

# Developer Contributions Supplementary Planning Document

**November 2010**



# 1 *Introduction*

- 1.1 This **Supplementary Planning Document (SPD)** has been prepared to make developers, landowners and others aware, at an early stage, of likely developer contributions so that they can take them into account when negotiating for land and formulating development proposals. In this way there will be a transparent basis for the negotiation of development contributions.
- 1.2 The SPD provides detailed guidance on how the Council shall implement *Policies CS 4, 9 and 12* of the adopted *Core Strategy* (July 2007). These policies set out the general approach to when and how development should contribute to the provision of community infrastructure.
- 1.3 The SPD sets out the type and level of contributions, together with the basis for them. Technical and cost information is contained in the text, based on a December 2007 rate, with costs adjusted to reflect the June 2010 retail price index (headline rate).
- 1.4 Since the adoption of the SPD in 2008 the Community Infrastructure Levy Regulations have come into force (2010) and a new Government is in power. While these Regulations impact on the way in which the Council seeks planning contributions, the change of Government may result in further alterations to national policy. In light of this, the Council has only undertaken a partial review of the SPD to improve its clarity and operation, and to ensure its compliance with CIL Regulations.

## 2 *What are “Developer Contributions”?*

- 2.1 In order to create sustainable communities the Council wants to ensure that the necessary infrastructure is put in place to meet local community needs. This includes not only the physical infrastructure such as roads and utilities that enable development to proceed, but also the community facilities and environmental improvements which will ensure occupiers of those developments have adequate access to services such as education, healthcare and leisure activities which will improve their quality of life.
- 2.2 The Council will expect developers to fund or contribute directly to the necessary improvements or new provision so as to mitigate or compensate for the impact of their proposals. These measures are known as “**developer contributions**”.

## 3 *What are “Planning Obligations”?*

- 3.1 Developer contributions will normally be secured through a “**planning obligation**”. This is a legal commitment by the developer to secure a contribution (in cash or in kind) to address community and infrastructure needs associated with development. It may be a bilateral agreement between the Local Planning Authority and the developer, or simply a unilateral undertaking by the developer to provide the same. These are a proper and

recognised part of the national planning system and are normally entered into under Section 106 of the Town and Country Planning Act 1990 (as amended). Where contributions relate to necessary highway works, they may be secured under Section 278 of the Highways Act 1980.

- 3.2 Planning obligations can be used to secure benefits on the development site itself or on other suitable sites in the Borough (as long as they are directly related to the development). Developers may be requested to make a payment of money to the Council to be spent on agreed benefits or for the maintenance of them.
- 3.3 In the past, planning obligations have tended to be used to secure infrastructure improvements only from the larger development sites. Smaller developments, of which there are many in a compact and built up area such as Epsom and Ewell Borough, have been making no contributions to the provision of local infrastructure, services and facilities. The Council recognises that a series of smaller developments will make a cumulative impact on the need for services and facilities locally and therefore wishes to ensure that there is a mechanism for gaining contributions from such developments.

## 4 *Government Policy*

- 4.1 The Community Infrastructure Regulations came into force in April 2010 and have an impact on the way the Council seeks developer contributions, both now and in the future.
- 4.2 The Community Infrastructure Levy Regulations (2010) require that all planning obligations must be:
  - Necessary to make the proposed development acceptable in planning terms
  - Directly related to the proposed development; and
  - Fairly and reasonably related in scale and kind to the proposed development
- 4.3 The Council will ensure these requirements are met when seeking planning obligations through the application of this SPD and the consideration of proposals on a site by site basis.
- 4.4 The Regulations also provide the opportunity for Council's to impose a new charge known as the Community Infrastructure Levy (CIL), which will provide the mechanism for the collection of financial contributions from developments towards essential infrastructure.
- 4.5 **The Council will continue to use planning obligations as a mechanism for securing infrastructure contributions from new development towards essential infrastructure until 2014, or until the Council adopts CIL, or the Coalition Government sets out a new mechanism for developer contributions.**

## 5 *Epsom and Ewell Borough Council Policy*

### **Planning Policy**

- 5.1 The Council has an adopted *Core Strategy* (July 2007), which contains several key policies on developer contributions. The overarching *Policy CS12* aims to ensure that developments make adequate provision for the infrastructure necessary to serve them. *Policy CS4* requires provision for open space and recreation facilities. *Policy CS9* governs the provision of affordable housing in residential developments. Other policies in the *Core Strategy* seek to protect the quality of the environment of the Borough, protect and enhance community services and facilities, achieve high quality design for all new development and secure sustainable forms of development which reduce the reliance upon the private car.
- 5.2 The key *Core Strategy* policies are reproduced in **Appendix A**.

### **Community Strategy**

- 5.3 The Council's Local Development Framework will help deliver the physical and spatial aspects of the Sustainable Community Strategy. The two planning processes are closely linked and planning obligations can contribute directly to the achievement of the aims and priorities of the community planning process.

### **Corporate Plan**

- 5.4 This SPD will also support the key priorities of the Council's adopted Corporate Plan 2007-2011, which are listed below:
- Championing health service improvements
  - promoting sustainability and tackling the issue of climate change
  - enhancing services for young people
  - cost effective re-cycling
  - enhancing the appearance of the local environment, and
  - tackling anti-social behaviour.

## 6 *The Council's Approach to Planning Obligations*

- 6.1 Most development proposals will have essential infrastructure requirements in one form or another whether it is transport improvements or the provision of community or leisure facilities. Many sites will also have an affordable housing requirement. Such provision, as far as practicable and reasonable, should normally be on site.
- 6.2 However in some instances it will be more appropriate to seek in lieu contributions which may be pooled and put towards off site initiatives and priorities which have a functional or geographic relationship with the development proposed. This approach reflects the fact that many smaller developments will not generate a need for major investment in new infrastructure, or of themselves require a discrete infrastructure facility. In

these cases it will be more cost effective to make an improvement or introduce a new facility after a number of smaller developments have been carried out.

- 6.3 It is the Council's aim to provide guidance in this SPD about the services, facilities and the priorities for provision that are, or may be required when land is proposed for development.
- 6.4 In relation to infrastructure contributions we will use the tariffs as a guide to identify appropriate amounts of potential contributions from a proposed scheme. Using the tariff to identify potential amounts will help to ensure that infrastructure contributions are fairly and reasonably related in scale and kind to a proposed development. Each proposal will then be considered on its individual merits, and contributions sought where relevant infrastructure schemes are identified. This will ensure that the contributions are necessary to make the proposed development acceptable in planning terms and are directly related to the proposed development.
- 6.5 The tariffs do not cover all the types of contribution which may be required from a development, and where appropriate, additional contributions towards other types of infrastructure will be sought. With larger schemes, scope may exist for the onsite provision of some infrastructure. **Developers are therefore strongly encouraged to contact the Council for pre-application discussions to identify appropriate contributions.**
- 6.6 Negotiations and agreement about the nature and extent of any planning obligations should normally take place prior to an application being submitted. This may involve consultation and discussion with relevant service providers.
- 6.7 The Council will act as the coordinating authority for the negotiation of planning obligations and the collection of contributions. Although the Council is not responsible for the provision of all the services and facilities listed in this SPD, the Council will collect and be accountable for the spending of contributions. Other service providers, such as Surrey County Council (responsible for transport and education improvements) will be consulted on individual planning applications likely to carry developer contribution liability. The Council will keep a detailed record of all monies negotiated, received and paid out (either to its own services or to other service providers).
- 6.8 Where the need for a particular service or facility has been identified through consultation, the particular service provider will be responsible for the delivery of that infrastructure or service using any funds secured and allocated by the Council through planning obligations. In order to achieve openness and transparency, they will be expected to follow procedures laid down by the Council for accessing the contributions once secured and allocated.

## **7** *Viability of Development and Priority for Contributions*

- 7.1 **Developer contributions are a necessary cost of development and developers should factor them into proposals from the earliest stage and take them into account when purchasing land.**

- 7.2 However, the Council accept that special and specific circumstances may occasionally mean that there is insufficient value in a proposal to support the full range of developer contributions identified. Securing this objective requires an 'open book' approach to scheme financials.
- 7.3 Where a developer considers that the value generated by a scheme is insufficient to support the full range of contributions they should discuss this before submitting an application. The Council will require details of constraints, costs (including any abnormal costs) and projected income and these should accompany any application as supporting information. Further details are set out in **Appendix B**. The Council will then undertake its own assessment of viability. Where there is a need to obtain independent professional advice (for example in relation to valuation) the cost will be met by the developer. The financial appraisal will be treated confidentially, subject to legal advice regarding Freedom of Information legislation.
- 7.4 For the avoidance of doubt, standard design and construction measures needed to enable any housing scheme to function effectively (such as demolitions, foundations, design quality appropriate to the site, landscaping, flood prevention etc) will not be considered as abnormal development costs. Nor will the costs of achieving progressively higher standards of energy efficiency likely to be required in the future.

### **Priorities**

- 7.5 Where it is agreed that a viability constraint applies, the Council will seek developer contributions in accordance with the following order of priorities:
1. To resolve site-specific issues;
  2. To secure affordable housing (where appropriate);
  3. Infrastructure tariffs.
- 7.6 If the Council agrees that a proposal cannot reasonably afford to meet all of the requirements identified for infrastructure contributions, these may themselves be prioritised or adapted in negotiation with the developer, subject to the scheme being acceptable in all other respects.

#### **(i) To resolve site specific issues**

- 7.7 These contributions may include:
- Contributions necessary to enable development of the site to proceed (for example road junction improvements);
  - In the case of larger sites, on site provision of facilities such as open space or play areas

#### **(ii) To secure affordable housing**

- 7.8 Contributions will be required in respect of all residential development of five or more dwellings or sites of more than 0.15 ha in accordance with the table below. The requirements and operation of the policy are described in more depth in part two of this SPD.

Affordable Housing Threshold	Requirement	Justification and detail	To be provided	Exemptions
Developments of 5-14 dwellings or sites of 0.15ha to 0.49ha	At least 20% of dwellings to be affordable	See Core Strategy policy CS9 & SPD Part 2	On site	Commercial development
Developments of 15 or more dwellings or sites > 0.5ha	At least 40% of dwellings to be affordable	See Core Strategy policy CS9 & SPD Part 2	On site	Commercial development

### (iii) Infrastructure tariffs

- 7.9 All increases in resident population and workers have an impact on community infrastructure. In view of the cumulative effect of such increases the Council considers that proposals for new dwellings (but not domestic extensions) and all commercial development involving a net increase of more than 100 m<sup>2</sup> floorspace should be required to contribute to infrastructure provision, subject to appropriate schemes being identified. Conversions of existing buildings will not be exempt from developer contributions although some account may be taken of the existing use when negotiating the appropriate level of contribution.
- 7.10 Financial contributions to a variety of infrastructure needs may be required. A list of the infrastructure categories covered by the tariffs is summarised in the table below. The tariffs are calculated in respect of each additional resident or worker which would be generated from a proposed development. They are to be used as a guide to identify the amount of contributions, which may be required towards identified infrastructure schemes. Further details on how the tariffs are calculated and applied to individual proposals are set out in more depth in part three of this SPD together with the justification for the amount of contribution proposed.

