

FAREHAM

BOROUGH COUNCIL

Welborne Planning Obligations and Affordable Housing Supplementary Planning Document

DRAFT

May 2014

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Glossary

Consultation

- i Fareham Borough Council is now consulting on the Welborne Planning Obligations and Affordable Housing Supplementary Planning Document (SPD). This document has been produced as supplementary guidance to support the Council's preparation of Local Plan Part 3: The Welborne Plan and the review of the current Fareham CIL Charging Schedule, which came into effect on 1 May 2013.
- ii All comments received in response to this consultation will be fully considered before the final version of the Welborne Planning Obligations and Affordable Housing SPD is produced. The Council's intention is to adopt the final version of this SPD at the same time that Local Plan Part 3: The Welborne Plan is adopted in late 2014 or early 2015.
- iii The Welborne Planning Obligations and Affordable Housing SPD is available for consultation between the **XX June 2014 and XX July 2014**. All comments should be received in writing by **5pm on XX July** when the consultation will close. For further information on this SPD and to submit comments on the document please visit the Council's website at:

Hyper link needed.....

- iv Alternatively, comments can be submitted via e-mail to planningpolicy@fareham.gov.uk or by post to:

Welborne Planning Team
Fareham Borough Council
Civic Offices
Civic Way,
Fareham
PO16 7AZ.

Comments may also be delivered by hand to the Council's reception at the Civic Offices. For any queries please call 01329 236100.

- v Please note that comments cannot be treated as confidential. They will be made available as public documents, in accordance with Government regulations.

Section 1: Introduction

Purpose of this Document

- 1.1 The main purpose of this Supplementary Planning Document (SPD) is to support The Local Plan Part 3: The Welborne Plan by setting out Fareham Borough Council's approach towards seeking planning obligations (also known as section 106 agreements)¹ to help secure the affordable housing and infrastructure required for the development of the new community of Welborne.
- 1.2 A second purpose of this SPD is to take into account the first review of the Council's Community Infrastructure Levy (CIL) charging schedule and to provide transparency about the respective roles of planning obligations and CIL in relation to Welborne, to ensure that the Council is not seeking s106 contributions for infrastructure that will be funded or part funded by CIL.

Scope of this Document

- 1.3 This SPD relates only to the portion of Fareham Borough that is included within the Welborne Plan policy boundary. There is a separate planning obligations SPD being produced that covers the remainder of the Borough.
- 1.4 The reason why the Council has produced two separate planning obligations SPDs relates to the very large scale and special circumstances of the Welborne development, which is being planned through a separate Local Plan document. The Council considered that including the detailed planning obligations guidance for Welborne within a single SPD for the Borough would make that document too large, complicated and potentially confusing for landowners and developers of the smaller developments across the rest of the Borough.
- 1.5 In addition to setting out the Council's approach to securing planning obligations at Welborne and defining the respective roles of planning obligations and CIL, this SPD also includes detailed guidance on the Council's 'Deferral of Contributions Policy' for Welborne. This is the approach, established by Policy WEL41 of the Welborne Plan, which will be used to enable the Welborne Plan to operate in a flexible way to help maintain the financial viability of the Welborne development and help ensure that the development as a whole remains deliverable.

¹ Agreements made under section 106 of the Town and Country Planning Act 1990 (as amended).

How this Document has been Produced

1.6 This SPD and the guidance within it have been produced to comply with the relevant planning legislation and to be fully consistent with national planning policy and guidance² and with the Fareham Local Plan, which consists of the:

- Adopted Local Plan Part 1: Core Strategy;
- Emerging Local Plan Part 2: Development Sites and Policies Plan; and
- Emerging Local Plan Part 3: The Welborne Plan.

1.7 This SPD has also been informed by the evidence base which supports the Welborne Plan, including the:

- Welborne Infrastructure Delivery Plan 2014 – Stage 2 Update Report;
- Welborne Stage 2 Viability Appraisal Evidence Study; and
- Fareham Community Infrastructure Levy Viability Study – 2014 Update.

These documents are available to view on the Council's website.

² The National Planning Policy Framework (DCLG, March 2012) and the National Planning Guidance (DCLG, March 2014)

Section 2: Policy Background

National Planning Policy and Legislation

- 2.1 National planning policy and legislation provide the tools for local authorities to secure infrastructure and affordable housing to meet the needs of their area. As already stated in paragraphs 1.1 and 1.2, the main ways of doing this are through the use of Planning Obligations and Community Infrastructure Levy: Planning Conditions and Section 278 agreements are also commonly used. The requirements of policy and legislation for the use of these are set out in this section.

Planning Obligations

- 2.2 These are legally binding obligations which are used to make an otherwise unacceptable development, acceptable in planning terms. They do this by enabling a Council to secure contributions to services, infrastructure and amenities in order to support and facilitate the proposed development.
- 2.3 However, planning obligations can only be used in certain circumstances. As set out in paragraph 204 of the National Planning Policy Framework (NPPF), “Planning obligations should only be sought where they meet all of the following tests³:
- necessary to make the development acceptable in planning terms;
 - directly related to the development; and
 - fairly and reasonably related in scale and kind to the development.”
- 2.4 The legislative context for planning obligations is provided by:
- *Section 106 of the Town and Country Planning Act 1990* as amended by later legislation, including Section 12 of the 1991 Planning and Compensation Act;
 - The Planning Act 2008; and
 - The Community Infrastructure Regulations 2010, as amended.

Community Infrastructure Levy

- 2.5 Local authorities can raise funds from owners or developers of land to support new development by charging Community Infrastructure Levy. The monies received are pooled into one fund which can then be used for infrastructure projects which support the development of the area, including those set out on the Council’s Regulation 123 list.

³ These tests have a legislative basis provided by the Community Infrastructure Regulations 2010, Regulation 122.

- 2.6 The size of the levy to be charged is set out in a charging schedule. This must be carefully calculated to ensure that charges will not threaten the viability of the new development proposed by Fareham's Local Plan. Although Community Infrastructure Levy will not pay for all infrastructure required, it will close the funding gap.
- 2.7 Detailed information on Community Infrastructure Levy can be found in *The Planning Act 2008 and the Community Infrastructure Regulations 2010* and its subsequent amendments, and the DCLG Community Infrastructure Levy Guidance, February 2014.

Planning Conditions

- 2.8 Local authorities may impose conditions when granting planning permission. These can enhance the quality of development and can enable development proposals to proceed where it would otherwise have been necessary to refuse planning permission.
- 2.9 *DCLG Circular 11/95* requires that in order to be valid, planning conditions must be necessary, reasonable, enforceable, precise and relevant to planning and the development permitted.

Section 278 agreements

- 2.10 These are agreements made under section 278 of the Highways Act 1980 between the owners of land and the Highway Authority (Hampshire County Council are the Highway Authority Fareham Borough) for the private sector funding of works on the public highway network. Section 278 agreements provide a mechanism for ensuring delivery of mitigation works identified as necessary for planning permission to be granted. The works can be carried out by the Highway Authority and recharged to the developer, or the developer can carry them out themselves as its agent. Unlike planning obligations, there is no legal provision for unilateral versions of section 278 agreements.
- 2.11 The need for a section 278 agreement arises when alterations or improvements to the highway are identified as being necessary in order to make a development acceptable in planning terms. Examples of works that may be required are: provision of a new junction to access the site or construction of a footway along the frontage of a site to make access to and from the development safe for pedestrians. Typically such works are identified as part of the Transport Assessment and subsequent discussions with the Highway Authority (the County Council). The works would need to be secured by planning condition or section 106 agreement and then carried out at an agreed point in the development, typically prior to commencement or occupation of the development depending on the nature of the works.
- 2.12 The wording of the section 278 agreement ensures that the works are carried out to the necessary design standards, requiring that details of the scheme be submitted to the Highway Authority for approval before they can be implemented. The agreement also ensures that the contractor has the

necessary insurance to work on the highway, and provides for a bond to be secured so that, if the contractor defaults on the works, the Highway Authority has the funds in place to complete the scheme.

- 2.13 The Community Infrastructure Levy Amendment Regulations 2014 brought section 278 agreements within the restrictions imposed by CIL Regulation 123. The implication of this is that it will not be possible for a section 278 agreement to be entered into in relation to any scheme that is identified on the infrastructure list published by Fareham Borough Council in accordance with CIL Regulation 123. This will ensure that there is no overlap between the highway infrastructure funded through CIL and that funded by, or secured through, section 278 agreements.

Local Planning Policy Context

- 2.14 The local planning policy context is given by the Fareham Borough Council Local Plan. This is divided into three parts:
- Local Plan Part 1: Core Strategy adopted August 2011;
 - Local Plan Part 2: Development Sites and Policies (Publication Plan February 2014);
 - Local Plan Part 3: The Welborne Plan (Publication Plan February 2014).

