

LIVING LOCALISM

Policy workshop

Making localism Pay

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New Funding Opportunities

Place Planning

Community Infrastructure Levy

Section 106 monies

New Homes Bonus

Deal or No Deal!

Linking development with improving places

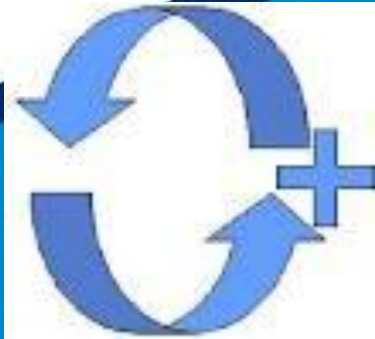
Need to improve sustainability – radically in the case of rural areas.

Sustainability means different things in different places: the toolkit events help identify what is important locally.

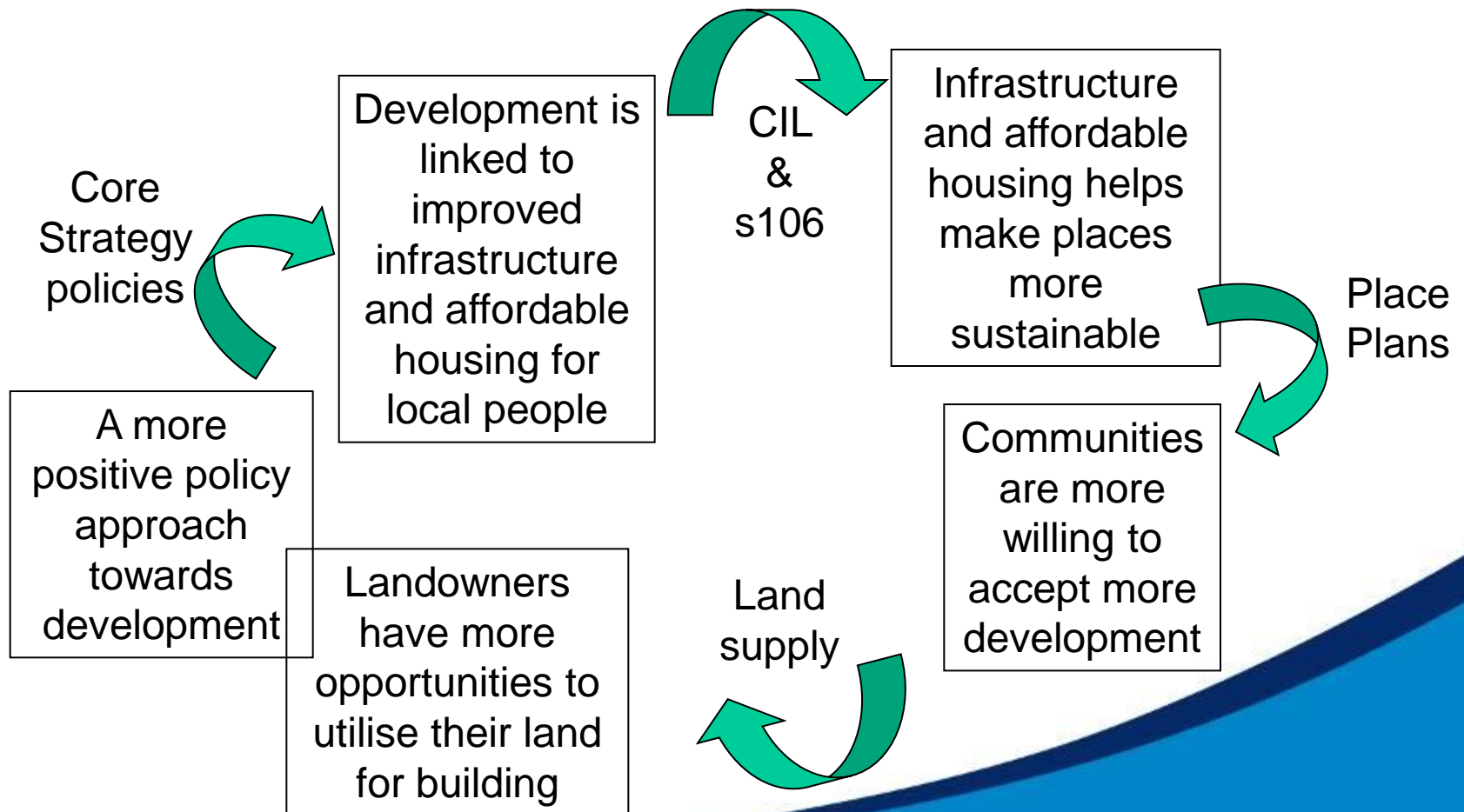
Top of the list is usually:

- Affordable housing for local people
- Jobs & economic development
- Community facilities
- Transport

How is this achieved?



