

A Community Infrastructure Levy for Swindon

Swindon Borough Council Post-Examination Statement

Response to Examiner's Additional Questions

In accordance with:

The Planning Act 2008 (Part 11) (as amended)

The Localism Act 2011 (Part 6)

**The Community Infrastructure Levy England and Wales
Regulations 2010 (as amended)**

Dated 28th November 2014

Blank Page

Contents	3
Question 1	5
Question 2	8
Question 3	8
Question 4	10
Question 5	12
Question 6	12
Question 7	15
Appendices	
Appendix 1: Swindon Borough Council New Homes Bonus Information 2011/12 to 2014/15	17
Appendix 2: Swindon Borough Council Education Capital Allocations 2011/12 to 2014/15	18
Appendix 3a: New Eastern Villages Landowners Forum Meeting Notes	19
Appendix 3b: New Eastern Villages Framework Agreement Note	22
Appendix 4: Average CIL Receipts by unit including garage floor space (<i>Expanded SBC Statement Issue 2 Table 1 p.9</i>)	27

Blank Page

Q1. SBC to provide a funding gap update, including information on external funding sources as discussed at the Examination Hearing

1. Response:

- 1.1 As explained at the Examination hearing on 4th November 2014, since 2012, the Council has continued to work on the content and structure of the Infrastructure Delivery Plan ‘IDP’. This has included the removal of projects that have since been delivered; refining cost estimates as individual projects move forward through the stages of delivery; netting off S106 receipts and anticipated S106 receipts where appropriate; and netting off the anticipated CIL income. In 2012 the IDP funding gap was £345m, yet by March 2014 this had reduced significantly to £209.5m, and down to approximately £200m with the allocation of the anticipated CIL receipts.
- 1.2 The current Funding Gap comprised by infrastructure item is set out in **Table 1** below.

Infrastructure Item	Funding Gap £million
Transport	97.70
Education*	47.50
Fire & Rescue Service	3.05
Green Infrastructure	4.14
Culture	42.00
Public Realm	5.20
Total Shortfall (rounded)	200
Total Gap Pre-CIL netted off	209.50

Table 1
SBC March 2014 Infrastructure Delivery Plan Funding Shortfall by Infrastructure Item

- 1.3 Since the March 2014 IDP the funding gap has potentially further reduced to £105 million as a consequence of the successful Local Growth Fund assumed allocation for transport projects (**see Table 2**)

Income Streams	£ millions
LGF	95
CIL	9.5
Funding Shortfall	105

Table 2
Known income streams to support funding shortfall

- 1.4 It is important to note that of this £105 million there are some significant individual projects that make up this sum, including £35m for a new Theatre and £10.2 million for the railway crossing bridge. The Council will continue to be proactive in preparing bids to the relevant funding streams to support the delivery of these, including Local Growth Fund for the railway crossing.
- 1.5 The Council can demonstrate that it has already supported infrastructure delivery through the allocation of £8.13m of its New Homes Bonus 'NHB' receipts received to date to infrastructure projects through the Council's Capital Programme. The detail of the allocation by financial year is set out for 2011/12 through to 2014/15 in **Appendix 1** of this statement. Furthermore information on the types of projects the first £4million has been used to fund is already detailed in **Appendix 4** (page 30) of the **SBC Issue 1 Statement**. Informed by this past approach it is reasonable to assume that future NHB receipts will continue to be allocated in this way.
- 1.6 With reference to the Education funding gap in **Table 1** above, £42.5m of this is for schools within the existing urban area required to manage the cumulative impact of in migration and growth within existing communities. Between 2011/12 and 2014/15 the Council has been successful in securing £30.76m of education Basic Needs and maintenance funding to support investment in Education facilities within the Borough. The detail and breakdown of this allocation is set out in **Appendix 2** of this statement. The Council will continue to justify and make applications for these funding streams, or their equivalent, in the future. In addition the Council has recently supported the two independently submitted Free School bids that are currently under consideration by the Education Funding Agency for Secondary and post 16 provision in Swindon (an 8FE for the north of Swindon and a 200 place intake 6.7FE equivalent for central/south). The submitters and the Council anticipate the decision on these to be made in January 2015. For this reason it is not unreasonable to assume that across the lifetime of the plan the funding gap for education can be closed in its entirety.
- 1.7 With respect to the Culture funding gap, the Council is currently in the process of preparation of a Major Grant Round 1 Application to the Heritage Lottery Fund 'HLF' to support the delivery of the Museum & Art Gallery which in the IDP is currently unfunded. In a report to Cabinet in December 2013¹, subject to feasibility works, the Council provisionally committed to support the project up to the value of £5million in addition to providing the land. It is understood that the HLF application supports an improved scheme to that envisaged in

¹ <http://ww5.swindon.gov.uk/moderngov/ielssueDetails.aspx?Id=37964&Opt=3>

the IDP for which the cost would increase, however with a continued commitment subject to the success of the HLF application to raise the remainder of the funding gap by making an application to the Art Council Capital Grant and through philanthropic fundraising from Trusts, charities and individuals proposals are in place to secure its funding in full. The Council would look to similar routes with respect to the £35 for the Theatre, indicating that realistic opportunities exist that could close the funding gap in time.

