

# Planning Obligations - A Guide for Developers and Applicants

Draft Supplementary Planning Document

**Planning and Strategic Housing**  
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## Introduction

This Planning Obligations Supplementary Planning Document (SPD) brings together for easy reference for an applicant and/or developer the various policies and studies upon which the Local Planning Authority (LPA) will draw when considering the need for agreements under Section 106 of the Town and Country Planning Act 1990, as regulated by the Community Infrastructure Levy Regulations (as amended). These are commonly referred to as Section 106 (S106) agreements or planning obligations.

Planning obligations are used as part of the planning application process to address specific planning issues and to mitigate the impacts arising from a development proposal. These S106 agreements are normally agreed between the Council, landowners and developers and are intended to make acceptable a development that would otherwise be unacceptable in planning terms.

## Section 1 - Overview

### Purpose of the Guide

The purpose of this SPD is to cover the types of contributions the Council intends to seek from developments, to assist in mitigating the impact of proposed development and make it acceptable in planning terms.

It should be noted that this SPD is a guide to the likely scope and scale of infrastructure that will be sought; each development proposal will continue to be assessed on a case-by-case basis. It should also be noted that:

- In order to ensure that the value of the contributions is maintained, the financial rates set out in Appendix 1 will be updated annually in accordance with the Retail Prices Index (RPI). All contributions cited in the S106 agreement will also be index linked from the date the agreement is signed. All contributions directly collected by the Council will use the Retail Price Index.
- Late payment interest will be payable when any payment due under a S106 agreement is paid more than 28 days past the date on which the payment is due. This will be charged at 4% over the base lending rate of the Barclays Bank, with the interest calculated from the date payment is due until the date of the payment.

The National Planning Policy Framework (NPPF)<sup>1</sup> identifies 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 where it is not possible to address unacceptable impacts through a planning condition.*

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<sup>1</sup> [National Planning Policy Framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk)



Planning obligations cannot be considered a reason to grant planning permission unless they meet the tests laid out in Regulation 122 of the Community Infrastructure Regulations 2010 (as amended)<sup>2</sup>, that they are:

- a) necessary to make the development acceptable in planning terms
- b) directly related to the development; and
- c) fairly and reasonably related in scale and kind to the development.

Further guidance on the use of planning obligations is set out within national Planning Practice Guidance (PPG)<sup>3</sup>

Planning obligations take the form of a legal agreement entered into by the applicant (and/or any other interested party) under Section 106 of the Town and County Planning Act 1990 (as amended). They are site specific, and can also:

- a) restrict the development or use of land in any specified way
- b) require specified operations or activities to be carried out in, on, under or over the land
- c) require the land to be used in a specified way
- d) require a sum or sums to be paid to the authority on a specified date or dates periodically.

A planning obligation is recorded as a land charge and the obligation runs with the land ownership until the obligation is fully complied with.

For infrastructure requirements that relate to functions which rest with Derbyshire County Council, the County Council will be a party to negotiations. Responsibility for enforcement will fall to the County Council where they are a signatory to and named as a planning authority in the S106.

## South Derbyshire Local Plan

The South Derbyshire Local Plan Part 1, adopted in June 2016<sup>4</sup>, promotes the overall vision for accommodating strategic development across the District. The Local Plan expects new development to be appropriately supported and its effects mitigated sustainably. Local Plan Policy INF1: Infrastructure and Developer Contributions provides the justification for this SPD.

Policy INF1 states that: "New development that is otherwise in conformity with the Local Plan but generates a requirement for infrastructure will normally be permitted if the necessary on and off-site infrastructure required to support and mitigate the impact of that development is either:

- i. Already in place, or
- ii. There is a reliable mechanism in place to ensure that it will be delivered in the right place, at the right time and to the standard required by the Council and its partners.

