM element of the strategy.

The tariff was set at £630 per dwelling (section 4.1) and it was agreed that Local Authorities should seek to endorse this tariff and implement mechanisms to collect it by October 2009. The tariff would be collected the relevant LPA and passed to an Administrative Body (Hampshire County Council) and the delivery managed by Natural England. The sum provides for £190 towards annual expenditure and £440 to the long term investment fund.

- Later in the guidance it states that the tariff will be reviewed as a priority to ensure that housing and cost assumptions are as accurate as possible: (Table 8 - capital fund - Income) this would entail:
- A 10% increase in tariff in 2011/12.
- The tariff subsequently increases every 5th year by 15%.

Based on the above, according to the guidelines in the SAMM agreement, the tariff should currently stand at £796.95. If we compare the actual Bank of England inflation rate of 2.6% over the period since 2011, this gives a figure of £754.26

JSPB board members asked at the last meeting whether this uplift had been implemented by the local Authorities. This was discussed at the JSPB Officers meeting on 18th June 2019 and it emerged that there was possible inconsistency with this, depending on whether indexation was applied to the s106 agreement, but in general the Local Authorities were still basing their calculations on the £630 standard. As the uplift has not been implemented it was agreed at the Officers meeting that a way forward needs to be investigated and agreed.

Given that each Local Authority is at a different stage in their local plan and a supplementary planning document would be necessary to implement this change, it is recommended that Natural England conduct a review on the income and expenditure of the project and issue new NEGM on the SAMM tariff and how to implement it going forward in close consultation with the Local Authorities and Administrative body. In order to do this, they would require accurate housing projections from each local authority for the period until 2025/26. The tariff amount should be set to ensure that the amount collected covers projected project costs. Section 2.4 of the legal agreement allows NE to issue a revised NEGM in light of these calculations.

It is Natural England's recommendation to JSPB that NE should conduct a review of the tariff and that all Local Authorities should send revised housing projections to Natural England by 15th November 2019 in order to inform a consultation with LPAs and Administrative body at the next JSPB officers meeting on the revision of the tariff. Approval is sought for this course of action.