- 1.8 With respect to transport projects, there is every reason to assume that the Council will continue to build on its past, a more recent successes, with respect to securing external grant funding. It will continue to make submissions as new grant funding opportunities come forward in the future. The Council has already directed a work stream to the preparation and submission of a bid to the LGF Round 2 for funding to support the delivery of the Bus Exchange, which whilst currently developer funded in the IDP, should it be successful, would help support early delivery of infrastructure to unlock the continued development of the Kimmerfields Town Centre regeneration site, and support its viability.
- 1.9 In conclusion, all this additional evidence, along with potential funding streams listed under **paragraph 5.5 of SBC Statement Issue 1 (page 11)**, represent realistic and tangible funding opportunities that the Council will continue to review to positively react to announcements of their release, as and when they come forward through the lifetime of the plan. This will ensure that quality submissions are prepared to give the Council every opportunity of the application being successful, and consequently providing evidence that the Council will be capable of fully funding the infrastructure necessary to support the planned growth under the Local Plan to 2026 contained within the IDP.

Q2. SBC to provide notes of meeting that took place on 28th October 2014 between SBC and NEV developers and landowners

2. Response:

- 2.1 The Meeting Notes are attached as **Appendix 3a**. In addition the note on the Council's proposed approach to a Framework Agreement is located in **Appendix 3b**. The Council committed to circulating this Framework agreement note to the interested parties in the Land Owners Forum for the New Eastern Villages 'NEV' by Friday 7th November 2014 which it duly did. The subsequent commitment of the landowners and their representatives was to arrange a meeting to discuss this in order to provide feedback in advance of a follow-up meeting to discuss the matter at a NEV Landowners Forum meeting on Monday 8th December 2014.
- 2.2 The Framework Agreement Note sets out in more detail the Council's preferred option to secure the strategic infrastructure and identifies the necessary strategic infrastructure that in the opinion of the Council the Framework agreement should cover.

Q3. SBC to provide an update to Table 1 (p9) SBC Issue 2 response statement – recalculate hypothetical CIL liability based on inclusion of garages

3. Response:

- 3.1 The updated Table 1 in SBC Statement Issue 2 (page 9) is located in **Appendix 4**.
- 3.2 The garage scenario incorporated is that of a single garage of 18sqm (6m by 3m internal dimension) for every property in the scheme scenario. The garage size is used as it represents the current locally adopted requirement set out in SBCs adopted Development Control Guidance Note: Technical Guidance on Parking Standards (December 2007) page 25². To address the fact that in many schemes some units will be served solely by driveway or allocated parking, without a garage, and others plots within a scheme may come forward with double garages (dimension 6m x6m) the table makes provision for a single garage for every property.

² <http://www.swindon.gov.uk/ep/ep-planning/planningpolicy/ep-planning-localdev/Pages/ep-planning-spg.aspx>

- 3.3 This updated evidence demonstrates through the black text figures (the most relevant as 100% OM schemes are not anticipated once the AH threshold has been triggered) that even by adding garages to the scheme scenarios tested this would generate an average unit liability between **£3,657.50** and **£4,381.30** (divided by the total units in the scheme once the floor space attributable to Social housing Relief is removed). This would rise to between £5,225 and £6,259 per unit if divided between the Open Market Units only. This latter range is higher than the values set out in the original Table 1 as you would expect them to be to be, however the unit average in Table 1 is artificially elevated because the CIL liability is only divided by the open units and not the total units in the scheme to which the accompanying S106 average unit value relates. For this reason an additional column has been introduced that generates the **£3,657.50** to **£4,381.30** range.
- 3.4 These outputs demonstrate that even with the inclusion of garages, the CIL rate of £55 per square metre will not generate a higher rate per unit than the Council's adopted Standard Charge approach for infrastructure contributions set out in the Council's adopted Developer Contributions Development Control Guidance Note (2010). The average s106 per unit for implemented schemes in 2012-13 and 2013-14 is quoted in **paragraph 2.4 of SBC Statement 2 (page 10)** as between **£6,593.25 - £8,833.43**. For this reason, even if the introduction of additional floor space for garages was a requirement, the yield of affordable housing should remain uncompromised, and viability not compromised further, continuing to demonstrate that the £55 per sqm rate is robustly evidenced and justified.

Q4. Retail in the New Communities – Inspector concerned that (a) the viability appraisal was unrealistic (theoretical); (b) there was a danger of double counting with S106 costs in addition to CIL; (c) risk of the District Centre at the NEV being unviable.