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<sup>2</sup> [The Community Infrastructure Levy Regulations 2010 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

<sup>3</sup> [Planning obligations - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

<sup>4</sup> [Adopted Local Plan | South Derbyshire District Council](#)



## Pre-Application Stage

The Council's Statement of Community Involvement (September 2018)<sup>5</sup> actively encourages pre-application discussions with developers.

The guidance within this SPD will be used by the Council as one of the considerations in the determination of planning applications. It is therefore advised that applicants have regard to this SPD when preparing applications for submission to the Council.

Further information on the pre-application advice that is offered can be found on the Council's [website](#)<sup>6</sup>.

## Viability

Planning obligations are a required cost of development. The PPG clarifies that it is the responsibility of the site promoters to engage in plan making, taking into account any costs including risks and profit expectations whilst ensuring the development proposal is policy compliant.

No viability assessment should be required to accompany a planning application as the cost of all of the planning obligations should have been factored in at the earliest stage of the proposals. Nevertheless, where the need is justified by the applicant it should reflect the recommended approach within the PPG<sup>7</sup>. Applicants will be expected to bear the cost of the Council's independent assessment of the viability assessment provided.

If the viability assessment is accepted as showing development cannot proceed without revised obligations, the Council may agree to the provision of lowering the rates of contribution for the site, on the basis that the loss of planning obligations is not significant enough that the development is no longer acceptable in planning terms.

## Legal Fees

For the creation of a S106 agreement or unilateral undertaking the Council's full legal fees that are incurred will have to be paid by the applicant or landowner prior to execution and completion of the agreement or undertaking.

## Index Linking and Late Payment Interest Charging

All financial contributions will be index linked from the final Heads of Terms date. All contributions will be index linked using the Retail Price Index, unless otherwise specified within the S106 agreement.

A late payment interest charge will be due when any payment due under a S106 agreement is paid more than 28 days past the date on which the payment is due. This will be charged at 4% above the base lending rate of Barclays Bank, calculated from the date payment is due until the date of payment.

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<sup>5</sup> [Statement of Community Involvement | South Derbyshire District Council](#)

<sup>6</sup> [Pre-application advice | South Derbyshire District Council](#)

<sup>7</sup> [Viability - GOV.UK \(www.gov.uk\)](#)



## Monitoring of Planning Obligations

The Council has an established process for monitoring and managing S106 agreements efficiently. This process is complex and involves the monitoring of development progress against a variety of triggers, liaising with internal and external partners and the raising of invoices.

The introduction of mandatory reporting of S106 agreements through the production of an annual Infrastructure Funding Statement means that the Council, as a collecting authority, is required to provide data about contributions within South Derbyshire District. This includes the number of monies secured, amounts received and the expenditure within the previous financial year.

To help fund this work paragraph 2A has been inserted into Regulation 122 of the Community Infrastructure Regulations 2010 (as amended)<sup>8</sup> with regard to the charging of monitoring fees:

- the monitoring fee should fairly and reasonably relate in scale and kind to the development; and
- should not exceed the authority's estimate of its cost of monitoring the development over the lifetime of that development.

Developers entering into a S106 agreement or unilateral undertaking will be required to pay a monitoring fee. The fee payable will be based upon the scale of development as determined by the table below, in order to cover the Council's costs incurred in the monitoring of the obligations.

Scale of Development	Monitoring Fee
A Up to 10 residential dwellings or up to 5,000 sq m of commercial floorspace, or to vary an existing Section 106 agreement.	£500
B Up to 50 residential dwellings or up to 10,000 sq m of commercial floorspace.	£1,000
C Up to 100 residential dwellings or over 10,000 sq m of commercial floorspace.	£2,000
D Over 100 residential dwellings	£2,500

It should be noted that:

- The fee payable is per S106 agreement and is in addition to the legal fees payable that are associated with drawing up and/or checking/amending emerging agreements.
- For mixed use developments that include both a residential and commercial element, the relevant fee from both components would be payable. This follows the same principle used in the national fee regime for planning applications.
- The monitoring fee will be payable upon commencement of development.