### Exemptions

- 7.11 **Community infrastructure projects** (for example health, education and public service developments) that are providing facilities of direct benefit to the local area will not normally be required to contribute. The Council acknowledges the importance of delivering affordable housing and **social-rented housing** is therefore also exempt. Other exemptions are shown in the table below:

***Please note: This table is a summary only. Further explanation is provided in part 3 of this SPD***

<b>Infrastructure element</b>	<b>Contribution in £s required per additional resident or worker</b>	<b>Justification and detail</b>	<b>Exemptions</b>
Education	£3,267	To accommodate extra pupils generated by new housing development	Hostels, sheltered accommodation, nursing home or similar, student accommodation. Commercial development
Transport (within Epsom town and Ewell village centre)	£789	To mitigate against new travel demands as a result of new development. As an incentive towards locating development in more accessible central areas, a discount is applied	
Transport (elsewhere in the Borough)	£1463		
Libraries	£101	To ensure that library provision meets the needs. The cost of additional library space per person	Commercial development
Healthcare	£140	To mitigate additional pressure placed on healthcare services	Commercial development
Children and young peoples play	£38	To mitigate the additional qualitative or quantitative impact on open space and recreational facilities	Hostels, sheltered accommodation, nursing home or similar, student accommodation. Commercial development
Parks & gardens and Amenity green space	£185		Nursing home or similar.
Outdoor sports facility	£1004		Sheltered accommodation ( 75% discount) Nursing home or similar, Commercial development
Environmental Improvements	£549	To compensate for the perceived & actual degradation of the environment as a result of new development	

- 7.12 The contributions in the table have been adjusted to reflect the June 2010 retail price index (headline rate).
- 7.13 Developer contributions will generally be spent within the Borough of Epsom & Ewell, although occasionally works may be required to mitigate an impact of the development beyond the Borough boundaries.
- 7.14 Infrastructure contributions will normally become payable on commencement of the development unless an alternative phasing is agreed.

## 8 *Implementing the Developer Contribution Process*

### **Pre-application discussions**

- 8.1 Developers are advised to enter into discussions about planning obligation requirements as soon as possible, prior to an application (full or outline) being submitted. Discussions will normally be undertaken by a planning case officer, assisted as necessary by officers representing the various service areas. The tariffs will be used as a starting point for discussions.

### **Application submission**

- 8.2 It is hoped this SPD will provide developers, the public and the Council with a clear guide as to the potential need for contributions. In most cases, developers will be able to assess the potential infrastructure requirements using the SPD and the supporting contributions calculator available on the Council's website. The SPD will be used as a starting point for discussions.
- 8.3 Unilateral undertakings are the preferred mechanisms to secure the contributions following discussions with the Council. The Council will expect all relevant planning applications to include a draft unilateral undertaking in relation to infrastructure contributions unless it has been agreed with the Council that there is no requirement for contributions.

### **Processing the application**

- 8.4 It is the Council's intention that by the time a proposal is considered by Planning Committee, or a decision made under delegated authority, the matters which will be included in the obligation should be known and agreed with the applicant. If the matters are not agreed in final form before a decision on the application is made, there is a presumption that the application will be refused or recommended for refusal.
- 8.5 Where insufficient information is available to identify appropriate contributions at an Outline Application stage, the most accurately estimated amount will be sought (in negotiation with the applicant and based on the likely occupancy). This will be reviewed at the Reserved Matters Application stage to ensure the estimated contribution reflects the actual required contribution. To correct any deviation, a Deed of Variation will be sought from the applicant to accompany that application.

### **Model S106 Obligation and Model Unilateral Undertaking**

- 8.6 A standard unilateral undertaking has been prepared by the Council for use in connection with financial contributions, and is available on the Council's website. This should be used as templates and should be adapted for submission with the application.
- 8.7 Should applicants wish to materially change the standardised template, the Council reserves the right to charge additional legal costs.

## **Officer reports**

- 8.8 The developer contributions (including the timing of when those contributions will be required) will be set out as part of any Planning Committee report, or as part of an officer's delegated report. This will assist the speedy conclusion of the agreement or undertaking following Committee resolution, or officer decision.
- 8.9 Any valid application that includes a draft unilateral undertaking has demonstrated an early commitment to planning contributions which may be necessary to make a proposal acceptable in planning terms. In view of this, the Council will operate a practice of using dual recommendations to Committee where developer contributions are involved. If an applicant has not completed the necessary work on the requirement for contributions by the eight or thirteen week target decision date, the Council will refuse the application.
- 8.10 Model wording for Committee Report Dual Recommendations is shown below:

*Recommendation A*

*Subject to the applicant first entering into an appropriate legal agreement for/to secure ..., by no later than (date - 8 or 13 week target), permission will be granted subject to the following conditions;*

*Recommendation B*

*In the event that the requirements of recommendation A are not met by (date - 8 or 13 week target), the Head of Planning be authorized to refuse planning permission on the following grounds:*

*1) In the absence of a completed legal agreement under section 106 of the Town and Country Planning Act, 1990 (as amended), the applicant has failed to comply with Policies CS4 (Open Space & Green Infrastructure, CS9 (Affordable Housing) and CS12 (Community Infrastructure) of the 2007 Core Strategy in relation to .....(issues).*

We will need to rethink what the recommendations will be should an agreement not be reached by the 8 or 13 week deadline,

## **Monitoring and management of planning obligations**

- 8.11 Once development is commenced it is important that undertakings given are complied with and that contributions are provided on time. This will normally be on commencement of the development unless an alternative phasing has been agreed. The developer will be expected to inform the Council when the development is about to commence. This will trigger the necessary steps to be undertaken to comply with the terms of the agreement, and will be the basis for monitoring later stages in the process.
- 8.12 The Council will monitor and track compliance with each provision contained in a legal agreement as a development proceeds. The Council will publish annually the schedule of monies received / or committed and the progress towards securing the related infrastructure projects. Schemes will be identified through an established protocol with Surrey County Council and

through the Council's own internal processes. The PCT undertakes to allocate monies raised to new build or premises improvements within the same practice catchment area as the proposed development.

- 8.13 In order to provide the necessary transparency the Council will levy an administration charge on each legal agreement equivalent to 5% of the value of the contribution. It is intended that the money will be used to fund officer time to develop and refresh spending programmes and update figures such as occupancy rates and infrastructure costs. The officer would also ensure that money is collected and is allocated to and spent by the appropriate beneficiaries, as well as collating and publishing the annual report.
- 8.14 It is reasonable that if the money is not spent on the identified infrastructure requirement, that the money will be returned, plus interest<sup>1</sup>. However, it should be recognised that these pooled contributions are often towards long term projects and the contributions may not be refunded until 15 years from the date of payment.

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<sup>1</sup> Interest will be calculated at 1% below the Bank of England base rate, applied at prevailing rates for the duration of the period which the money was held.

# Part 2 Affordable Housing

## 1 *Introduction*

- 1.1 The affordability of housing is one of the biggest challenges facing the Borough.
- 1.2 Recent research and evidence confirm that the high cost of housing is one of the most serious problems facing the area. Many first time buyers, key workers and lower income households find it difficult to gain a foothold in the local housing market. For many years the Council has sought to secure affordable housing in the Borough, in order to widen the opportunities for home ownership and to provide greater choice and flexibility to those who rent. The provision of affordable homes is key to achieving mixed and sustainable communities in Epsom and Ewell.
- 1.3 The Council has adopted its Local Development Framework *Core Strategy* (July 2007) following examination by an independent Inspector. As part of the examination process, the Council has demonstrated that significant levels of housing need exist within the Borough, and has justified how these could be alleviated by the provision of affordable housing within new developments. Government policy is clearly stated in *PPS3 Housing* and its companion document *Delivering Affordable Housing*.
- 1.4 The Council's Core Strategy *Policy CS9* sets out the planning policy that will apply to new housing developments in the Borough. This Supplementary Planning Document explains more fully how the affordable housing policy will be applied, and how needs should be addressed on sites where the policy requires an element of housing to be affordable. It establishes a set of clear guiding principles as well as practical advice for those involved in the provision of affordable housing in Epsom and Ewell.
- 1.5 *Policy CS9* applies to all housing developments of five dwellings and above (and sites over 0.15ha), and irrespective of whether public subsidy will be involved in the provision of affordable housing. The policy is reproduced at **Appendix A**. In view of the scale of housing needs in Epsom and Ewell Borough, and the difficulties of finding suitable land, it is essential that all eligible sites provide on-site, affordable housing. This includes sites which owners or developers propose to use for sheltered or other specialist housing.

## 2 *Housing Needs in Epsom and Ewell*

- 2.1 The cost of buying or renting a home in the South East region is second only to London. Epsom and Ewell, similar to other areas in the South East, is an area of high housing demand and high levels of owner occupation. The cost of housing locally is a potential barrier to economic growth and can have serious social consequences. The Council has therefore taken steps to assess the level of housing need in the Borough - looking at both the backlog

of unmet need and the needs of future households that will not be able to afford market housing.

- 2.2 The Council commissioned a Borough Housing Needs Survey in 2004 which highlighted the nature and extent of the need for affordable housing locally. This survey was updated in 2006 by the same independent consultant (DCA Ltd). These surveys provide the comprehensive basis for the more detailed guidance the Council will provide on the needs for particular dwelling sizes, types and tenure, and the needs of particular groups within the community.
- 2.3 The situation is regularly reviewed and the Council participating with neighbouring local councils published an *East Surrey Strategic Housing Market Assessment* (SHMA) in 2008 and a further update study in 2009 to take account of the effects of the economic downturn. The SHMA amongst other things has provided more up to date details of housing need in the Borough and provided further evidence that there is an annual affordable housing shortfall of **470 units** in the Borough.
- 2.4 This scale of need is significantly greater than the current delivery level from acquisitions, new units or conversions, resulting in substantial levels of unmet housing need each year.
- 2.5 The Core Strategy recognises that the provision of this number of units is clearly not deliverable or sustainable in the context of previous and planned future construction rates, and the environmental constraints of the Borough. However it serves to illustrate vividly the importance of delivering the maximum reasonable number of affordable dwellings from the new housing development that will take place over the next 15-20 years.
- 2.6 Supplementary information on housing needs comes from the Council's *Housing Needs Register*. This provides up to date information on households seeking affordable housing. By the end of March 2010 there were around 1650 households on the register, having risen from around 380 in 2005 and representing an increase of households in housing need of over 330%.
- 2.7 A further indicator of housing need is the level of homelessness in the Borough. The Council has adopted a proactive approach to preventing homelessness *before* it occurs through a range of measures including securing private rented accommodation and negotiating with landlords. During 2009/2010, the Council prevented over 200 households from becoming homeless and together with other statutory and voluntary sector partners are approached by several hundred families each year who are either experiencing or under threat of homelessness.

