

Examiner's Questions

EQ1 – Planning Obligations Supplementary Planning Document and funding through s106

1. A number of stakeholders sought clarification in the Regulation 16 statutory consultation about the relationship between the [Planning Obligations SPD](#) and whether this has been accounted for in the Revised CIL Viability Study (SD7) that has been used to support the proposed rates in the Draft CIL Charging Schedule.
2. The Planning Obligations SPD was adopted in June 2023 to provide guidance on the financial contributions and non-financial obligations that OPDC will look to secure through planning applications ahead of OPDC adopting a CIL Charging Schedule. We clarified to stakeholders that this SPD would be reviewed and revised when OPDC's CIL Charging Schedule is adopted.
3. OPDC plans to continue to secure the following financial contributions, subject to viability, through s106 when CIL is adopted, in order to meet key policy objectives and mitigate the impact of development:
 - Affordable housing (Planning Obligations SPD reference OB1A)
 - Open space contribution where schemes are not providing 30% publicly accessible open space in accordance with Local Plan policies SP8 and EU1 (OB3E)
 - Play space contribution where schemes are not delivering required play space policy in accordance with London Plan Policy S4 and Local Plan Policy D8 (OB3F)
 - Employment, training and skills and local supply chain contribution (OB7B)
 - Affordable workspace contribution (OB7E)
 - Carbon offsetting contribution where carbon reduction targets are not achieved (OB6A)
 - Biodiversity contribution where there is a loss in biodiversity in accordance with Local Plan Policy EU2a) (OB6D)
 - Supporting the viability of town centres (OB8C)
 - Supporting early activation and community art initiatives (OB8D).
4. The following financial contributions are currently set out in the adopted Planning Obligations SPD and secured in s106 agreements to contribute towards the funding of more strategic infrastructure requirements. However, they will no longer be secured through s106 when CIL is adopted as they will be funded from CIL revenues, and these would therefore be deleted from the revised Planning Obligations SPD:
 - Healthy Streets and public realm contribution (Planning Obligations SPD reference OB3A)
 - Public transport contribution (OB3C)
 - Health contribution (OB5B)
 - Education contribution (OB5C)
 - Community facilities contribution (OB5D)

- Sports and leisure facilities contribution (OB5E)
 - Air quality monitoring contribution (OB6C).
5. Document reference ED-001-OPDC-A contains a track change version of the adopted Planning Obligations SPD highlighting which financial contributions will continue to be secured in s106 agreements when CIL is adopted, and which financial contributions will not be secured through s106 and therefore be deleted from the SPD. We plan to consult on the revised SPD and adopt the revised SPD when we adopt our CIL charge. We plan to commence this consultation in October 2023 so that we would be able to adopt the revised Planning Obligations SPD from early 2024.
 6. To account for the residual s106 requirements, we have included an allowance of £1,500 per unit for residential schemes and £30 per square metre for commercial schemes in the CIL Viability Study (SD7). The actual amounts of s106 will be subject to site-specific negotiations when schemes are brought forward through the development management process.
 7. Document reference ED-001-OPDC-B contains an analysis of implementable s106 agreements negotiated on schemes in the area to date. It considers the total s106 contributions secured on schemes, the level of affordable housing and defines the non-affordable housing contribution classes as being either:
 - CIL funded: principally contributions related to Healthy Streets and public realm, public transport, health, education, and air quality contributions; or
 - s106 funded: principally contributions related to open space, play space, employment, training and skills, affordable workspace, carbon offsetting, and s106 monitoring.
 8. The analysis informed the assumptions in the CIL Viability Study, albeit that it has been updated to include the most up to date information at current day. This demonstrates that an allowance of £1,500 per unit for residential schemes and £30 per square metre for commercial schemes is a reasonable proxy to account for the residual s106 contributions that OPDC would look to secure from schemes in addition to any CIL liabilities due as a result of the rates set out in the Draft Charging Schedule.
 9. OPDC has been mindful of the relationship between its future s106 asks and the proposed CIL liabilities that will be sought from development, to ensure that the requirements of CIL Regulation 14 are achieved. That is, that it has struck an appropriate balance between the desirability of funding important infrastructure from CIL (as well as the likely s106 asks) and the potential effects (taken as a whole) of these financial obligations on the economic viability of development in the area, and hence the delivery of the growth envisaged by the Local Plan.