<sup>8</sup> [The Community Infrastructure Levy Regulations 2010 \(legislation.gov.uk\)](https://www.legislation.gov.uk)



- If another LPA is also a signatory to the S106 agreement, they will also request a separate monitoring fee to be paid. This will cover their costs of monitoring the agreement and the obligations within it. The County Council sets out its requirements within Chapter 7 of their Developer Contributions Protocol.

## Financial Contributions

Section Two of this SPD outlines the types of contributions that will be sought within S106 agreements. The Council will seek contributions where existing facilities are insufficient to cope with the increased demand that arises from the proposed development. If the existing facilities and services can sufficiently absorb this demand, then the Council will not seek contributions. When determining contributions, the Council will consider the cumulative effect from adjoining small developments or additional developments on the edge of previously developed sites. This includes where a development borders a neighbouring authority. Each planning application is judged on an individual basis.

The rates set out in this SPD will be used to guide the appropriate level of contributions from a proposed development site. If it can be demonstrated to the satisfaction of the Council that the development would have a lesser impact than expected, the rates can be adjusted accordingly, for example, where it is shown that there is some capacity in the existing infrastructure to meet part of the impact arising from the development. This ensures that the contributions collected are fair and reasonably related in scale and kind to the development.

Developing sites incrementally or sub-dividing a site to avoid contributions will not be acceptable. The needs generated by a site as a whole should be used as the basis on which to seek contributions. This ensures that the necessary contributions are divided fairly, including when a site is to be divided up between different developers and also so that the services and facilities that are required to mitigate the development can be delivered in a comprehensive manner.

All S106 agreements will include triggers for the payment of financial contributions; timescales will also be specified for the spending of the contributions. Any contributions that remain unspent at the end of the period specified within the S106 will be repaid to the developer upon request.

The financial rates, set out in Appendix 1, will be updated every year on 1 April to reflect current costs due to inflation, as determined by the Retail Prices Index. Unless stated otherwise only the rates will be updated, the formulae for calculating the contributions will remain the same.



## Section 2 - Contribution Information

### Affordable Housing

One of the roles of the Council is to enable and coordinate the provision of housing, including affordable housing, to meet the needs of the local community.

**Policy H21: Affordable Housing** requires 30% affordable housing on sites over 15 dwellings.

The Council will have regard to up-to-date evidence when negotiating for affordable housing on sites, which includes:

- The Strategic Housing Market Assessment
- Information from the Council's housing waiting list
- Any local housing needs studies required for rural development
- Existing supply
- Derbyshire County Council studies on specialist housing need
- Evidence of affordable housing need in the locality of the site.

Please refer to the Council's [Affordable Housing SPD](#) for further information and guidance.

### Biodiversity

A DEFRA metric may be requested for major applications; this would be to ensure no net biodiversity loss. This meets with the requirements of the NPPF to “contribute to and enhance the natural and local environment by... minimising impacts on and providing net gains for biodiversity”.

### Built Facilities

#### *The cost calculations*

The cost of the Built Facilities levy is based upon the likely cost that has been identified within Sport England's Facilities Cost Data (2015)<sup>9</sup> for the major built facilities identified within South Derbyshire District Council's Open Space, Sport and Community Facilities Strategy<sup>10</sup> that are required to service the predicted population by 2028, which is 130,973 residents.

The estimated costs of the major built facilities are:

- Sports Halls – 13 courts = **£9,405,000**
- Swimming Pools – 2 x 25m x 4 lane pools = **£6,860,000**
- Artificial Turf Pitch – 106m x 70m fenced & floodlit 3G with 50mm deep pile = **£940,000**
- Health & Fitness Suites – 102 Fitness Stations = approximately 510 m<sup>2</sup> = **£1,005,545**
- Community Buildings
  - Hilton Village Hall Extension (one badminton court hall)
  - Repton Village Hall Upgrade (one badminton court hall)
  - The Seales (Overseal / Netherseal) Upgrade (one badminton court hall)
  - New community facility development on housing estates in excess of 1,000 dwellings

NB The costs for the extension/upgrade projects in Hilton, Repton and Seales have been included in the 13 courts above.