SBC to provide a situation update in form of sensitivity tables for the redevelopment of a superstore in the NEV District Centre, increasing the 7,447sq/m (gross) to 11,279sq/m (gross), i.e. an increase of 3,832sq/m (gross), showing:

- (1) Scenario 1 – standard ‘theoretical’ approach (single-storey plus surface car park
- (2) Scenario 2 – multi-storey development, integrated with other district centre uses

Each assessment to estimate:

- a) Development costs (land, construction, fees, etc)
- b) Development value
- c) Development value less CIL at £100sq/m
- d) Development value less CIL and S106 cost for
 - Express bus link
 - White Hart Junction improvements
 - Gablecross Junction
 - Green Bridge
 - Green infrastructure

Indication of viability, preferably expressed as a percentage of profit and loss

4. Response

4.1 The Council’s viability consultants GVA has been appointed to undertake the additional testing required. Discussion with the relevant interested parties has taken place to set the parameters and assumptions to feed into the viability testing. The outputs of this testing are contained within a separate District Centre Report by GVA contained in their letter dated 28th November 2014.

4.2 During the discussions with other parties, it became evident that the two scenarios requested may not cover all the possible options under which the District Centre may come forward. For this reason, to ensure that all the relevant information is available for the Examiner to make his decision in respect of this matter the Council has instructed a 3rd scenario to be introduced. Scenario 3 addresses the delivery of the District Centre requirements based on a no expansion of the existing Sainsbury’s food store, but through alternative means. The scenarios contain sensitivity variances. The addition of this scenario provides a comprehensive set of circumstances

in order to provide the necessary evidence to demonstrate whether the District Centre, when taking into consideration the anticipated site-specific S106 costs, is also capable of absorbing a retail CIL levy of £100 per square metre, irrespective of the likely manner in which it is brought forward.

4.3 The Examiner asked for the testing to contain a reflection of the anticipated s106 contributions arising from development of the District Centre with respect to the strategic transport infrastructure and this list is reflective of all scenarios tested with a total value of £1,241,680 split as follows (informed by the evidence already submitted to the Local Plan Examination):

- White Hart Junction - £925,480
- Green Bridge - £45,220
- Green Infrastructure - Community Forest £4.04 per sqm of site area as a starting point (Sainsbury's/Colliers to provide confirmation of site area)
- A420 Works (including Gablecross and Police Station access) £99,960
- West A419 works £170,000
- M4 Junction 15 - TBC
- Express Bus Link = Road of 7.3m carriageway for the length of the parcel

Plus

- High quality Public Realm of 4,000sqm (including public art)

(Note: Sainsbury's has a current planning s52 obligation with respect to provision of a Truck Stop – currently approximately 1ha in size. This needs to be retained around the mixed use area of the District Centre somewhere)

4.4 In addition the testing was asked to take into consideration the potential CIL rate arising from the different scenarios and net gain in retail floors space that would be likely to be CIL liable at the Council's proposed £100 per sqm retail rate. The CIL arising out of the different scenarios tested is set out below for ease and it is these values that have informed the District Centre Viability Testing:

CIL Calculations:

Scenario 1: £383,200 CIL Liability (3,832 sqm x £100 per sqm)

Scenario 2: £543,200 CIL Liability (3,832sqm x £100 + 1600 sqm x £100)

4.5 Scenario 3 has not been tested with a CIL liability due to the negative viability outputs of the testing including the S106 package outlined above; however Scenarios 3a and 3b would have generated a CIL liability not dissimilar to values of Scenario 2 and Scenario 1 respectively.

- 4.5 The outcome of the testing indicates that in addition to the scale of the anticipated s106 transport package development of the District Centre is not capable of sustaining a Retail CIL charge in addition to these costs.

Q5. In SBC's letter to WYG, dated 30 May 2013, the Council states that it gave serious consideration to reducing the CIL tariff to zero for new retail floorspace within the NEV development area but then stated that this would raise "a number of wider issues that are not likely to be acceptable". What are these wider issues?

5. Response

- 5.1 The wider issues were twofold the first of which was mentioned during the Examination:

1. Due to a lack of certainty at that specific stage that the District Centre would be delivered by Sainsbury's on their site the Council did not consider it appropriate to viability test something that had not been committed to in principle. If the Council were not in a position to viability test there was a concern with respect to legal challenge to the schedule as a whole, if the Council simply adopted a nil rate for retail in the New Communities on the basis that the District Centre is located within a strategic site, without that rate having being backed by viability evidence.
2. The Council was further concerned that by identifying a specific site i.e. the District Centre within the NEV strategic new community allocation this could be misconstrued by others as a state aid matter and open the Council up to risk of legal challenge by 3rd parties as the Council could potentially be seen to be favouring one site/developer/landowner over another.

Q6. SBC to provide an update on its position on CIL rates for major types of retailing.