Core Strategy

- 2.15 Policy CS20 of the Core Strategy gives the local policy context for the use of Planning Obligations, Community Infrastructure Levy, Planning Conditions and S278 agreements to secure the provision of infrastructure. It is set out below:

CS20 Infrastructure and Development Contributions

Development will be required to provide or contribute towards the provision of infrastructure through planning conditions, legal agreement or directly through the service provider. Contributions or provision may also be required to mitigate the impact of development upon infrastructure. Detailed guidance on provision or contributions is or will be set out in Supplementary Planning Document(s) including any standard charges introduced through the Community Infrastructure Levy.

Provision or financial contributions will be required to include arrangements for on-going maintenance where necessary and appropriate.

Phasing of development will be related to the provision of infrastructure. Consideration will be given to pooling of contributions towards the cost of facilities.

Policy CS18 sets out the approach to affordable housing. This is further developed in the Welborne Plan as seen below.

Local Plan Part 2

- 2.16 This Plan sets out the Council's approach to managing and delivering development identified in the Core Strategy through to 2026, but excludes Welborne.

Local Plan Part 3

- 2.17 This sets out the Council's approach to the development of Welborne. Paragraph 10.50 of the Welborne Plan states that based on currently available viability evidence, almost all developer contributions from Welborne will be secured through Planning Obligations.

- 2.18 Also of significance is Policy WEL18 of the Welborne Plan, which sets out the approach to affordable housing. This states:

Development at Welborne shall provide a total of 30% affordable housing (approximately 1,800 homes) with an initial tenure split of 70% affordable or social rent and 30% intermediate tenures. The tenure split will be kept under review based on evidence of need.

A range of affordable housing types, sizes and tenures shall be delivered within each residential phase. The precise number and mix of affordable homes within each phase shall be agreed with the Council, having regard to the nature of the phase to be developed and the identified need for affordable homes at the time the phase comes forward.

Approximately 15% of all affordable homes delivered within each phase of the development shall be designed to meet higher accessibility standards equivalent to the Lifetime Homes standards. The precise proportions shall reflect evidence of demand at the time the phase comes forward and will be subject to the need to ensure that the phase remains economically viable.

Planning permission will be granted for affordable homes that are integrated with the market housing, within the overall limits set out below, and are designed and will be constructed to the same or higher standards. Affordable housing may be clustered in small groups.

Each residential phase of development shall be expected to meet the target requirements (set out in the first paragraph of this policy) unless a robust and transparent viability appraisal proving this not to be possible is accepted by the Council. In such cases, the Council will consider alternative delivery mechanisms including the Joint Venture Housing Company (JVHC). Where such alternative delivery mechanisms are not viable, feasible or desirable, flexibility may be applied to the target level requirements within this policy, consistent with the Council's deferral of contributions policy (See WEL41 and the Welborne Planning Obligations SPD). Where a case for deferral is accepted, the absolute minimum level of affordable housing within any residential phase of development will be 10%.

Where an agreed deferral of affordable housing results in any residential phase of the development not meeting the 'normal' target requirements of this policy, subsequent phases will be expected to provide affordable housing deferred from the previous phase(s). This will be in addition to meeting that phase's own normal 'target' provision, but will be subject to an overall maximum level of 40% of the housing within any one phase being delivered as affordable housing.

- 2.19 In addition, Policy WEL41 which explains the approach to phasing and delivering development. It states:

“Where, following an independently tested viability assessment, a deficit in the infrastructure (or affordable housing) provision necessary to serve any main phase of the development is accepted, the Council will employ its ‘deferral of contributions policy’, as set out within the Welborne Planning Obligations SPD. The objective of this policy will be to claw back any agreed deficit, subject to market conditions improving sufficiently to trigger the claw-back element of the policy”.

Supplementary Planning Document

- 2.20 This Supplementary Planning document adds further detail to the content and policies in the Local Plan, and in particular, the “deferral of contributions” approach. Whilst it is a material consideration to be taken into account in planning decisions, it does not form a part of the statutory development plan.

Fareham’s Community Infrastructure Levy (CIL)

- 2.21 Fareham Borough Council formally approved a Community Infrastructure Levy Charging Schedule to be used from 1 May 2013 and have published a Community Infrastructure Levy Regulation 123 List which sets out infrastructure projects and types which will or could be funded by CIL in whole or in part.
- 2.22 Fareham’s CIL Charging Schedule and the Regulation 123 list are currently under review to ensure that CIL rates and infrastructure projects and types identified for spending of levy funds remain relevant and appropriate. This review is taking a range of factors into account, including current land and housing market trends which may affect development viability, including the viability of Welborne. It is also taking into account the changing planning context provided by the Welborne Plan.
- 2.23 The intention is for the reviewed CIL rates and Regulation 123 list to be adopted by the Council in the Spring of 2015. The Regulation 123 list will be kept under review and amended as necessary.

Section 3: Welborne's Infrastructure and Other Requirements

Evidence Base

- 3.1 An Infrastructure Delivery Plan (IDP) for Welborne has been produced by Fareham Borough Council to accompany the Council's concept masterplan, and associated phasing plan and viability evidence. This work has informed the development of the strategic framework for delivery of the new community as set out in the Welborne Plan.
- 3.2 The production of an IDP for Welborne also helps fulfil the NPPF requirements for providing evidence of infrastructure planning including; infrastructure costs and the timing of infrastructure delivery, in order to determine development viability and deliverability.
- 3.3 The Welborne IDP consists of two stages; a Stage 1 Report produced in February 2013 and a Stage 2 Update Report produced in January 2014, both of which are publically available, including on the Council's website. Section 9 of the Stage 1 report sets out, for each of the infrastructure requirements for Welborne:
- the lead provider for each item;
 - the delivery timescale;
 - the funding source; and
 - the estimated cost.
- 3.4 The Stage 2 Update Report refines this list and provides a prioritisation category for each infrastructure item.

Infrastructure Requirements

- 3.5 As the Welborne project moves towards implementation, the onus falls upon developers to produce detailed proposals on infrastructure requirements and the phasing of development to support their proposals. Policy WEL41 of the Welborne Plan requires that initial planning applications for Welborne are accompanied by a detailed phasing plan and strategy for implementation of the whole Welborne development. That work will be informed by the developers own proposals and the Council's Welborne Infrastructure Delivery Plan.
- 3.6 Therefore while the Council's IDP is not meant to be prescriptive in terms of cost, timing or exact nature of infrastructure requirements in every case, it serves as a ready assessment of what is needed to support the development of a sustainable new community. Differences between the level and timing of infrastructure indicated in the Council's IDP and developers proposals will need to be justified in their submitted IDPs, which will be considered by the Council as part of the process of determining planning applications.

- 3.7 Once approved by the Council, the detailed phasing plan and implementation plan will be kept under review over the development period, with changes being submitted to the Council for approval alongside relevant planning applications.
- 3.8 It is expected that each phase of development will make provision for or contribute towards the cost of the total identified infrastructure requirements set out in the agreed phasing plan and implementation strategy, in line with the guidance set out in this document. This will include both “local” infrastructure required to serve each development phase, as well as identified strategic infrastructure serving more than one phase.

Funding

- 3.9 Parallel to the ongoing work considering the infrastructure requirements at Welborne, the Council has led on the production of an Infrastructure Funding Strategy⁴ (IFS) to examine innovative funding solutions to deliver the significant infrastructure requirements for Welborne. This work has identified a number of options which can be pursued to enable development, and add value in terms of timing or quality of delivery.
- 3.10 Work on the IFS is ongoing, but the work will provides details of measures the Council can take to support the delivery of infrastructure. Key amongst these are applications for grant funding, the approach to Community Infrastructure Levy, and the use of New Homes Bonus.
- 3.11 At each phase of development, the ongoing infrastructure planning work undertaken by the developers will reflect the infrastructure and funding requirements at that time.

⁴Available at
http://www.fareham.gov.uk/PDF/planning/new_community/infrastructurefundingstrategy1.pdf

Section 4: The Council's Approach to Developer Funding at Welborne

- 4.1 The following section sets out the Council's approach to developer funding of infrastructure at Welborne, with each mechanism dealt with in turn:

Planning Conditions

- 4.2 Planning conditions can deal with a wide variety of matters. Types of conditions include time limits on development, undertakings regarding environmental and noise issues, and limits on the size and external appearance of a new development. Planning conditions cannot be used to secure financial contributions. The power for local planning authorities to attach conditions when granting planning is given by Section 72 of the Town and Country Planning Act 1990.
- 4.3 When imposing planning conditions, local planning authorities are required by law to ensure that they are:
- i. necessary;
 - ii. relevant to planning;
 - iii. relevant to the development to be permitted;
 - iv. enforceable;
 - v. precise; and
 - vi. reasonable in all other respects

The Community Infrastructure Levy

- 4.4 The Council adopted a Community Infrastructure Levy (CIL) Charging Schedule for its area with effect from 1 May 2013. From that date any development gaining planning permission is liable for the payment of CIL in accordance with the Charging Schedule and the CIL Regulations.
- 4.5 When adopting the CIL charging schedule the Council resolved to not make Exceptional Circumstances Relief available in its area. Therefore, under the current position planning applications at Welborne would be liable to CIL as well as subject to the signing of necessary s106 agreements.