<sup>9</sup> [Facility cost guidance | Sport England](#)

<sup>10</sup> [Active South Derbyshire | South Derbyshire District Council](#)



### *Costs Not Included in the Calculations*

The costs quoted above **do not include**:

- Project-specific details/information including poor ground conditions, difficult access and long service connections.
- Inflation beyond Q1 2015
- VAT
- Land acquisition costs
- Regional cost variations in materials and labour – they are average costs across England.

The estimated total cost of these built facilities is **£18,210.545**. This total cost is increased by 4.3% to reflect the predicted increases in tender prices to December 2015, as identified in Sport England's Facility Cost Guidance. This increases the total estimated cost to **£18,993,598** and the per capita cost to **£145.02** per person.

### Education

Derbyshire County Council, as the Local Education Authority (LEA), has a statutory duty to make education provision available for each young person and elects where possible to provide a school place for each child at their normal area school. This duty applies across all schools and includes Academies. Although a new school must be established as a Free School, and some existing schools have opted to become an Academy, the statutory duty to plan provision remains with the LEA. The provision of additional school places is required to ensure that proposed housing development is acceptable<sup>11</sup>.

Where the County Council's assessment concludes that the normal area schools would not have sufficient capacity to accommodate the pupils arising from the proposed development, the County Council will request financial contributions to provide additional capacity<sup>12</sup>.

Please refer to the Derbyshire County Council's Developer Contribution Protocol for further information on how Education contributions are calculated.

### Flooding and Drainage

The Council will look to ensure that development is appropriately flood resistant and resilient<sup>13</sup>. In accordance with South Derbyshire adopted Local Plan Policy SD3, "Surface water from new development will be expected to be managed using Sustainable Drainage Systems (SuDS); discharge to watercourse; or connection to surface water mains sewer" to manage surface water run-off. All new developments in areas at risk of flooding should look to ensure that SuDS are incorporated within them.

#### *Threshold*

The provision and the detailed design of the SuDS scheme is generally secured through a planning condition. However, it may be that planning obligations will be sought to secure necessary SuDS management arrangements or off-site works for flood alleviation. In these circumstances, each

<sup>11</sup> [Infrastructure planning - Derbyshire County Council](#)

<sup>12</sup> [Potential impact of housing development \(derbyshire.gov.uk\)](http://www.derbyshire.gov.uk)

<sup>13</sup> NPPF paragraph 163



development will be looked at on a case-by case basis following advice from Derbyshire County Council as the Local Lead Flood Authority.

### *Management and Responsibility for SuDS within a development*

As a way of ensuring the SuDS are maintained throughout their operative life to keep them working effectively, they are secured within the Section 106 agreement. The landowner and/or developer will have the option of either transferring ownership to Severn Trent or transferring ownership and responsibility for future maintenance to a management company.

Prior to the commencement of development, the developer will need to submit the information below to South Derbyshire District Council for approval:

- A SuDS plan, illustrating the location, size and layout of the SuDS within the development.
- Notification as to whether the developer elects Severn Trent to maintain the SuDS or for it to be transferred to a management company. If a management company is chosen, the following information will need to be supplied for approval within the SuDS management plan. This is to ensure that the development will remain in an acceptable condition in perpetuity.
  - The management company's corporate structure, directors and officers together with details of the proposed management company or other organisation.
  - The mechanism of funding, including the details of any proposed service charge payable by the owners of the dwellings and justification for any amount proposed
  - The arrangements that are in place, should the management company cease to operate or exist.

All SuDS should be delivered to the standard adoptable by Severn Trent.

## Healthcare

The Council works with the Derby and Derbyshire Clinical Commissioning Group (CCG) to facilitate improvements to meet the health needs of residents and improve health provision within the District through the delivery of the Derbyshire Health and Wellbeing Strategy<sup>14</sup>.