6. Response

- 6.1 The Council maintains the position set out in ED 2-05 that a flat rate for retail would not render new retail floor space in Zone 2 at £100 per square metre unviable, regardless of the type of retail use and location, and thus nor would it compromise the delivery of the Local Plan. The matter of the retail rate for

the New Communities is addressed separately by the additional viability testing undertaken in association with Question 4 above.

- 6.2 The Council's rationale for setting a retail rate based on a geographical zoning approach is set out in ED 2-05, paragraphs 3.6 to 3.9 most relevant. This is further backed by the additional retail testing that took place to inform the Draft Charging Schedule contained within ED 2-22, and the locally collated market evidence in ED2-23. This decision was also informed by the uncertainty, at the time, that differentiation by type or size of retail would be considered to be CIL Regulation compliant and the silence of the CIL Regulations in respect of such.
- 6.3 The evidence to substantiate this approach to rate setting is set out in a combination of **ED 2-13** and **ED 2-22** and informed by the local market information contained in **ED 2-23**, the latter of which at **Appendix 1 page 14** demonstrates a relatively buoyant retail market for existing retail provision in Retail Zone 2 with significantly higher occupancy rates than within the Town Centre. The viability evidence in the relevant schemes Scenario A, B, C **ED2-22 Table 5 (page 6)** demonstrates their ability to accommodate up to a £500+ CIL. This coupled with the viability evidence in **ED 2-13** for the original retail schemes tested that indicates a CIL charge of between £20 and £500 clearly demonstrates that £100 represents an appropriate rate to absorb all types of retail. Further reasoning why this rate and approach is justified is associated with the type of retail the Council expect to come forward within Retail Zone 2 in the lifetime of the plan for the existing communities.
- 6.4 Policy EC3 of the Local Plan 2026 (**ED3-01a p 84**) prioritises retail development within and at the edge of the Town Centre, at district and rural primary centres and at local centres.
- 6.5 The Council is satisfied that its approach to retail rate setting will not compromise the viability of this type of development for the following reasons:
- The charge for Retail Zone 1 has been set at £0sq/m to ensure that retail development remains viable in the Town Centre (informed by the viability testing of **Scheme E** in **ED 2-22 Table 5 p.6**;
 - The Council has recently undertaken a review of Local Centres under its control and since 2011 has embarked on the regeneration of those that appear tired and in need of a facelift to improve their quality and appearance for the communities they serve by investing in public realm improvements. These include:
 - **Clive Parade, Cricklade Road** – Whilst privately owned, public realm works have been carried out to the large highway area in front to enhance the existing retail provision. , New and improved retail floor space and enhanced residential provision was created at this centre through planning permission S/00/2479 as varied by

S/04/1911 approximately 10 years ago creating an improved centre and intensification of uses.

- **Freshbrook Local Centre:** Public realm works have been carried out to enhance the existing retail provision. No retail floorspace additions are currently proposed for at least the medium term (5-10 years) and the centre continues to provide for local need.
 - **Lawn Local Centre:** Public realm works have been carried out to enhance the existing retail provision. No retail expansion is proposed for at least the medium term (5-10 years), and the centre continues to provide for local need.
 - **Eldene Local Centre:** Demolition of elements of the local centre is proposed however this will not be replaced with new floorspace for at least the medium term (if at all). The demolished area will be landscaped. The local centre is no longer required in its current form as a Morrison's supermarket with 3 more modern small retail units has opened just across the road.
- In addition, the Council has also reviewed Local Centres that offer opportunities for regenerative benefits to existing communities through demolition, reconstruction and alterations to the retail, community and housing mix to intensify the land use. Two of these 'under-utilised Local centres where regeneration is already complete are outlined in **ED 2-23 at paragraph 3.4 page 9**, both of which having taken place since 2006. In addition to these examples since submission of the CIL DCS for Examination the Council has also granted its other remaining local centre regeneration scheme:
 - **Sussex Square, Walcot** – planning permission was granted in September 2014 for the residential-led regeneration of this local centre originally built in the 1960s under two permissions S/14/0406 and S/14/0407. The scheme includes the demolition and replacement of less retail provision and increased residential units and is due to commence imminently.

6.6 The Council currently has no further proposals for local centre regeneration in place, and does not envisage such for the foreseeable future to at least the medium term (5-10 year timescale) by which the CIL Charging Schedule is likely to be under review, the timing of which will be informed by visible changes in market conditions and/or the impact of the required early review of the Local Plan.

- Informed by the recent planning permission at Sussex Square should local centre redevelopment come forward, this is likely to incorporate demolished retail floor space and replacement with a reduced area of retail floor space. This circumstance would provide an opportunity for netting off existing floorspace based on the vacancy test, or the possibility of nil net additional retail floor space, thus not generating a CIL liability in the first instance. For this reason, the £100 per sqm charge proposed is unlikely to

compromise viability of a scheme. In any event the successful implementation of consented schemes since 2006 means that existing Local Centres will not be the focus of the retail element of the Local Plan 2026 in this instance as for the existing communities, what has been planned for is now consented.

