

EDUCATION

# SPD



## Developer Contributions Towards Meeting Education Needs

Supplementary Planning Document

**ADOPTED FEBRUARY 2008**



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# 1. Background

**1.1** This Supplementary Planning Document (SPD) is prepared under the requirements of the Planning and Compulsory Purchase Act 2004. It is to provide advice to developers regarding the procedures that the Council will follow in implementing Policy GCF1 of the Replacement Calderdale Unitary Development Plan (RCUDP), in compliance with the requirements of PPS12: 'Local Development Frameworks'. In accordance with the transitional arrangements under the Planning and Compulsory Purchase Act 2004, this SPD is drawn up under the relevant policies of ODPM Circular 05/2005 "Planning Obligations" published in July 2005.

## Introduction

**1.2** Calderdale Council, Children and Young People's Services Directorate (the Authority), has a statutory duty to ensure that sufficient school places are provided for the children in the District. However, pressure for additional school places can arise from the development of new dwellings, the distributional change in the location of population at a local level taking advantage of new residential areas, and pressures arising from parental choice. In some areas there is need to reduce the availability of school places as a result of migration and changes in the age structure of the local population. These pressures and the changes arising from them mean that there may be great uncertainty in the planning of education facilities within an area. Some primary and secondary schools are particularly popular with parents and others less so. Some schools are over capacity whilst others may be operating under capacity.

**1.3** New housing developments, particularly where pressures on education facilities are high, contribute to the difficulties faced by the Authority. Under Planning Legislation, the Local Planning Authority (LPA) can seek to negotiate a contribution from developers towards the costs of meeting the infrastructure necessary to support their development, including education facilities determined by the LEA.

The objectives of the SPD are:-

1. To provide a framework for the establishment of planning obligations seeking a financial contribution in support of additional school places arising from residential development where this presents problems for the Local Education Authority;
2. To ensure school places are available for children arising from new housing;
3. To ensure that new housing development meets the community costs arising from pressure from children for school places;

**1.4** This SPD sets out the circumstances where the LPA will seek to enter into an agreement with developers.

## Sustainability Appraisal and Strategic Environmental Assessment

**1.5** In accordance with the requirements of the Planning & Compulsory Purchase Act (2004), a Sustainability Appraisal (SA) has been undertaken for this SPD. Undertaking SA during the preparation of LDF documents ensures that sustainability considerations are fully taken into account in their preparation and that the most sustainable options for development are selected. This involves giving consideration to the significant economic, environmental and social effects of plans including a formal assessment through Strategic Environmental Assessment (SEA) under the requirements of EU Directive 2001/42/EC.

## Planning Obligations: Principles

**1.6** Section 106 of the Town and Country Planning Act 1990 enables LPAs to seek to negotiate a contribution from developers towards the cost of infrastructure necessary to support their developments. For education this could mean asking the developers of new housing for a contribution towards the costs of a new school or an extension to an existing facility.

**1.7 ODPM Circular 05/2005** “Planning Obligations” published in July 2005 provides revised guidance to local authorities in England on the use of planning obligations under Section 106.

“A planning obligation must be:

- i. relevant to planning;
- ii. necessary to make the proposed development acceptable in planning terms;
- iii. directly related to the proposed development;
- iv. fairly and reasonably related in scale and kind to the proposed development;
- v. reasonable in all other respects;”

“The use of planning obligations must be governed by the fundamental principle that planning permission may not be bought or sold...”

Paragraph B15 of Circular 05/2005 states:

### **"Mitigating the Impact of a Development**

Where a proposed development would, if implemented, create a need for a particular facility that is relevant to planning but cannot be required through the use of planning conditions, it will usually be reasonable for planning obligations to be secured to meet this need....if a proposed development would give rise to the need for additional or expanded community infrastructure, for example, a new school classroom, which is necessary in planning terms and not provided for in an application, it might be acceptable for contributions to be sought towards this additional provision through a planning obligation.”

Paragraph B12 states that:

“developers may reasonably be expected to pay for or contribute to the cost of infrastructure which would not have been necessary but for their development. In negotiating with applicants, the Local Planning Authority may seek modifications or improvements to applications

or enter into agreements to enable developments to go ahead which might otherwise be refused or to overcome planning objections or meet the “costs” to the community imposed by the development”.