Where a proposed development will produce extra demand on local healthcare provision, beyond the capacity of the existing provision, developer contributions may be sought to meet the arising need.

The CCG will be consulted on all major planning applications that are submitted to the Council. Generally, the CCG will ask that financial developer contributions are made from schemes of 30 dwellings or more, towards improving healthcare.

The formula for calculating a financial contribution towards healthcare infrastructure, as advised by the CCG is set out below:

The calculation below provides an example for a 200-dwelling scheme:

(B) Additional patients to be accommodated	X	(D) Standard area m <sup>2</sup> / person. 0.08m <sup>2</sup>	X	(E) Cost of extension including fees £/m <sup>2</sup>	=	Total cost (B) x (D) x (E) £96,000
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<sup>14</sup> [Health and wellbeing strategy - Derbyshire County Council](#)



(Number of dwellings x 2.5)				£2,400*		
500						

\*District Valuer's 2019 build cost estimate for Primary Care

The Derbyshire County Council Developer Contributions Protocol (2019)<sup>15</sup> provides additional guidance and advice on ensuring that the potential impact on human health and population are considered within the early stages of planning proposals. This guidance also highlights the need to support the Derby and Derbyshire CCG to deliver a shared approach in assessing the impact of proposed development on primary care services and health care facilities.

## National Forest

The National Forest Guide for Developers and Planners<sup>16</sup> expects planting in accordance with the table below. Where this planting cannot be accommodated, then a financial contribution can be made in lieu. This is calculated at £35,000 per hectare.

National Forest Planting Requirements			
Housing sites under 0.5ha	Normal landscaping appropriate to the site's setting	<b>Industrial, Commercial and Leisure Developments under 1ha</b>	Normal landscaping appropriate to the site's setting.
Housing sites between 0.5ha -10ha	20% of the development area to be woodland planting and landscaping	<b>Industrial, Commercial and Leisure Developments over 1ha</b>	20% of the development area to be woodland planting and landscaping.
Housing sites over 10ha	30% of the development area to be woodland planting and landscaping	<b>Industrial, Commercial and Leisure Developments over 10 ha</b>	30% of the development area to be woodland planting and landscaping.
New road schemes or improvements to existing routes		New road schemes should achieve well-wooded settings with planting adjoining the road and off-site. Appropriate landscaping should also accompany road improvements. In each scale the levels of planting will depend on the scale and impact of the development.	
Committed sums		In exceptional circumstances where the planting guidelines cannot be met, a commuted sum should be paid instead. This should reflect the most up-to-date guideline rate identified by the National Forest as set out in the Guide for Developers and Planners.	

<sup>15</sup> [Infrastructure planning - Derbyshire County Council](#)

<sup>16</sup> [Partner with us: Developers & Planners | National Forest](#)



## Open Space

The Council will look to work with its partners to ensure that high quality green space and recreation facilities are provided in order to meet the needs arising from the new residential development.

Open space covers a range of different typologies including parks and gardens, amenity green space, semi-natural green spaces, allotments and children's play areas.

### Threshold for Provision Levels

Dwellings Provided	Requirement
11-20 dwellings	Commuted sum payable for a contribution towards off-site provision
21+ dwellings	Commuted sum for formal open space & off-site provision of informal open space and children's play
50+ dwellings	As for 21+ dwellings and also the requirement for the provision of a Locally Equipped Area for Play (LEAP).
100+ dwellings	As for 50+ dwellings and also the requirement for the provision of a Neighbourhood Equipped Area for Play (NEAP) for children up to the age of 12.

Please refer to the Fields in Trust guidance for Outdoor Sport and Play, 'Beyond the Six Acre Standard' (2015)<sup>17</sup> for further detail on the design standards that are required.

The Council does not accept Local Areas for Play (LAP's) as open space provision.