- 4.6 The Council has received advice from GVA that the best way to secure infrastructure at Welborne is to maximise the use of S106/S278 planning obligations⁵.
- 4.7 The Council intends to implement the advice received from GVA and maximise the use of s106/278 which provide greater flexibility than CIL in terms of setting trigger points for key infrastructure delivery required at Welborne and allow for the use of a deferral of contributions policy which is a key part of the approach to ensuring that the Welborne Plan can operate in a flexible way. Indications are that once the necessary s106/278 costs have been met, there will be insufficient headroom to support any CIL contribution on the Welborne site as well. This has resulted in a proposed 'zero' differential rate for Welborne which will be tested at the forthcoming CIL examination.
- 4.8 A review of the CIL charging schedule is being brought forward to take into account the new evidence on infrastructure costs and viability, both for Welborne and across Fareham Borough. This review will include a review of the Fareham's Regulation 123 list, which will be informed by this document and the Planning Obligations and Affordable Housing SPD for Fareham (excluding Welborne).

Planning Obligations

- 4.9 Section 106 of the Town and Country Planning Act 1990 gives local planning authorities the power to enter into agreements (known as planning obligations) with the owners of land (but also see below) for the following purposes:-
- (a) Restricting the use or development of land in any specified way;
 - (b) Requiring specified operations or activities to be carried out in, on, under or over the land;
 - (c) requiring the land to be used in a specified way; or
 - (d) requiring a sum or sums to be paid to the authority on a specified date or dates or periodically.
- 4.10 Paragraph 203 of the National Planning Policy Framework states that "*Local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used when it is not possible to address unacceptable impacts through a planning condition*".
- 4.11 There are occasions on which local planning authorities, when granting

⁵ GVA, Welborne Stage 2 Viability Testing – GVA Approach, Assumptions & Results January 2014

planning permission, will use the powers given by section 106 when the desired objective cannot be achieved by the attachment of a planning condition to the planning permission. In those cases the local planning authority will require that the planning obligation is completed prior to the issuing of the planning permission. For example, planning obligations can secure the provision of on-site works such as the provision of public open space and can secure financial contributions to allow the local authority to carry out works to mitigate the impact of the development. Planning obligations can also place restrictions or requirements on how land is used.

- 4.12 Planning obligations are legal deeds that have to be entered into by the land owner(s) (generally freehold and leasehold) and anyone else who has a legal interest in the land such as mortgagees. Planning obligations usually take the form of an agreement between the local planning authority and the land owner(s)/interested parties but section 106 also makes provision for planning obligations to be given to the local planning authority unilaterally i.e. only signed by the land owner(s) and other parties with an interest in the land and not by the Council. Unilateral obligations are most frequently used in appeal situations but can be used in others.
- 4.13 The use of planning obligations at Welborne may be used for, but not limited to, the following:
- Delivery of Affordable Housing
 - The on-site provision and maintenance of public open space including children's play areas
 - The provision of on-site footpaths/cycleways through or leading to on-site open space or which will form part of a wider network
 - Contributions towards the Solent Disturbance Mitigation Project (SDMP)
 - Other restrictions on the use of land
 - Securing access to developable land adjoining application sites to ensure comprehensive development (the prevention of the creation of ransom strips)
 - On-site nature conservation measures
 - The promotion of Employment skills
 - Contributions to fund the making of traffic regulation orders e.g. to impose waiting restrictions on roads near to application sites
- 4.14 Planning obligations are a tried and tested mechanism. They are flexible and have historically delivered a wide range of on-site and wider community infrastructure benefits, including the transfer of land for community use as well as regulating the way in which land is used.
- 4.15 Key to the success of this approach will be to ensure that the number of applications/s106 agreements is carefully managed so that the limit of five agreements for pooling contributions, as set out in Regulation 123 of the CIL Regulations 2010 (as amended) is not exceeded. This can be achieved but only with the active cooperation of all parties. Mechanisms for ensuring that appropriate infrastructure is delivered by s106 include, but are not limited to the use of deeds of modification and powers for the revocation and modification of

planning permission under sections 97 to 99 of the Town and Country Planning Act 1990.

Monitoring

- 4.16 The Council monitors completed obligations to ensure compliance by all parties with any covenants, restrictions, and stipulations contained within them.
- 4.17 Planning Obligations secured by way of a Section 106 agreement or Unilateral Undertaking are binding on the land and are therefore enforceable against all successors in title. They are registered as a local land charge and will remain on the register and therefore revealed on local searches until the planning obligation has been fully complied with or the planning permission to which the Section 106 agreement or Unilateral Undertaking relates has expired.
- 4.18 All financial contributions are monitored closely to ensure their spending is wholly in accordance with the terms set out within the agreement and that allocations of contributions are appropriate and in accordance with the tests set out in The CIL Regulations 2010 (formerly set out in Circular 05/2005).
- 4.19 Through these monitoring processes the Council is confident that it can provide a full and comprehensive audit trail of any allocation and spending of planning obligations' monies. In due course the developer will be expected to pay a charge for monitoring purposes in order to cover the expenses incurred by the Council for this service. It is important that these monitoring functions are carried out in a transparent, effective and efficient manner; and therefore they need to be fully resourced. It is envisaged that this will require a number of enabling and monitoring key roles. These roles will include a s106 monitoring officer to ensure all monies are received and spent in an appropriate manner, as well as other key roles highlighted in Section 6 of this document.

Section 5: Development Viability

National Planning Policy Guidance

- 5.1 The NPPF⁶ puts emphasis on the need for Local Authorities to consider the viability of schemes carefully. It states that “to ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking into account of the normal costs of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.” (NPPF para 173).
- 5.2 Viability considerations are emphasised further in the Planning Practice Guidance⁷, which states that “In making decisions, the local planning authority will need to understand the impact of planning obligations on the proposal. Where an applicant is able to demonstrate to the satisfaction of the local planning authority that the planning obligation would cause the development to be unviable, the local planning authority should be flexible in seeking planning obligations.” (Planning Practice Guidance – Viability and decision taking, para 19)

The Council’s Approach to Development Viability

- 5.3 Taking into account the guidance in the NPPF and Planning Practice Guidance the Council’s approach is to take a pragmatic approach to contributions. However, when assessing the financial viability of a potential scheme, developers should carefully consider the guidance within this SPD.
- 5.4 It is important to ensure that the right type and level of infrastructure is provided at the right time to support development at Welborne and to meet the needs of the new residents and workers as the community takes shape. This requires a comprehensive approach to planning infrastructure and its phasing over the development period.
- 5.5 The Welborne Plan is underpinned by the principle of ensuring that a flexible approach will operate, where necessary, to allow for changes in development viability and to ensure that the development as a whole remains deliverable

⁶ Available at <http://planningguidance.planningportal.gov.uk/blog/guidance/viability-guidance/viability-and-decision-taking/> (paragraph 173)

⁷ Available at <http://planningguidance.planningportal.gov.uk/blog/guidance/viability-guidance/viability-and-decision-taking/> (paragraph 019)

throughout the plan period. Details of the Council's approach to the deferral of contributions is set out below. However, the NPPF Framework is clear that where safeguards are necessary to make a particular development acceptable in planning terms, and these safeguards cannot be secured, planning permission should not be granted. This means that whilst the Council will be flexible in seeking planning obligations where viability is a concern, development that cannot provide the necessary requirements may be considered unacceptable and will, in such cases, be refused.

Deferral of Contributions

Overview

- 5.6 To ensure that the proposals for Welborne can remain viable and deliverable over the lifetime of the development, Welborne Plan Policy (WEL41⁸) on *Phasing and Delivery* contains a mechanism where the Council could consider deferring infrastructure contributions. This will apply only where necessary and justified by independently tested viability assessment. It is important to note that any application of the deferral of contributions policy will not constitute an acceptance by the Council that infrastructure which is necessary to support the development will be relinquished or can be delayed indefinitely.
- 5.7 In cases where the Council agrees to defer infrastructure contributions, application of the deferral of contributions policy will seek the subsequent provision of any deferred contributions (or the delivery of the deferred infrastructure items) within the same main phase of the development. If this cannot be achieved, as demonstrated by an independently tested viability assessment, then the deferred infrastructure contributions or provision will be sought in the following main phase, in addition to the 'normal' requirements of that new phase.
- 5.8 Where viability problems remain, a further independently tested viability assessment will be required to take account of previous and future costs and revenues, the 'normal' infrastructure requirements of the new phase and any outstanding deferred infrastructure requirements. This viability evidence will need to be submitted to the Council for agreement alongside outline, and subsequent detailed planning applications for the new main phase. Where the Council accepts the on-going viability constraints, the deferral of contributions policy will be re-employed as set out in the previous paragraph. Where, despite deferral, an item of infrastructure remains unviable, the Council and site promoter will agree an alternative approach to funding to

⁸ But see also Policy WEL18 in relation to the application of the deferral of contributions policy to affordable housing delivery.

ensure that infrastructure necessary to support the development can be delivered when it is required, . This decision would be informed by an independently tested viability assessment.

