



**Redcar & Cleveland**

# **Developer Contributions SPD**

**December 2014**





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# I INTRODUCTION

## Background

- I.1 This Supplementary Planning Document (SPD) sets out Redcar & Cleveland Borough Council's approach for securing developer contributions from new developments that require planning permission.
- I.2 Developer contributions are legal agreements negotiated between the Council and developers or landowners as a result of a planning application to carry out certain works, or to provide, or contribute towards, the provision of measures to mitigate the negative impacts of their development to enable it to go ahead (e.g. it ensures that adequate infrastructure and/or other relevant measures are in place to support development). It is used to secure measures that cannot generally be secured by imposing a planning condition or by other statutory means.
- I.3 On adoption, this SPD will form part of the Development Plan for Redcar and Cleveland and will be a material consideration when assessing planning applications within the Borough outside the North York Moors National Park. More information on the Redcar and Cleveland Development Plan is available at [www.redcar-cleveland.gov.uk/localplan](http://www.redcar-cleveland.gov.uk/localplan).
- I.4 Where required, a completed planning obligation must be agreed and in place before planning permission is able to be granted. Therefore it is advisable for all potential applicants to contact the council at the beginning of the development process to discuss their proposals and clarify whether there is likely to be a requirement for a planning obligation and the nature of obligation likely to be sought.
- I.5 This SPD should be taken into consideration alongside the Affordable Housing SPD, which sets out the Council's approach for securing affordable housing in new developments.

## The role and purpose of this Supplementary Planning Document

- I.6 This SPD details the Council's approach to securing developer contributions. The SPD will provide clarity to developers, planning officers, stakeholders and local residents regarding the basis on which developer contributions will be sought. The SPD details the type of developer contributions that may be required, the qualifying development thresholds and monetary contribution formulae, where appropriate.
- I.7 This document seeks to ensure that developer contributions will only be sought from development where there is a need to mitigate any negative impact or to secure additional benefits necessary as a result of the development. It will also provide greater certainty for residents and developers before a planning application is submitted, or a site is purchased, so that the cost implications can be taken into account prior to purchasing a development site or submitting a planning application.



## 2 POLICY CONTEXT

### National policy and legislation

- 2.1** Planning obligations are legal agreements made under Section 106 of the Town and Country Planning Act 1990 (as amended by Section 12(1) of the Planning and Compensation Act 1991), normally in association with planning permissions for new development. They usually relate to an aspect of development which cannot be controlled through the imposition of a planning condition or by other statutory controls.
- 2.2** Paragraph 203 to 206 of the National Planning Policy Framework (NPPF) set out the Government's policy on planning obligations. The NPPF states that local planning authorities should consider whether, otherwise unacceptable development, could be made acceptable through the use of conditions or planning obligations. The aim is to deliver sustainable development, which includes infrastructure requirements as well as enhancing our natural environment and using our natural resources prudently.
- 2.3** The NPPF stresses the importance of taking into account changes in market conditions over time and states that planning obligations should be flexible to ensure they do not stall development. Planning obligations that would undermine the viability of development proposals, should be avoided. In order to address this, the Growth and Infrastructure Act 2013 allows for the re-assessment of economically unviable affordable housing requirements contained in Section 106 agreements.
- 2.4** The Community Infrastructure Levy (CIL) was introduced by the Planning Act 2008 and came into force through the CIL Regulations 2010 (as amended) on 6 April 2010. As of that date Regulation 122 made it unlawful for a planning obligation to be taken into account when determining a planning application for development, or any part of a development, if the obligation does not meet all of the following tests:
- It is necessary to make the development acceptable in planning terms;
  - It is directly related to the development; and
  - It is fairly and reasonably related in scale and kind to the development.
- 2.5** The CIL Regulations also specify that by 6th April 2015 the use of planning obligations must be scaled back. This means that a planning obligation cannot be used to fund a project or type of infrastructure if there have been 5 separate obligations on or after 6 April 2010 which fund that project or type of infrastructure.
- 2.6** Redcar & Cleveland Borough Council as the Highways Authority may also use Section 278 of the Highways Act 1980 to secure private sector funding for works to the highway network where necessary to serve the proposed development.

### Local policy

- 2.7** The Redcar & Cleveland Core Strategy Development Plan Document (DPD) was adopted in 2007 and sets out the strategic policy for development within the

Borough. Core Strategy Policy, CSI Securing a Better Quality of Life, seeks contributions towards sustainable development by delivering quality local services, including schools, health care, open spaces, and leisure and community facilities.

**2.8** A number of other policies in the Core Strategy may also be applicable. The following will be of particular relevance:

- CS20 Promoting Good Design
- CS22 Protecting and Enhancing the Borough's Landscape
- CS23 Green Infrastructure
- CS24 Biodiversity and Geological Conservation
- CS27 Improving Accessibility
- CS28 Sustainable Transport Networks

**2.9** The Development Policies DPD was also adopted in 2007 and sets out policy guidance on particular forms of development. Policy DP4, Developer Contributions, states that:

*“The Council will seek to negotiate planning obligations to secure necessary community benefit required as a consequence of the development. The level of developer contribution will be commensurate with the scale and nature of the proposal. The Council will follow detailed guidance set out in its SPD in order to determine the levels of contributions and procedures to secure them”.*

**2.10** Other policies in the Development Policies DPD which are applicable are:

- DP3 Sustainable Design
- DP5 Art and Development

**2.11** Planning obligations in relation to affordable housing contributions are set out in the Affordable Housing Supplementary Planning Document (SPD).

**2.12** The Council is currently preparing the new Redcar & Cleveland Local Plan. Once adopted, the Local Plan will replace the Core Strategy DPD and the Development Policies DPD and will include new policies on securing developer contributions.

## 3 GENERAL GUIDANCE

### Mechanisms for securing developer contributions

3.1 There are four different mechanisms which can be used to ensure that new development addresses any adverse impacts. This can include:

- planning conditions;
- planning obligations;
- Section 278 agreements; or the
- community infrastructure levy.

#### Planning conditions

3.2 Developer contributions required to mitigate the impact of development may be secured by granting planning permissions subject to planning conditions under Sections 70, 72, 73 and 73a of the 1990 Town and Country Planning Act.

3.3 Where a need for a developer contribution has been identified on the development site or on land owned or managed by the developer or landowner, a planning condition may be the most appropriate mechanism. This type of condition will normally prohibit occupation of the development until the developer contribution has been provided.

3.4 Paragraph 206 of the NPPF states that planning conditions should only be imposed where they are necessary, relevant to planning and to the development to be permitted, enforceable, precise and reasonable in all other respects. The Council will consider whether an issue can be satisfactorily addressed through a condition, which meets the tests before negotiating a planning agreement.

3.5 Where there is a choice between imposing planning conditions and entering into a planning obligation to manage the impacts of a new development, the use of planning conditions is always preferable.

3.6 Where it is not possible to secure developer contributions through planning conditions, particularly where infrastructure is to be provided off site, or it is to be made by a monetary or other form of payment, the Council may be able to grant planning permission provided that a planning obligation is entered into.

#### Planning obligations

3.7 Planning obligations are contracts between the Council and applicants that bind developers and others with a legal interest in the land to undertake specific works.

3.8 A planning obligation (Section 106 agreement) will be used to provide a legal basis to ensure that mitigation requirements, or other obligations, are delivered. In particular, such agreements will be used where:

- infrastructure delivery requires the involvement of a third party, such as the Council; or
- the development proposal requires specific restrictions on use, or continuous provision of a service for a set period.

- 3.9** A developer may wish to enter into a unilateral undertaking as opposed to a planning obligation. Such an undertaking is offered by the applicant in support of an application (or appeal), as opposed to agreeing an obligation following negotiation with the Council. The presumption will be that applicants will undertake provision of facilities themselves either on-site or off-site.

### **Section 278 agreements**

- 3.10** A Section 278 agreement (of the Highways Act 1980) is an agreement between the council and a developer which describes proposed modifications to the existing highway network to facilitate or service a proposed development (i.e. typically the scope of any off site works that are required to mitigate the impact of the development on the existing road network). Examples of such works could be the construction of new access/junction improvement of the highway/junctions, or safety related works such as traffic calming or improved facilities for pedestrians and cyclists.

### **The Community Infrastructure Levy**

- 3.11** The Planning Act 2008 and accompanying Community Infrastructure Levy (CIL) Regulations <sup>(1)</sup> enable financial contributions to be levied from all development that involves one or more dwelling or is 100 square metres or more.
- 3.12** CIL is intended to help pay for the infrastructure required to serve new development. This includes development that does not require planning permission. However, CIL cannot be used to remedy pre-existing deficiencies, unless the new development makes deficiency more severe. CIL is an optional charge available to local authorities in England. The Council may introduce a CIL in Redcar and Cleveland in the future. If the Council does introduce a CIL, planning obligations will still be used for site specific mitigation measures and for pooling contributions for certain infrastructure requirements and also affordable housing contributions.