### Management and Maintenance for Open Space

The landowner and/or developer will have the option of: electing to transfer the open space to the Council, subject to receipt of a commuted sum; retaining ownership and responsibility for the open space themselves or; transferring ownership and responsibility for future maintenance to a management company.

Prior to the commencement of development, the developer will need to submit the information below to the Council for approval:

- An Open Space Plan. This should be drawn at an identifiable scale (ideally 1:500), show the north direction, the position of the open space in relation to the site boundaries and enable the open space to be clearly identifiable from the ground.
- Specification for the on-site open space and LEAP (if applicable). This should show the location, size, layout, and proposed landscaping of the open space within the proposed development. It should also include information of any equipment that is to be installed for approval.
- Notification as to whether the developer elects for the Council to maintain the open space or for the maintenance responsibility to be transferred to a management company. If a management company is chosen, the following information will need to be supplied for

<sup>17</sup> [Guidance for Outdoor Sport and Play | Fields in Trust](#)



approval within the open space management plan. This is to ensure that the development will remain in an acceptable standard in perpetuity.

- The management company's corporate structure, directors and officers together with details of the proposed management company or other organisations.
- The mechanism of funding, including the details of any proposed service charge payable by the owners of the dwellings and justification for any amount proposed
- The arrangements that are in place, should the management company cease to operate or exist.

## Calculations for Provision

### *The Current National Standards*

Fields in Trust recommends that a standard of 3.2ha per 1,000 population is applied for informal outdoor space, which includes parks and gardens; amenity green space, together with natural and semi-natural outdoor space. This equates to 32.0 m<sup>2</sup> per person. If the recommended standard for equipped / designated play areas is added at 0.25ha per 1,000 population, this gives a total of **3.45ha per 1,000 population**, equivalent to **34.5 m<sup>2</sup> per person**. This will be the standard required to ensure that the District does not fall behind the national standard.

### *Land Acquisition Costs*

Agricultural land is valued at approximately £21,000 per ha, equating to **£2.10 per m<sup>2</sup>**. Providing 34.5m<sup>2</sup> per person would therefore cost around **£72.45 per person**.

However, it is acknowledged that in the majority of cases, land for informal outdoor space is often provided free of charge by the developer, meaning that land acquisition costs would not apply.

### *Construction Costs*

A construction cost of **£21.36 per m<sup>2</sup>** is considered adequate for: land clearance and ground preparation; drainage; construction of pathways; installing fences and gates, lighting, supply of topsoil; planting of trees and shrubs; providing bins and benches, seeding and establishment of grassed areas and general landscaping. Providing 34.5 m<sup>2</sup> per person would therefore cost **£736.92 per person**.

### *Development of Equipped Play Areas*

As a general principle, and in alignment with national standards, it is reasonable to justify that a new LEAP or a contribution to a new NEAP, will be required for every 1,000 of new resident population created by developments.

Currently, the market cost of creating a new LEAP is approximately £75,000, giving a notional cost of **£75.00 per person** to levy.

### *Land Maintenance / Management*

The Council applies a levy of £1.74 per m<sup>2</sup> per annum for maintenance of all public open space, which over 10 years equates to £17.40 per m<sup>2</sup>. In line with Sport England's national guidance relating to maintenance costs, the proposal is to extend the maintenance period to 25 years equating to **£43.50 per m<sup>2</sup>**. This contribution will be towards the maintenance costs of all forms of open space.



The potential financial implications for developers, based on provision of **34.5 m<sup>2</sup> per person**, are as follows:

Open Space Maintenance Levy	Maintenance Cost Per Person	New Play Area Cost Per Person	Construction Cost Per Person	Total Cost Per Person
10-year maintenance model	£600.30	£75.00	£736.92	<b>£1,412.22</b>
15-year maintenance model	£900.45	£75.00	£736.92	<b>£1,712.37</b>
20-year maintenance model	£1200.60	£75.00	£736.92	<b>£2012.52</b>
25-year maintenance model	£1500.75	£75.00	£736.92	<b>£2312.67</b>

In order to provide and maintain the green infrastructure required to service new developments and populations, the Council will levy suitable sums from developers, set at a rate balancing the cost of creating and maintaining informal green space with affordability.