- The evidence set out in **ED 2-23 Appendix 2 page 16** and above demonstrates that the Council is satisfied that the retail offer at the existing district/local centres across the Borough is sufficient for residents' needs and it is not expecting a significant amount of new retail floorspace to come forward over the Plan period in these areas.

6.7 For the reasons outlined above, the Council is satisfied that its simplified geographical zoning approach to retail is robustly evidenced fully justified and informed by viability having tested all the appropriate retail options that are likely to come forward in those locations. For this reason the retail rate Zone 2 set for all retail uses at £100 with particular focus on the existing communities (as the New communities are considered under Question 4) represents an appropriate balance between the need to fund infrastructure from CIL and the effects of CIL on the economic viability of the types of retail development anticipated within the existing community area and will not compromise the delivery of the Local Plan's objectives in this respect.

Q7. SBC to provide details of S106 contributions received for previous 5 years and projected contributions for the following 5 years.

7. Response

7.1 Informed by the Council's comprehensive s106 Project Management monitoring system **Table 3** sets out the total s106 receipts that have been received by the Council in the last 5 years:

2009-10	2010-11	2011-12	2012-13	2013-14
£7,892,822.79	£8,509,895.94	£12,579,192.25	£5,000,574.99	£2,896,484.76

Table 3
SBC S106 receipts totals 2009-10 to 2013-14

7.2 The 2011-12 Peak reflects a triggering of payments from the New community of Wichelstowe hitting a significant occupancy trigger, alongside the payment of the final instalment of settling s106 contributions from the town expansion are of Haydon 3, the strategic urban expansion are granted in 2000 which is

nearing completion. These peaks and troughs will continue as other substantial residential new communities sites come on stream resulting in occupancy triggers being reached on multiple sites at similar times.

- 7.3 **Table 4** below sets out the Council’s anticipated S106 receipts for the next 5 financial years. This focusses on contributions triggered by the three strategic New Communities Sites that are already implemented Commonhead, Tadpole Farm and Wichelstowe and is informed by the housing trajectory to inform anticipated occupancy triggers:

2014-15	2015-16	2016-17	2017-18	2018-19
£2,883,856.35	£1,550,174.27	£9,660,500.96	£6,971,326.33	£2,144,296.00

Table 4
SBC Anticipated S106 Income 2014-15 to 2018-19

- 7.4 In addition the Council will continue to receive s106 income from other smaller-scale consented developments with signed legal agreements that the owners choose to implement that already benefit from planning permission, but are not as yet implemented and site capable of implementation. It is not possible to incorporate this income, as the owners have up to 3 years to implement the permission.
- 7.5 The Council could also continue to receive s106 income from newly signed s106 agreements after the adoption of CIL that contain site-specific obligations.
- 7.6 Due to the manner in which growth in Swindon takes place, this information demonstrates that S106 will continue to remain a significant income stream to support the delivery of key infrastructure through the lifetime of the Plan.

Appendix 1

Swindon Borough Council New Homes Bonus Information 2011/12 to 2014/15

	SBC New Homes Bonus Total	Proportion used to fund Revenue activities	NHB invested in Infrastructure capital projects
Financial Year	£m	£m	£m
2011-12	1.45	0.15	1.3
2012-13	2.78	0.28	2.5
2013-14	4.01	2.2	1.81
2014-15	5.07	2.55	2.52
	13.31	5.18	8.13

The first £4 million of this has been invested to support projects listed in Appendix 4 page 30 of SBC Statement Issue 1 Statement to support the response to Issue 1 qu. (v).

Appendix 2
Swindon Borough Council Education Capital Allocations 2011/12 to 2014/15

Education Capital Allocations 11 to 14	2011/ 2012 £	2012/2013 £	2013/14 £	2014/15 £	Total £
Basic Need	3,672,615	4,302,257	3,816,090	1,908,045	13,926,341
Maintenance	3,536,585	2,002,885	1,500,000	1,540,436	8,579,906
Targeted Basic Need Grant Allocation			2,233,937	6,024,656	8,258,593
					£30,764,840

Appendix 3a
New Eastern Villages Landowners Forum Meeting
28th October 2014
Meeting Notes

NEV Core Landowners/Developers Forum

Tuesday 28th October, 2pm – Jurys Inn

Attendees

Ian Piper, FSL – Chair	Sarah Smith, Redlands
Kim Corps, SBC	Joe Smith, Redlands
Sam Howell, SBC	Pat Downes, Harris Lamb
Sarah Screen, SBC	Andy Birch, Hallam Land
Helen Taylor, HCA	Nick Duckworth, Hallam Land
Neil Osborn, DLP	Derek Woodward, Hannick Homes
Peter Barefoot, Alder King	Steve Taylor, Atwell Martin
Paul Martin, Ainscough	Rachel Scott, Gleasons
Liam Kenyon, Ainscough	Owen Francis, WYG

1. IP provided an update on LGF and the employment of Ian Harrison to assist with development of the Business Case for the NEV Strategic Transport Infrastructure Package.