### 3 *Planning Policy Background - Affordable Housing*

#### **Government Planning Policy**

- 3.1 Government policy on affordable housing is set out in *PPS3 Housing*, supplemented by advice in *Delivering Affordable Housing*.
- 3.2 The PPS emphasizes the key role of the planning system in delivering new affordable housing. The Council's Core Strategy was examined against the background provided by PPS3 and is compliant with it.
- 3.3 The PPS reflects the Government's aims to improve the affordability and supply of housing and to promote mixed sustainable communities. Paragraph 9 of the PPS contains the strategic housing policy objectives which are:
- to achieve a wide choice of homes - both affordable and market
  - to widen the opportunities for home ownership and for a choice of quality homes for those who cannot afford to buy
  - to improve affordability generally, and
  - to create sustainable, inclusive, mixed communities in all areas

#### **Affordable Housing Definitions**

- 3.4 PPS 3 provides a definition of affordable housing which has been adopted by Epsom and Ewell Borough Council and is used throughout this SPD.

##### ***Affordable housing is:***

*"Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:*

- *Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.*
- *Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision."*

##### ***Social rented housing is:***

*"Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime...It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant."*

##### ***Intermediate affordable housing is:***

*"Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include*

*shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent.”*

- 3.5 The definition of affordable housing does not exclude homes provided by private sector bodies or provided without grant funding. Where such homes meet the definition above, they may be considered for planning purposes, as affordable housing. Those homes that do not meet the definition, for example “low cost market” housing, will not be considered for planning purposes as affordable housing.

### **Epsom and Ewell Planning Policy**

- 3.6 In seeking developer contributions to facilitate the provision of affordable housing, the presumption in PPS3 and in *Policy CS9* of the Core Strategy is that affordable housing will be provided on the application site so that it contributes towards creating a mix of housing. However, where it can be robustly justified, off-site provision or a financial contribution in lieu of on-site provision (of broadly equivalent value) may be accepted as long as the agreed approach contributes to the creation of mixed communities in Epsom and Ewell.
- 3.7 The Council has adopted an overall target in its Core Strategy to ensure that at least 35% of all new housing completions in Epsom and Ewell are affordable homes. This equates to the provision of **950** new affordable homes over the period 2007-2022. Based on an assessment of local needs, the Council’s target is that these should comprise a tenure mix of **70% social rented**, and **30% intermediate affordable housing**.
- 3.8 The Council recognises that the adoption of these thresholds and the application of the affordable housing requirement to developments as low as five dwellings (and 0.15ha) will mean that the resultant affordable homes may be delivered as single dwellings or as pairs. The practicalities of managing the resultant distribution of affordable homes were considered in detail at the examination into the Core Strategy. Evidence was provided by the major local Registered Provider (RP) that in a compact and generally sustainable urban area such as Epsom and Ewell, no insurmountable management problems should arise, particularly if an RP manages other property in the locality.

## **4 *How the range, type and mix of affordable housing will be calculated***

- 4.1 The starting point in determining the level of affordable housing to be provided is the number of dwellings (gross) proposed on a development site.
- 4.2 However in order to prevent the under-utilisation of suitable residential land (for example by encouraging development proposals for numbers of dwellings just *below* the thresholds), or on sites where local considerations may require a particularly low density of development, *Policy CS9* also refers to the use of *site-areas* to calculate the number of units to be provided. Reference to them is therefore made in the policy to ensure that sites of between 0.15 - 0.49ha which are developed at a lower density also contribute to affordable housing

provision, and that proposals are not made which represent an under-development of a site.

- 4.3 The Council will need to be satisfied that proposals which are submitted just below the thresholds for affordable housing do not represent an underdevelopment of the site. It will also need to be satisfied that developers are not bringing sites forward in phases in order to avoid the thresholds. If this is the case, the Council will apply the affordable housing target to all subsequent phases, based on the capacity of all phases, including those already built.
- 4.4 Site-areas are therefore not an *alternative* way of calculating the affordable housing contribution on any site, but are a subsidiary consideration. *Policy CS9* makes it clear that developments of between 5-14 dwellings will be expected to provide at least 20% affordable housing, and sites of 15 or more dwellings to provide at least 40% affordable housing. This approach is in accordance with PPS3 and the specification of minimum thresholds advocated in paragraph 29 of that policy statement.

## 5 *Provision of Affordable Housing on Site*

- 5.1 **In land use terms if a site is suitable for housing, it is suitable for affordable housing.**
- 5.2 The Council is committed to the achievement of sustainable and balanced communities and in accordance with Government policy expects the affordable housing units to be provided on the individual housing development sites. This is because of the significant scale of housing need existing in the Borough, and the scarcity and cost of alternative developable land in Epsom and Ewell. Affordable housing should therefore be provided on site, except in the three very limited circumstances set out below.

### **(i) Payment in lieu of “part-dwellings”**

- 5.3 Where the proportion of affordable housing sought would result in “part” of a dwelling being required (e.g. if the result of applying the % requirement was “1.4 dwellings”), a financial contribution will be required in lieu of that part (in this example, equivalent to “0.4” of a dwelling) and based on the formula set out in this SPD. As an alternative a developer may choose to ‘round up’ the fraction by the provision of an additional affordable dwelling.

### **(ii) Off-site provision on another site in the Borough**

- 5.4 On site provision will always be sought in the first instance. However where it is mutually accepted that there are specific and overriding site constraints or where development specific issues inhibit the provision of affordable housing, off-site provision by the developer may be acceptable. These situations will be very limited. Each case will need to be considered according to its own particular circumstances.
- 5.5 Where an applicant wishes to displace all or part of the affordable requirement to another site within the Borough, this will only be permitted where the alternative provision would allow priority housing needs to be better

met and would not lead to an unacceptable concentration of social housing in an area. The developer must provide the alternative site and the Council will need to be assured that it is suitable and available for development within an appropriate timescale. This means that the affordable housing should be provided at the same time as the facilitating development and prior to its effective completion. This requirement may be secured by legal agreement. Where an off-site contribution is accepted, a developer should make a contribution of clean serviced land with the necessary planning permission, at nil cost.

- 5.6 The Council will not accept offers by an applicant to buy into the existing housing stock in the Borough.

### **(iii) Off-site provision by financial payment in lieu**

- 5.7 In very exceptional circumstances, where it has been agreed that on site provision is not appropriate, and no suitable alternative site is available in the Borough, financial provision in lieu will be considered by the Council.
- 5.8 The principle of the approach taken by the Council means that for every affordable home not provided on site, the developer's contribution should be the same as the financial support that would be required (not covered by rental income and borrowings available from it) to enable an RP to fund a similar property, on another site in the Borough. The calculation of the finance in lieu payment will involve the use of the Affordable Housing Commuted Sum Calculator, which is available on the Council's website.
- 5.9 Payments received from financial contributions in lieu will be held in the Council's affordable housing fund and will be used for the capital funding of development elsewhere in the Borough which meets the requirements of the Section 106 Obligation, current affordable housing policies and Government guidance.

## **6 *Implementing Off-Site Provision***

- 6.1 In those exceptional cases where the Council considers that an off-site approach or cash in lieu contribution is appropriate, account will be taken of the fact that the facilitating site will be developed for 100% private market housing.
- 6.2 This means that the starting point for the calculation of the off site provision of affordable housing is the number of market dwellings to be provided **on** the facilitating site. In order to meet *Policy CS9*, this number will represent 60% (or 80% in the case of developments between 5 and 14 units) of the total provision. The remaining 40% (or 20% in the case of smaller sites) will be provided on an alternative site or through equivalent cash in-lieu contributions. This way the affordability ratio is maintained and Core Strategy *Policy CS9* will be met.
- 6.3 The example in **Table 1** shows how the approach would work using the target of 40% affordable dwellings on a site with a capacity for 100 dwellings:

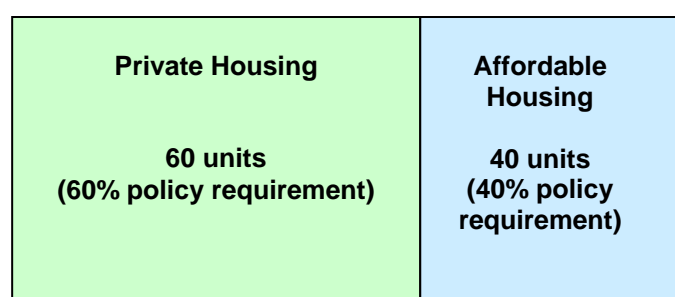
**Table 1 Example of approach to off-site provision of affordable housing**

	Total units on facilitating site	Private Open Market	Affordable	Total number of units	Affordable housing ratio
<b>On-site</b> affordable housing provision	100	60 dwellings on-site	40 dwellings on-site	100	40%
<b>Off-site</b> affordable housing provision	100	100 dwellings on-site	67 dwellings off-site	167	40%

6.4 This example can be illustrated in a diagrammatic form:

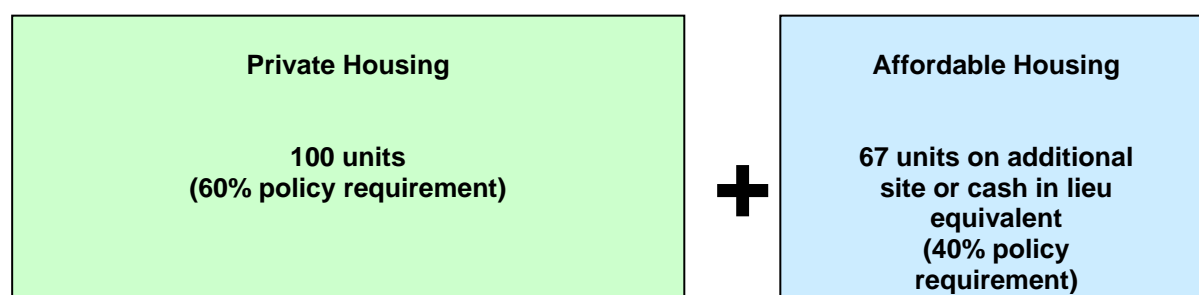
**On-Site Provision:**

Development site which can accommodate 100 units



**Off-Site Provision:**

Development site which can accommodate 100 units + off-site contribution



6.5 In this example the facilitating site (100 dwellings) would actually represent 60% of the *total* number of dwellings to be provided for, and the off-site contribution will need to provide the *remaining* 40% affordable element (67 dwellings). This will ensure that the 40% affordable housing ratio in *Policy CS9* is maintained.