The 10-year maintenance period will be required as a minimum. Therefore, the levy based on the minimum recommended level is in the region of **£1,412.22 per person**.

### *Caveats*

There may be certain circumstances when the Council considers a lower level of levy in respect of informal open space. These are:

- Where a site may have had planning permission (outline or full) granted previously with a S106 levy attached based on the previous rate (i.e. £373 per person) and the permission has recently lapsed. If a fresh application is made, the Council will consider whether it sets the levy at the new rate.
- Where a site is in a Sub-Area which already has a sufficient supply of informal open space to meet the likely demand created by the projected increased population. However, open space provision across the District is currently lower than the aspirational levels, and population projections indicate that all Sub-Areas will have a shortage of open space by 2028.
- Where it has been demonstrated that the viability of a scheme is reduced, for example because of high remediation costs due to abnormal ground conditions. The Council's decision will be made at Planning Committee.
- The Council will adopt open space following consultation and approval from both the Operations and Cultural Services Team. The only exception being SuDs and SWALEs that Severn Trent Water should adopt.

### Cemeteries



In order for the Council to provide and maintain burial space to service the new developments.

### Land Acquisition Costs

Agricultural land is valued at approximately £21,000 per ha, equating to **£2.10 per m<sup>2</sup>**. Using a rational of 5m<sup>2</sup> per person would therefore cost approximately **£10.50 per person**.

### Construction Costs

A construction cost of **£21.36 per m<sup>2</sup>** is considered adequate for: land clearance and ground preparation; drainage; construction of pathways; installing fences and gates, supply of topsoil; planting of trees and shrubs; providing bins and benches, seeding and establishment of grassed areas and general landscaping. Using the previous rational of 5 m<sup>2</sup> per person it would therefore cost **£128.16 per person**.

## Outdoor Sports Facilities

### The Current National Standards

The Fields in Trust Benchmark Guidelines (2015)<sup>18</sup> recommend that a standard of **1.9ha per 1,000 population** is applied for formal outdoor space. This includes playing pitches; other sports areas; Multi Use Games Areas (MUGAs); and skate parks. This equates to **19.0 m<sup>2</sup> per person**.

### Pitch Development

The pitch development costs comprise the cost of the land and the costs associated with constructing pitches, with agricultural land being valued at £21,000 per ha, which equates to **£2.10 per m<sup>2</sup>**.

Within Sport England's Guidance – 'Facilities Costs – Q1 2015', the cost of developing natural turf sports pitches is estimated as follows:

PITCH CONSTRUCTION COSTS	AREA m <sup>2</sup>	COST	COST PER m <sup>2</sup>
<b>FOOTBALL</b>			
U7/8 Mini Football (44m x 33m)	1,419	£20,000	<b>£14.09</b>
U15/16 Youth Football (97m x 61m)	5,917	£65,000	<b>£10.99</b>
Senior Football (106m x 70m)	7,420	£75,000	<b>£10.11</b>
<b>RUGBY UNION</b>			
130m x 80m	10,400	£105,000	<b>£10.10</b>
<b>CRICKET</b>			
8-pitch square + 2 winter sports pitches (125.6m x 164.4m)	20,649	£245,000	<b>£11.86</b>
<b>BOWLS</b>			
Flat or Crown Green (40m x 40m)	1,600	£125,000	<b>£78.12</b>

These costs **include**:

- 12 months maintenance / grow-in period

<sup>18</sup> [Guidance for Outdoor Sport and Play | Fields in Trust](#)



- Allowance for fees at 6% to cover the cost of a planning manager; site investigation; planning and associated fees.