The Circular also suggests that:

“the existence of plan policies should not preclude negotiation on proper and appropriate planning obligations on their merits in relation to individual planning proposals” (Paragraph B16). “It is important, therefore, to ensure that negotiations are even handed and dealt with in an open and transparent manner”.

### **The Replacement Calderdale Unitary Development Plan**

**1.8** The Replacement Calderdale Unitary Development Plan (RCUDP) adopted in August 2006 includes a Policy that provides the statutory framework for financial contributions to be sought for community facilities and other types of infrastructure. Policy GCF1 states:-

# 1. Background

## POLICY GCF 1

### INFRASTRUCTURE AND OTHER NEEDS ARISING FROM DEVELOPMENT

**ALL EDUCATION, HIGHWAYS, SEWERAGE, DRAINAGE, FLOOD PREVENTION, LANDSCAPING, OPEN SPACE, NATURE CONSERVATION, PUBLIC TRANSPORT OR OTHER IDENTIFIED NEEDS GENERATED DIRECTLY BY ANY DEVELOPMENT WITHIN A LOCAL AREA SHOULD BE PROVIDED IN A TIMELY MANNER BY THE DEVELOPER EITHER ON OR OFF SITE. CONDITIONS WILL BE IMPOSED, WHERE NECESSARY, TO THE GRANT OF PLANNING PERMISSION TO ENSURE THE PROVISION OF ADEQUATE FACILITIES TO AN APPROPRIATE TIMESCALE. ALTERNATIVELY A PLANNING OBLIGATION MAY BE ENTERED INTO TO SECURE NECESSARY FACILITIES THROUGH EITHER DIRECT PROVISION AND/OR BY A FINANCIAL CONTRIBUTION TO BE MADE FOR THE TIMELY PROVISION OF FACILITIES NEARBY.**

**1.9** A housing development will give rise to demand for school places either in the short or long term. If it can be demonstrated that there is, or will be, no spare capacity in local schools, then the proposed housing development imposes a burden on the community. This should be resolved by the developer either directly or indirectly. Similar situations can arise, for example, in respect of local roads or open space provision. The LPA can refuse planning permission where these community costs are not met by the development or impose conditions which either delay or phase the development until such provision has been made.

**1.10** The improvements that are pictured in this Policy are those that the SPD is intending to secure. Under ODPM Circular 05/2005, the LPA is entitled to seek the full costs of educational facilities arising from a housing development. Retrospective requirements or contributions to solve existing deficiencies cannot be sought. Negotiation between developers and the LPA should be based on the application of reasonable and clear criteria, which identify:

- how developer contributions are calculated;
- the type of development;
- the geographical area to which contributions should apply.

**1.11** The calculation of contributions for educational facilities must be based on formulae, which can be justified, but contributions should not be sought automatically without regard to local circumstances, needs and the opportunities for implementation.

### Contributions Towards School Facilities

**2.1** The starting point for negotiations regarding school facilities is an assessment of existing school provision by the Group Director of Children and Young People's Services. This includes the current number of surplus places; and the effect of natural population growth prior to the proposed development

**2.2** The Council may seek contributions in relation to a wide range of infrastructure costs, such as highways, education, open space and affordable housing and as a result some substantial sums may be involved. In some situations, developers may claim that the proposed development has become unviable, and therefore they would not be willing to enter into agreement to provide funding. In these cases the LPA would be entitled to refuse planning permission on the grounds that the development does not mitigate its impact on the local community, such as overcrowding in local schools, traffic congestion or lack of open-space provision. However it would also be open to the LPA to make a judgment on the balance of advantages and disadvantages on the development and the provision of infrastructure. As a result an "open book" of information regarding the costs involved in developing a site may be requested to enable the planning authority to come to an objective decision. The Council may consider using independent expert mediators to help the process of; validating factual information; negotiating the detail of planning obligations for complex or major applications; or to help to facilitate in dispute resolution where disputes are unduly delaying negotiations.