Creating a “virtuous circle”



Place Plans:

Policy and Actions together

Creating better places, not just
managing development

- Engaging communities putting them in the driving seat
- Co-ordinating investment from the private sector, landowners, and the public sector



A better approach to planning

Squaring the circle when the public want improvement but don't like change –

Shift the discussion to the positive benefits that development can bring:

Not, “Do you want this development?”

but,

“How can we improve your place?”



Place Plans put communities in the driving seat

Part of the Council's corporate approach to locality working:

- Provides an ongoing process for building a shared vision, what needs to be done and how it will be achieved.
- Identifies community priorities for developer contributions.
- Reviewed annually to reflect changing needs and priorities.



Place Plans as a tool for co-ordinating investment

- Sets out infrastructure requirements by settlement
- Provides transparency to local communities on discussions with infrastructure providers
- Identifies opportunities for other funding & co-ordination between agencies



Community Benefits

Local authorities are getting smarter at obtaining community benefits through:

- section 106 agreements for infrastructure & affordable housing (but subject to legal restrictions);
- lower thresholds for contributions to affordable housing (now 1 dwelling);
- the Community Infrastructure Levy (CIL) introduced by the Planning Act 2008 and CIL Regulations 2010.

Note from 1st April 2014 it will not be possible to use s106 agreements for financial contributions to infrastructure, thereby forcing local authorities to use CIL.

Contributions to infrastructure: section 106

The CIL Regulations 2010 tightened the legal requirements of section 106 agreements.

They are now only lawful if they are:

1. Necessary to make the proposed development acceptable in planning terms;
2. Directly related to the proposed development;
3. Fairly and reasonably related in scale and kind to the development.



Contributions to infrastructure: CIL

Breaks the link with the development.

Freedom to use CIL on “funding infrastructure”, defined as *including* road and other transport facilities; flood defences; schools and other educational facilities; medical facilities; sporting and recreation facilities; open spaces (section 216 of the Planning Act 2008). *NB. Localism Bill may widen.*



CIL provides an opportunity for communities to influence how developer contributions are spent.

Development & investment go hand-in-hand

- Typically, 100 new homes =
 - £350,000 CIL
 - £1.17 million affordable housing investment
 - £900,000 New Homes Bonus (discussions underway on geographic ringfencing)
 - Plus any appropriate on-site contributions



Keeping it Local

CIL receipts: 90% of CIL to be spent on ‘local infrastructure’ – defined as in or close to the settlement in which the development has taken place.

Affordable housing: mix of on-site affordable homes and financial contributions. Financial contributions to be spent in parish within 1 year, or within Place Plan area within 5 years. After 5 years extended to Shropshire-wide.

Deciding infrastructure priorities



Who decides infrastructure priorities?

The Code of Practice

Two aspects:

1. Code of Practice on Developer Contributions – for community input through Town & Parish Councils
2. Code of Practice on Infrastructure Provision – annual input by infrastructure providers

**SHROPSHIRE COUNCIL
INFRASTRUCTURE PROVISION
CODE OF PRACTICE - INFRASTRUCTURE PROVIDERS**

**SHROPSHIRE COUNCIL
DEVELOPER CONTRIBUTIONS**

CODE OF PRACTICE – TOWN AND PARISH COUNCILS

- 1.0 INTRODUCTION**
1.1 Subject to the final regulations set out within the Localism Bill, this Code of Practice outlines the way Shropshire Council proposes to help deliver new or improved infrastructure and services to address local needs, reduce the impact of development and make communities more sustainable places, through redistributing Community Infrastructure Levy funding and negotiating appropriate Planning Obligations.
- 1.2 It supports Core Strategy Policy CS9 and the Developer Contributions SPD, by providing detailed guidance to landowners and developers on what is expected from development proposals. It also seeks to ensure that stakeholders in the planning process, such as the local community, and Members have a clear understanding of how new development will contribute to Shropshire wide strategic interests and provide local community benefit by contributing directly towards locally identified priorities.
- 2.0 GENERAL PRINCIPLES**
2.1 Core Strategy Policy CS9 seeks to ensure that infrastructure is provided alongside new development. It establishes the principle that all new development should make a contribution to help make places more sustainable.
- 3.0 SECTION 106 AGREEMENTS**
3.1 Section 106 Agreements are tailored to a specific development and must be directly related to its impact. They are negotiated by the Council with developers to ensure the provision of infrastructure to meet the site specific requirements of a development. They cover infrastructure needs that are not met by the Community Infrastructure Levy. Further information on Section 106 Agreements and undertakings are set out in the Developer Contributions Supplementary Planning Document (SPD).
- 4.0 AFFORDABLE HOUSING REQUIREMENTS**
4.1 Core Strategy Policy CS11 requires all residential developments involving 1 or more market dwellings to provide on site provision and/or obtain a financial contribution to affordable housing, through a Section 106 agreement. Details of this requirement are set out in the Type and Affordability of Housing SPD.
- 4.2 For developments providing financial contributions towards affordable housing, the SPD states that monies will be used in the local area. Whilst the responsibility for allocating affordable housing contributions lies with the Council, it is recognised that there are significant variations