2. General discussion around opportunities to accelerate trajectory in light of additional funding and potential capacity building at SBC.

Action: SBC to provide update at next meeting

4. KC introduced the draft S106 Framework Agreement.

5. General discussion took place on the opportunities and risks of a S106 Framework Agreement for all stakeholders. Whilst it was agreed that an appropriate mechanism(s) needs to be agreed to ensure delivery of infrastructure in a timely fashion, developers/landowners expressed particular concern that the requirement for all to sign up to the Framework, with Consents held by Grampian condition until all had signed up, would lead to extensive delay in delivery of the NEV against the

Swindon 5 year land supply. They also expressed particular concern that not all of the landowners were party to these discussions.

In response the Council explained that it was evident that the Developers did not fully understand the Councils intent in this respect. A Grampian condition would only be necessary in a circumstance where the land affected by the outline planning permission to be issued was not already bound in advance by the Framework Agreement. The progression of this work, which will be undertaken in partnership with stakeholders, will help to explain in more detail how the Council anticipates this will be achieved.

It was noted that landowners were not satisfied with the quantum of spend for some infrastructure items, and that this could also potentially lead to delays in the implementation of planning permissions.

The Council stated that the S106 Framework Agreement would provide greater certainty in respect of the necessary strategic infrastructure required to support land parcels particularly in respect of costs, and, it was their opinion that this would help accelerate delivery.

There was discussion regarding the use of Grampian conditions, and the Council explained that the S106 Framework Agreement with Grampian conditions could expedite the speed at which an outline application could progress to implementation.

The Council were asked, by ND, excluding Milton Keynes, on the basis that their view was that a Section 106 Framework and Grampian conditions would speed up the process, to give examples where they believed such an approach achieved that aim. The Council provided, by example, Priory Vale in Swindon. DW responded that he was a Director of the Company set up to manage that development, it though differed in two ways from the NEV, firstly, all of the land was owned by the Developers, with no missing parcels and, secondly, there was a full equalisation agreement in place. Neither were true of the NEV, where very little of the land was owned and there was no equalisation agreement in place. In response to these comments the Council explained that it was necessary to create the appropriate framework agreement to meet the needs of this specific development and this will be informed by, but not identical to, any previous approaches implemented elsewhere. The Council is satisfied that the approach is legally achievable.

It was agreed that it would be appropriate to undertake a review of mechanisms in other areas in addition to Milton Keynes including those utilised by the NEV developers in other parts of the country, and that it may be appropriate to prepare a detailed SWOT analysis.

It was noted that whilst the S106 Framework Agreement is the preferred method of SBC, all potential options would be given due consideration in the context of Local Plan Policy SD3.

DW stated that it was in the Developers and Landowners interest to agree a way forward, but control by Grampian condition was not the way. He felt that the Group, with Swindon should agree the relevant infrastructure list and cost, which could then be apportioned by developable acreage. By this approach, consents could be released, fulfilling the requirement for a 5 years land supply, as well as then being a mechanism to bring on board the missing landowners in Phase III of the NEV.

The Council confirmed that no detailed position currently exists with respect to how all the infrastructure delivery will be managed. However, it wishes to continue to work in partnership with the interested parties to secure shared agreement over the approach which could include decisions by individual parties to commit to the delivery of specific items of strategic infrastructure. The Council explained that it would remain appropriate to retain such items in the Framework Agreement due to their strategic nature and not defer them to a site specific Legal Agreement. There was consensus that delivery of the strategic infrastructure is a 'shared problem' and that parties must continue with positive dialogue to determine the mechanism to secure delivery and in order to support the LGF funding.

The developers/landowners agreed to provide successful examples from their developments elsewhere in the country, and to meet independently of the Council to consider alternative mechanisms for the NEV, how equalisation may be achieved and which items of infrastructure they may individually seek to take responsibility for.

Actions: Developers/landowners to meet to discuss alternative mechanisms and relevant examples – 20th November 2014

Developers/landowners to present proposals at next landowners/developers forum - 8th December 2014. SJH to confirm meeting time and venue.

6. IP provided an update on personnel changes at FSL. ND thanked IP for his support in the last 10 months and wished him well in his new role at the HCA.