6.6 In order to simplify the assessment, a formula to calculate how many dwellings are required off-site is set out in **Appendix C**. This may also be

used to calculate the contribution to be made off-site if a partial provision of affordable housing is made on site.

## **7** *Financial Development Appraisal*

- 7.1 Prospective developers should regard the need to provide affordable housing and other infrastructure as key drivers in determining how, and for what, a site will be developed. They should therefore take into account these requirements in negotiating a land value with site owners.
- 7.2 Where a developer considers that there are significant and relevant economic constraints affecting a development and that these are sufficient to jeopardise the developer meeting the affordable housing requirements of *Policy CS9*, the developer will need to submit details of scheme costs and a financial appraisal of scheme viability, as set out in **Part 1** of this SPD and described in **Appendix B**.
- 7.3 Following the appraisal process, if genuine and significant economic constraints exist, the Council will discuss with the developer the options available to achieve economic viability. These will include assessing housing grant on a “gap” funding basis, adjusting the balance of affordable housing provision, or redesigning the scheme.

## **8** *Type and Size of Affordable Dwellings to be Provided*

- 8.1 The Council expects a variety of affordable dwelling types to be provided to meet the wide range of housing needs identified. The precise mix of dwelling type for the affordable element will change as needs vary over time and from location to location. The Council’s Housing Division will advise developers of the most appropriate housing mix for each individual site in respect of size, type and tenure. It is also important that the developer engages in pre application discussions with the Council’s planning officers to establish what may be an acceptable scheme.
- 8.2 The detailed mix of affordable housing types should be determined by a realistic and up to date assessment of local needs. The primary sources of information are the Council’s *Housing Needs Study*, the *East Surrey Strategic Housing Market Assessment 2008* and the details of housing need contained within the Council’s *Housing Needs Register*.
- 8.3 Equally important indicators of housing needs, which will be considered by Housing Services when advising developers, include the composition of the existing social housing stock, homelessness statistics and trends, the needs of vulnerable sectors of the community (as indicated by the *Surrey Supporting People* team) and local knowledge regarding the turnover and likely “waiting time” for social rented housing in the Borough. **Appendix D** provides an indication of the dwelling types and sizes likely to be preferred.
- 8.4 The mix of housing required on individual sites will be determined by the Council taking account of local housing needs and the character of the

remainder of the development and of the neighbourhood. If particular groups in the community are shown to be in specific need, the mix and type of affordable housing provided should reflect this. Larger developments will be expected to provide a range of housing sizes and/or types.

### **Tenure of Affordable Dwellings**

- 8.5 The vast majority of households on the Housing Needs Register need, and can only realistically afford, social rented housing. The Core Strategy target is for 70% of the total of all new affordable homes in the Borough to be provided for rent, and 30% for intermediate housing. These are overall targets and the Council will not necessarily expect each residential site to comply with that ratio; although it may be used as a starting point in negotiations.

### **Sheltered Housing**

- 8.6 The Council will apply *Policy CS9* to open market sheltered or extra care housing. The Government has confirmed that there is no distinction between these sorts of proposal and any other open market housing. Planning applications for such proposals will be considered on a case by case basis, and early discussions should be held with the Council's housing officers to establish whether the priority need is for affordable sheltered accommodation or mainstream housing.

### **Student Accommodation**

- 8.7 Student housing does not fall within the adopted Core Strategy definition of "affordable housing". Purpose built student accommodation will not be required to make a contribution towards affordable housing.

## **9 *Affordable Housing Design Requirements***

- 9.1 The Council expects affordable housing to be well integrated with market housing. The site layout and detailed design should allow for different kinds of housing to be in close proximity to one another. Large groupings of single-tenure / single-type dwellings should be avoided.
- 9.2 In designing a housing scheme the aim must be to achieve high quality affordable housing which integrates visually with open market housing. Affordable housing should not be distinguishable from market housing in terms of location, appearance, build quality or materials. There will be no visible differentiation between the two housing types. The layout should take account of the value of residents' informal interaction in creating and maintaining sustainable mixed communities, and should achieve equitable access to car parking, informal open space, play areas etc.
- 9.3 Affordable housing should meet the Homes and Communities Agency's (HCA) *Design and Quality Standards*. These address the internal environment (regarding size, layout and service provision), sustainability and the external environment. Regard should also be given to Government guidance provided in "By Design", and in the CABI's "Urban Design Compendium".

## 10 *Providing the Affordable Housing - Negotiation, Procurement and the Role of Registered Providers*

- 10.1 The Council expects that the provision of affordable housing should be by a partner Registered Provider (RP), although an alternative provider may be agreed with the Council.
- 10.2 The Council will normally expect that the affordable housing element will be achieved without social housing grant. However the Council recognizes that the use of subsidy may be needed in order to achieve housing which is affordable to those in need. Where subsidised affordable housing is provided, the Council would expect long-term affordability to be secured through a housing association, i.e. as an ongoing resource available for present and future occupants rather than as a one-off discounted dwelling. Preferably it should be provided from the Council's approved list of providers set out below.
- 10.3 The Council is currently reviewing the range of preferred partners it works with. The range of RP's that the Council currently own and manage stock in the Borough or who the Council has received Committee approval to work with are the following RPs:
- *A2 Dominion*
  - *Home Group*
  - *Hyde Housing Association*
  - *L&Q Housing Association*
  - *Mount Green Housing Association*
  - *Orbit Housing Association*
  - *Rosebery Housing Association*
  - *Raven Housing Trust*
  - *Surrey Community Development Trust*
  - *Thames Valley Housing*

These selected partners have demonstrated an ability to meet the highest standards across the range of housing services.

- 10.4 Should subsidy be necessary the Council may use its enabling role to support requests for funding from the Homes and Communities Agency. If provided, such grant will normally be directed to preferred partner housing associations. Developers should therefore identify the preferred provider at an early stage so they can be involved in the design process. Housing officers will advise on which partner RP is best placed to become involved in a scheme and will encourage an early partnership to be created, prior to the submission of a planning application. Where public subsidy is involved the Council will expect an acceptable scheme with funding and nomination agreements with the RP provider to be in place before planning permission is sought.
- 10.5 Working through already-established partnerships is considered the best means of achieving affordable housing. Such partnerships may encourage partner RPs to consider forward funding schemes in anticipation of grant being received. Whilst recognising the clear advantages of such an approach,

the Council also accepts that this is a matter primarily for the RP to determine and will be based on its own funding and investment strategies.

- 10.6 Where subsidy is required, the aim will be to ensure that it can be demonstrated that the subsidy would allow for either more affordable housing or a more appropriate mix. Subsidy received via the Homes and Communities Agency is in the form of Social Housing Grant. Bids will be made in conjunction with the Council in relation to agreed partnership schemes meeting the Council's and the HCA's objectives. The HCA is very selective about the location and distribution of Social Housing Grant and bid approval will be based on the support of the Local Authority, value for money and other design and construction criteria. Further information is available from the HCA.
- 10.7 If the development has communal parts e.g. it is of flats or apartments, service charges are likely to apply for the maintenance of such areas. An appropriate proportion of these is likely to be met by the developing housing association, and may be recharged to the occupants. The sums involved and the appropriateness of the charges will be subject to negotiation and agreement between the developer and the association approved for the development.
- 10.8 Alternative providers (for example non-partner RP or developers) will be accepted provided they agree to the Council's nomination requirements to the affordable housing as an ongoing resource, can demonstrate satisfactorily their long term management capabilities, community development and involvement arrangements, and have been approved by the Homes and Communities Agency, Tenant Services Authority (or any appropriate successor body) as an accredited landlord.

## 11 *Transferring the Land*

- 11.1 Land owners will be required to transfer to the Registered Provider at nil cost, clean, serviced land that is sufficient to accommodate the required affordable housing and is ready for development. Land should be serviced to the site boundary and have full rights of access. Normally, this land will not be provided as a vacant site however; its value should be reflected in the price paid by the RP to the developer for completed homes which will then be constructed by the developer within and as part of their overall scheme. In exceptional circumstances it may be agreed to transfer the land that will accommodate the affordable housing to a RP so that the affordable housing construction can be procured independently. In all cases, the Council will expect those homes to be transferred to an affordable housing provider at a price which reflects free (nil cost) cost serviced land. This means that the developer will be reimbursed for the reasonable build cost of the affordable homes.
- 11.2 In each case the Council will seek to secure that its future development is for affordable housing only. Land for housing should be transferred freehold. In the case of flats, a lease of a minimum of 125 years would normally be required.

- 11.3 Where the developer is to construct the affordable housing element, prior approval of a programme and timetable for implementation will need to be obtained from the Council, and this will be secured as part of the legal agreement.

## 12 *Securing Affordable Housing Through S106 Obligations*

- 12.1 In order to secure the provision of affordable housing, the Council will require developers to enter into a legal agreement with the Council under S106 of the Town and Country Planning Act. These S106 obligations run with the land and apply to successive owners.
- 12.2 The Council will be preparing a standard model obligation for affordable housing. The standard clauses may need to be adapted to suit the particular site circumstances, but it is intended to assist the drafting of agreements at an early stage in the development process. A draft 106 obligation must be submitted with the development application (whether full or outline).

# Part 3 Infrastructure Contributions

## 1 *Introduction*

- 1.1 This section sets out the tariffs which will be used as a starting point for identifying the amount of infrastructure contributions which may be required from planning proposals. **Proposals will then be considered on a site by site basis to identify relevant schemes using the tariff amounts as a guide.**
- 1.2 In principle the tariffs will apply to all schemes involving developments with a net increase of one or more new dwellings or of 100m<sup>2</sup> of commercial floor space. They will not apply to:
- commercial developments involving a net increase of less than 100m<sup>2</sup> floor space;
  - domestic extensions;
  - community infrastructure projects including health, education and other public service developments that are providing direct benefit to the local area
  - Affordable social rented housing
- 1.3 In addition, some types of development will automatically be exempt from some of the tariffs where residents or workers associated with the development are unlikely to use particular community infrastructure (for example sheltered housing for older people will be exempt from the education tariff).
- 1.4 Where infrastructure elements are provided on site as an integral part of the development (for example play areas in larger housing developments), this will be recognised and taken into account.
- 1.5 The tariffs are based on the average costs of infrastructure provision and the additional residents / workers which would be generated by a development proposal. The likely net increases will be calculated by reference to the average dwelling occupancy rates and floor space worker ratios. Details of these and example calculations are set out in **Appendix E**.
- 1.6 Justification for the various tariffs are set out in the remainder of this part of the SPD, which also details any type of development that is exempt. **Please note; these tariffs were originally based on prices at December 2007 but have been updated inline with the retail price index (headline rate) as at June 2010. The updated tariffs can be found in the summary table in Section 1.**

## 2 *Education*

### **Introduction**

- 2.1 Surrey County Council is the education authority for the Borough of Epsom & Ewell<sup>2</sup>. Without investment, schools' ability to accommodate extra pupils generated by new housing development can be compromised. It is therefore important to maintain sufficient levels of school capacity and infrastructure for a growing population. The downward trend in births some years ago led to a decline in the school population. This led to various reviews of school provision following increases in the number of surplus places in schools. Surrey births have recovered since 2002.
- 2.2 Birth rate over a larger area, however, is not necessarily a predictor of birth rate in a local area as there is geographic variation in the distribution of births. When the statistics are aggregated, local fluctuations may be hidden.
- 2.3 The number of births has increased across Surrey. Births in Epsom and Ewell were 25% higher in 2007 and 2008 than 2001, and in 2009 were 20% higher than in 2001. This is leading to an increased number of pupils subsequently attending schools, increasing pressure on schools generally and particularly on the more popular schools.