Council proposes to
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CS9 and the
guidance on how
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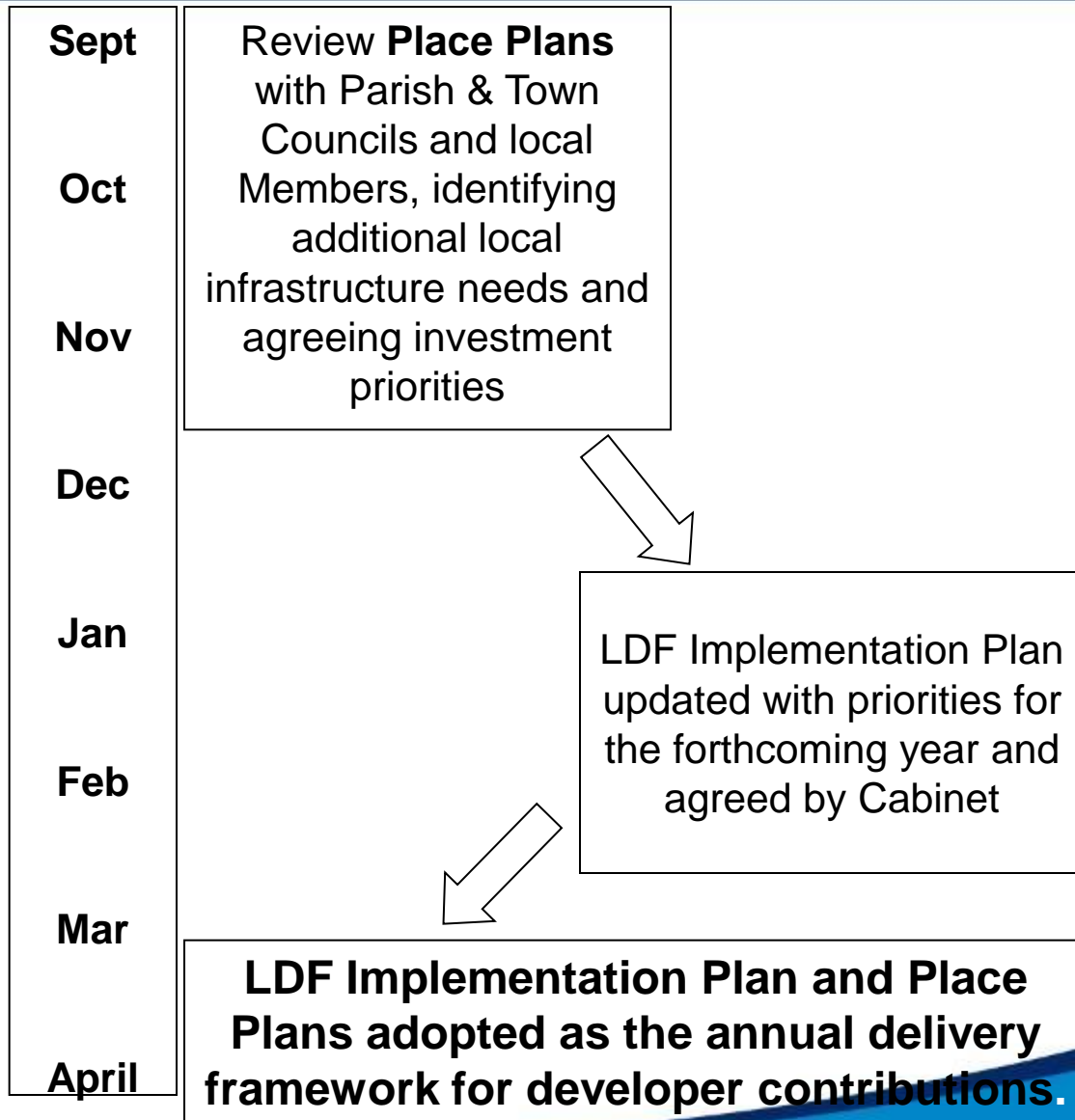
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Code of Practice annual process

Leaders within your community

Seizing the initiative



Investors in Places: Who Pays?

- **Developers & private companies**
Financing development of new buildings, conversions, extensions, utilities, privately funded infrastructure, etc.
- **Landowners**
Ultimately finance developer contributions (including CIL & affordable housing), which come off the land value.
- **Public purse**
Finance various capital programmes;
New Homes Bonus.

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