### Calculating Developer Contributions Towards Meeting Education Needs

**2.3** There is a need to ensure that consistency is achieved between applications and that the contribution per dwelling is reasonable and related to its effects.

**2.4** Contributions will not be sought in the following circumstances: -

- where there is a surplus of places at schools within walking distance<sup>9</sup> which are sufficient to cater for the requirements generated by the new housing;
- for one bedroom dwellings, incapable of being enlarged into units with two or more bedrooms;
- for sheltered accommodation for elderly or special needs groups;
- for purpose built student accommodation or holiday accommodation which is incapable of occupation for general residential purposes by virtue of its layout, ownership, management or occupancy restrictions by condition or legal agreement;
- redevelopment / replacement schemes where there is no net increase in the number of residential units consisting of two or more bedrooms;
- the affordable housing provision of new residential developments

**2.5** Contributions will only be required where the development will produce relevant dwellings and a local need is identified. The following framework is not a rigid formula but a tool to be reviewed year on year as a starting point for negotiations.

**2.6** The contribution is for capital, based on the cost of providing additional educational infrastructure. The calculation for the amount is based upon the latest DfES capital building cost

i Walking distance is defined in [Chapter 56, Section 444, 5 a & b of the Education Act 1996](#) as: (a) in relation to a child who is under the age of eight, means 3.218688 kilometres (two miles), and (b) in relation to a child who has attained the age of eight, means 4.828032 kilometres (three miles), in each case measured by the nearest available route.

## 2. Calculating Contributions

multiplier, taking into account the up-to-date Calderdale weighting. The basis for calculating contributions for school places (2006/2007) is shown in the table below: -

Table 1 Costs Involved in Creating Spaces at Schools

<b>DfES Cost Multiplier<sup>(ii)</sup></b>	Primary - £10,372* Secondary - £15,848*
Regional Factor <sup>(iii)</sup>	0.95
Fee/Furniture	5%
<b>Contribution Sought per Primary School Place</b>	<b>£10,346.07</b>
<b>Contribution Sought per Secondary School Place</b>	<b>£15,808.38</b>

\*Figures will be updated on an annual basis using DfES statistics.

**2.7** The above table gives an indication of the costs involved in creating a child's place at schools. It is these costs that the Council is seeking to recover from developers. The costs will be reassessed on an annual basis.

**2.8** The Council will seek contributions on the basis of the following child yield for each new residential dwelling containing two or more bedrooms. Academic research indicates that the number of school-aged children varies significantly between dwelling types. Research carried out using Calderdale Census Data (2001) provides the different ratios of primary and secondary school aged children occupying the different types of accommodation.

**2.9** It is accepted that apartment developments will contain fewer children than the equivalent development of houses. The formula has therefore been weighted subject to Calderdale's demographic profile to take into account the differences between developments in the District. For housing developments, calculations will be made on the basis of 0.24 primary school places

and 0.17 secondary school places per house in a relevant development. Whilst for apartments and flatted developments, calculations will be made on the basis of 0.05 primary school places and 0.04 secondary school places. These calculations are set out below.

### 2.10 For Primary School Places:

Housing Developments:

1 dwelling : - (0.24 child equivalent);

Apartment Developments:

1 dwelling : - (0.05 child equivalent);

### For Secondary Schools Places:

Housing Developments:

1 dwelling : - (0.17 child equivalent);

Apartment Developments:

1 dwelling : - (0.04 child equivalent);

ii DfES Cost Multiplier provided by TeacherNet at <http://www.teachernet.gov.uk>  
 iii Regional Factor provided by TeacherNet at <http://www.teachernet.gov.uk>

## 2. Calculating Contributions

**2.11** Where a development creates part of a school place, then this will be rounded up to a full school place for the purposes of this calculation once the threshold has been passed. A small housing development of 5 dwellings will produce the need for 2 primary school places, but no secondary places whilst a housing development of 19 dwellings would produce the need for 5 primary school places and 4 secondary school places. Similarly, an apartment development of 21 dwellings would create the need for 2 primary school places, but no secondary places whilst an apartment development of 45 dwellings would create the need for 3 primary school places and 2 secondary school places. A development of 4 or less houses or 19 or less apartments will not be required to contribute.