### **Factors affecting pressure on education infrastructure**

- 2.4 The need for S106 contributions is based on the fact that when new dwellings are built there will be a certain number of children who live in them. They will therefore yield extra pupils who will attend maintained schools in Surrey.
- 2.5 Pressure is not applied evenly on all schools. In a local area there may be particularly popular schools and one or two less popular ones. Local Authorities must enable the expression of parental preference as to the school at which parents wish education to be provided for their child. There is a duty to comply generally with any preference expressed. Parents will invariably apply for the popular schools and not for the less popular ones. Therefore, pressure would be applied more to the popular schools by pupils generated by a development, and this effect needs to be mitigated.
- 2.6 Pressure is not necessarily even across each phase of education. It is not unusual for the places available and/or the demand to be different at different Key Stages within the same area. Therefore, it is entirely possible for pressure to be applied on either one of Infant or Junior places in a locality, and not the other. When pupils numbers are increasing, then there may be spare places higher up a school, but these cannot be used for younger pupils – for example if more than 30 children need a Reception place, you cannot put some of the children into spare places further up the school, for example in a Year 3 class.

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<sup>2</sup> It is acknowledged that Surrey County Council is not the only education provider in the Borough, however, this tariff relates to the provision of compulsory education and does not cover higher education

2.7 There are also circumstances where a school is not full, but the educational infrastructure available is sufficient only for the pupils in the school. Were additional pupils to be generated by a development, their admission would exacerbate the situation and would prejudice the education of the children already in the school. This effect would need to be mitigated.

### Calculation of the tariff figure

2.8 The tariff figures have been calculated so that the same average contribution would be obtained either through the S106 Education Formula, or through the Tariff. The methodology was as follows:

- The S106 requests for 2005-06 were analysed
- the fraction of each number of bedrooms was calculated
- a Yield Ratio was calculated such that when Occupancy is multiplied by the yield ratio, the same average Pupil Yield for the dwellings is achieved

to simplify the formula, a Contribution per Occupant figure is calculated so that the same average S106 contribution is obtained through the Tariff as would be obtained through the Surrey Education Formula.

2.9 The contribution required according to the Surrey Education Formula is to multiply the number of primary or secondary pupils yielded by a development by a figure for the Total Build Cost for a place for one pupil. The Department for Education (DfE) estimated the average cost for new build and extensions as well as location factors in recognition that costs are different in different areas. These are shown in the table below.

<u>Factors</u>	<u>Pupil Ratio</u>	<u>DfE Ave Build Cost Q4 2008</u>	<u>DfE Location Factor Jan 2009</u>	<u>Total Build Cost</u>
Primary	0.25	£12,257	1.12	£13,728
Secondary	0.18	£18,469	1.12	£20,685

<u>Phase</u>	<u>Contribution per Occupant</u>	<i>Contribution updated inline with the June 2010 Retail Price Index</i>
<u>Primary</u>	£1,492	<b>£1567</b>
<u>Secondary</u>	£1,619	<b>£1700</b>
	<b>Total: £3,111</b>	<b>Total: £3,267</b>

## Application of the tariff – Exemptions

2.10 The Council acknowledges that not all types of development should contribute towards education. The matrix below identifies which types of development will be expected to contribute.

	Education Contribution
Houses	✓
Flats	✓
Hostels	X
Sheltered accommodation	X
Nursing home/ other similar institution	X
Student accommodation	X
Commercial	X

2.11 The Council also acknowledges that 1 bed flats would yield a reduced amount of children in comparison to larger properties and therefore a discount (approximately 70%) is applied to such properties<sup>3</sup> by dividing the number of dwellings by 3.25 to reflect the lower occupancy.

Therefore the contribution *per person* for education is as follows:

<b>Education</b>	<b>Tariff per additional person</b>	<b>£3,111</b>
	<b>Tariff updated inline with the June 2010 Retail Price Index</b>	<b>£3,267</b>

<sup>3</sup> This discount is inbuilt into the contributions calculator and is automatically applied.

## 3 Transport

### Introduction

- 3.1 As the Highways Authority, Surrey County Council has overall responsibility for the maintenance and improvement of the highway network in the Borough. The Surrey Local Transport Plan and the Surrey Structure Plan provide the planning context for transportation priorities.
- 3.2 The impact of a development on the highway infrastructure can be quantified by determining the total travel generated by a particular land use. The transportation element of this SPD seeks to secure improved accessibility by all modes and to mitigate the impact of those accessing development by car. It is based on the principle that developers can reasonably be expected to plan a site so as to mitigate against new travel demands to a level proportionate to that currently spent by the County Council on managing existing travel demands.

### Basis of the tariff

- 3.3 Given the complex nature of travel demand (which include variables such as trip lengths, trip chaining, trip timings, trip frequencies and mode choice values), the level of impact placed on the transportation infrastructure by additional development can only be measured by an approximation. A baseline charge has therefore been derived, which represents an approximation of the financial burden that is placed on the transport infrastructure by an additional transport movement. This baseline value is adjusted within the formula on the basis of land use occupancy, to produce a site-specific level of developer contributions.

### Location factors - encouraging sustainable development

- 3.4 The Council's Core Strategy *Policy CS16* encourages development proposals which foster an improved and integrated transport network and facilitate a shift of emphasis to non-car modes of transport. As an incentive towards locating development in more accessible central areas, a differential of **plus or minus 30%** has been applied to the baseline cost per trip for development in Epsom town centre, Ewell village centre and Stoneleigh centre, compared with sites in the rest of the Borough.
- 3.5 The lower unit cost per occupant/worker associated with sites within these central areas will encourage the development of sustainable sites at higher densities, so reflecting the emphasis on achieving the greatest degree of access by public transport, walking and cycling. This lower unit cost value placed on a town centre site provides a strong incentive for developers to focus development in accessible locations where emphasis is placed on lower parking provision and reduced car dependence, and priority is given to achieving access by public transport, walking and cycling.
- 3.6 The boundaries of the town / local centres are shown in **Appendix F**. These boundaries are contained in the Local Plan Proposals Map, and will be reviewed and updated as part of the preparation of the Site Allocations and Development Control policies Development Plan Document.

- 3.7 It should be noted that the transport element of the Tariff will be sought in addition to any specific access improvements (that also include the costs of licence fees, deposits and bonds), deemed necessary for a particular development, and any costs associated with a travel plan for a particular development.

### Calculation of the tariff

- 3.8 The baseline charge is calculated by dividing Surrey County Council's current annual expenditure on transport<sup>4</sup> by the existing Surrey related travel demand<sup>5</sup>. This produces a value of £28.10 per year per daily trip. Within the cost benefit analysis of road schemes a typical design life of 25 years is used in calculations. On this basis, the value of accommodating an additional trip on the network over an impact/design-life period of 25 years (assuming a year-on-year inflation value of 3%) produces a current baseline impact supplement of approximately £1,025. This baseline calculation will be reviewed on an annual basis.
- 3.9 In order to encourage development in the most sustainable locations, a differential has been applied to the baseline figure to distinguish the tariff to be applied in Epsom town centre and Ewell village centre and /Stoneleigh centres from the remainder of the Borough. A contribution per additional person of **£718** (£1,025 - 30%) will be sought for developments inside Epsom town centre and Ewell village centre and /Stoneleigh centres (as defined on the current Proposals Map), and **£1,333** (£1,025 + 30%) outside these locations.

<b>Transport</b>	<b><i>Tariff per additional person within Epsom town centre, Ewell village centre and Stoneleigh centre</i></b>	<b>£718</b>
	<b><i>Tariff updated inline with the June 2010 Retail Price Index</i></b>	<b>£789</b>
	<b><i>Tariff per additional person outside of Epsom town centre, Ewell village centre and Stoneleigh centre (i.e. in rest of Borough)</i></b>	<b>£1,333</b>
	<b><i>Tariff updated inline with the June 2010 Retail Price Index</i></b>	<b>£1463</b>

<sup>4</sup> Surrey Local Transport Plan Annual Delivery Report 2001-2006 2.1.3

<sup>5</sup> Surrey County Transport Model – Approx 2.7 million daily trips

## 4 Libraries

### Introduction

- 4.1 Surrey County Council is the authority responsible for providing library services. Public libraries are at the heart of communities, providing free access to books, information and IT as well as opportunities for learning. As a statutory service, local authorities must ensure that their libraries meet national standards and provide the quality of services people need and expect. The existing pattern of libraries will need to expand and adapt to serve the needs of the new population. Existing provision will need to be enhanced or upgraded, and new outlets (often in joint service centres with other community services) will be required.
- 4.2 *Museums Libraries and Archives South East (MLA)* is a regional body that is co-ordinating the South East Public Library Tariff. This is already being collected by a number of authorities in the region.

### Basis of the Tariff

- 4.3 The MLA tariff is designed to accommodate a suite of enhancements to the library service across Surrey and is based on:
- A minimum standard of 30m<sup>2</sup> of new library space per 1,000 population
  - A construction and initial equipment cost per m<sup>2</sup>.
  - No cost for land purchase is included.
- 4.4 On larger town centre developments where specific provision is needed, the contribution may need to be calculated at a higher rate. It is recommended that in these cases the developer discusses the requirements with the Council's planning officers in the first instance.
- 4.5 **Application of the tariff – Exemptions**
- Commercial developments will be exempt from this charge.