### **Developments required to provide developer contributions**

- 3.13** Not all developments will be required to provide developer contributions. Contributions will only need to be made where a contribution is required to make the development acceptable in planning terms. In the case of residential developments, there may be a need to provide a number of different types of infrastructure, the main types being included in Section 4 of this guidance. Employment developments are unlikely to be required to make a contribution towards open space and play areas, community facilities or education facilities, unless there is need for the infrastructure to make the development acceptable in planning terms.
- 3.14** Developer contributions will not normally be sought from:
- affordable housing (Affordable Housing SPD);
  - agricultural development; and
  - development which can be classed as community facilities in itself.

<sup>1</sup> Community Infrastructure Levy Regulations 2010 (Statutory Instrument 2010 No. 948) as amended by the Community Infrastructure Levy (Amendment) Regulations 2011, 2012, 2013 and 2014

## **The use of planning obligations**

- 3.15** The CIL Regulations makes it unlawful for a planning obligation to be taken into account in determining a planning application if it does not meet the three tests set out in Regulation 122. Planning obligations will need to be considered and negotiated on a site by site basis in order to ensure that the three legal tests are complied with.
- 3.16** If an obligation does not meet all three tests, it cannot be taken into account in granting planning permission. For the Council to take account of a planning obligation in granting planning permission, it needs to be convinced that without the obligation, permission should be refused. In other words, the Council will need to ensure that planning obligations are genuinely necessary and directly related to the development, if it is to avoid potential legal challenge. The Council must also ensure that the contribution is not disproportionate to the scale of development, which could render the development unviable.
- 3.17** Infrastructure shall be provided on-site by the developer wherever possible. However, in some cases, this may be impractical. If the developer is unable to provide either on or off-site improvements, a financial sum may be paid to the Council or other infrastructure delivery partner to fund its provision.
- 3.18** The Council will carry out a regular review of the existing infrastructure provision in the borough to determine where there are gaps in provision and where additional infrastructure is required to support new development. The Council is preparing an Infrastructure Delivery Plan, which will set out where and when infrastructure needs to be delivered to support the Local Plan.

## **Maintenance contributions**

- 3.19** Where a development results in a need for new infrastructure and the ownership is passed to the council, a maintenance contribution as a one-off payment (commuted sum) to cover the physical upkeep of the facility will generally be required. This will usually be equivalent to the cost of 20 years maintenance, but may be more or less than this depending on the type of infrastructure provided.
- 3.20** Where applicants choose to retain responsibility for a facility or obtain the services of a maintenance management company, then they will be bound to ensure proper maintenance of this through the Section 106 agreement. A detailed maintenance plan may be required to be submitted to the council with the planning application to show maintenance responsibilities for all aspects of the infrastructure and how it will be maintained.

## **Procedure for preparing and securing planning obligations**

- 3.21** Developers and their agents should, if possible, discuss their proposals with the Council's Development Management team before submitting a planning application. Pre-application discussions will help to highlight the likely impact of development and the need for developer contributions. If pre-application discussions are not sought, infrastructure requirements will be identified when applications are submitted.

- 3.22** The Council will use standard formula and/or standard charges wherever possible when determining the level of contribution required for off-site infrastructure. This will help provide a consistent but flexible basis from which to negotiate planning obligations, appropriate to the size and type of development. Where viability is an issue, the formulae and standard charges will be used as a starting point for negotiation.
- 3.23** Financial contributions will normally be required to be paid in full upon first occupation, or when the impacts of the development that the contribution is intended to address occur, whichever is the sooner. However, there may be some circumstances where payments can occur in phases, at different stages during development. All Section 106 agreements will include trigger points for when the the payment of financial contributions become due, as well as time scales for spending contributions secured and delivering the infrastructure.

### Viability

- 3.24** The Council has recently undertaken a viability assessment to provide an understanding of development viability across the borough <sup>(2)</sup>. The methodology used within this assessment will be applied to individual development sites to provide an understanding of viability when a planning application is submitted.
- 3.25** The Council expects the majority of development, both residential and commercial, to take the requirements set out within this document and other planning documents into account when negotiating the price of land. Therefore, before entering into a commitment to purchase a site, applicants should engage with the Council in pre-application discussions, to determine the planning contribution required prior to purchase. However, the Council recognises that planning obligations are unlikely to be viable in some areas of Redcar and Cleveland. The Council will usually only seek planning obligations for community infrastructure in locations where there is sufficient evidence to support viability.
- 3.26** For greenfield (undeveloped) sites, the expectation is that planning obligation requirements will be delivered in full unless the Council is satisfied that there are particular issues affecting viability, such as low market values or significant abnormal costs. In the case of brownfield (previously developed) sites, there may be an existing use on the site which has its own value. It is understood that landowners will not normally develop the site for an alternative and potentially more desirable use, unless the value is likely to increase sufficiently above the existing use. Consequently, the financial challenge to meet the requirements of a planning obligation might be greater, and in certain circumstances, it may be possible to accept reduced planning obligation contributions in order to, for example, achieve a more acceptable land use. However, developer contributions may still be required to prepare a site for development and make it safe and sustainable even in areas of low value.
- 3.27** Where developers advise that their scheme is unviable, the developer should contact the Council's Development Management team to discuss ways of addressing the viability issues. The Council will at first seek to test the development viability by seeking other viability enhancements such as deferring or phasing contribution

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2 Whole Plan Viability Testing for the Redcar & Cleveland Local Plan, Peter Brett Associates (2013)

payments. If there are still viability issues, the Council will expect the submission of a viability appraisal. This will be an open book assessment which should include the following information:

- existing use values;
- proposed use values (sales and rental);
- construction costs;
- finance and marketing costs;
- site abnormal costs; and
- development phasing/timetable.

- 3.28** In the event that the Council has questions about the viability appraisal assumptions, or asks for more detail, the developer will be expected to provide evidence that supports the basis of the assumptions. Evidence could be from sources such as the Building Cost Information Service (BCIS), SPON's Architects' and Builders' Price Book or Valuation Agency (VOA) data. For rental and sales data (including yields), it is expected that the developer will provide evidence of recent market transactions.
- 3.29** In the event that the project has abnormal costs, these should be supported by evidence and reflected in the fixed land value (if appropriate). Abnormal costs include such items as the demolition of existing structures, site clearance and decontamination.
- 3.30** The Council may use figures from the viability appraisal to feed into its own viability model in order to ensure that the assessment is accurate and that a consistent approach is taken by the Council when assessing viability for all developments.
- 3.31** If it is found that there are discrepancies between the assumptions in a developer's viability model and other available evidence, the developer must provide satisfactory evidence that justifies the discrepancy.
- 3.32** For some applications, where the assumptions cannot be agreed, a third party appraisal may be required. In this case, the developer, the Council and the 3<sup>rd</sup> party consultants, should meet together to scope the details of the appraisal prior to it being undertaken, to ensure all parties are content with the appraisal methodology. If a third party appraisal is required, this will be funded by the developer or landowner.
- 3.33** In the event that the appraisal exercise establishes that planning obligations have a material impact on viability, the next step will be for the Council and the developer to discuss possible solutions to ensure the development can proceed, but with a reduced planning obligation requirement.
- 3.34** Over time, if land values change, planning obligation requirements may also change. Where there is an expectation that a site will be delivered over several years, a review mechanism for planning obligations will be incorporated into the Section 106 agreement to allow for the re-assessment of viability, linked to the substantive delivery of the scheme or phases of a scheme to a specified timetable. Re-negotiation at a specified date will then be possible to amend planning obligation requirements.

**3.35** In all other cases, the re-negotiation of a Section 106 agreement will only be considered where the viability of the scheme has been proven to have substantially changed. Variation and discharge of obligations will be considered formally, either by a deed of agreement or a planning application.

### **Drafting of Section 106 agreements**

**3.36** The Council's Legal Services team or solicitors acting on behalf of the Council, or the applicant, will be able to draft the Section 106 agreement.

**3.37** The contents of the agreement will typically include:

- the date of the agreement, and the parties between whom it is made;
- site details and the nature of the development;
- the applicant's liabilities and how they are affected following the sale of the land;
- the condition that planning permission must be granted for the agreement to take effect, if it is being prepared whilst the application is being processed;
- details of the undertaking, that is, the provisions or restrictions required in the agreement;
- the definitions of words or phrases contained in the agreement, where clarification may be required; and
- the signatures of the applicant, the appropriate Council officer, and witnesses.