**2.12** The Council reserves the right to review the implementation of the procedures and make use of alternate thresholds where the impact of development upon schools in the local area may be significant, subject to appropriate consultation arrangements and formal adoption. Calculations will be made on the basis of the number of houses included within the planning application or on the basis of 30 dwellings per hectare, where the application is in outline. However, this average number of dwellings may not be applicable in locations where higher density development would be appropriate, such as in and around town centres or close to main public transport routes and bus and rail stations. The Council will consider whether it would be appropriate to apply a higher number of dwellings per hectare at the outline application stage. Any increase in the number of units over that agreed at the outline stage proposed by a reserved matters application, or amended details will generate additional contributions. Lower numbers, where these are allowed, will receive compensatory reductions in the contributions expected. Care will be taken to ensure the total development site is not deliberately subdivided in an attempt to avoid the thresholds contained within this guidance. Affordable housing will be calculated at 20% of the number of proposed

dwellings where the application is at outline stage. This is in line with the Affordable Housing SPD

**2.13** The calculation of the education infrastructure contribution will include a charge to reflect the necessary or incidental expenses incurred by the Children's and Young People's Service in connection with the preparation, negotiation, implementation and monitoring of S106 agreements.

**2.14** In the event of increased costs of implementing additional school places, no additional contributions will be sought from developers. The contribution is a once-only payment linked to the planning permission, and the amount payable to the Council is fixed at the time of the agreement.

**2.15** Contributions will be secured by voluntary payment, by planning conditions or a planning obligation as appropriate, which will itemise amongst other things that: -

- Payments will normally be required no later than the first occupation of the new dwellings, but may in certain circumstances, such as on larger sites, be delayed or phased by agreement with the Council;
- The money will be held in a ring-fenced expenditure code created for the purpose of providing infrastructure necessary to meet education Capital requirements and will not be spent on Revenue budget;
- Provisions for the return of funds received under the terms of any such agreement or obligation, if they have not been spent within 5 years.

**2.16** There may be a role for planning conditions to control the phasing and delivery of housing to ensure that adequate education facilities are available when they are needed.

## 2. Calculating Contributions

### Procedures

**2.17** Upon receipt of a planning application, which falls within the requirements of this procedure the LPA will refer relevant applications to Children and Young People's Services.

**2.18** Children and Young People's Services will determine the relevant schools affected by the application site establishing their pupil numbers and whether they have surplus capacity or are over subscribed. An appraisal will be undertaken to assess the future demand to be placed upon these facilities, as a direct result of the effects of the development proposals.

**2.19** Using the number of dwellings from the planning application, (or 30 dwellings per hectare, where the dwelling numbers are not known in an outline application), Children and Young People's Services will apply a ratio of 0.24 for primary school places and 0.17 for secondary school places in housing developments; and 0.05 for primary and 0.04 for secondary school places in apartment and flatted developments. The outcome of this will determine whether schools have the capacity to accommodate the children generated by the development or will need upgrading and enhancement to ensure sufficient capacity is available. Should a reserved matters application present more dwellings than have been allowed for in the 30dph calculation for the outline application, then a revised contributions will be calculated with contributions expected to make-up any shortfall as a result more detailed information provided at reserved matters stage.

**2.20** For the purposes of this procedure Children and Young People's Services will assume that school class sizes are a maximum of 30 pupils. However, in some circumstances, such as at village schools in outlying parts of the District, physical constraints mean that only smaller classes may need to be accommodated.

**2.21** Negotiations will take place between Children and Young People's Services, the applicant and the LPA regarding the need for contributions from the developer towards the

costs of education facilities. Children and Young People's Services and the LPA will set out a reasoned justification indicating why the contribution is required. They will use the financial figures in Table 3 'Calculation for Developer Contributions' to indicate the scale of contribution required.

**2.22** As a general principle the LPA will not issue a decision notice on the application until agreement has been reached between the parties.

