

NORTH LINCOLNSHIRE LOCAL PLAN

Supplementary Planning Guidance



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SPG 8 Developer Contributions To Schools

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Contents

Introduction	3
Background	3
North Lincolnshire Local Plan (NLLP)	3
Major New Housing Proposals	4
Section 106 Planning Obligations	4
Calculation of Developer Contributions	5
Procedure	7
Figure 1	8
For Further Details	8
Key Documents:	8

Developer Contributions To Schools

SPG 8 - Developer Contributions To Schools

Introduction

- 8.1 This Draft Supplementary Planning Guidance (SPG) expands on the educational facilities policy C1 in the Adopted North Lincolnshire Local Plan (NLLP) May 2003. It is used when deciding planning applications for major housing sites.

Background

- 8.2 Between 2001 and 2008, 5,349 new homes need to be built in North Lincolnshire, says the NLLP. New housing development increases school aged population, and North Lincolnshire Council (NLC) as Local Education Authority (LEA) has a statutory duty to ensure sufficient school places are provided for the extra children generated by new developments.
- 8.3 Annually a School Organisation Plan (SOP) is published which makes a general assessment of the supply and demand for school places in North Lincolnshire's schools. The SOP highlights where new schools are needed and which schools need to be enlarged. The SOP findings are largely based on projected school rolls taking into account trends in admissions. It is also assumed that the nearest school to a new housing site is normally preferred by parents. This meets the LEA's objective to provide education locally to avoid pupils having to travel significant distances to other schools.
- 8.4 The normal method of securing resources to build or extend schools, as identified by the SOP, is via the capital bidding mechanism to the Department for Education and Skills

(DfES). But it does not always follow that capital grants are available to improve facilities at those schools with the greatest demand on places. For example, it is unlikely that a bid to improve facilities at a popular school would be supported where it is shown that alternative surplus places are available at other nearby schools. Situations therefore arise where a school can unfortunately become a victim of its own popularity unable to call on DfES funding to cater for pupil demands generated by new housing development.

- 8.5 However, there is an equitable way of resolving this issue whereby arrangements can be made for appropriate housing developments to make a contribution per house towards the provision of any new school facilities needed as a direct result of that development. Extensions and adaptations could then be made, or new schools built, as the development progresses so that pupils can be offered places without undue delay, subject to normal admission rules. This arrangement would also be in the developers' own interest. They often use the good reputation and close location of a school to maximise the desirability of their development and there is a link between development and the need to sustain local services to support the residents.
- 8.6 NLC does not intend to provide mobile classrooms to meet demand and is determined that the planning of school places is co-ordinated and any improvements or enhancements to school provision is permanent.

North Lincolnshire Local Plan (NLLP)

- 8.7 The part of Policy C1 of the NLLP relevant to this SPG is as follows:

C1 EDUCATIONAL FACILITIES

WHERE MAJOR NEW HOUSING PROPOSALS WOULD RESULT IN AN INCREASED DEMAND FOR EDUCATION FACILITIES WHICH CANNOT BE MET BY EXISTING SCHOOLS AND COLLEGES, A DEVELOPER MAY BE REQUIRED TO ENTER INTO A PLANNING OBLIGATION UNDER SECTION 106 OF THE TOWN AND COUNTRY PLANNING ACT 1990, IN ORDER TO SECURE THE PROVISION OF, OR CONTRIBUTION TOWARDS, NEW OR EXTENDED FACILITIES.

Major New Housing Proposals

8.8 Policy C1 applies to major housing proposals which for the benefit of the SPG are defined as:

25 or more dwellings in the Scunthorpe and Bottesford urban area, as identified by the NLLP.

15 or more dwellings in principal, medium, and minimum growth settlements, as identified by the NLLP.

8.9 The two major site categories have been identified on the basis of the impact they would have on school facilities. Impact is considered to be related to two factors: the size of the housing development itself and the nature of the settlement it is located within. Being a large urban area, Scunthorpe and Bottesford has a greater ability to absorb demand for educational facilities and therefore in terms of impact, only developments of 25 dwellings or more are regarded to be major sites in this area.

8.10 Within principal, medium, and minimum growth settlements, educational facilities are scarcer and would be more sensitive to the impact

of smaller housing developments than in Scunthorpe and Bottesford. A threshold of 15 dwellings has therefore been set as defining major sites in such localities.

8.11 These same thresholds are also used by the NLLP for securing affordable housing within settlements and originate from advice given in Circular 6/98 Planning and Affordable Housing.

