
Planning Committee – 31st May 2023

Report of the Director of Regeneration and Enterprise

Costings for Planning Obligations April 2023 - supplementary report

Purpose of the Report

1. To consider the updated Planning Obligations Costings updated from 1st April in accordance with Council Policy.

Recommendations

2. It is recommended that Planning Committee: -
 - Note the continued use of Consumer Price Index in Planning Obligations costings as outlined in Appendix C, and in accordance with the adopted SPD “Planning Obligations” as per previous report to Planning Committee, Planning Service Fees, 12th December 2022.
 - Note the updated Planning Obligations costings (Appendix One) in line with the Consumer Price Index rates since 2019 to 2023.

Background

3. The use of planning obligations to secure financial developer contributions towards the delivery of local infrastructure is a key and well-established element of the planning system and is required on certain planning applications depending on the scale and nature of development.
4. There is a need to index link planning obligations as a failure to do so would result over time in insufficient contributions being secured.

The use of inflationary indices for planning obligations is an established principle which is set out in the Planning Obligations SPD (approved in September 2011) and is supported by the Department of Community and Local Government (DCLG) publication entitled '*Planning Obligations: Practice Guidance*' (2006). The index used is Consumer Price Index (CPI).

5. As reported to Planning Committee 12th December 2022 (Planning Fees 2023 Report), Planning Obligation fees are updated in line with CPI and are valid from 1st April. This report is a supplementary report to December report as the Planning Obligation fees have now been updated from 1st April 2023, to reflect the change in CPI between 2019 - 2023. Appendix One of this report provides details of the Current Costing of Planning Obligations.

Finance

6. In line with Policy a review of the Planning Obligation charges is undertaken to ensure sufficient contributions are being secured.

Law

7. Planning Obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as s106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. The use of inflationary indices for Planning Obligations is an established principle and the Council uplifts contributions annually from the 1st April in line with the Consumer Price Index (CPI) as set out in the Council's Planning Obligations SPD June 2016.

Risk Management

8. There are no material risks to the Council resulting from the report.

Equality Impact

9. This report complies fully with the Council's Policy on equal opportunities.

Human Resources/Organisational Development

10. There are no implications arising from this report.

Commercial/Procurement

11. There are no direct implications for Procurement or Commercial arising from this report.

Environmental/Climate Change

12. There are no environmental or climate change issues arising from this report.

Council Priorities

13. Having appropriate Planning Obligation fees in place for both residential and commercial development supports the council's priority of *regenerating the borough* as well as helping to create a cleaner and greener place.



Director of Regeneration and Enterprise

Report Author: Vicki Popplewell
Planning Policy Manager
Telephone: 01384 814136
Email: vicki.popplewell@dudley.gov.uk

Appendix One: Current Costings and Planning Obligations

APPENDIX ONE

Current Costings and Planning Obligations*

Type of Obligation	Current Costings applicable to planning applications submitted between 1st April 2023 and 31 st March 2024
Affordable Housing	25% on-site obligation on all sites proposing 15 dwellings or more
Education	<p>Calculated on a site-by-site basis:</p> <ul style="list-style-type: none"> • Nursery/Primary school place - £13,890.76 per school place, • Secondary £20,931.39 per school place • Sixth Form/Post 16 education £22,700.44 per school place <p>In accordance with the Planning Obligations SPD, in exceptional circumstances obligations may be required for 0–5-year-olds and Special Education facilities.</p> <p>SEND Provision will be provided based on a case-by-case basis:</p> <ul style="list-style-type: none"> • Primary SEND Provision - 4.1% of any identified shortfall in provision will relate to Special Educational Needs and Disability (SEND) which will be charged at 4 x the Primary rates • Secondary SEND Provision - 4.1% of any identified shortfall in provision will relate to Special Educational Needs and Disability (SEND) which will be charged at 4 x the Secondary rates
Highway Infrastructure Works	Calculated on a site-by-site basis – usually non-financial
Air Quality Improvements	£42.96 per additional traffic-based trip
Nature Conservation	Calculated on a site-by-site basis – usually non-financial

Open Space, Sport and Recreation	On sites 80 dwellings or more where onsite provision cannot be accommodated: <ul style="list-style-type: none"> • Per Flat £1,372.46 • Per House £2,468.48
Environmental Safety and Health	Calculated on a site-by-site basis
Historic Environment	Calculated on a site-by-site basis

* Current Costings Table to be updated annually on 1st April in line with CPI, subject to Council approval – prices have been increased in line with CPI from April 2019 – February 2023