### **Pooled contributions**

**3.38** The Council aims to take a strategic approach to infrastructure delivery, which includes taking a view on the most appropriate funding routes and identifying investment and delivery plans for key development sites. It will use this process to anticipate development proposals which may make contributions through planning obligations to fund critical infrastructure projects.

**3.39** In the case where the infrastructure provision applies to a distinct collection of developments, the Council may expect a contribution towards a piece of infrastructure from more than one development. This, as outlined in Section 123 of the CIL Regulations, will only apply to a specific piece of infrastructure related to a site or collection of sites, and where delivery of the infrastructure is secured from no more than five separate developments.

**3.40** The contributions would be pooled together and then used to fund the infrastructure once the funds required to deliver the scheme are raised. In addition to this, where items of infrastructure, which have been made necessary by the cumulative impact of a series of developments, are provided before all developments have come forward, then the later developments may still be required to contribute to the relevant proportion of the costs and expenditure. If there are contributions from a number of different developments, there should be clearly agreed time frames as to when the money is expected to be spent and how. This should be agreed between the developers and the Council and set out within the Section 106 Agreement.

- 3.41** It should be noted that Section 278 highways schemes are not subject to the CIL Regulations, and, therefore, Section 278 contributions may be combined to pay for highways infrastructure from more than five developments.

### **Delivery agreements**

- 3.42** Where a need has been identified for infrastructure that needs to be funded by a number of developers and delivered by a service provider, a delivery agreement can be prepared between the Council and infrastructure or service provider. An agreement will provide a clear statement of intent and commitment from the developer and service providers.
- 3.43** Development contributions will be passed to the service provider at an agreed time. This will ensure the provider can forward plan to deliver the infrastructure.

### **Applications for outline planning permission**

- 3.44** Where an application for outline planning permission is submitted the Council will agree the planning obligations at this time wherever possible.
- 3.45** As the scale of the development may not be known, the nature and terms of the obligation will not specify an exact sum to be paid by a developer or infrastructure to be provided. Instead, the obligation will set out the formula to be used when determining the contribution and the terms of payment when the full application is submitted.

### **Index linking of financial contributions**

- 3.46** To take into account the potential increase in costs of infrastructure throughout the lifetime of a planning permission, the level of contributions will be adjusted and modified in line with an index of inflation. Government guidance for indexing planning contributions is to use the quarterly Department for Business, Innovation and Skills (BIS) construction price and cost indices (PCIs). The PCIs are published as an online service by the Building Cost Information Service.

### **Standardising charges**

- 3.47** Standard charges will be applied wherever possible for the types of infrastructure that may be required. This will provide a consistent but flexible basis from which to negotiate planning obligations, appropriate to the size and type of development. However, it is recognised that where viability is an issue, the charges may need to be negotiated to ensure the development remains viable. There may also be circumstances where contributions higher than the standard charges will be required to enable development to proceed.
- 3.48** A standard occupancy rate will be used as a basis for calculating the increase in population as a result of new development. The population of a residential development will be based upon an average of 2.2 persons per dwelling, which is currently the average number of people per household in Redcar and Cleveland<sup>(3)</sup>.

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3 Source: Census 2011 data, Office of National Statistics

### **Payment of contributions**

- 3.49** The timings of financial contributions (paid to the Council in lieu of undertaking or providing infrastructure works) identified within a Section 106 agreement, will be agreed on a case by case basis but contributions must be made when necessary to mitigate the impact of the development. All infrastructure works to be provided by a developer should be completed prior to the first occupation or first use of the development, in accordance with a scheme of works to be submitted to the Council for approval, unless otherwise agreed by the Council.
- 3.50** For large financial contributions, it may be possible to negotiate phased payments, particularly where it helps to improve scheme viability. However, this will need to be agreed by the Council.
- 3.51** A securitisation method in the form of a bond charge on property or parent company guarantee will be required for large schemes of contributions of £1 million or more.

### **Repayment of unspent contributions**

- 3.52** The Council will, in most cases, seek to negotiate a five year time period to implement planning obligations where these involve the payment of a financial contribution. This is considered to be a reasonable timescale for the delivery of most mitigation measures. However, where a more strategic or complex intervention is needed, or resources need to be pooled from a variety of developments, then a longer time period will be sought (up to a maximum of ten years). If the money is not spent at the end of the agreed contribution period, it will be returned to the payee.
- 3.53** In the case of highway improvements, if following the agreed time period money collected from developers to mitigate impact on the road network is returned, adequate measures should be put in place to ensure that this does not compromise the safety and operation of the highway, resulting from additional traffic or safety issues caused by contributing developers.

### **Administration, monitoring and enforcement**

- 3.54** Developers will be liable for all Council's and other service providers' reasonable legal costs for the preparation, processing and conclusion of legal agreements. These costs will be based on actual costs incurred.
- 3.55** All agreements will also include the reasonable cost recovery for administration and enforcement based on the actual costs incurred.
- 3.56** The Council will track compliance with each provision contained in a legal agreement and ensure the money due is collected and passed to the relevant service or infrastructure provider on time.
- 3.57** If a Section 106 agreement is not being complied with, and proactive and early dialogue by the Council is not successful, the Council may instigate enforcement action, which will be undertaken by the Council's Planning Enforcement Team. Planning obligations can be enforced through the use of an injunction, which will

stop the development proceeding. The Council also has the power to enter land and carry out any works that were required, if necessary, and recover costs from the developer or landowner.



## 4 INFRASTRUCTURE SPECIFIC GUIDANCE

4.1 This section covers the range of infrastructure and other types of contributions that will generally be considered in the determination of planning applications. These fall into the following broad categories:

- Open space and play areas
- Community facilities
- Education facilities
- Drainage and flood prevention
- Local labour and training
- Transport
- Public realm
- Sustainable design and construction

4.2 This guidance is intended to provide advice on the obligations which will be most commonly applied. However the above list should not be interpreted as exhaustive as other requirements may arise in specific circumstances.

## Open space and play areas

### Threshold

Developments consisting of a net increase of 10 or more dwellings (or a site area of 0.5ha or more) may be required to enter into a planning obligation with the Council to provide a contribution to increase the provision or improve open space.

- 4.3** National and local planning policies enable the Council to require developers of new housing to make provision for appropriate open space and recreation facilities to meet the needs generated by new residents. New residential developments result in an increase in the local population, which creates additional demand and puts further pressure on existing areas and facilities.
- 4.4** The provision, design and layout of good quality green spaces and recreation facilities within and close to residential areas is important to the quality of life of local residents. Green spaces can be enjoyed by all sectors of the community as places to relax, play or take part in sport whilst also providing a visual break from the urban environment and providing habitats for wildlife. Carefully planned new open space can also make an important contribution to the design and layout of new development.
- 4.5** Through discussion and negotiation the Council will aim to ensure that new provision / improvements are the most appropriate solution for a particular area and that facilities will be utilised to their full potential. The key aim is to ensure that the most appropriate form of provision is made in the most accessible location and that it will be maintained to ensure that it remains capable of performing its intended function.

### Children's play space, teenage provision and amenity green space

- 4.6** Children's spaces are generally areas of play that provide for the needs of children up to and around 12 years old. Young people's spaces usually comprise recreation opportunities for 13 to 17 year olds and may include facilities like skateboard parks, basketball courts and multi-use games areas.
- 4.7** Open space should be provided on-site as an integral part of the development. However, in certain circumstances, a financial contribution in lieu of on-site provision may be more appropriate. Discussions should be held early on in the planning process to determine the most appropriate location, which may benefit from consultation with the local community.
- 4.8** In the cases where on-site provision for open space is provided, contributions for off-site works should not be sought to avoid developers being double charged for open space.
- 4.9** When calculating the open space requirement for a site, the space taken up by any form of attenuation pond should be excluded from this calculation as it is not deemed to be usable open space. This also applies to hedgerows, and other small areas of land which are not useable as public open space. Furthermore, the Council

will not normally accept responsibility for the maintenance and management of any part of a sustainable urban drainage system through the adoption of public open space.

- 4.10** Redcar and Cleveland has a large amount of open access countryside. Developer contributions may be required to improve access networks such as footpaths, rights of ways and bridleways, within close proximity to the development. There may also be a need to provide new or improved habitats for wildlife or to create new public access to these areas.
- 4.11** Contributions may also be required to enhance the quality of open space, for example provide street furniture such as seating, lighting, litter and dog bins to enable the safe, practical and reasonable use of open space.
- 4.12** The Redcar and Cleveland Green Space Strategy (2006)<sup>(4)</sup> sets out locally derived standards covering the quantity, quality and accessibility of new and existing green space provision. These standards should be used as the basis for securing green space provision through new housing development to ensure that the additional demand generated by such development is being met and that any existing deficiencies are addressed wherever possible either on-site or off-site. The standards are summarised below, with the full context and justification for each standard set out within the Green Space Strategy itself.
- 4.13** The Green Space Strategy also identifies areas of deficiency and surplus, making recommendations as to where facilities could be improved or redeveloped and where new green spaces could be provided to address localised deficiencies in the quantity and/or accessibility of provision.