Section 106 Planning Obligations

8.12 Section 106 of the Town & Country Planning Acts 1990 and 1991 enables planning authorities to seek a contribution from developers towards the cost of providing the infrastructure necessary to support their development. In terms of educational provision this means asking housing developers to contribute towards the cost of extending an existing school or of building a new one.

8.13 Department of the Environment Circular 1/97 provides guidance on planning "obligations". At Annex B Paragraph 2 it states that "properly used, planning obligations may enhance the quality of development, providing a mechanism whereby the interests of the developers may be reconciled with the need to protect the environment and the need to meet certain infrastructure costs arising from development". It states that such obligations must be relevant to planning, directly related to the proposed development and be fairly and reasonably related in scale. Paragraph B12 states that developers may reasonably be expected to pay for or contribute towards the cost of infrastructure which would not have been necessary but for their development, though developers should not have to remedy existing deficiencies.

- 8.14 Paragraph B10 of the Circular states that the provision of educational facilities may be acceptable provided they are directly related to the development proposal, the need for them arises from its implementation, and they are related in scale and kind.
- 8.15 A housing development will, depending on its size and composition, give rise to a 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 and no additional capacity is programmed by the LEA then the proposed housing development imposes a burden (or "planning loss") on the community which the developer should resolve either directly or indirectly.
- 8.16 Negotiations between the developer and the LPA/LEA should be based on the application of clear and reasonable criteria which identify how developer contributions are calculated and the type of development or geographical area to which contributions should apply. The calculation of contributions for educational facilities must, however, be based on formulae which can be justified.
- 8.17 The starting point for calculating educational contributions is an assessment by the LEA of existing school provision, of the number of vacant places, and of the effect of natural population growth in the community in the absence of the proposed housing development. In addition to this, changes in school 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.

LEA Criteria for Assessing Developer Contributions:

- **Every North Lincs council school within a 2 mile radius(primary schools) & 3 mile radius for Secondary schools.**
- **The existing number of pupils on roll (NOR) and the predicted NOR over the next 3 years.**
- **The actual capacity of the school as calculated by DFES " net capacity " formula.**
- **Any trends on parental preferences or appeals for places at popular or oversubscribed schools.**
- **The recent history of admissions to schools**
- **Any particular transport arrangements and assessment of the regular routes to school (eg rivers that can't be crossed within the radius).**
- **Any other agreed building works that would affect net capacity within the next 2-3 year period.**

Calculation of Developer Contributions

- 8.18 Forecasts of future school capacity and national population growth are made by the LEA. If, following these calculations, the local school is deemed to be at capacity or deficient in facilities, contributions will be sought, based on the number of houses included in the detailed planning application. Any increase in the number of units approved through, for example, an amended application

will generate additional contributions. No account will be taken of the rate of housebuilding on the site as this is an uncertain variable.

8.19 Contributions are required where a local need is identified and, therefore, there is an obligation to show how funds received will be spent within a prescribed period and how they will deal with the identified impact (in a manner which will be set out by the LEA). The funds will be spent on local schools and the LEA will incorporate provision for the return of contributions after 5 years if not spent. The contribution is a once-only contribution/payment linked to the planning permission.

8.20 Calculations are based on the DfES basic need allowance for new places. Whilst this represents a contribution towards improving school facilities it does not guarantee a school place. The contribution will be reviewed annually and linked to the DfES index. For 2006/7 the contribution is:

Primary school places (3-11 years)
£7,181 per pupil; and

Secondary school places (11-19years)
£12,126 per pupil.

8.21 Calculations assume that for:-

Primary school places
0.25 places generated per house in Scunthorpe & Bottesford Urban Area and the Principal Growth Settlements (or 1 primary school place for every 4 houses) and 0.2 places per house in medium and minimum growth settlements (or 1 in 5).

Secondary school places
0.2 places per house anywhere in North Lincolnshire as pupils are more likely to travel between rural and urban areas.