- 5.9 In all cases where more than one infrastructure item is being deferred as set out above, the Council will agree with any relevant infrastructure or service providers which of the deferred infrastructure items should be provided first as priority during that main phase of the development, should any claw-back of contributions be triggered by improving market and economic conditions.
- 5.10 With respect to the deferral of affordable housing, Policy WEL18 of the Welborne Plan contains a mechanism for deferring some part of the affordable housing requirements in any phase, subject to testing through alternative delivery mechanisms and robust and transparent viability appraisal process. Where a case for deferral is accepted, the absolute minimum level of affordable housing within any residential phase of development will be 10%.

Procedure

- 5.11 If the Head of Development Management agrees that it is necessary for any planning application within the Welborne policy boundary to be considered under the deferral of contributions policy, the developer will be required to submit a development appraisal prepared in accordance with the latest good practice guidance issued by the Royal Institution of Chartered Surveyors (RICS)⁹. Once received, the development appraisal will be tested by an independent consultant who is a development valuer appointed and instructed by the Council. The Council's costs incurred will be paid for by the developer.
- 5.12 If, as a result of the testing of the developer's appraisal the Council agrees that the development would not be financially viable if the total contribution¹⁰ was required to be paid in full, in accordance with the planning policies, then officers will discuss with the developer whether, by the use of initial contributions¹¹ and deferred contributions¹², the development could be made viable and whether this would lead to the development being brought forward in practice.

⁹ Currently, the relevant guidance is contained in Financial Viability in Planning 1st Edition (RICS, August 2012).

¹⁰ The 'total contribution' is the total of those financial and 'in-kind' contributions which are payable for infrastructure under all relevant and current planning policies at the date that the planning application is received.

¹¹ The 'initial contribution' will be such part of the total contribution as is considered the maximum amount that the developer can reasonably be expected to pay, on the basis of the independently tested and agreed viability appraisal.

¹² The 'deferred contribution' is the difference between the total and the initial contributions.

If terms can be agreed at officer level then these, with the independent consultant's comments on the proposals and the appraisal, will be reported to the Council's Planning Committee with the normal planning report for that application.

- 5.14 The Planning Committee will consider the following prior to making any decision to approve the use of the deferral of contributions policy:
- The developer's justification for claiming that the development would not be viable, but could be made so through the application of the deferral of contributions policy;
 - The development appraisal prepared for the developer to support their case;
 - A report from the independent consultant, incorporating their comments on the appraisal; and
 - Details of any officer negotiations with the developer.
- 5.15 If the Committee approves the use of the deferral of contributions policy, in all the circumstances of the case, then the following principles will form the basis of such arrangements.
- Arrangement of infrastructure contributions*
- 5.16 The 'total contribution' for infrastructure will form a "cap" on the amount the development will have to pay. This "cap" will then be index-linked to ensure that it does not lose its value as costs increase in the future.
- 5.17 The 'initial contribution' will be clearly identified by the developer and will be tested by the independent consultant as part of their testing of the developer's viability appraisal. Once the initial contribution has been agreed, its value will be spread across all development proposed within the planning application being considered. This will be achieved by identifying an initial contribution per dwelling (or per square metre of residential developments) and a separate initial contribution per square metre of gross internal floorspace for non-residential development. These individual initial contributions must exactly total the agreed overall initial contribution. The per dwelling and/or per square metre contributions will be set out within the Section 106 Agreement to be paid before occupation of each dwelling or number of dwellings, or proportion of non-residential floorspace proposed within the planning application.
- 5.18 It is likely that some infrastructure contributions, e.g. specific highway works payments will be critical for the development to be acceptable in planning terms and will need to be treated as special cases and given priority over other contributions. If no alternative funding sources for these special cases can be identified and secured, the contributions to ensure the critical infrastructure is deliverable at the time it is needed will need to be paid

notwithstanding the viability situation. This will need to be allowed for in the calculation of the initial contribution.

- 5.19 The difference between the total contribution and the initial contribution becomes the 'deferred contribution', which will be subject to the index-linked "cap" as described above. The deferred contribution will therefore normally be spread over all the open market units (both residential and non-residential) to give a deferred contribution per open market dwelling or per square metre of gross internal floorspace for non-residential development. This is a notional figure representing the amount of deferred contribution which would be recovered from each open market dwelling or non-residential unit, but only subject to the sale/letting value having increased sufficiently since the date of the viability appraisal to be able to pay it.
- 5.20 The individual deferred contributions (per dwelling or per square metre) will not represent a 'cap' in the sense of being a maximum that any given dwelling or unit will pay, since it may be necessary for dwellings/units sold/let when the market improves to pay more than this amount, if the sale/letting price achieved justifies it under the formula below. This will help to offset the fact that dwellings/units sold/let in poorer market conditions may have paid little or nothing by way of deferred contribution. Instead, the total amount payable from the development will be "capped" as set out above.
- 5.21 The sale price of an open market dwelling taken from the independently tested development viability appraisal will be the 'base sale price'. For non-residential units, or for dwellings to be delivered and secured specifically for market rent, an equivalent 'base letting price' will be identified and agreed.
- 5.22 For each quarter (or other agreed period) when open market units are sold/let, the developer will provide full details of the sales/lettings to the Council, including the actual sale/letting price. The amount of additional sales/letting value achieved is the difference between the actual sale price and the base sale price.
- 5.23 Where, for example, there have been changes in the mix of dwellings delivered, it may be appropriate for both the base sale price and the actual sale price to be converted into a per square metre figure based on gross internal floor area, in effect a "blended" rate that takes into account different sizes of dwellings. The additional sales value achieved would then be measured by comparing the actual average level of sales value per square metre with the average level taken from the original viability appraisal.

Affordable housing obligations

- 5.24 Where the delivery of on-site affordable housing units is agreed to be included within the application of the deferral of contributions policy, these will not be included within the calculations for the total or initial contributions, but will be accounted for separately as a ‘total affordable housing obligation’ for the development and an ‘initial affordable housing obligation’. The former represents the number of affordable units that would be normally expected under relevant planning policies and the latter represents the number that, on the basis of independent testing of the developers viability appraisals, has been agreed is the maximum number that the developer could reasonable expected to provide. As set out within Policy WEL18 of the Welborne Plan, the initial affordable housing contribution will, in no circumstances, fall below 10% of the total number of dwellings proposed in the planning application.
- 5.25 As with infrastructure contributions described above, the difference between the total and initial affordable housing obligations will be the deferred affordable housing obligation. Unlike the deferred contribution for infrastructure, the deferred affordable housing obligation will not need to be index linked, but it will be spread over all open market dwellings (not non-residential units) in order to derive a deferred obligation expressed as a portion of an affordable unit per market dwelling. This may alternatively be expressed as an obligation per square metre of gross internal floorspace. For example, each square metre of market dwellings would carry a deferred obligation to provide ‘x’ square metres of affordable housing, but only subject to the sale value having increased sufficiently since the date of the viability appraisal to be able to facilitate the provision of the deferred affordable housing.

Payment of contributions

- 5.26 The developer will be required to pay the initial per dwelling/square metre contribution at the timing agreed and set out within the section 106 agreement, taking account of any relevant triggers for the phase or tranche of the development. In practice, the actual payment dates are likely to be linked to occupation, but may need to be earlier than occupation in some cases.
- 5.27 Following a calculation of the additional sales/letting value achieved from each quarter’s or period’s sales, if any, the developer would have to pay an amount of deferred contribution for the number of dwellings/units sold/let in the previous period, i.e. in arrears. The same arrangement will apply for each subsequent period during the life of the development. Safeguards may need to be included in s106 agreements, in appropriate cases, to ensure that the deferral of contributions does not act as a disincentive to the developer to complete the development.

- 5.28 The amount payable as deferred contribution for each period will depend on the 'agreed percentage' whereby any uplift in sales value would be apportioned between the Council and the developer. The 'agreed percentage' of any uplift to be paid to the Council, including provided in-kind or as affordable housing, could vary depending on the circumstances, with the developer keeping the balance. The intention behind the developer keeping a proportion of any uplift in value is to cover any increased build costs or other contingent risk, and also to avoid de-incentivising any promotional or other activity designed to increase interest from purchasers and seek sales at the highest realistic price.
- 5.29 Prior to any payment of deferred contributions, the Council will agree with the developer, in consultation with relevant infrastructure providers, how the agreed percentage would be paid. For example, this could be through financial contributions, through infrastructure works in kind or through the delivery of affordable housing, or a combination of the three. The decision on this will depend on the stage of the development and the immediate priorities identified as necessary to ensure that the development is able to comply with planning policy and contribute to the overall vision for the new community of Welborne. The Council will have absolute discretion, subject to any protocol that may be agreed between the Council and other public sector service providers, to determine how to allocate the 'agreed percentage' arising from any given period throughout the life of the development.
- 5.30 The agreed percentage payable to the Council could be adjusted by way of a sliding scale as the development progresses, and/or as the market improves. This is a matter that will need to be part of the negotiations and will depend entirely on the specific circumstances of each proposed development. It may be appropriate in particular cases, where fully justified, for the agreed percentage to be modest up to a certain trigger point in terms of sale values achieved, and thereafter increasing in a series of stages for higher sales values.
- 5.31 In view of the deferred contributions necessarily being payable in arrears, after sales/lettings of open market dwellings/units have been completed, the Council would require, in the section 106 agreement, that the developer undertakes to provide to the Council with security for the payment of the deferred contributions, where the Council reasonably considers this to be necessary.