#### Quantity standards

- 4.14** The Green Space Strategy included a Quantity Audit to identify, record and analyse the supply and distribution of different types of green space within the borough. This information was used to develop quantity standards for open space. The recommended minimum quality standards are summarised in Table 2 below. The quantitative standards should be used to calculate the amount of green space to be delivered alongside new housing development. A total of 1.2 hectares of open space per 1000 people should be provided made up of children’s play space, teenage provision and amenity space.

**Table 1: Recommended standards for open space**

	Hectares per 1000 people	Sqm per person
Children’s play space	0.3	3
Teenage provision	0.5	5
Amenity space	0.4	4

4 The Green Space Strategy included a Green Space Quantity Audit, a Quality Assessment and an Accessibility Audit of green spaces.

- 4.15** An assessment of open space in the area will help to establish if there is adequate provision of open space in the vicinity of the development to meet the needs of new residents. This needs to be calculated using catchment areas for the development. These are considered to be the maximum distance residents are prepared to travel to access facilities, rather than the standards identified for new provision.
- 4.16** These standards exclude provision of playing pitches for which the approach for is set out in the next section.
- 4.17** Where new open space areas are to be provided, they should be well designed and have a positive impact on the development. Further guidance on the design and layout of open spaces within developments can be found in the Design of Residential Areas SPD.

#### Quality standards

- 4.18** The quality standards will primarily be used to establish whether there are any deficiencies in existing green space provision. Where an existing green space is accessible to a housing development but does not meet the relevant quality standard, an off-site contribution towards the enhancement this green space may be sought.
- 4.19** Information relating to the quality of existing green spaces can be found in the Green Space Strategy and the Quality Audit. The purpose of the quality audit was to provide a broad indication of the variations in quality between different spaces and geographical areas across the borough. The audit has identified problems and opportunities for improving green spaces. Green spaces that do not meet the relevant quality standards are considered to be deficient and should be improved wherever possible.
- 4.20** With regards to the quality of open spaces, small spaces should be at least 0.1 hectares in size and offer a range of basic facilities in accordance with the minimum quality standards identified in the Green Space Strategy. The space should include areas suitable for younger children's play, and provide opportunities for walking and relaxation. Small spaces should be accessible to children without crossing a busy road.
- 4.21** Large spaces, other than wildlife areas, should incorporate all the facilities of small spaces plus opportunities for older children, including 'kick-about' areas.
- 4.22** Urban Parks should offer all the facilities of small and large spaces, plus facilities for other popular activities such as bowls and tennis courts. Urban Parks should also provide toilet facilities and, where possible, on-site parking.
- 4.23** Green spaces should be clean, attractive, accessible and safe. They should be well lit with clear and prominent entrances, secure from traffic and have well maintained grassed areas, and offer a range of trees and shrubs. Green spaces also should contain seating, litter bin(s), dog waste disposal bin(s) and at least one surfaced path enabling wheelchair access through the site. Any facilities, including children's play equipment and buildings should be well maintained and safe.

**4.24** Where green spaces are provided as an integral part of the development, the design and layout of new developments should ensure that green space provides a focal point for the residential area and spaces should be overlooked by housing and, if possible, linked into the wider green network.

#### Accessibility standards

**4.25** Ensuring that green spaces are accessible (within reasonable walking distance) is an important consideration in planning for open space provision. For open space and recreation to form a valued component of people's lives it is essential that provision is accessible to where people live and is convenient and enjoyable for them to use. Where this can be achieved it will not only promote participation in active recreational activities, with all the health benefits that this will entail, it will also help to reduce the need to travel to more remotely located facilities and help to foster ownership of facilities by local communities.

**4.26** The accessibility standards will be applied to new and existing green spaces to establish the extent to which provision is within reasonable walking distance. Information relating to the accessibility of current provision is provided within the Green Space Strategy and the Accessibility Audit which included an accessibility mapping exercise in order to identify areas of deficiency, i.e. areas where new green spaces should be provided.

**4.27** In terms of accessibility, the development should have access to at least one of the following:

- i. At least one **small green space** of at least 0.4 hectares in size within 300m (5 minutes walk); and/or
- ii. a **large green space** of at least 2 hectares within 600m (10 minutes walk); or
- iii. a **formal urban park** of at least 2 hectares within 1000m (20 minutes walk)

#### Process for determining the contribution requirements

**4.28** The requirement for open space provision should be based upon the number of persons generated from the net increase in dwellings.

**4.29** To determine the contribution required, the first stage is to calculate the total number of persons in the development (i.e dwellings in the development multiplied by the average occupancy level). For example, a development of 500 dwellings with an average occupancy of 2.2 persons per household would represent 1,100 persons.

**4.30** The next stage is to calculate the area of open space required for the development. This is calculated by multiplying the total number of persons in the development by the target local standard for each type of open space and dividing the total by 1000 - see Figure 1 below. For example 1,100 persons multiplied by 0.3 (children's place space) and divided by 1,000 equals 0.33 hectares required.

**Figure 1 Open Space contributions (on-site)**



- 4.31** Where an off-site contribution is likely to be required in lieu of on-site provision, the financial contribution towards each form of green space should be calculated by multiplying the cost of providing 1 hectare of the open space by the area required - see Figure 2 below. For example where a typical equipped play area of 0.1 ha costs £160,000. By multiplying this by 10 to arrive at the cost of 1 hectare of play space (£1,600,000) and then multiplying this by the area required (0.33 hectares) equals a contribution of £528,000 required for children's play space.

**Figure 2 Open space contribution (off-site)**



- 4.32** The value calculated above is the potential off-site contribution. A contribution for each form of green space may not be required if existing and accessible spaces are of sufficient capacity and quality to accommodate the additional demand to be generated by the new housing development.
- 4.33** Up-to-date costs for different types of open space and improvements can be found within the Spons "External Works and Landscape Handbook". The Council may also hold cost examples from recent projects.
- 4.34** Contributions for improving the quality of open space areas will normally be based on 50% of the charge for providing new space.

### **Playing pitches**

- 4.35** It is important that sufficient good quality sports facilities are provided within walking distance of the development to ensure that the people living in the development have access to such facilities for recreation and exercise. Where there is a shortfall in provision of playing pitches or multi-use games areas, or where new development creates a requirement for additional facilities, the developer may be required to make a contribution for the provision of appropriate facilities and their long term maintenance.
- 4.36** New playing pitches will only be required as part of large development where the site is large enough to accommodate the playing pitch and would generate sufficient demand for such a facility. Where a new school is required as part of a large development, sufficient playing pitches should be provided to deliver the school's curriculum needs. This provision will be deducted from other sports related planning obligation requirements for the development, as long as community use is secured out of school hours and the pitches are constructed to tolerate additional community use.

**4.37** The Redcar and Cleveland Playing Pitch Strategy<sup>(5)</sup> provides a key point of reference, whereby sports facilities delivered through new housing developments in line with the requirements of this document should deliver the actions set out within the Playing Pitch Strategy. This strategy should be referred to when considering the need for a developer contribution to increase or improve pitch provision and to ensure the contribution is directed to areas of need.

**4.38** Table 2 summarises the recommended local provision standards for outdoor sports pitches in Redcar and Cleveland. Target standards provide a guideline about how much provision per 1,000 people is needed to strategically serve the borough until 2026. These standards should be considered when assessing the need for new facilities. These standards should be used as the basis for securing green space provision through new housing development to ensure that the additional demand generated by such development is being met and that any existing deficiencies are addressed, wherever possible.

**Table 2: Redcar and Cleveland outdoor sports pitch standards**

Area	Standard (hectares per 1000 population)
Loftus, Lingdale and Brotton	0.8
Redcar, Grangetown, South Bank, Eston, Normanby and Ormesby	0.9
Guisborough, Boosbeck, Saltburn, Marske, New Marske and Skelton	1.0

**4.39** To determine the contribution required, the first stage is to calculate the number of persons generated from the net increase in dwellings (i.e dwellings in the development multiplied by the average occupancy level.) For example, 500 dwellings at 2.2 persons per household represents 1,100 persons.

**4.40** The next stage is to calculate the hectarage required for the development. This is calculated by multiplying the total number of persons in the development by the target local standard for the analysis area where the development is taking place and dividing the total by 1000 - see Figure 3. For example, 1,100 persons multiplied by 1.0 (Guisborough Analysis Area) and divided by 1,000 equals 1.1 hectares required.