Appendix 3b
New Eastern Villages Landowners Forum Meeting
28th October 2014
Framework Agreement Note

New Eastern Villages – Framework Section 106 Agreement

Introduction

- 1 This document sets out a mechanism for securing planning obligations which are necessary to enable development to go ahead across the New Eastern Villages (NEV).
- 2 The emerging Swindon Borough Local Plan 2026 identifies the New Eastern Villages (NEV) as a strategic allocation to deliver sustainable economic and housing growth as set out in Policy NC3. The NEV area is the largest allocation within the Local Plan covering 724 hectares of land to the east of Swindon including the provision of about 8,000 homes and 40ha of employment land. The NEV allocation is a comprehensive development with interrelated villages that are dependent on the timely delivery of strategic infrastructure. The realisation of this requires a holistic (rather than a piecemeal) approach to the securing and provision of necessary strategic infrastructure for the NEV area. The Council's approach is supported by policy and law.
- 3 In accordance with policy SD3 of the Swindon Borough Local Plan 2026 Post Submission Document incorporating Proposed Modifications (September 2014), a Framework Section 106 Agreement will seek to ensure a fair and equitable share of the contribution towards the required overarching infrastructure, maintenance requirements and to secure viable triggers for the delivery of the same.
- 4 The landowners, promoters and developers with controlling interests in a significant proportion of the land allocated within the NEV are as follows:
 - Ainscough Strategic Land Ltd.
 - Barberry Swindon Ltd.
 - Capital Land Property Group Ltd.
 - Gleeson Developments Ltd.
 - Hallam Land Management Ltd.
 - Hannick Homes and Developments Ltd.
 - Redlands Farm
 - Taylor Wimpey UK Ltd.
 - WYG (on behalf of Sainsbury's Supermarkets Ltd.)
- 5 Not all areas indicated for development within the NEV allocation fall within the control of the above parties. There are a large number of different landowners within the NEV site boundary and the pattern of land ownership is a key issue as

some of the proposed access routes through the development connecting the villages extend over two or more different landownerships.

Infrastructure requirements and delivery

- 6 In accordance with the provisions of the National Planning Policy Framework (2012) and the Community Infrastructure Levy Regulations 2010 (Part 11 'Planning Obligations') all development proposals should provide the required on-site infrastructure and provide, or make contributions towards the provision of, off-site infrastructure. The on and off-site infrastructure and facilities required to enable and support the NEV have been identified within the emerging Local Plan and the Infrastructure Delivery Plan (2014).
- 7 A NEV infrastructure delivery programme for the strategic transport improvements and secondary school seeks to refine the expected costs and schedule of works for each item. The trigger points, which may be met as a result of cumulative impact of occupation across a number of sites, for commencing work and completing each item are informed by the evidence base and housing trajectory within the emerging Local Plan. The Council and developers will need to ensure that these triggers are met to enable the development to be delivered, and the impact of the development to be mitigated and to ensure that the right infrastructure is in place at the right time to support the new community.

Funding

- 8 Developers are expected to provide financial contributions towards the off-site and shared infrastructure that is required to make their development acceptable. The cost of shared infrastructure will be apportioned fairly to each developer depending on the impact each development has on each item. For example, the 'New Eastern Villages Mitigation Works West of A419 and Apportionment of Impacts' (2014) includes an assessment of the impact of each development parcel on the local highway network west of the A419 and a resulting transport package of works has been identified to which contributions will be made based on the number of trips generated by new homes where applicable or the amount of floorspace created.
- 9 Due to the level of infrastructure required to enable the NEV development, external funding sources are vital to improve viability and accelerate the delivery of necessary infrastructure. The Swindon and Wiltshire Local Enterprise Partnership (SWLEP) has secured funding from the Government's Local Growth Fund through the Swindon and Wiltshire Strategic Economic Plan (SWSEP) for a package of transport infrastructure schemes that are critical to enabling the delivery of the NEV. The Government has committed £2.5m investment in 2015/16 for development work on transport infrastructure. A further £46.2m of investment for subsequent years to 2020/21 has been provisionally agreed and is dependent on the submission of a full business case in 2016. Prior to any

further commitment of external funding, the LPA will expect developers to meet the cost of the relevant transport schemes.

Securing infrastructure delivery

- 10 At this time, there is no developer consortium for the NEV and proposed developments are coming forward through a number of planning applications from developers and landowners. In the absence of an overarching outline planning application for the NEV, a Framework Section 106 Agreement is an effective mechanism to secure the planning obligations that are common to some or all of the NEV developers and landowners. It is in the interest of the NEV landowners to subscribe to the principle of a Framework Section 106 Agreement, which will capture all development parcels within the NEV and ensure there is a fair and equitable distribution of the planning obligations necessary for planning consents to be granted for comprehensive development of the NEV as required by policy. In addition to the Framework Section 106 Agreement, there will be site specific Section 106 agreements which will relate to specific sites and deal with planning obligations that are directly related to each development site.

- 11 The main objective of the Framework Section 106 Agreement will be to secure a proportionate contribution from each development site for shared infrastructure and set the trigger points for the delivery of infrastructure. This will provide the Local Planning Authority, developers and stakeholders with the certainty that the strategic infrastructure necessary to enable and support the NEV will be delivered at the right time, thereby ensuring that there is no impediment to the grant of planning consent. In addition, land necessary for securing items of strategic infrastructure will be secured as part of the framework agreement principle. Landowners/developers are encouraged to agree an equalisation procedure which is necessary to ensure that the percentage of developable land value available to each landowner is consistent across the NEV. In order to achieve this, where landowners provide part of their land at no cost to the Council for items of strategic infrastructure such as school sites, libraries, public open space; community facilities/halls, etcetera, they will receive the agreed value for the part of their land by means of allocation of equivalent land on other sites or by financial reimbursement from other landowners. If the landowners cannot agree the details of the equalisation scheme, in order to ensure transparency and fairness, the Council will be willing to work with them to fix and agree the location and size of the relevant facilities and agree the precise equalisation procedure in site specific agreements.