Pooling of financial contributions

- 5.32 All initial contributions and deferred contributions that are to be provided as

financial payments, as opposed to on-site infrastructure works or the delivery of affordable housing, will need to be paid to the Council, which will receive them on behalf of all parties to whom contributions might otherwise be payable (e.g. Hampshire County Council, the Highways Agency and local bus operators). The reason for this is that such payments will not, as payments usually are at present, be in respect of specific items of infrastructure but as lump sums in respect of initial contributions and deferred contributions. If the sums received are simply apportioned proportionately to each piece of infrastructure required to support the development, there will be insufficient funds to deliver individual items of infrastructure at the point it may be required in order to support the development. It will therefore be necessary to pool the financial contributions. This will allow infrastructure to be brought forward in a prioritised sequence as funds are available. It will be important to maintain a clear audit trail to show that sums of money paid to the Council are spent on infrastructure needs arising from the development.

- 5.33 The Council will have absolute discretion, subject to any protocol that may be agreed between the Council and other public sector service providers, to determine how to allocate the financial payments received. Such decisions would normally be delegated to the Director of Planning and Development and would normally be made in consultation with partners and would seek to be in accordance with any previously agreed protocols. Officers may of course report larger or contested decisions to the Council's Planning Committee if they felt that course of action appropriate.
- 5.34 Following an allocation decision being made, the Council would then pass or pay part of the initial contributions and/or deferred contributions to the relevant service departments within the Council, the County Council or any other relevant parties. These payments would be identified as being towards or in settlement of specific elements contained within the agreed developer's infrastructure delivery plan, as set out in the resolution of the Planning Committee to grant planning permission. The payments would be subject to appropriate safeguards and would be monitored as would the delivery of the funded infrastructure. The Section 106 Agreement will include detailed provisions for these arrangements.
- 5.35 It should be noted that the arrangements referred to here, will be operated only for the purpose of ensuring that necessary infrastructure required by the development of Welborne can be provided at the time it is needed and for no other purpose. The Council will seek to ensure that all arrangements put in place under the deferral of contributions policy comply with the 'scaleback of planning obligations' requirements set out within Regulations 122 and 123 of the CIL Regulation 2010 (as amended). Ultimately, if despite best efforts,

any application of the deferral of contributions policy would risk non-compliance with the legislation or would cause unacceptable delays to any infrastructure which is necessary to support the development, site promoters will be expected to work with the Council to identify and secure alternative sources of funding to ensure that the infrastructure can be delivered at the point it is required.

Section 6: Planning Obligations for Welborne

Introduction

- 6.1 Much of the infrastructure that is required by policy in the Welborne Plan is to be funded directly through planning obligations with the master developer. The infrastructure to be provided in this manner is detailed in the following section.
- 6.2 The infrastructure items listed in this section are those items identified in policy in the Welborne Plan and within the Council's Infrastructure Delivery Plan.
- 6.3 It is understood that planning obligations cannot be expected to pay for all infrastructure, and that the priorities within any given phase or tranche will be determined in consultation with the landowners and relevant service providers.
- 6.4 The following section looks in more detail at some of the more common types of planning obligations the Council will seek to secure via a legal agreement. It is important to note that this is not an exhaustive list and the exact requirements for planning obligations will be decided on a case-by-case basis. The infrastructure requirements cover both "local" infrastructure to serve each development phase, and more strategic infrastructure serving more than one phase. It will be for the site promoters to produce a phasing plan and implementation strategy to show how both are anticipated to come forward and set out how each are to be delivered.

Affordable Housing

Background

- 6.5 Meeting the needs of those in the Fareham area who cannot access the housing market is one of the key priorities of the Council and is an important objective for Welborne. Welborne provides a rare opportunity for the Borough to deliver a significant number of affordable homes and to make a real contribution towards addressing the current backlog of housing need.

Policy

National Planning Policy Framework

- 6.6 In accordance with paragraphs 47 of the NPPF, the Welborne Plan identifies Welborne as being a key site which is critical to the delivery of the housing strategy in Fareham Borough to 2026. As such, in line with NPPF paragraph 50, the Welborne Plan sets appropriate policy to ensure that affordable housing needs are met at Welborne, in line with the overall needs of the Borough and with respect to viability.

Welborne Plan Publication Version (February 2014)

6.7 The key policy in the Welborne Plan relating to affordable housing provision at Welborne is:

WEL18 Affordable Housing

Evidence

6.8 The main evidence in support of the Welborne Plan 2014 Publication Version relating to affordable housing provision is:

- DTZ (2012). Fareham Borough Housing Needs Assessment Final Report.
- DTZ and Wessex Economics (2013). New Community North of Fareham Housing Market Assessment: Summary Report
- AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
- AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.
- PUSH South Hampshire SHMA (G L Hearn, Feb 2014)

Type and size of House Mix in the Early Phases

6.9 It is essential that affordable homes deliver good quality long term accommodation and can cater for the changing dynamics within a family over time. As such the Council aims to ensure that all new affordable homes are of a suitable size and type to meet a variety of housing needs.

6.10 Based upon recommendations from the 2013 Strategic Housing Market Assessment for South Hampshire¹³ the Council aims to achieve the mix of units set out in Table 1 below for the initial phases of Welborne. The proportions sought on individual sites may differ depending on the specific circumstances of each development, but it will remain the Council’s decision to stipulate the type and size of the units to be achieved within the context of developer proposals, as set out in policy WEL18.

Table 1: Dwelling Type mix for affordable housing(initial phases of Welborne)

Unit size	Occupancy level	Target %	Combined %
1 bedroom	2 person	35%	35%
2 bedroom	3 person	10%	35%
	4 person	25%	
3 bedroom	5 person	15%	25%
	6 person	10%	
4 bedroom+	7 person	5%	5 %

¹³ Available at http://www.push.gov.uk/work/housing-and-planning/strategic_housing_market_assessment.htm

- 6.11 It is likely that all one bedroom homes and larger family homes will need to be for rent, but consideration shall be given to the prevailing housing demands at the time of an application being made.

Tenure Mix

- 6.12 The greatest need for affordable housing in the borough is homes for social rent. The Council therefore wishes to encourage the development of new social rented homes (as opposed to affordable rented) where it is suitable and financially viable to do so.
- 6.13 The long build-out period of Welborne means that the supporting evidence provides only a starting point and the precise affordable housing mix required throughout the development of Welborne cannot be known at this stage. Housing needs change over time and are also influenced by Government policies, such as welfare reforms. Therefore, the mix of affordable homes provided within each residential phase will need to reflect the identified needs at that time the phase comes forward and in agreement with the Council
- 6.14 In accordance with current evidence of housing need, a tenure ratio of 70:30 in favour of affordable /social rented accommodation against intermediate housing will be expected when delivering a policy compliant scheme, in the initial phases of the development at least. However, in instances where the viability of a phase requires that the overall percentage of affordable homes in that phase is reduced, the Council reserves discretion to increase the proportion of affordable/social rented units required in light of this being the tenure in greatest need.

Delivery

- 6.15 The Council's preference is for affordable homes to be provided by a recognised Registered Provider (RP) who is already signed up to the Council's Affordable Housing Agreement. In such cases, the Council's expectation for delivering affordable housing is provision of serviced land at zero cost.
- 6.16 This ensures new affordable homes are developed and managed to the Council's required standards, and are available in perpetuity to people from the Council's Housing Waiting List. The Affordable Housing Agreement is reviewed annually to ensure that management standards remain up to date with current best practice.
- 6.17 In addition, the Council has established a joint venture housing company (JVHC) that will allow the Council and its partners to play a more central and active role in the delivery of affordable housing across the Borough.

Design Issues

- 6.18 The Council advocates a tenure blind approach to housing development. Affordable housing should be integrated with, rather than segregated from,

private housing with new developments. This should be as seamless as possible to the extent that different tenures appear indistinguishable. Affordable homes should be 'pepper potted' across a development in such a way that avoids a sense of separation between the tenure types and promotes sustainable communities.

- 6.19 New affordable homes must comply with the national and local standards adopted at the time planning permission is sought. These will relate to issues such as space, layout, and energy efficiency. This includes the general design principles set out in WEL6, the Welborne Design Guidance, and approved developer Strategic Design Codes.