### Calculation of the tariff

- 4.6 The libraries tariff is calculated to accommodate a suite of enhancements to the library service, and is based on a minimum standard of 30m<sup>2</sup> of new library space per 1000 population, and a construction and initial equipment cost per m<sup>2</sup>.
- 4.7 For further information as to how this tariff has been developed, please refer to the 'The South East Public Library Tariff' document which is available on the museums Libraries Archives website: [www.mlasoutheast.org.uk](http://www.mlasoutheast.org.uk).

<b>Libraries</b>	<b>Tariff per additional person</b>	<b>£92</b>
	<b>Tariff updated inline with the June 2010 Retail Price Index</b>	<b>£101</b>

## 5 *Healthcare*

### **Introduction**

- 5.1 The provision of adequate levels of health care is an essential part of any sustainable community; as such developers will be required to make contributions to help meet new requirements. Within larger new developments land may be allocated for the provision of health care facilities. Alternatively financial contributions may be required to support the needs of new development either to provide new facilities in larger schemes or as a contribution towards improving existing facilities that are needed to meet the additional demand arising from development.
- 5.2 Local healthcare services within the Borough are the responsibility of the Surrey Primary Care Trust (SPCT). The SPCT is responsible for the planning and securing of health services and improving the health of the local population. They work closely with GPs, dentists, opticians and pharmacists and make sure that other appropriate health services are in place to meet local people's needs such as health visiting, district and school nursing and the running of community hospitals.
- 5.3 To support the services provided by the SPCT, the financial contribution is based on one of the key elements in the delivery of primary healthcare - the network of GP surgeries in the Borough.

### **Basis of the Tariff**

- 5.4 A formula has been calculated based on the optimum number of patients that should be registered with a GP within the Borough. The tariff would contribute towards new build premises or an extension to an existing facility, or any other capacity enhancement costs of physical premises to meet the needs of new residents.
- 5.5 Contributions will be controlled by the SPCT and will be used within the same practice catchment area as new development occurs.
- 5.6 The Epsom and Ewell Local Healthcare tariff is based on the construction costs of a new surgery of 800m<sup>2</sup>.

### **Application of the tariff – Exemptions**

- 5.7 Commercial developments will be exempt from this charge.

### **Calculation of the tariff**

- 5.8 The formula used for this tariff is based on the optimum number of patients that should be registered with a GP in the Borough. This is determined by national best practice and Government guidance.
- 5.9 Construction costs of an average new surgery of 800m<sup>2</sup> (at £1,450 per m<sup>2</sup>) are currently estimated to be at least £1,160,000.
- 5.10 An 800m<sup>2</sup> surgery will house a 5 GP practice with around 9000 patients on their list. Each patient's share would equate to £128.

5.11 A contribution of **£128** is therefore required per additional person.

<b>Healthcare</b>	<b><i>Tariff per additional person</i></b>	<b>£128</b>
	<b><i>Tariff updated inline with the June 2010 Retail Price Index</i></b>	<b>£140</b>

## 6 *Open Space, Sport & Recreational Facilities*

### Introduction

- 6.1 The Borough is fortunate in being well endowed with green spaces. New developments will increase the intensity of use of existing spaces and may require the provision of new facilities.
- 6.2 Government guidance in *PPG17 Open Space, Sport and Recreation (2002)* recognises that sport, open spaces and recreation contribute to people's quality of life. It is concerned with meeting the diversity of recreational needs from formal, organised sport through to the enjoyment of local open spaces and the countryside. Paragraph 23 states "*Local authorities should ensure that provision is made for local sports and recreational facilities (either through an increase in the number of facilities or through improvements to existing facilities) where planning permission is granted for new development (especially housing).*"
- 6.3 PPG17 confirms that planning obligations can be used as a means to remedy local deficiencies in *the quantity or quality* of open space, sports and recreational provision. It states that Local authorities will be justified in seeking planning obligations where *the quantity or quality* of provision is inadequate or under threat, or where new development increases local need.
- 6.4 In line with the guidance in PPG17, the Council commissioned consultants to undertake a study of open spaces in the Borough. This was completed in April 2006 and provides a set of local quantity, quality and accessibility standards for a variety of types of open space. The study identified pockets of deficiency across the Borough for a number of open space types and has recommended ways in which the quality of existing open spaces may be improved. The study is available on the Council's website. The Council also has a Leisure Strategy, which shapes the priorities for leisure provision throughout the Borough.

### Basis of the Tariff

- 6.5 The Council's Core Strategy requires that the leisure and recreation needs generated by new housing development are provided for by the developer. These will normally include outdoor playing space, a contribution towards public amenity space such as parks and gardens, and a contribution to sporting infrastructure.

6.6 Housing sites above 0.4ha would normally be expected to make some on site provision (for example children’s playspace). However many smaller housing developments and most commercial developments will not justify additional recreation facilities in their own right. In these cases financial contributions will be pooled and used to provide appropriate facilities elsewhere.

**On site provision**

6.7 The Council will normally be prepared to adopt and maintain properly laid out public open space and play areas within residential areas, subject to a payment by the developer of a commuted sum to cover future maintenance and management costs. This payment should cover up to 15 years’ costs of maintenance and management. As specified in Circular 05/05, maintenance payments will only be sought where the provision of the facilities are predominantly for the benefit of the users of the associated development, or for an initial ‘pump priming’ period for those intended for wider public use.

**Off site provision**

6.8 Financial contributions can be calculated in accordance with the tariff set out below.

**Application of the tariff – Exemptions**

6.9 The Council acknowledges that not all types of development should contribute to all types of open space or recreation provision. The matrix below identifies which types of development will be expected to contribute towards which types of open space.

	Children’s & Young People’s play	Parks & Gardens / Amenity open space	Outdoors Sports facilities
<b>Houses</b>	✓	✓	✓
<b>Flats</b>	✓	✓	✓
<b>Hostels</b>	x	✓	✓
<b>Sheltered accommodation</b>	x	✓	75% discount
<b>Nursing home / other similar institution</b>	x	x	x
<b>Student accommodation</b>	x	✓	✓
<b>Commercial</b>	x	✓	X

6.10 The Council also acknowledges that 1 bed flats would yield a reduced amount of children in comparison to larger properties and therefore a discount (approximately 70%) is applied to such properties in relation to the children’s and young people’s play<sup>6</sup>.

**Calculation of the tariff**

6.11 The tariff has been calculated for various typologies of open space, using the recommendations and standards set out in the Council’s recent Open Space Study. The formula for each typology is set out below:

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<sup>6</sup> This discount is inbuilt into the contributions calculator and is automatically applied

	<b>Children's &amp; Young People's play</b>	<b>Parks &amp; Gardens and Amenity Green Space</b>	<b>Outdoors Sports facilities</b>
<b>Local provision standard</b>	0.35 equipped play spaces per 1000 people	0.35 hectares of parks and gardens and 2 hectares of amenity green space per 1000 people	3 hectares of outdoor sports facilities per 1000 people
<b>Average cost of provision</b>	£100,000 to provide 1 new play space	£165,000 for 1 hectare of parks & gardens, £55,000 for 1 hectare of amenity green space	£305,000 for 1 hectare
<b>Calculation of contribution per additional person</b> <i>(cost of provision / provision standard)</i> <i>1000 people</i>	$\frac{(\pounds 100,000 \times 0.35)}{1000}$	$\frac{(\pounds 165,000 \times 0.35)}{1000} + \frac{(\pounds 55,000 \times 2)}{1000}$	$\frac{(\pounds 305,000 \times 3)}{1000}$
<b>Tariff per additional person</b>	<b>£35</b>	<b>£168</b>	<b>£915</b>
<b>Tariff updated with the June 2010 RPI</b>	<b>£38</b>	<b>£185</b>	<b>£1004</b>

- 6.12 Local needs and priorities will determine more precisely how the contributions are spent.
- 6.13 Where there is a quantitative deficiency in one of the above categories, contributions will be applied to remedying this. Otherwise, contributions will be put towards qualitative improvements in those areas that would be readily accessible to people living or working in a proposed development.
- 6.14 It is recognised that much of the Borough's open space is multi functional, serving a number of open space purposes. The tariff will therefore be used as a guide to identify an appropriate amount of contribution toward open space, which may then be spent on a single project. Relevant projects will be identified on a site by site basis.
- 6.15 A summary of the potential contributions per person for each type of unit is set out below. This reflects the costs of provision of the various typologies and any discounts relating to the type of unit as set out above.

	<b>Per person tariff</b>	<b>Tariff updated inline with June 2010 RPI</b>
Houses	£1118	£1227
Flats	£1118	£1227
Hostels	£1083	£1189
Sheltered accommodation	£397	£436
Nursing home / other similar institution	£0	£0
Student accommodation	£1083	£1189
Commercial	£168	£185

## 7 *Improving the Environment of the Public Realm and Conservation Area Enhancement*

### **Introduction**

- 7.1 The quality of the public realm acts as a backcloth to development, and contributes to the visual and cultural value of our townscape. Improving the quality of the environment is a key objective of the Community Strategy and the Council's Corporate Plan. This is also reflected in *Policies CS5 and CS14* of the Core Strategy.
- 7.2 It is Government policy that planning should seek to maintain and improve the local environment and help to mitigate the effects of declining environmental quality through positive policies on design, conservation and the provision of public space. PPS1 states that planning authorities should seek to enhance the environment as part of development proposals. Significant adverse impacts on the environment should be avoided and alternative options which might reduce or eliminate those impacts pursued. Where adverse impacts are unavoidable, planning authorities and developers should consider possible mitigation or compensatory measures.
- 7.3 The Crime and Disorder Act 1998 imposes a duty on local authorities to do all they reasonably can to prevent crime and disorder, and PPS1 states that it is a key objective to ensure that developments create safe and accessible environments where crime and disorder or fear of crime does not undermine quality of life or community cohesion.

### **Basis of the tariff**

- 7.4 The Council's view is that although new development can improve the environmental quality of the area in which it is located, it will inevitably place increasing pressure on the wider environment of the Borough due to the impact of additional population. Without re- investment, the environment will slowly deteriorate.
- 7.5 There are also areas of the Borough where the Council is proposing more comprehensive environmental improvements, for example in Epsom town centre and in our conservation areas. Developments outside conservation areas will not generally be expected to fund works within them, although in view of the importance of Epsom town centre generally for the residents of the Borough, it is considered that expenditure there can be funded by development in other locations within the Borough. These and other improvements will be identified in a programme of schemes. Developers will gain directly by creating and contributing to well-designed and well-managed environments where businesses will choose to locate and where residents feel safe and secure. For example the Council considers that it is reasonable to expect developers to contribute to community safety schemes if they are considered essential to offset the impacts of a development and to make a scheme acceptable in planning and safety terms.

- 7.6 The programme of schemes will include a range of proposals for improvements to the pedestrian and cyclist environments, the provision of street furniture, street tree planting and landscaping, new or improved lighting, CCTV etc.