### 3. Contribution Requirements

#### Summary of Requirements

Table 2 Summary of Requirements

Subject	Requirement
<b>When is an Education Contribution required?</b>	When the capacity of the schools within the area of the school is not enough to take more pupils.
<b>What type of development triggers the need for a contribution?</b>	All residential development, including phased development, having 2 or more bedrooms but excluding sheltered accommodation, student or holiday accommodation or other accommodation where occupancy is restricted by condition or legal agreement.
<b>What size of development will trigger a payment?</b>	All developments of 5 or more houses or 20 or more apartments contribute to Primary School places. Where a development has 7 or more houses or 25 or more apartments, then contributions will also be for Secondary education.
<b>Where can I find out about the capacity of existing schools?</b>	From Children and Young People's Services: Alan Winstanley - 01422 392501.
<b>What will be the cost for each school place required?</b>	The costs are based upon the Department for Education and Skills cost multiplier with additional costs for Fees/Furniture and Books. Cost for this Financial Year (2006/2007) is £10,372 for Primary School Places and £15,848 for Secondary School Places.
<b>When will the commuted sum need to be paid?</b>	Generally the payment will be sought at the time of occupation of the first dwelling house. For larger developments a phasing of payment may be agreed.
<b>Where will the money be spent?</b>	The commuted sum will be spent on schools where capacity has been shown to be deficient to meet the needs of the development, to facilitate new buildings, reorganisation or expansion of existing facilities. This may include, where necessary, additions or improvement to associated sports provision.
<b>Contacts for this document?</b>	In Children and Young People's Services: <b>Alan Winstanley - 01422 392501</b> Planning Services: <b>Philip Ratcliffe - 01422 392206</b>

The following calculations are for hypothetical developments of housing and apartments on a range of scales. The table demonstrates examples of how the calculation for developer contributions will be worked for the different developments.

Table 3 Calculation for Developer Contributions

Type	Number	Pupil Yield		DfES Cost Multiplier (£)		Regional Factor	Fee / Furniture (£)		Primary School Contribution	Secondary School Contribution	Total Contribution
		Primary	Secondary	Primary	Secondary		Primary	Secondary			
Housing	1	0.24	0.17	10372.00	15848.00	0.95	118.24	127.97	£2483.06	£2687.42	£5170.48
	20	0.24	0.17	10372.00	15848.00	0.95	2364.82	2559.45	£49661.14	£53748.49	£103409.63
	50	0.24	0.17	10372.00	15848.00	0.95	5912.04	6398.63	£124152.84	£134371.23	£258524.07
	60	0.24	0.17	10372.00	15848.00	0.95	7094.45	7678.36	£148983.41	£161245.48	£310228.88
	75	0.24	0.17	10372.00	15848.00	0.95	8868.06	9597.95	£186229.26	£201556.85	£387786.11
A'ments	1	0.05	0.04	10372.00	15848.00	0.95	24.63	30.11	£517.30	£632.34	£1149.64
	20	0.05	0.04	10372.00	15848.00	0.95	492.67	602.22	£10346.07	£12646.70	£22992.77
	50	0.05	0.04	10372.00	15848.00	0.95	1231.68	1505.56	£25865.18	£31616.76	£57481.94
	60	0.05	0.04	10372.00	15848.00	0.95	1478.01	1806.67	£31038.21	£37940.11	£68978.32
	75	0.05	0.04	10372.00	15848.00	0.95	1847.51	2258.34	£38797.76	£47425.14	£86222.90

Table 4 Calculation Baseline Data

Calderdale Profile			All School Ages			Primary School (Aged 5-11)			Secondary School (Aged 12-18)			
Total pop	Total house-holds	Ratio	Dwelling Type	Total	House-holds	Ratio	No	%	Total	%	Total	Ratio
192405	84889	2.27	House / B'low	29970	73309	0.41	17675	96.4	56.9	96.7	39.6	<b>0.17</b>
			A'ment / Flat	1080	11580	0.09	666	3.6	2.2	3.3	1.3	<b>0.04</b>
			<b>Total</b>	<b>31050</b>	<b>84889</b>	<b>0.37</b>	<b>18341</b>	<b>100.0</b>	<b>59.1</b>	<b>100.0</b>	<b>40.9</b>	<b>0.15</b>