**4.41** If the playing pitches are to be provided off-site, the financial contribution can be calculated by dividing the area required by the typical area of a grass pitch (currently 0.77 hectares) and multiplying by the current cost of a grass pitch - see Figure 4.

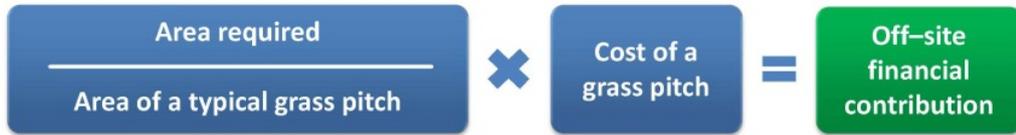
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5 Redcar & Cleveland Borough Council Playing Pitch Strategy, Knight, Kavanagh & Page (2011)

**Figure 3 Playing pitch contributions (on-site)**



**Figure 4 Playing pitch contributions (off-site)**



- 4.42** Up-to-date facility capital costs can be downloaded from the Sport England website<sup>(6)</sup>. This formula can be used for various types of outdoor playing pitches, depending on the type of space required.
- 4.43** In addition to the standards calculations, the deficiencies and surpluses in provision identified within the Playing Pitch Strategy should also be taken into account.
- 4.44** Some playing pitches may benefit from improvements to cope with the extra use generated from a new development. This could include, for example:
- improving or upgrading playing pitches to be capable of hosting additional matches;
  - providing seating, lighting and other street furniture so that the venue can be enjoyed safely by all; or
  - providing and/or improving pavilions and changing rooms where they are unable to meet demand, are of a poor standard, or do not meet safety standards.

### Changing facilities

- 4.45** All playing pitches should be served by suitable, good quality ancillary facilities. Where a new playing pitch is to be provided, contributions may also be sought for improving existing and providing new changing room facilities, where required. These contributions should be based on the latest sports facility costs produced by Sport England. Changing provision requirements are reliant on the number of pitches, not the size of pitches. Figure 5 sets out the formula to be used to calculate the off-site contribution required for changing facilities.

6 <http://www.sportengland.org/media/198443/facility-costs-4q13.pdf>

**Figure 5 Changing facilities contribution**



#### Other types of open space

**4.46** There may be a requirement for other types of open space. This could include natural green space, allotments, cemeteries, bridleways, footpaths or habitat creation amongst other things. The requirement for other types of open space will be confirmed by the Council during the application process, and contributions will be subject to negotiations.

#### Maintenance of open space and playing pitches

**4.47** Developers will usually be expected to meet the maintenance requirements for open spaces either directly, i.e. through a Residence Management agreement or a Management Company. However In certain cases, for example, where the open space is provided off-site and intended for wider public use, the Council may be prepared to adopt and maintain open space areas and playing pitches. This will be subject to a commuted sum normally for a 20 year period as a negotiated element of the Section 106 Agreement.

**4.48** Sport England has produced a number of 'Life Cycle' cost documents to provide information on the on-going costs of keeping playing pitches open and operational over the life of the facility. Costs are provided for major replacement and planned preventative maintenance (day-to-day repairs). Sport England should be consulted for the up-to-date maintenance costs for playing pitches at the time of preparing the planning obligation. For other types of open spaces, costs should be based on market rates and rates from the Spens External Works and Landscape Price Book. The Council's Neighbourhood Services team will also be able to provide information on open space maintenance costs within the borough. The formula to be used is set out in Figure 6.

**Figure 6 Maintenance of open space and playing pitches**



**4.49** If the developer does not intend to offer areas for adoption, then the Council needs to be assured that satisfactory alternative arrangements are in place for maintenance in the future. For this, a detailed maintenance plan will need to be submitted.

## Community facilities

### Threshold

Developments consisting of a net increase of 10 or more dwellings (or a site area of 0.5ha or more) may be required to enter into a planning obligation with the Council to provide a contribution to provide or improve community buildings.

- 4.50** Contributions for community facilities will only be sought where the existing facilities would be unable to cope with the additional demand from new development. Where existing facilities would be unable to accommodate new development, financial contributions will be sought proportionate to the likely increased use as a result of the proposed development.
- 4.51** The priority for contributions secured through planning obligations will be to improve the existing facilities, rather than on new provision, unless the size of the development warrants otherwise. On-site provision will only be appropriate for significant developments, where the site is large enough to accommodate the proposed facility and the development is expected to generate sufficient demand to make good use of it.

### Sports halls and swimming pools

- 4.52** The Redcar and Cleveland Leisure Needs Assessment <sup>(7)</sup> and the Leisure Provision Strategy <sup>(8)</sup> provide information on the current level of provision of sports facilities both in terms of quantity and quality. These documents should be used to help determine the need for new or improved facilities. Sport England's Sports Facility Calculator (SFC) <sup>(9)</sup> can be used to help estimate the amount of demand for key community sports facilities that is created by a given population. The Calculator should be treated with some caution though, as it analyses demand for the local authority area alone, and does not take into account the situation in neighbouring authorities. However, in broad terms it is a useful tool in assessing overall requirements and should be used to provide an indication of the need for additional or improved facilities. Applying this calculator to the current population for the borough suggests the theoretical need for the following:
- **Sports halls:** 1 x 4-court hall per 14,360 population or 39.6 m<sup>2</sup> of sports hall space per 1000 population.
  - **Swimming pool:** 1 x 4-lane pool per 21,040 persons or 11 m<sup>2</sup> of water space (swimming pools) per 1,000 population.
  - **Synthetic Turf Pitches:** 0.285 Synthetic Turf Pitches (full size) per 1,000 population.
- 4.53** Each type of facility should be within 20 minutes walk within the conurbation and 20 minutes drive from locations outside of the conurbation, and should be available for community use on a largely pay-per-day basis for a minimum of 40 hours a week

7 Redcar & Cleveland Borough Council Leisure Needs Assessment, Leisure and the Environment (2007)

8 Redcar & Cleveland Borough Council Leisure Provision Strategy, Knight, Kavanagh, Page (2011)

9 <http://www.sportengland.org/facilities-planning/planning-for-sport/planning-tools-and-guidance/sports-facility-calculator/>

including times of peak demand. Sports halls and swimming pools should have good quality associated facilities, such as reception, changing and viewing areas and a health and fitness suite.

- 4.54** Where there is a need for a new sports hall, swimming pool or synthetic turf pitch, the new facility or extension to an existing facility should be paid for by the developer. This will require a financial contribution to be paid to the Council or service provider. The formula to be used to calculate the contribution required for community facilities is set out in Figure 7. Up-to-date facility costs can be found on the Sport England website <sup>(10)</sup>.

**Figure 7 Community facilities contributions**



- 4.55** Contributions to improve existing sports facilities will be 50% less than the cost of providing new facilities.

### **Small halls and community centres**

- 4.56** There are no existing national standards or guidance relating specifically to the provision of small halls and community centres. Generally speaking, the larger the local population, the bigger and more accommodative a community facility, as larger settlements will tend to generate a greater and more diverse level of activities compared with smaller settlements. The Redcar and Cleveland Leisure Needs Assessment suggests a minimum standard of 1 community venue per 1,000 people and in terms of accessibility, developments should have a venue within 1,000 metres or about 15 minute walk time, although it is accepted that in rural areas it will sometimes be difficult to meet this criterion.
- 4.57** The size of a venue should be determined by the population it will serve and the uses it will provide. A floor space of 400 sqm could be used as a guide for the minimum size of a small local facility.
- 4.58** Contributions in lieu of providing a new facility could be used towards the enlargement or improvement of existing venues, where appropriate, and perhaps where this is a local priority.
- 4.59** The level of financial contribution needed to provide or improve a community venue will be negotiated between the developer and the Council.

### **Maintenance of community facilities**

- 4.60** A one-off maintenance contribution may also be sought, equivalent to 20 years' provision.

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10 <http://www.sportengland.org/media/198443/facility-costs-4q13.pdf>

- 4.61 The life cycle cost of maintaining a sports hall or community venue will usually be calculated at 1% of the overall estimated total project cost and adjusted in relation to average household size.
- 4.62 To calculate the contribution required to cover the maintenance cost of the facility, the formula set out in Figure 8 should be used.

Figure 8 Maintenance of community facilities



## Education facilities

### Threshold

Developments consisting of a net increase of 10 or more dwellings (or a site area of 0.5ha or more) may be required to enter into a planning obligation with the Council to provide a contribution to increase education provision.