Housing Mix

Background

- 6.20 As a large strategic site, Welborne provides the opportunity to meet a range of housing needs. This also aids delivery, giving the project a range of housing markets to cater for.

Policy

National Planning Policy Framework

- 6.21 Paragraph 50 of the NPPF, notes that Local Planning Authorities should plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community.

Welborne Plan Publication Version (February 2014)

- 6.22 The key policies in the Welborne Plan relating to housing mix are:

WEL17 Market Housing
WEL19 Specialist accommodation for Older People
WEL20 Wheelchair Adapted Homes
WEL21 Custom Built Homes

Evidence

- 6.23 Evidence in support of the Welborne Plan 2014 Publication Version relating to housing mix includes:
- DTZ (2012). Fareham Borough Housing Needs Assessment Final Report.
 - DTZ and Wessex Economics (2013). New Community North of Fareham Housing Market Assessment: Summary Report
 - AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
 - AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.
 - 2011 Census.
 - Hampshire County Council (2013). Strategic Infrastructure Statement – Version 1.
 - Hampshire County Council (2009). Housing Provision for Older People in Hampshire: Older persons Housing Study
 - GL Hearn for PUSH (2014) South Hampshire Strategic Housing Market Assessment

Infrastructure Requirement

- 6.24 As set out in the Welborne Plan, the requirements are as follows:
- Approximately 15% of all market homes within each phase to be lifetime homes
 - Specialist accommodation for older people
 - Approximately 2% of all homes within each phase to be designed to a high standard of wheelchair accessibility
 - Not less than 1% of all homes at Welborne to be delivered as custom-build plots.
 - In order to ensure that these policy requirements are effectively met, the developer will be required to meet the costs of a Housing Enabling Officer employed by Fareham Borough Council. This officer will be responsible for negotiating and securing the provision of affordable housing (at Affordable Rent, Social Rent and or Shared Ownership) to meet local housing need. The officer will secure the provision of free serviced land for affordable housing and ensure the homes that are developed on the site are affordable, meet local housing needs and appropriate housing standards (including space, energy and management standards). The officer will liaise with the developer, local Registered Providers and the Homes and Communities Agency to ensure the homes represent value for money, comply with appropriate standards and are brought forward in a timely manner.

Education

Background

- 6.25 The Council is committed to ensuring that Welborne residents have on-site access to both primary and secondary school provision, in accordance with current local standards.

Policy

National Planning Policy Framework

- 6.26 Paragraph 72 of the NPPF emphasises the need for a sufficient choice of school places to be available to meet the needs of existing and new communities. Furthermore, paragraph 38 identifies a preference for primary schools to be located within walking distance of most properties.

Welborne Plan Publication Version (February 2014)

- 6.27 The key policies in the Welborne Plan relating to education provision at Welborne are:

WEL15 Primary and Pre-School Provision

WEL16 Secondary School Provision

Evidence

- 6.28 Evidence in support of the Welborne Plan 2014 Publication Version relating to education provision includes:
- Hampshire County Council (2012). School Places: Framework and Analysis 2012-2016.

- Hampshire County Council (2013). Developers' Contributions towards Children's Services Facilities.
- Hampshire County Council (2011). School Places Plan.

Infrastructure Requirement

6.29 The education infrastructure that has been identified as being directly required at Welborne is detailed as follows:

Item	Size/ Quantity	Phasing
Nursery 1	50 space	2019
Nursery 2	50 space	2026
Nursery 3	50 space	2030
Primary School 1	3 Form Entry (min 2.8ha site)	2019
Primary School 2	2 Form Entry (min 2.8ha site)	2026
Primary School 3	2 Form Entry (min 2.8ha site)	2030
Secondary School	7 Form Entry (min 9.0ha site)	2026

Community and Health Facilities

Background

6.30 The provision of sufficient community and health facilities is a strategic priority of the Government and of the Council, both in terms of basic service provision and in terms of helping develop new communities at Welborne.

Policy

National Planning Policy Framework

6.31 Paragraph 7 of the NPPF indicates the provision of local services that reflect the community's needs and support health, social and cultural well-being are a key social component in achieving sustainable development. As such, paragraph 156 of the NPPF emphasises the need for local authorities to set strategic policies to deliver health and community infrastructure.

Welborne Plan Publication Version (February 2014)

6.32 The key policies in the Welborne Plan relating to the provision of community and healthcare facilities at Welborne are:

- WEL12 Community Hub
- WEL13 Community Buildings
- WEL14 Healthcare Services

Evidence

6.33 The main evidence in support of the Welborne Plan 2014 Publication Version relating to community and healthcare provision is:

- AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
- AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.

Infrastructure Requirement

6.34 The community and health infrastructure that has been identified in the

Council's IDP as being directly required at Welborne is detailed as follows:

Item	Size/ Quantity	Phasing
District Centre Community Building	Approximately 1800m ²	2020
Public realm provision	Throughout each development parcel	
Primary Care Centre(s)	Minimum 8 GP surgeries alongside ancillary primary care	2024
Pharmacy 1	Ground floor unit – fit out only	2024
Pharmacy 2	Ground floor unit – fit out only	2033
Optician 1	Ground floor unit – fit out only	2024
Optician 2	Ground floor unit – fit out only	2033

Community Development

Background

- 6.35 Assisting and helping ensure the new Welborne community develops in a sustainable and cohesive manner is a priority for the Council, so as to ensure that the high level development principles for the development are met.

Policy

National Planning Policy Framework

- 6.36 The NPPF's overarching theme of sustainable development requires planning to perform a social role that supports strong, vibrant and healthy communities, whilst paragraph 58 of the NPPF states that "planning policies should aim to ensure that developments will function well...over the lifetime of the development; establish a strong sense of place; create safe and accessible environments".

Welborne Plan Publication Version (February 2014)

- 6.37 The key policy in the Welborne Plan relating to community development at Welborne is:

WEL2 High Level Development Principles

Evidence

- 6.38 The main evidence in support of the Welborne Plan 2014 Publication Version relating to community development is:

- AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
- AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.

Infrastructure Requirement

- 6.39 The community development item in the IDP does not directly relate to an item of built infrastructure, like other sections. This section identifies the requirement for an annual commuted sum to be paid in order to finance the position of a community development officer at Welborne, and to support a range of programmes aimed at achieving community development throughout

the plan period.

- 6.40 The purpose of the position is:
- To facilitate the creation of a cohesive community and ensure integration alongside existing adjoining communities;
 - To facilitate the active involvement of all sectors of the community in sustainable community activity and encourage sustainable lifestyles; To enable the community to develop experience, skills and knowledge, to strengthen their capacity to make improvements to their quality of life, their communities, and the local environment.
- 6.41 This role will need to liaise with the development monitoring function within the Council, as set out in Section 4 of this document.

Sports and Recreation Facilities

Background

- 6.42 The provision of sports and recreational facilities within the new community is a key component of creating a high quality and healthy new community. Facilities may range from sports pitches to play areas.

Policy

National Planning Policy Framework

- 6.43 Paragraph 73 of the NPPF indicates the importance of having access to sport and recreation space and the need to ensure that planning policies are underpinned by an appropriate needs assessment to determine what provision is required.

Welborne Plan Publication Version (February 2014)

- 6.44 The key policy in the Welborne Plan relating to the provision of sports and recreational facilities at Welborne is:

WEL29 On-site Green Infrastructure

Evidence

- 6.45 The main evidence in support of the Welborne Plan 2014 Publication Version relating to sports and recreation facility provision is:
- KKP (2012). NCNF Sports Facilities Implementation Plan.
 - AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
 - AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.

Infrastructure Requirement

- 6.46 The sports and recreational infrastructure that has been identified in the Council's IDP as being directly required at Welborne is detailed as follows:

Item	Size/quantity	Phasing
Bowling Green	1700m ²	2026
Tennis Court 1	670m ²	2020

Tennis Court 2	670m ²	2024
Tennis Court 3	670m ²	2028
Tennis Court 4	670m ²	2032
Swimming Pool (contribution)		
Local Play Space (0-11 ages)	Up to 13 play space areas	2015-
Neighbourhood Play Space (all ages)	Up to 8 play space areas	2015-
Youth Play Space (12+ age)	Up to 13 play space areas	2015-
Playground Play Equipment	42 pieces across all play space areas	2015-
Outdoor Playing Pitches	18.2 ha	
Artificial Playing Pitch (contribution to cover shortfall from school funding)	0.5 ha (forms part of overall playing pitch requirement)	With Secondary School

Maintenance and Management

- 6.47 The governance and maintenance of sports and recreation facilities is covered by policy WEL35.

Open Space and ‘Green Infrastructure’

Background

- 6.48 The provision of open space and green infrastructure within Welborne is key to the creation of a high quality, visually attractive and healthy new community. Facilities include amenity green space, allotments and semi-natural greenspace.