**Calculation of the tariff**

- 7.7 Establishing an appropriate level of contribution for environmental and community safety improvements is not straightforward, as there is no benchmark for an optimum rate of environmental improvement per additional person or worker. The Council has therefore calculated a tariff figure which is based on the typical costs of recent Council environmental improvements.
- 7.8 A contribution of **£500** per additional person or worker will be required to mitigate the impact of the new development on the environment as a result of the increased population generated.
- 7.9 The level is proposed on the basis that the contribution will provide a proportion of the realistic costs of providing environmental improvements both in the vicinity of the site and in Epsom town centre.

<b>Public realm environmental improvements</b>	<b>Tariff per additional person</b>	<b>£500</b>
	<b>Tariff updated inline with the June 2010 Retail Price Index</b>	<b>£549</b>

# Appendices

## Appendix A

### Key LDF Core Strategy policies

#### *Policy CS 4*

Emphasis will continue to be placed on protecting and enhancing the two strategic open spaces of Nonsuch Park and the Hogsmill River, shown on the key diagram. These areas provide a particularly important recreational, amenity and wildlife source.

Provision of the amount and type of open space within the Borough will have regard to the standards identified in the most recent Audit of Open Space, Sport and Recreational Facilities and Assessment of Local Needs. The required quantity and range of open spaces will be rigorously maintained, and focus will be given to the creation and maintenance of an accessible network of green spaces within the built up area of the Borough.

The Council will endeavour to address any shortfalls in provision of defined open space types and will seek opportunities to enhance the quality of existing open spaces where necessary, and improve access to them.

Development which results in a deficit of open space provision will not be permitted.

On all new residential developments there will be a requirement for open space and recreational provision in accordance with the details set out in the Developer Contributions Supplementary Planning Document. This policy will apply to all new residential developments within the Borough where a quantitative or qualitative deficiency of open space or recreational provision exists, or where the development would lead to such a deficiency.

Where it is impractical or inappropriate to provide the open space within the housing scheme, the Council will expect a financial contribution from the developer to allow an alternative means of provision or enhancement. The nature and extent of that contribution will be governed by the formulae set out in the SPD, the identification of needs in the Audit of Open Space, and other evidence as appropriate.

### ***Policy CS 9***

The Council has a target that overall, 35% of new dwellings should be affordable. This equates to the provision of 950 new affordable homes over the period 2007 to 2022.

New housing developments should include a mix of dwelling types, sizes and tenures which help meet identified local housing needs and contribute to the development of mixed and sustainable communities.

Taking into account the viability of the development proposed and other planning objectives, the Council will negotiate to achieve the provision of affordable housing as set out below:

Residential developments of between five and fourteen dwellings gross (or on sites between 0.15ha and 0.49ha - irrespective of the number of dwellings proposed) should include at least 20% of dwellings as affordable.

Residential development of 15 or more dwellings gross (or on sites of 0.5ha or above) should include at least 40% of dwellings as affordable.

The Council will seek to ensure that the affordable housing remains affordable to successive as well as initial occupiers through the use of planning conditions or a planning obligation.

Advice on the detailed operation of this policy, the definition and nature of the local housing needs to be met, the tariff system to be used, and the mechanisms for delivery of the affordable housing, will be set out in the Developer Contributions SPD.

### ***Policy CS 12***

Developers must be able to demonstrate that the service and community infrastructure necessary to serve the development is available. Where implementation of a development would create the need to provide additional or improved community facilities and infrastructure, or would exacerbate an existing deficiency in their provision, developers will be expected to make the necessary provision.

Where the developer is unable to provide the required facility directly (preferably on site), the Council may require a proportionate financial contribution from the developer, normally secured by means of a legal planning obligation, towards its provision elsewhere.

## Appendix B

### Financial Development Appraisal - Information required from the Developer

A financial development appraisal should include **as a minimum** the information as set out below. **The list is not exhaustive and further information may be needed.** The appraisal must be of a professional standard.

Item	Information required	Supporting evidence/source
<b>Full appraisal</b>	<ul style="list-style-type: none"> <li>• A properly worked appraisal in a format which can be fully interrogated</li> </ul>	<ul style="list-style-type: none"> <li>• Circle programme</li> <li>• HCA Toolkit</li> <li>• GLA Toolkit</li> <li>• Other</li> </ul>
<b>Date of valuation (DOV)</b>	<ul style="list-style-type: none"> <li>• The date the valuation/appraisal was carried out</li> </ul>	<ul style="list-style-type: none"> <li>• This will usually be the planning application date or the date of submission of plans to the Council</li> </ul>
<b>Land acquisition</b>	<ul style="list-style-type: none"> <li>• Date land purchased</li> <li>• If under option agreement type and terms</li> <li>• Price paid</li> </ul>	<ul style="list-style-type: none"> <li>• Copy of land registry entry etc</li> <li>• Contract</li> <li>• Note this information is used as contextual only.</li> </ul>
<b>Current use value</b>	<ul style="list-style-type: none"> <li>• Current use value of the land and/or buildings</li> </ul>	<ul style="list-style-type: none"> <li>• What was on the site previously? Details.</li> <li>• Valuation in an RICS approved format</li> </ul>
<b>Sale value at DOV</b>	<ul style="list-style-type: none"> <li>• Residential: Sale price or capitalised rental value (including ground rents) broken down by dwelling type and size</li> <li>• Affordable housing offer or capitalised rental value incl yield.</li> <li>• Commercial: Sale value or rental value and yield</li> </ul>	<ul style="list-style-type: none"> <li>• RICS valuer's report</li> <li>• Internet data</li> <li>• Local agent's opinion letter or report</li> <li>• Details of comparable developments</li> </ul>
<b>Site and contract programme</b>	<ul style="list-style-type: none"> <li>• Site area</li> <li>• Planning assumptions</li> <li>• Development programme, including start and completion dates and details of any phasing</li> <li>• Details of construction procurement route, especially if in-house resources are to be used</li> </ul>	<ul style="list-style-type: none"> <li>• Copies of all drawings and plans</li> <li>• Contract programme</li> <li>• Contract documentation if available.</li> </ul>

<b>Construction costs</b>	<ul style="list-style-type: none"> <li>• Proposed specification for each building type</li> <li>• Base-build costs for each building type</li> <li>• Site abnormalities itemized and costed individually</li> <li>• Infrastructure costs (roads, sewers etc)</li> </ul>	<ul style="list-style-type: none"> <li>• BCIS</li> <li>• Spons</li> <li>• QS cost plan</li> <li>• Wessex</li> </ul>
<b>Fees and site development costs</b>	<ul style="list-style-type: none"> <li>• Acquisition fees (legal, agents, stamp duty, other)</li> <li>• Project fees (design, engineering, planning, building control etc)</li> <li>• surveying, warranties, legal fees, marketing, sales costs and interest charges.</li> <li>• Nature, duration and extent of any marketing</li> <li>• Funding costs, including arrangement and exit fees as well as interest rate and bank monitoring costs.</li> <li>• Any other relevant detailed costs</li> </ul>	<ul style="list-style-type: none"> <li>• Copy quotations</li> <li>• Other (eg contract details)</li> <li>• Note : Funding Costs on land holding prior to planning application will not be considered as a development cost.</li> </ul>
<b>Grants and funding</b>	<ul style="list-style-type: none"> <li>• Details of HCA or other grant funding</li> </ul>	<ul style="list-style-type: none"> <li>• Correspondence with registered provider, HCA investment team etc.</li> </ul>
<b>Cashflow</b>	<ul style="list-style-type: none"> <li>• Expected dates of sales or rental receipts and cost expenditure</li> <li>• Profit Margin on GDV after allowing Finance and Marketing Costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Developer's budget</li> <li>• Identified industry norms and profit targets</li> <li>• Agent's advice</li> </ul>
<b>Other Information</b>	<ul style="list-style-type: none"> <li>• Other contributions or payments associated with the development including other infrastructure</li> <li>• Contributions as described in the SPD</li> <li>• Receipts attributable to providing affordable housing</li> <li>• Sec106/CIL details and costs.</li> </ul>	

## Appendix C

### Formula for calculating the number of affordable housing units to be provided off-site

To ensure the applicable private / affordable ratio is maintained, the following formula should be used to calculate the number of affordable units the development is required to deliver (subject to an appropriate density of dwellings on the site).

$$C = \left[ \frac{A}{100 - B} \right] B$$

Where:

A = the number of private housing units on site

B = the affordable % as required by *Policy CS9* (B will equal either '20' or '40')

C = the number of affordable units to be provided (this may be either on site / off site / a basis for payment in lieu or a combination of all three)

Worked example on a development where 25 private units are being provided. Affordable housing requirement is 40%:

$$C = (25 / (100 - 40)) \times 40$$

$$C = (25 / 60) \times 40$$

$$C = 0.42 \times 40$$

$$C = 16.8$$

Therefore, if 25 private units are being provided on site, 16.8 affordable units would be required to maintain the 60/40 ratio

## Appendix D

### Indication of Type and Size of Affordable Dwellings to be provided (based on the position at December 2007)

#### Housing Needs Register (HNR)

The principal categories of need represented in a breakdown of the Council's HNR are set out below:

Size of unit	Sheltered	1 Bed	2 Bed	3 Bed	4 Bed
No. on Housing Needs Register	100	877	487	232	55

There are also around 300 applicants on the HNR requiring *HomeBuy* (shared equity) housing.

#### Affordable housing priorities

##### Family-sized Accommodation

- Family housing can help families currently living in overcrowded conditions in smaller accommodation move to more suitable accommodation, and thereby free up a smaller home for a single person or couple.
- The Housing Needs Study indicated that there was a need for all types of affordable accommodation, but the majority of the *gross* affordable housing need in the Borough is likely to be smaller units (1 and 2 bedrooms). However, given the preponderance of small schemes that have come forward since the Study was conducted, and because families with children will often be in priority need, the Council will place a high priority on achieving family-sized accommodation.
- Currently the Council's priority is for three and four bedroom social rented housing. Although the total number of applicants to the HNR may require one and two bedroom properties, in terms of *priority* needs there is a far greater need for larger units because the existing supply of this unit type is limited and becomes available for re-letting very infrequently.

##### Supported Accommodation

- The *Surrey Supporting People Strategy* (2005-2008) and the Borough Council's Housing and Homelessness Strategies, indicate that the Borough suffers from a lack of specialist supported accommodation for vulnerable sectors of the community. Provision of supported housing for young people is a strategic housing priority for the Council, as is the need to provide supported accommodation for residents with learning and mental health difficulties.

## **Extra Care Housing**

- The provision of 'Extra Care' housing is a County-wide priority reflecting the needs of an increasingly frail elderly population in the Borough. Schemes containing an element of 'Extra Care' provision will be given a high priority.