- 4.63** A housing development will give rise, either in the short or long term, to a demand for school places. If it can be demonstrated that there is, or will be, insufficient capacity in local schools and no additional capacity is programmed by the Education Authority, the developer may be required to make a contribution towards the cost of extending an existing school; or for major developments, building a new school; or in the case of smaller developments commuted sums for extra school places.
- 4.64** To assess the requirement for additional school places, the starting point will be an assessment of existing school provision, the number of vacant places and the effect of natural population growth in the community in the absence of the proposed housing development. This information is collated by Tees Valley Unlimited and reviewed annually. Any changes in catchment areas or the existence of other unimplemented planning approvals may be a factor in determining whether the proposed development will give rise to a capacity problem in local schools or in schools where children from the proposed development are likely to attend. Any assessment of the need for a contribution will be based upon the most up to date information in terms of school rolls and projected pupil numbers at the time an application is submitted for development.
- 4.65** If additional capacity is required, the financial contribution sought will be based on the net increase in the number of new school places generated by the development and the resulting capital cost to accommodate the increase in demand.
- 4.66** If actual costs are known at the time an application is submitted, these will be used to calculate the contribution required. However, in the cases where it is certain that additional capacity will be required, but costs are not known, for example, for major developments where a school extension will not be required for a number of years, a standard formula will be used as set out below.

### Primary School

- 4.67** The current estimated cost of extending an existing primary school is £13,212 per primary school place. Based on an average occupancy rate of 0.2 per dwelling for primary pupils<sup>(11)</sup> the financial contribution to extend an existing primary school will be expected to be around **£2,642 per dwelling**.

<sup>11</sup> The average household composition figure provided by the Local Enterprise Partnership (Tees Valley Unlimited) identifies an average of 0.20 pupils per dwelling of primary and early year's age. This figure, or the most up-to-date figure, should be used to calculate the contribution amount per dwelling.

## Secondary School

- 4.68** The current estimated cost of extending an existing secondary school is £19,908 per secondary school place. Based on an average occupancy rate of 0.15 per dwelling for secondary pupils<sup>(12)</sup> the financial contribution to extend a secondary school will be expected to be around **£2,986 per dwelling**.
- 4.69** In October 2012 the Department for Education (DfE) published standard build floorspace guidelines schools and associated cost information. These standard designs and costs are used by the Government to calculate funding for the Priority School Building Programme. In the cases where the size of the development warrants the building of a new school, these standard designs and costs will be used to calculate the financial contribution required to fund the new school. However, given the scale of development expected to come forward in the borough, it is unlikely that the increase in pupil numbers, as a result of new development, will be enough to warrant the building of a new school, which can be built to the DfE standard design. The Government's previously published Basic Need Cost Multipliers, and the Council's own evidence of school build costs, provide a more accurate reflection of the expected build cost of bespoke extensions and alterations to existing schools, which will be required in Redcar and Cleveland, and this information has been used to determine the standard contributions.
- 4.70** There may also be circumstances where the contribution required needs to differ from the standard amounts set out above. For example, where an existing school requires significant alterations or modifications to accommodate the increase in pupil numbers or where additional land needs to be purchased to accommodate the extension. Where this is the case, the Council will clearly set out the costs involved and the contribution will be negotiated with the developer.
- 4.71** Where costs have an impact on development viability, it may be possible for the developer to undertake the works themselves or to supply their own materials to reduce costs.

## Maintenance of education facilities

- 4.72** It is unlikely that a contribution to cover the maintenance cost of education facilities will be required. These costs will usually be covered by the education provider, with grant funding provided by the Department for Education.

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<sup>12</sup> The average household composition figure is provided by the Local Enterprise Partnership (Tees Valley Unlimited) identifies an average of 0.15 pupils per dwelling of secondary education age. This figure, or the most up-to-date figure, should be used to calculate the contribution amount per dwelling.

## Drainage and flood prevention

### Threshold

Developers may be required to enter into a planning obligation where:

- a Sustainable Drainage System (SuDS) is required off-site; or
- where a financial contribution is required to deliver a SuDS or flood alleviation scheme.

- 4.73** Given that potential flooding and drainage issues are site and development specific in nature, the submission of a flood risk assessment or drainage plan will be the primary mechanism in determining the contributions for drainage and flood prevention.
- 4.74** It is expected that developers will meet the costs of the direct impacts of their development on local drainage and flood risk management, which may need to be secured by means of a planning obligation.
- 4.75** The Section 106 agreement will require appropriate contracts to be in place to secure the delivery of off-site work before the development can commence. This will involve securing the agreement of the relevant landowner/s as well as appropriate agreements from the relevant regulatory bodies.
- 4.76** Where a surface water system is provided solely to serve a particular development, the construction costs should be fully funded by the developer. Where a system contributes to more than one development, the construction and maintenance contributions may need to be sought from a number of developments in the catchment.
- 4.77** Where a financial contribution is required for off-site works, the level of contribution will be determined following negotiations between the applicant, the Council and other relevant bodies such as Northumbrian Water Ltd and (or) the Environment Agency.
- 4.78** On-site infrastructure may also need to be provided to alleviate the risk of flooding and reduce impacts on drainage infrastructure. This will normally form part of the detailed matters submitted and agreed through the planning application process and the delivery can therefore be secured through a planning condition. However, the ongoing maintenance of on-site infrastructure may need to be subject to a Section 106 agreement.
- 4.79** It is vital that drainage, sewerage and waste water treatment infrastructure is in place ahead of development if sewer flooding issues are to be avoided. It is also important not to under estimate the time required to deliver necessary infrastructure.

## **Maintenance of flood management and drainage systems**

- 4.80** On-site and off-site infrastructure will need to be maintained in order to ensure it continues to operate effectively. The developer may be able to have infrastructure adopted by a 3rd party, such as the the Council or Northumbrian Water Ltd. Where this cannot be achieved, the developer will need to put in place mechanisms to ensure the ongoing maintenance and effective operation of the infrastructure in perpetuity.
- 4.81** Due to the time limited nature of planning conditions, it is considered appropriate for a clause within a Section 106 agreement to be used to secure the ongoing maintenance of flood risk management and drainage infrastructure for both off-site and on-site provision. Normally the Section 106 agreement will require either:
- a. The developer to enter into an agreement with a 3rd party to adopt the flood risk management or drainage infrastructure before any part of the development is occupied/used for the first time; or
  - b. The developer to prepare a management plan for the flood risk management or drainage infrastructure and to put in place the mechanisms to deliver ongoing management of the infrastructure before any part of the development is occupied/used for the first time.

## Local labour and training

### Threshold

The following thresholds are set for entering an agreement with the Council to maximise local labour during the construction and (where applicable) occupation phases of the development:

- all residential developments comprising a net increase of 50 or more dwellings (or a site area of 2.5 ha or more);
- non-residential developments with a floor space of 2,000m<sup>2</sup> or more; or
- developments that will require 25 or more full time equivalent employees.

- 4.82** To reduce unemployment in areas where development is taking place, the Council will encourage developers to provide opportunities for employment and training for the local labour market throughout the construction phase of a development and for the end use of non-residential development.
- 4.83** The Council's Routes to Employment Service supports residents of the Borough to engage in learning, progress through training and secure employment. The service has a strong track record of helping local residents to increase their skill levels, providing them with information, advice and guidance, and supporting them to progress into employment or training in line with their aspirations. Developers will be asked to work closely together in partnership with the Council's Routes to Employment service to maximise the benefits offered by the development for local labour and training opportunities. Developers will be asked to recruit residents of the Borough to work in the construction and (where applicable) occupation phases of the development, supported by the Routes to Employment Service. Developers and those employers involved in the end use of the site (where applicable) will also be asked to work with the service to take on young people from Redcar and Cleveland as apprentices.
- 4.84** Partnership working between developers and the Routes to Employment Service will also be encouraged where opportunities are identified to enhance the Council's delivery of careers-focussed services to local schools and colleges by raising students' awareness of and aspirations to different career pathways related to the development. This may include providing work experience placements; delivering presentations, workshops or themed group work; or supplying information appropriate to the audience about career roles, pathways and opportunities within the sector.
- 4.85** The mechanism by which the developer and the Council will work together to maximise access to employment opportunities for local labour will be specified in a Local Employment Agreement. The Local Employment Agreement should relate to both the construction and occupation phases of development and could include:
- a targeted recruitment and training method statement setting out targets for recruitment of local residents and setting out actions that will achieve this;
  - the provision of recruitment and/or training facilities;

- a financial contribution that can be used to support targeted recruitment; and
- other measures which will help support access to jobs.

**4.86** In order to ensure that the development provides the maximum amount of labour possible, the developer and main contractor shall provide construction phasing information and labour forecasting data to the Council to enable appropriate, 'job-ready' local candidates to be matched to job opportunities as they arise.

**4.87** The supply of goods and services locally for new development provides further employment opportunities for local labour. Where local sub-contractors/suppliers are appointed they spend more in the local economy and support a wider range of business activity in the borough. Therefore large-scale development can provide commercial opportunities for existing local businesses in a local supply chain.