Example of Contribution

Major housing development of 25 dwellings within the Scunthorpe and Bottesford Urban Area

Primary school places

Number of pupils
25 dwellings x ratio of 0.25 = 6.25

Contribution
6.25 pupils x £7181 per pupil allowance = £44,881 or £1795 per home

Secondary school places

Number of pupils:
25 dwellings x ratio of 0.2 = 5

Contribution
5 pupils x £12,126 per pupil allowance = £60,630 or £2425 per home

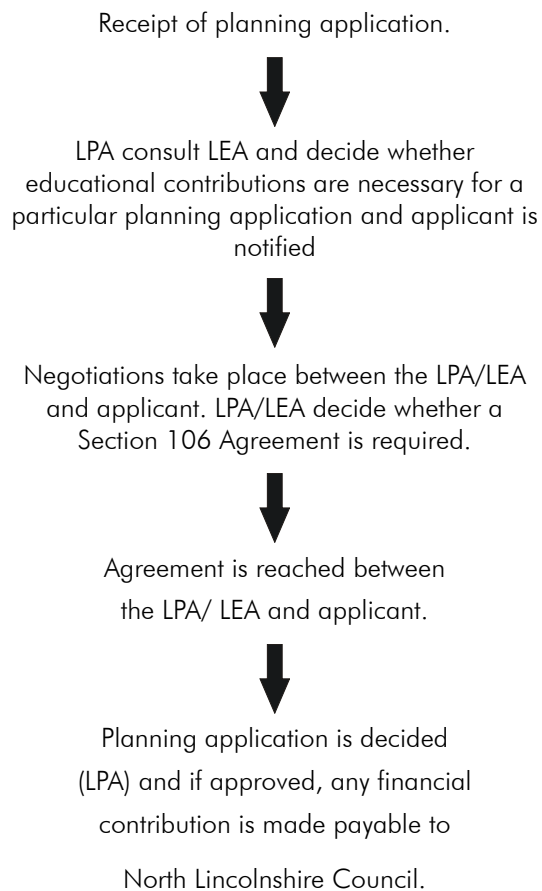
8.22 The number of children generated by residential development may vary depending on the type and size of dwelling and by the location of the development. In some cases a developer may argue that houses are built for a particular market (for example, starter homes for couples) or that a development is not within easy reach of a primary school. NLC will not normally reduce the basis for the calculations to account for variables such as these because most locations have the potential to accommodate school children. However, contributions may not be sought for major housing developments providing specialist residential accommodation which is unlikely to be capable of future occupation for general residential purposes by virtue of its internal layout and/or occupancy restrictions. Care will also be taken to ensure that the total development site is not deliberately sub-divided and phased in an attempt to avoid thresholds.

- 8.23 There may be exceptional occasions where some major housing developments might be subject to unavoidable and authenticated abnormal site development costs. If this can be proven, there may be a case for reducing the contribution sought (e.g. where a site is subject to extraordinary costs) but the onus is on the housebuilder to demonstrate why this is the case. Each case will be considered on its merits. Developers will be expected to submit evidence to substantiate any claim for a reduction in the level of the contribution. Among the information likely to be required is an evaluation of the total scheme costs and a financial appraisal of the scheme's viability. Any information received will be treated with the strictest confidence by the Council.
- 8.24 Standard site development costs particularly those costs that were reasonably foreseeable and should therefore have been budgeted for in the price paid for the land, will not be considered as extraordinary (e.g. those costs relating to usual site clearance, archaeological, foundation, flood defence or landscaping works).
- 8.25 NLC is committed to achieving more sustainable development patterns. An important element of this strategy is to maximise opportunities for new housing development on previously used brownfield sites. NLC acknowledges that such developments can often involve unforeseen abnormal costs, such as the remediation of contamination. The requirement to provide contributions towards school provision may be reduced for such schemes.
- 8.26 Contributions will normally be secured either via a Section 106 Agreement or by a direct payment. However, construction of, for example, the classrooms to an agreed standard would be an alternative to a financial contribution. Similarly, 'in kind' contributions of, for example, labour or materials to carry out work on the school/grounds may be another acceptable alternative.
- 8.27 Normally, contributions will be required no later than the occupation of the first new dwellings. In certain circumstances (for example, on large sites) payment of contributions may be phased by agreement with the LPA/LEA or as set down in a development brief for the site.
- 8.28 The basis of the calculations set out above will be subject to review, independent audit and change in the light of new demographic and other trends.

Procedure

- 8.29 Figure 1 below summarises the procedure which will be followed when dealing with any planning application for new housing development for which a developer contribution for education provision may be required.

Figure 1



For further details please contact North Lincolnshire Council

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Key Documents:

North Lincolnshire Council (2003), *Adopted North Lincolnshire Local Plan (May 2003)*, NLC, Scunthorpe

North Lincolnshire Council (2001), *Schools Organisation Plan 2001 – 2006*, NLC, Scunthorpe

North Lincolnshire Council (2002), *Draft Supplementary Planning Guidance - Affordable Housing*, NLC, Scunthorpe

Department of the Environment (1997), *Circular 1/1997 – Planning Obligations*, HMSO, London

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