Policy

National Planning Policy Framework

- 6.49 Green infrastructure is defined by the NPPF as “a network of multi-functional green space, urban and rural, which is capable of delivering a wide range of environmental and quality of life benefits for local communities”. As such, in accordance with paragraph 114 of the NPPF, the Welborne Plan positively plans for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure.

Welborne Plan Publication Version (February 2014)

- 6.50 The key policies in the Welborne Plan relating to open space and green infrastructure requirements at Welborne are:

- WEL29 On-site Green Infrastructure
- WEL30 Avoiding and Mitigating the Impact on Internationally Protected Sites and Off-site Green Infrastructure
- WEL32 Strategic Green Infrastructure Corridors and Connections
- WEL33 Structural Landscaping
- WEL34 Detailed Landscaping
- WEL35 Governance and Maintenance of Green Infrastructure

Evidence

- 6.51 The main evidence in support of the Welborne Plan 2014 Publication Version

relating to open space and green infrastructure requirements at Welborne is:

- KKP (2012). NCNF Sports Facilities Implementation Plan.
- LDA Design (2014). The Welborne Plan Green Infrastructure Strategy.
- AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
- AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.

Infrastructure Requirement

6.52 The open space and green infrastructure that has been identified as being directly required at Welborne is detailed as follows:

Item	Size/quantity/ type	Phasing
Main Park	20ha	TBC
Small Local Park	2.8ha	TBC
Allotments	2.1ha	TBC
Semi Natural Greenspace	63.2ha – nature reserves, natural green space	TBC
Incidental GI	8.7ha – structural planting	TBC
Adoption and Management of GI	Either through management company or commuted sum to FBC	TBC
Suitable alternative natural greenspace	See below	In line with house building

6.53 Maintenance and Management

The governance and maintenance of on-site and adjoining green infrastructure to Welborne is covered by policy WEL35, which requires details of who will adopt and have responsibility for managing and maintaining the network, and potentially the payment of a commuted sum.

Avoiding and Mitigating the Impact on Internationally Protected Sites

Background

6.54 The Solent coastline hosts a number of Special Protection Areas including Solent and Southampton Water, Portsmouth Harbour and Chichester & Langstone Harbours. As the Local Planning Authority, Fareham Borough Council has a duty under the Habitats Directive to ensure that development will not result in an adverse effect on these internationally protected habitats.

6.55 Local Authorities in South Hampshire and West Sussex that are within proximity of the protected coastline have been working together with the Solent Forum and Natural England on the Solent Disturbance and Mitigation Project (SDMP) to assess the likely significant effects of planned development and to implement a mitigation strategy. The SDMP has identified a 5.6km zone of influence whereby development is likely to have a significant effect on the protected coastal birds and habitats due to increased recreational activity. The Welborne site falls within the 5.6km zone of influence which means that

the development will be expected to mitigate its impact on the protected habitats.

Policy

6.56 *Conservation of Habitats and Species Regulations 2010*

The Regulations provide for the designation of European sites and European protected species. Under the Regulations, competent authorities (in this case, Fareham Borough Council as the Local Planning Authority) have a duty to ensure that development will not adversely affect the integrity of a European site.

6.57 *National Planning Policy Framework*

Paragraph 166 of the NPPF emphasises the significance of the Habitats Regulations to support Local Plans.

Welborne Plan Publication Version (February 2014)

6.58 The key policy in the Welborne Plan relating to this issue is

WEL30 – Avoiding and Mitigating the Impact on Internationally Protected Sites and Off-site Green Infrastructure

Evidence

6.59 Solent Disturbance and Mitigation Project

Infrastructure Requirement

6.60 There are two types of infrastructure required to mitigate the impact on the European protected sites. Firstly the scale of development planned at Welborne is such that the Council expects the development to provide substantial green infrastructure (GI) adjoining and in close proximity to the site, with multiple links to the wider GI network. Providing this GI as suitable alternative natural greenspace (SANGS) will help to mitigate or avoid potentially adverse effects on the European sites as residents will have the opportunity to use the SANGS for recreation and this will reduce visits to the coast. However it is recognised that the coast has qualities which cannot be recreated by the provision of SANGS so there is likely to remain a residual impact. The Welborne Plan recognises that the site promoters may put forward an alternative. Therefore, through the Welborne Plan, the Council has set out a position in policy WEL30 of the Publication Draft Welborne Plan that 70% of the mitigation should be achieved through the provision of SANGS, with the remaining 30% being mitigated by contributions towards the forthcoming Solent Mitigation Strategy.

6.61 The SANGS standards have been calculated on the basis of 8 hectares per 1000 population. The population of Welborne is estimated to be around 15,000 when the development is complete.
 $8 \text{ hectares} \times 15 \times 70\% = 84 \text{ hectares}$

6.62 The position above set out in the Welborne Plan is subject to further refinement. The Welborne Plan (WEL 30) acknowledges that an alternative

strategy may be agreed by the Council and Natural England to avoid or mitigate potential impacts on the internationally protected sites, and states that the figures set out here could increase or decrease if the number of homes changes.

- 6.63 An Interim Planning Framework has been implemented to collect contributions from development within the zone of influence over the next 2-3 years and the charge is £172 per dwelling. Development at Welborne is not due to commence until 2016 and by then the Interim Planning Framework should be replaced by the full mitigation strategy. Therefore the likely level of contribution will be 30% of whatever the final mitigation strategy proposes. Natural England has indicated that the charge is likely to range from £250 to £500 per unit. The Welborne Infrastructure Delivery Plan assumes a mid point of £375 per unit.
 $£375 \times 6000 \text{ dwellings} \times 30\% = £675,000$

Maintenance and Management

- 6.64 Policy WEL35 of the Welborne Plan sets out that planning applications for Welborne must be accompanied by an implementation, phasing and management plan for green infrastructure which identifies who will ultimately adopt and have responsibility for managing and maintaining the different components of green infrastructure within and adjoining the site. Key for the delivery of an appropriate SANGs strategy will be measures to ensure that the mitigation is secured in perpetuity.

Transport and Access

Background

- 6.65 The Council is committed to ensuring that Welborne will be designed to make it easy for people to access homes, jobs and other facilities, both through improvements in the public highway network and through the provision of high quality public transport and pedestrian and cycle links.

Policy

National Planning Policy Framework

- 6.66 Making the fullest possible use of public transport, walking and cycling is a core planning principle of the NPPF, as detailed in paragraph 17. Furthermore paragraphs 29-41 of the NPPF outline a series of principles and requirements for promoting sustainable transport, which have been adhered to in developing policy for the Welborne Plan.

Welborne Plan Publication Version (February 2014)

- 6.67 The key policies in the Welborne Plan relating to transport and access infrastructure provision at Welborne are:

- WEL23 Transport Principles for Welborne
- WEL24 Strategic Road Access
- WEL25 Local Road Transport and Access
- WEL26 Public Transport

WEL28 Walking and Cycling

Evidence

6.68 The main evidence in support of the Welborne Plan 2014 Publication Version relating to transport infrastructure provision is:

- Parsons Brinckerhoff (2014). Welborne Transport Strategy Final Report.
- Transport for South Hampshire (2014). Welborne SRTM Modelling Analysis (Runs 6, 7, 7a, 8a, 8b & 9)
- AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
- AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.

Infrastructure Requirement

6.69 The final assessment of necessary infrastructure will be determined through the Transport Assessment(s) to be prepared by developers. As a guide, the transport and access infrastructure that has been identified as being directly required at Welborne in the Transport strategy is identified as follows:

Item	Description	Phasing
M27 Junction 10 Interim Improvements	Capacity improvements to existing eastbound on-slip	2018
M27 Junction 10 Improvements (including new junction with A32)	Development of an all-directions Junction 10	2018-2022
M27 Junction 11 Improvements	TBC	2018-2022
Primary Street Network	Internal Welborne street network	2015-
Secondary Street Network	Internal Welborne street network	2015-
Adoption of On-Site Street Network	Adoption under Section 38 including a commuted sum for future maintenance.	2015-
A32 Northern Site Access	4-arm roundabout on A32 at Forest Lane	2016
A32 Knowle Road roundabout	Minor improvement works	2016
A32 Central Access	4-arm signalised junction on A32 between Knowle Road roundabout and Junction 10.	2015
A32 Corridor	A32 widening, alterations and traffic management.	2016
Off-site Traffic Management (rural)	Traffic management and control to surrounding rural roads including A32 north and Pook Lane.	2022
Off-site Traffic Management (urban)	Traffic management and control to surrounding urban roads and junctions.	2015-2018
Cycle Parking (Fareham Station)	New facility.	2015

On-site Bus Rapid Transit (BRT) network	Implementation of BRT priority measures at 4 internal junctions plus signal equipment.	2016-2018 & 2020
Off-site BRT network	Measures to improve proposed BRT routes from J10 to High Street.	2019
Bus Operational Subsidy	Operational subsidy for new Welborne – Fareham route	2016-2028
Local Bus Infrastructure	New bus stops and real-time departure displays	2019 & 2025
Smarter choices	Area wide travel plan	2016-2036
Pedestrian and Cycle Links	New linkages to a range of off-site destinations.	2016 & 2021

Maintenance and Management

- 6.70 As noted in the list derived from the Transport Strategy above, the Council anticipates that the internal road network will be constructed to adoptable standard and offered for adoption to the County Council as Highways Authority, under Section 38 including a commuted sum for future maintenance.