**4.88** Where the value of a development exceeds £5 million, the Local Employment Agreement should include a Local Procurement Plan. The aim will be to ensure at least 20% of the qualifying supplies and services used as part of the development to be provided from companies and organisations based or operating in the borough. Developers will be asked to make local firms aware of contract and other business opportunities, and to support arrangements to enable businesses to access these opportunities.

**4.89** As part of the monitoring process, applicants will be required to monitor and report to the Council or its partners the number of:

- vacancies circulated locally through the Job Centre;
- unemployed people recruited;
- trainees supported; and
- any other additional relevant information as requested.

**4.90** In exceptional circumstances, where a developer is not able to provide local employment, training or apprenticeship opportunities as part of the development, the Council may accept a commuted sum to enable adequate alternative employment, training or apprenticeship opportunities to be provided in the locality. This would be based against benchmarks for similar scale projects and the standard costs for the delivery of such opportunities elsewhere in the borough.

## Transport

### Threshold

The requirement for developments to enter into a planning obligation to provide transport improvements will be considered on a case by case basis.

- 4.91** Given that potential transport and highways impacts are site and development specific in nature, the submission of the Transport Assessment or Transport Statement (depending on the perceived impact of the development) and the Travel Plan, where required, will be the primary mechanism in determining what mitigation measures are required to mitigate the impacts of the development.
- 4.92** The Transport Assessment should identify the potential adverse transport impacts of the development. The Travel Plan will set out, as far as is practicable, how development proposes to mitigate the adverse transport impacts and promote sustainable travel.
- 4.93** New developments usually generate additional travel journeys. To accommodate this increase in demand and to facilitate a change to more sustainable modes of transport, improvements to infrastructure or amendments or additions to public transport services may be required to support the development. The focus will be on encouraging greater use of the public transport network, supported by demand management measures and making best use of existing infrastructure.
- 4.94** Highway improvements will normally be secured through a highway legal agreement (Section 278 agreement). These will normally only be required where they are essential for the operation of the development and the adjacent highway network. Highway mitigation measures on the wider network will normally be secured through a Section 106 agreement.
- 4.95** The type and level of contribution required for off-site highway works on major developments can only be determined through the Transport Assessment. If the site has been previously developed, and is currently, or has recently been in use, the traffic generation from the previous development will be taken into account when determining the impact of the new development.
- 4.96** Where a financial contribution is required, it will normally be used to provide transportation improvements, including highways, pedestrian and cycling improvements near to the site, or a specific public transport improvement that directly benefits the development. However, in certain circumstances, financial contributions may be used towards major enhancements or wider transport schemes that provide wider benefits as well as directly providing benefits, to the development. This may include funding to support local public transport infrastructure or improvements to the strategic road network (A19, A174, A66). The level of contribution will be determined on a case-by-case basis to reflect the individual circumstances of the scheme.
- 4.97** The Redcar and Cleveland Local Transport Plan has identified a range of measures to improve traffic management and reduce congestion at traffic pinch points

throughout the borough. There are also a number of measures to improve access to sustainable transport options. The Tees Valley Area Action Plan also sets out measures to reduce congestion across the Tees Valley. Tees Valley Bus Network provides recommendations on actions that should be taken to improve bus services and future patronage. These plans, as well as other relevant strategies, should be taken into account when considering what is required to mitigate the impact of the development. Examples of the types of infrastructure which may be required to mitigate the impact of development include:

- Highway and junction improvements;
- New safe and easy to use road crossings, where these are needed, or improvement of existing pedestrian facilities in close proximity to the development site;
- Traffic management and traffic calming initiatives in close proximity to the development site;
- Introduction of interventions to restrain and reduce traffic volumes;
- Provision and improvement of cycling routes;
- New secure cycle parking areas and facilities;
- Improving or increasing public transport access and capacity;
- Works to upgrade public transport infrastructure in close proximity to the development site, such as bus stops/shelters;
- Provision of parking/disabled parking; and
- Electric charging points.

**4.98** The full cost of the transport mitigation measures will need to be met by the applicant, unless a transport provider or the Council agrees otherwise.

**4.99** Where more than one major development is expected to come forward in a particular area, the Council will consider the cumulative impact of all the developments to ensure that the cost of transport infrastructure or improvements is shared between developments. This will be for both the local infrastructure improvements near the developments, and also the wider strategic road network. The level of contribution from each development will be determined by applying a pro-rata contribution, based on the vehicular trip generation of each development.

**4.100** For major developments, it is important that the traffic mitigation measures are provided in a timescale commensurate with the phasing of the development. The Council will seek to include trigger points within the legal agreement.

## Public realm

### Threshold

The following thresholds are set for developments required to enter into a planning obligation to provide public realm improvements:

- all residential development consisting of a net increase of 10 or more dwellings (or a site area of 0.5ha or more); or
- non residential development with a floor space of 1000m<sup>2</sup> or more (or a site area of 0.5ha or more) including office, manufacturing, retail and leisure.

**4.101** All development schemes that have a significant impact on the public realm will be assessed for appropriate works for public realm improvements in the vicinity of the scheme or adjoining area. These will, either be undertaken by the developer or through financial contributions to the Council to organise or undertake the works directly. Contributions could compliment and/or contribute towards programmes for wider based improvements and may include: Public realm improvements that may be necessary to make development acceptable include, but are not limited to, the provision of:

- Hard or soft landscaping improvements
- Site specific contributions for carriageway surfacing
- Replacing paving or landscape material on existing public realm including carriageway and footways
- Tree and landscape planting and biodiversity mitigation and improvement measures
- Appropriate new street furniture and signage
- Street furniture, bins, bollards
- Street lighting
- Cycle stands
- CCTV or other community safety measures

**4.102** Public Realm measures will only be sought through a planning obligations where that are directly linked to development and are required to mitigate the impact of the development.

### Maintenance of public realm

**4.103** For long lasting benefits, it is important to ensure that public realm is easy to maintain and a management plan is in place and implemented successfully to ensure it is maintained to the highest standard.

**4.104** Where public realm is provided off-site the developer will be required to negotiate maintenance costs with the Council. A commuted sum will need to be paid to the Council, which will normally cover 20 years maintenance costs.

## Sustainable design and construction

### Threshold

The requirement for developments to enter into a planning obligation for design and construction related issues will be considered on a case by case basis.

- 4.105** Policy DP3 requires all developments to incorporate sustainable design and construction techniques to meet high standards for energy efficiency, water efficiency, water management and waste management and to minimise vulnerability to climate change. Policy DP3 also requires major developments to provide at least 10% of their predicted energy requirement from renewable sources.
- 4.106** Normally, requirements for sustainable design will not require the use of planning obligations. However, in some circumstances, a Section 106 agreement may be required to ensure the relevant standards are achieved. Examples of sustainable design features which the developer may be asked to incorporate into the development, or financially contribute towards include:
- energy efficient design measures;
  - renewable energy facilities (i.e. combined heat and power plants, solar thermal); and
  - water retention and recycling facilities.
- 4.107** Planning obligations could be used to fund a district heating or renewable energy scheme, which could provide heat, or energy, to various developments, helping developers to achieve energy efficiency standards.
- 4.108** The level of contribution will be negotiated between the Council and the developer during the planning application process.

### Maintenance of sustainable design schemes

- 4.109** It is unlikely that the Council will take on the responsibility for the future management, maintenance or ownership of renewable energy schemes. It will be up to developers to ensure that management plans are put in place. However, some proposals may generate a requirement for inclusion of a management plan in the Section 106 agreement, depending on the scale, nature and location of the scheme.

## APPENDIX A: Glossary

**Affordable housing:** Low cost or subsidised housing for sale or rent intended to meet the needs of local people who cannot afford accommodation through the open or low cost market.

**Authority's Monitoring Report:** A report required by the Localism Act to assess progress on the preparation and effectiveness of Local Plans.

**Core Strategy and Policies:** The Core Strategy is one of the development plan documents forming part of a local authority's Local Plan (formerly the Local Development Framework). It sets out the long term vision (10+ years) for the area, the strategic objectives, and the strategic planning policies needed to deliver that vision.

**Commuted sum:** A payment by developers to a local authority in lieu of carrying out specific works in connection with development. It can be for the maintenance of public open space within housing developments, in lieu of the provision of on-site parking or as a contribution to meeting the transportation needs of the development, including the promotion of accessibility in accordance with local transport objectives.

**Community Infrastructure Levy (CIL):** A mechanism for charging developers a levy, based on the size of the development, to fund infrastructure that is needed to serve development in the area.