## Appendix E

### Calculation of Standard Infrastructure Charges

#### Introduction

1. Standard infrastructure charges are derived by first estimating the net increase in residents or workers on the site as a result of the development and then multiplying the result by those standard charges which apply (adjusted to reflect the June 2010 retail price index headline rate).
2. Since the occupancy of specific schemes cannot be accurately estimated in advance, average rates are used in the calculations.

#### The Ratios

3. The average occupancy ratios to be applied to both the proposed and existing or former uses as set out in the tables below:

Table 2: Average land use occupancy levels - Residential

Number of bedrooms in unit <sup>1</sup>	Occupancy
1 bed	1.31
2 bed	1.76
3 bed	2.51
4 bed	2.86
5+ bed	3.73

<sup>1</sup> Any room which is realistically capable of being used or converted to a bedroom will be counted as such (e.g. any room at first floor level with an area of >6.5m<sup>2</sup> with an external window and which is not a bathroom)

Source: Survey of occupiers of new houses in Surrey (1997 – 1999)

Table 3: Average land use occupancy levels – Commercial

Land Use	m2 per worker
Retailing	34.4
Financial / professional services	15
Restaurant or pub	31.6
Offices	17.6
Research & development	67
Light industrial	37.5
Manufacturing	33.1
Storage & distribution	46.2

Source: New Businesses in Surrey 2001 and Use of Business Space & Changing Working Practices in the South East (May 2004)

## Residential Example

Example:

- Demolition of two 4 bed houses and replacement with:  
Four 1 bed flats (private units)  
Four 2 bed flats (private units)  
One 2 bed flat (affordable intermediate unit)  
One 2 bed flat (affordable social rented unit – exempt from contributions)
- Site is not within Epsom town centre or Ewell village / Stoneleigh centres

In the table below:

- Enter the number of dwellings proposed in the appropriate row in column 1 (please note – socially rented units are exempt from infrastructure contributions and therefore are not included in the calculations);
- Enter the number of dwellings currently on site (or demolished in the preceding three years) in the appropriate row in column 2;
- Use the average occupancy data in column 3 to estimate the number of people resident in the new development (multiply each cell in column 1 by the corresponding cell in column 3) and enter the results into column 4;
- Use the average occupancy data in column 3 to derive a notional occupancy for the existing development (multiply each cell in column 2 by the corresponding cell in column 3) and enter the results in column 5;
- Deduct the total of column 5 from the total of column 4 to derive the net increase in the number of residents. Enter the result in column 6.

	1	2	3	4	5	6
Number of bedrooms	Proposed dwellings (private & affordable intermediate units)	Existing dwellings	Average occupancy	Notional projected occupancy	Notional existing occupancy	Increase / Decrease
1 bed	4	0	1.31	5.24	0	5.24
2 bed	5	0	1.76	8.8	0	8.8
3 bed	0	2	2.51	0	5.02	-5.02
4 bed	0	0	2.86	0	0	0
5+ bed	0	0	3.73	0	0	0
<b>Total</b>	9	2		14.04	5.02	9.02

The projected net increase in residents is 9.02.

To calculate the tariff payable:

- Identify those tariffs which apply to the development from those in column 1 and enter the levy per person in column 2;
- Total the applicable levies and enter the result in row 10 column 2 (£6,442)
- Enter the projected increase in residential population as per previous table in row 11 (column 2)
- Multiply the total levy per person by the net additional residents (£6,442 multiplied by 9.02) and enter the result in row 12 column 2 = £58,106
- Calculate 5% for monitoring charge and enter in row 13 column 2 (5% of £58,106)
- Add the monitoring charge onto the total levy and enter the result in column 2, row 14 (£61,011)

		1	2
Row	Tariff	Full tariff in £ per person	Levy against this scheme £ per person
1	Education	2,962	2,962
2	Transport (within Epsom, Ewell or Stoneleigh centres)	789	0
3	Transport (outside Epsom, Ewell or Stoneleigh centres)	1,463	1,463
4	Libraries	101	101
5	Healthcare	140	140
6	Children & young persons play	38	38
7	Parks & gardens and amenity green space	185	185
8	Outdoor sports	1,004	1,004
9	Environmental improvements	549	549
10	<b>Total tariff per person payable this scheme</b>		<b>6,442</b>
11	Net additional residents		9.02
12	Total tariff payable		58,106
13	Monitoring charge at 5%		2,905
14	<b>Total contribution</b>		<b>61,011</b>

The total standard infrastructure charge payable in relation to this development is £61,011

## Commercial Example

Example:

- Replacement of 300m<sup>2</sup> of storage & distribution floorspace and 100m<sup>2</sup> of retailing with 600m<sup>2</sup> of office floorspace
- Site is within the Epsom town centre

In the table below:

- Enter the amount of floorspace proposed in the appropriate row in column 1;
- Enter the amount of floorspace currently on site (or demolished in the preceding three years) in the appropriate row in column 2;
- Use the *average floorspace to worker* data in column 3 to estimate the net increase in population generated by the new development (divide each cell in column 1 by the corresponding cell in column 3) and enter the results into column 4;
- Use the *average floorspace to worker* data in column 3 to derive a notional number of workers for the existing development (divide each cell in column 2 by the corresponding cell in column 3) and enter the results into column 5;
- Deduct the total of column 5 from the total of column 4 to derive the net increase in the number of workers. Enter the result in column 6.

	1	2	3	4	5	6
Land Use	Sqm proposed	Sqm currently on site	Sqm floorspace per worker	Notional projected number of workers	Notional existing number of workers	Increase / Decrease
Retailing	0	100	34.4	0	2.91	-2.91
Financial / professional services	0	0	15	0	0	0
Restaurant or pub	0	0	31.6	0	0	0
Offices	600	0	17.6	34.09	0	34.09
Research & development	0	0	67	0	0	0
Light industrial	0	0	37.5	0	0	0
Manufacturing	0	0	33.1	0	0	0
Storage & distribution	0	300	46.2	0	6.49	-6.49
<b>Total</b>	600	400		34.09	9.40	24.69

The projected net increase in workers is 24.69

To calculate the tariff payable:

- Identify those tariffs which apply to the development from those in column 1 and enter the levy per person in column 2;
- Total the applicable levies and enter the result in row 10 column 2 (£1,523)
- Enter the projected increase in workers as per previous table in row 11 (column 2)
- Multiply the total levy per person by the net additional workers (£1,523 multiplied by 24.69) and enter the result in row 12 column 2 = £37,603
- Calculate 5% for monitoring charge and enter in row 13 column 2 (5% of £37,603)
- Add the monitoring charge onto the total levy and enter the result in column 2 or row 14 (£39,483)

		1	2
Row	Tariff	Full tariff in £ per person	Levy against this scheme £ per person
1	Education	2,962	0
2	Transport (within Epsom, Ewell or Stoneleigh centres)	789	789
3	Transport (outside Epsom, Ewell or Stoneleigh centres)	1,463	0
4	Libraries	101	0
5	Healthcare	140	0
6	Children & young persons play	38	0
7	Parks & gardens and amenity green space	185	185
8	Outdoor sports	1004	0
9	Environmental improvements	549	549
<b>10</b>	<b>Total tariff per person payable this scheme</b>		<b>1,523</b>
11	Net additional workers		24.69
12	Total tariff payable		37,603
13	Monitoring charge at 5%		1,880
14	Total contribution		39,483

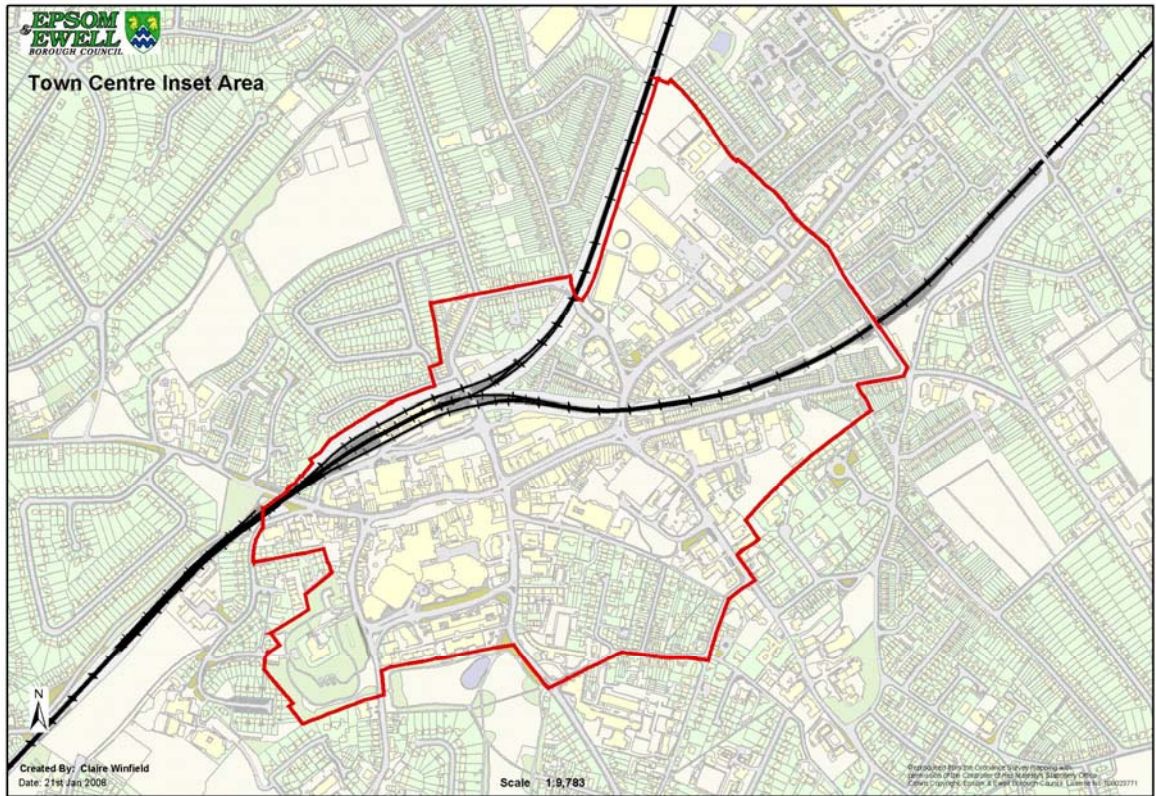
The total standard infrastructure charge payable in relation to this development is £39,483

The Council has prepared an 'online contributions calculator' which will assist in identifying the potential infrastructure contribution for a proposal. The calculator is available on the Council's website.

# Appendix F

## Extracts from Proposals Maps

### Epsom Town Centre



### Stoneleigh Local Centre



# Ewell Village Local Centre