Land ownership

- 12 The Framework Section 106 Agreement will provide a mechanism for guaranteeing that landowners permit access across their land at nil cost to enable the delivery of cross boundary infrastructure, such as roads, within the NEV. Where necessary, Grampian conditions may be imposed, depending on the circumstances of each development site.

Summary

- 13 In summary, the principles behind the proposed Framework Section 106 Agreement for the NEV seek to ensure that there is an effective mechanism for securing the following:
- Developer contributions towards or provision of, on and off-site shared infrastructure
 - Provision of land required for shared infrastructure
 - Provision to review developer contributions if and when external funding becomes available.
 - Trigger points to ensure timely infrastructure delivery
 - Unrestricted access across land.
- 14 The infrastructure items that the Council propose to include within the Framework Section 106 Agreement for the NEV are detailed on the table below.

NEV-wide infrastructure

Item	Basis for Apportionment of Cost
Transport	
White Hart Junction Improvements	Percentage impact of trips from each land parcel
Green Bridge	Based on unit nos. and floorspace.
A420 junction improvements (including Gable Cross Junction and Police Station Access)	Percentage impact of trips from each land parcel
West of A419 Mitigation Works	Percentage impact of trips from each land parcel
Southern Connector Road	Percentage impact of trips from each land parcel
M4 J15 Improvement Works	Percentage impact of trips from each land parcel
Link roads between villages (inclusive of express bus route) - Land and construction	TBC
Junction improvements to existing highway network to accommodate express bus service	Percentage impact of trips from each land parcel
Park and Ride	TBC
Land for Park and Ride	Land value shared as a cost per dwelling
Education	
Land for Schools	Land value shared as a cost per dwelling
Secondary School	Cost per dwelling
Great Stall Primary School	Cost per dwelling
Earlscourt Primary School	Cost per dwelling
Foxbridge Primary School	Cost per dwelling
Rowborough Primary School	Cost per dwelling

South Marston Primary School expansion	Cost per dwelling
Community Facilities	
Land for Community and Leisure Facilities - District and local centres	Land value shared as a cost per dwelling
Community Centres - District and local centres	Cost per dwelling
Healthcare facility	Cost per dwelling
Green Infrastructure	
Outdoor recreation requirements - Land	TBC
Community Forest	Based on unit nos. and site area.
Strategic green infrastructure - Land and maintenance	TBC

Conclusion

- 15 The Council invites landowners/developers to work together with it to devise the appropriate legal and policy mechanism to achieve the objective of a comprehensive and sustainable development of the NEV. This is vital in order to ensure that much needed development is not held back by protracted planning appeals/legal challenges.
- 16 The Council welcomes views from the landowners/developers as to how to take this forward. The consultation process on the Planning Obligations SPD will also present a good opportunity for everyone to have a positive input into how we bring forward the development of this key site.

7th November 2014

Appendix 4
Average CIL Receipts by unit including garage floorspace
(Expanded SBC Statement Issue 2 Table 1 p.9)

Update to Table 1 (p9) SBC Issue 2 response statement. Includes a hypothetical CIL liability of 18sqm (a single garage of 6m x 3m) for every property.

Residential Scheme Tested	Floorspace for dwelling (sq/m)	Single Garage @ 18sq/m per unit	Total floorspace including garages (sq/m)	CIL Rate	Total CIL Liability if 100% OM units	CIL Liability per unit (if 100% OM units)	Total CIL Liability with 30% of floor total space being AH	CIL Liability scheme total units (but excluding the AH floorspace)	CIL Liability across OM units in scheme only (excluding AH floorspace)
Scheme 1 - 3 units	255	54	309	£55.00	£16,995.00	£5,665.00	n/a	n/a	£5,665.00
Scheme 2 - 15 units	1,195	270	1,465	£55.00	£80,575.00	£5,371.67	£56,402.50	£3,760.17	£5,371.67
Scheme 3 - 50 units	3,850	900	4,750	£55.00	£261,250.00	£5,225.00	£182,875.00	£3,657.50	£5,225.00
Scheme 4 - 100 units	9,580	1,800	11,380	£55.00	£625,900.00	£6,259.00	£438,130.00	£4,381.30	£6,259.00
Scheme 5 - 250 units	23,925	4,500	28,425	£55.00	£1,563,375.00	£6,253.50	£1,094,362.50	£4,377.45	£6,253.50