**Development Plan:** The development plan sets out the policies and proposals for the development, conservation and use of land in a local planning authority's area. The development plan consists of adopted Local Plans (i.e. Development Plan Documents) and neighbourhood development plans. It is defined in Section 38 of the Planning and Compulsory Purchase Act 2004.

**Development Plan Document (DPD):** Development Plan Documents (DPDs) are the key statutory documents prepared by the relevant local planning authority that set out the vision, strategy and policies for the area.

**Development viability:** The ability of an activity to take place, taking into consideration any constraints. With regard to development, viability is an assessment of the cost against the future revenue. A development is only considered to be viable where the revenue would exceed the cost and allowing for a reasonable profit too.

**Infrastructure Delivery Plan (IDP):** Sitting alongside the Local Plan, the Infrastructure Delivery Plan (IDP) outlines some of the infrastructure (such as transport, schools, health services and open space) which is needed to support new development set out in the Development Plan.

**Local Development Framework (LDF):** The overarching term given to the collection of Local Development Documents (LDDs), which were prepared by a local planning authority and formed the Development Plan for the area. LDF's are now being replaced by Local Plans.

**Local Plan:** The plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law, this is described as the development plan document adopted under the Planning and Compulsory Purchase Act

2004. Current Core Strategies or other planning policies, which under the regulations would be considered to be development plan documents, form part of the Local Plan. The term includes old policies saved under the 2004 Act.

**Local Planning Authority:** The local authority or council that is empowered by law to exercise planning functions for a particular area.

**Local Transport Plan:** A five-year integrated transport strategy, prepared by local authorities in partnership with the community, seeking funding to help provide local transport projects. The plan sets out the resources predicted for delivery of the targets identified in the strategy.

**National Planning Policy Framework (NPPF):** Sets out the Government's planning policies for England.

**Outline application:** A general application for planning permission to establish that a development is acceptable in principle, subject to subsequent approval of detailed matters.

**Open space:** All space of public value, including not just land, but also areas of water such as rivers, canals, lakes and reservoirs, which can offer opportunities for sport and recreation. They can also act as a visual amenity and a haven for wildlife.

**Planning agreement:** Any agreement made pursuant to Section 106 of the 1990 Town and Country Planning Act in respect of the land.

**Planning condition:** A condition imposed on a grant of planning permission (in accordance with the Town and Country Planning Act 1990) or a condition included in a Local Development Order or Neighbourhood Development Order.

**Planning obligation:** A legal agreement made under Section 106 of the Town and Country Planning Act. The agreement is between a planning authority and a developer, or offered unilaterally by a developer, ensuring that certain extra works related to a development are undertaken, for example, the provision of highways, affordable housing and open space.

**Section 106 agreement:** A legal agreement under Section 106 of the Town and Country Planning Act.

**Supplementary Planning Document (SPD):** A document that provides further details and/or guidance with reference to policies and proposals contained in a Development Plan Document (DPD) or Local Plan.

**Sustainable urban Drainage System (SuDS):** A sustainable drainage system comprising all treatment and drainage systems including any pipework, swales, reed beds, ponds, filter trenches, attenuation tanks and detention basins.

**Transport assessment:** A comprehensive and systematic process that sets out transport issues relating to a proposed development. It identifies what measures will be required to improve accessibility and safety for all modes of travel, particularly for alternatives to the car such as walking, cycling and public transport and what measures will need to be taken to deal with the anticipated transport impacts of the development.

**Unilateral undertaking:** A unilateral undertaking is a simplified version of a planning agreement and is entered into by the landowner and any other party with a legal interest

in the development site. They can assist in ensuring that planning permissions are granted quickly, which benefits both applicants and the Council.

**Viability assessment:** A viability assessment examines whether different types of development are likely to prove financially viable when taking into account a range of different factors such as location, type of site, size of scheme and scale of contributions to infrastructure and facilities.



## APPENDIX B: Standards for Open Space and Leisure

Set out below is a summary of the suggested minimum standards for open space, sport, recreation and community facilities. These standards have been derived from the Playing Pitch Strategy (2011), the Green Space Strategy (2006), the Leisure Needs Assessment (2007) and the Leisure Provision Strategy (2011). Nationally recognised standards from Natural England and the Woodlands Trust are also suggested for accessible natural greenspace and woodland.

### Open Space

#### Quantity

- a. A total of 1.2 hectares of open space per 1,000 population, made up of:
  - i. 0.3 hectares for children's play;
  - ii. 0.5 hectares for teenage provision; and
  - iii. 0.4 hectares for amenity space.

#### Quality

- b. Public parks and large and medium sized green spaces that are clean, attractive, accessible and safe.

#### Accessibility

- c. Access for all to at least one of the following:
  - i. A small green space up to 1.9 hectares in size within 300m; and/or
  - ii. A large green space of at least 2 hectares within 600m; or
  - iii. A formal urban park of at least 2 hectares within 1,000m.

### Outdoor Playing Pitches

#### Quantity

- d. 0.8 hectare per 1,000 population in Loftus, Lingdale and Brotton.
- e. 0.9 hectare per 1,000 population in Redcar, Grangetown, South Bank, Eston, Normanby and Ormesby.
- f. 1.0 hectare per 1,000 population in Guisborough, Boosbeck, Saltburn, Marske, New Marske and Skelton.

### Indoor Sport and Recreation

#### Quantity

- g. 39.6 m<sup>2</sup> of sports hall space per 1,000 population.
- h. 11 m<sup>2</sup> of waterspace (swimming pools) per 1,000 population.
- i. 0.285 Synthetic Turf Pitches (full size) per 1,000 population.

#### Accessibility

- j. Each type of facility should be within 20 minutes walk within the conurbation and 20 minutes drive from locations outside of the conurbation, and should be available for community use on a largely pay-per-play basis for a minimum of 40 hours a week including times of peak demand. Sports halls and swimming pools should have good quality associated facilities, such as reception, changing and viewing areas and a health and fitness suite.

### **Community Facilities**

#### Quantity, Quality and Accessibility

- k. One small community venue per 1,000 people of around 400m<sup>2</sup>. It should include a hall, small meeting room, kitchen, storage space, toilets, disabled access and car parking and be within 15 minutes walk in the conurbation and 10 minutes drive in the rural areas.

### **Natural Green Space**

#### Quantity

- l. One hectare of statutory Local Nature Reserves per 1000 thousand population

#### Accessibility

- m. Access to the following:
  - i. 2 hectares within 300m;
  - ii. 20 hectare site within 2 kilometres;
  - iii. 100 hectare site within 5 kilometres; and
  - iv. 500 hectare site within 10 kilometres.

### **Woodland**

#### Accessibility

- n. Access to the following:
  - i. 2 hectares within 500m; and
  - ii. 20 hectares within 4 kilometres.

## **APPENDIX C: Contact Details**

### **How can you contact a Planning Officer?**

Planning officers are available to discuss the Planning Obligations SPD as other aspects of the Development Plan as well as planning applications at Redcar & Cleveland House, Redcar between the following times:

Monday - Thursday: 8.30am - 5.00pm  
Friday - 8.30am - 4.30pm

The Planning Obligations SPD has been produced by the Strategic Planning Team. If you have any queries regarding this document or aspects of the Local Development Plan you can contact the Strategic Planning Team at the address below:

Redcar and Cleveland Borough Council  
Strategic Planning  
Redcar & Cleveland House  
Kirkleatham Street  
Redcar  
TS10 1RT  
Telephone: 01287 612356  
Email: [strategic.planning@redcar-cleveland.gov.uk](mailto:strategic.planning@redcar-cleveland.gov.uk)  
Web: [www.redcar-cleveland.gov.uk/strategicplanning](http://www.redcar-cleveland.gov.uk/strategicplanning)

For information regarding planning applications or to contact a Planning Officer to discuss planning obligations on a development site, please contact the Development Management Team as below:

Redcar and Cleveland Borough Council  
Development Management  
Kirkleatham Street  
Redcar  
TS10 1RT  
Telephone: 01287 612344  
Email: [planning.admin@redcar-cleveland.gov.uk](mailto:planning.admin@redcar-cleveland.gov.uk)  
Web: [www.redcar-cleveland.gov.uk/planning](http://www.redcar-cleveland.gov.uk/planning)

For information regarding sites and properties in the North York Moors National Park, please contact their planning team as below:

North York Moors National Park  
The Old Vicarage  
Bondgate  
Helmsley  
York  
YO62 5BP  
Telephone: 01439 770657  
Email: [info@northyorkmoors-npa.gov.uk](mailto:info@northyorkmoors-npa.gov.uk)  
Web: [www.northyorkmoors-npa.org.uk](http://www.northyorkmoors-npa.org.uk)





**This document is available in alternative formats and in different languages on request. If you need support or assistance to help you read and/or understand this document, please contact the Council on 01642 774774.**



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