Types of Obligation

- 6.71 Hampshire County Council is the Highway Authority for the Fareham Borough Council area. Fareham Borough Council has worked with Hampshire County Council to determine the likely list of works and measures required, as identified above, to mitigate the impact of the Welborne development.
- 6.72 Provision for on-site infrastructure can be made through planning conditions and a Section 38 or Section 278 Agreement under the Highways Act 1980, and they will also be secured through a S.106 planning obligation.
- 6.73 Mostly, the obligation will be on the developer to implement the approved works via the relevant legal agreements. However there may be some circumstances where it would be acceptable to contribute a sum of money to the local highways authority to implement the work on the developer's behalf. Where improvements are secured in this way, the developers will be required either to develop a fully costed scheme in consultation with the local Highways Authority or commission the local Highway Authority to design and implement the scheme.
- 6.74 Where the developer is obliged to implement a transport improvement through a planning obligation, or has made a financial contribution to the local highway authority to implement an item of the identified transport infrastructure, the timing of implementation will be clearly specified in the planning obligation agreement relating to the development. The trigger for payment (of the financial contribution) is likely to be related to the implementation of the development.

Utilities Infrastructure

Background

- 6.75 The provision of, and upgrade to the appropriate utilities infrastructure at Welborne is an essential part of developing the new community. Along with new infrastructure for all utilities on-site, Welborne also requires some extensive upgrades to off-site infrastructure, such as waste water, in order to ensure appropriate provision of infrastructure.
- 6.76 Much of the utilities infrastructure will be secured by agreement between developers and the utilities providers. However, planning obligations will be used in securing waste facilities and appropriate standards of construction for residential properties.

Policy

National Planning Policy Framework

- 6.77 In accordance with paragraph 162 of the NPPF, the Welborne Plan has assessed the existing capacity of utilities, together with water supply, wastewater, telecommunications, waste and flood risk.

Welborne Plan Publication Version (February 2014)

- 6.78 The key policies in the Welborne Plan relating to utilities and the associated items identified in 6.xx above at Welborne are:

- WEL9 Employment
- WEL36 Energy
- WEL37 Water Efficiency, Supply and Disposal
- WEL39 Flooding and Sustainable Drainage Systems
- WEL40 Household Waste Recycling Centre and Recycling

Evidence

- 6.79 The main evidence in support of the Welborne Plan 2014 Publication Version relating to utilities and associated infrastructure is:
- AECOM (2013). NCNF Infrastructure Delivery Plan: Stage 1 Report.
 - AECOM (2014). Welborne Infrastructure Delivery Plan: Stage 2 Update Report.

Infrastructure Requirement

- 6.80 The Council's IDP identifies a number of utilities infrastructure projects which are needed to bring forward the new community. Of these, key for this document is the new Household Waste Recycling Centre.
- 6.81 Policy WEL 40 states that a new HWRC will be developed as part of Welborne within the main employment areas in the south of Welborne, either east or west of the A32.
- 6.82 Although Welborne does not on its own give rise to the need for a new HWRC, it does form the largest of a number of proposed housing developments within the area, all of which together give rise to the need for a new facility.

- 6.83 In terms of delivery of the HWRC, the Welborne development will be expected to make a 0.8 hectare plot available for purchase and subsequent development by Hampshire County Council. As part of this, the development will be expected to provide a proportionate financial contribution to Hampshire County Council towards both the cost of constructing the HWRC and towards the purchase of the specific plot.
- 6.84 In the circumstances where a suitable plot for a HWRC cannot be made available at Welborne within the required timeframe, the Welborne development would remain responsible for providing the same proportionate financial contribution to Hampshire County Council towards the cost of purchasing a suitable plot elsewhere and constructing a HWRC.
- 6.85 Delivery of a new HWRC at Welborne will depend on funding from a variety of sources, including but not limited to a financial contribution from the promoters of Welborne. The County Council will be responsible for ensuring that the total funding package is sufficient to deliver the new facility and will agree the specific timing of delivery with the site developers.
- 6.86 In addition, Policy WEL36 sets out the requirement for an Energy Strategy which will include proposals for an appropriate element of housing to be built to “passivhaus” standards. Any such housing will be secured through either a condition or the use of a s106 agreement.

Employment and Skills

Background

- 6.87 The Core Strategy recognises the need to support programmes of skills development to assist the local workforce

Policy

National Planning Policy Framework

- 6.88 In accordance with paragraph 21 of the NPPF, the Welborne Plan seeks to set out a clear economic vision and strategy for the area which positively encourages sustainable economic growth.

PUSH Delivery Framework

- 6.89 The PUSH delivery framework on the Use of Developer Contributions to Provide Workforce Training was endorsed by the PUSH Joint Committee at their meeting of 11 January 2011¹⁴. This document sets out the case for the appropriate use of developer contributions for training and employment.

Welborne Plan Publication Version (February 2014)

- 6.90 The key policy in the Welborne Plan relating to employment and skills at Welborne is:

¹⁴ <http://www.push.gov.uk/pjc-110111-r05-gtu-kra-.pdf>

WEL43 Development Construction and Quality Control

Evidence

- 6.91 The main evidence in support of the Welborne Plan 2014 Publication Version relating to skills is in the Welborne Employment Strategy and the PUSH Skill sand Employability Strategy.

Infrastructure requirement

- 6.92 Policy WEL 43 of the Welborne Plan requires that initial planning applications are accompanied by employment and training plans demonstrating how local people will be included in the development process and can develop relevant construction and related skills and find employment in the development of Welborne.

Glossary

<p>Affordable Housing</p>	<p>Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.</p> <p>Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.</p> <p>Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).</p> <p>Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes</p>
<p>Community Infrastructure Levy (CIL):</p>	<p>A planning charge on new development. The rate(s) (at pounds sterling per square metre) is set up in a charging schedule, which balances the estimated total cost of infrastructure required to support development and the overall potential effects of the levy on the economic viability of development. The infrastructure required to support new development, which the Community Infrastructure Levy can help to pay for, includes roads, schools and recreational facilities.</p>
<p>Development Plan</p>	<p>The Development Plan sets out the parameters for all development in the Borough. It comprises the Local Plan (Parts 1, 2 and 3) and the Hampshire Minerals and Waste Plan.</p>

European Sites	Defined in Regulation 8 of the Conservation of Habitats and Species Regulations 2010, these include a range of ecological sites designated for the protection of rare, endangered or vulnerable natural habitats and species of exceptional importance within the European Union. Designations include Special Areas of Conservation (SACs) and Special Protection Areas (SPAs), while Ramsar sites, which generally overlap SACs and SPAs.
Green Infrastructure	A network of high-quality multi-functional green (and blue) spaces, urban and rural, capable of providing a wide range of environmental and quality of life benefits for local communities.
Habitats Regulation	Refers to the Habitats and Conservation of Species Regulations 2010, which provide for the designation and protection of European sites, and the adaptation of planning and other controls for the protection of European sites.
Hampshire County Council	The higher tier local authority in which Fareham is located. Hampshire County Council is the statutory planning authority for highways, minerals and waste development in non-unitary and non-national park local authority areas.
Infrastructure	The facilities and services needed for a place to function. This includes roads and utilities as well as school places, GP surgeries, libraries and a range of other facilities.
Local Plan	The plan for the future development of in law, the development plan document adopted under the Planning and Compulsory Purchase Act 2004.
Local Planning Authority	The public authority that has a duty it is to carry out specific planning functions for a particular area. All references to local planning authority apply to the district council, in this Fareham, this is the Borough Council. But also see the entry for Hampshire County Council above.
National Planning	Introduced in March 2012, this new framework sets out the

Policy Framework (NPPF)	Government's planning policies for England and how these are expected to be applied. It provides the framework within which local councils can produce local plans, which reflect the needs and priorities of their communities.
Open Space	All open space of public value, including not just land, but also areas of water (such as rivers, canals, lakes and reservoirs) which offer important opportunities for sport and recreation and can act as a visual amenity.
Planning Practice Guidance (PPG)	Introduced in March 2014, this guidance provides further detailed explanation of how the policies within the National Planning Policy Framework (NPPF) should be applied.
"Ransom Strips"	Parcels of land which hold the key to unlocking the development potential of adjoining land.
Solent Disturbance & Mitigation Project (SDMP)	A project to investigate the disturbance on the SPAs that arises from new development and consider and implement appropriate mitigation measures.
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs
Viability	In planning terms relates to the assessment of a development scheme to establish that favourable conditions regarding the financial aspects will enable development to proceed.