They **do not include**:

- Project-specific details/information, including poor ground conditions, difficult access and long service connections.
- The costs for site remodelling, pump and sump systems and SuDS attenuation.
- Inflation beyond Q1 2015
- VAT
- Land acquisition costs
- Regional cost variations in materials and labour – they are average costs across England.

The Bowls example is included to demonstrate that pitch construction costs per m<sup>2</sup> can vary greatly however the majority of pitches to be provided as a result of development are likely to be for football, cricket or rugby union.

The above figures indicate that natural turf pitches for these sports are likely to cost **between £10.10 and £14.09 per m<sup>2</sup>** to construct, at Q1 2015 prices. This, together with potential land acquisition costs, produces an overall notional development cost of **£12.20 to £16.19 per m<sup>2</sup>**.

Applying these rates to the 19.0m<sup>2</sup> per person allocation produces a development levy of **between £231.80 and £307.61 per person**.

However, it is acknowledged that in the majority of cases, land for pitch development is provided free of charge by the developer, which would reduce the cost per m<sup>2</sup> by £2.10, back to the £10.10 - £14.09 per m<sup>2</sup> range, and consequently, the cost to **£191.90 to £267.71 per person**.

In a wider context, costs need to reflect the relative construction costs in the District, when compared to national averages. An appropriate indicator to measure these is the Mean House Prices (for new dwellings) contained in the Office for National Statistics' 'House Price Statistics for Small Areas' (HPSSA) Dataset 13, which contains data up to the end of Quarter 2, 2015.

In this dataset, the average cost of a new dwelling across England in Quarter 2, 2015 was **£293,991**, whereas in South Derbyshire, it was **£203,456**. This produces a scenario whereby the South Derbyshire housing market costs are **69.2%** of the England average.

Therefore, by applying this percentage to the pitch development costs identified earlier, it would reduce the levy per person to **between £132.79 and £185.26 per person**

The Council currently applies a levy of **£0.75 per m<sup>2</sup> per annum** for pitch maintenance, which over 25 years equates to **£18.75 per m<sup>2</sup>**. Although this sum only represents approximately 40% - 45% of the 'ideal' maintenance expenditure recommended by Sport England, it is nonetheless considered to be a fair level of expectation to levy from developers as their contribution to pitch maintenance costs.

### Pitch Maintenance / Management

Sport England, in its Guidance on 'Life Cycle Costs – Natural Turf' (April 2012) recommends that, based on a 25-year cost model, organisations should allocate approximately 15 - 17% of the total cost of developing a pitch for its maintenance (see table below).



The likely pitch development costs set out in the previous section give us the basis for calculation.

Therefore, in context of the monies required for annual maintenance of natural turf pitches, these figures indicate that the following amounts would be required:

PITCH MAINTENANCE / MANAGEMENT COSTS	AREA - m <sup>2</sup>	COST - % OF CAPITAL COST	ANNUAL COST	ANNUAL COST PER m <sup>2</sup>
<b>FOOTBALL</b>				
U7/8 Mini Football (44m x 33m)	1,419	17.0%	£3,400	<b>£2.40</b>
U15/16 Youth Football (97m x 61m)	5,917	17.0%	£11,050	<b>£1.87</b>
Senior Football (106m x 70m)	7,420	16.7%	£12,525	<b>£1.69</b>
<b>RUGBY UNION</b>				
130m x 80m	10,400	16.7%	£17,535	<b>£1.69</b>
<b>CRICKET</b>				
8-pitch square + 2 winter sports pitches (125.6m x 164.4m)	20,649	15.3%	£37,485	<b>£1.82</b>
<b>BOWLS</b>				
Flat or Crown Green (40m x 40m)	1,600	6.3%	£7,875	<b>£4.92</b>

The Sport England costs relate to 'day to day' repairs and planned preventative maintenance, based on all works being contracted to specialist grounds maintenance contractors. Items for consideration include: specified mowing; application of fertilizer; application of herbicide; application of sand top dressing; drill seed; verti-drain; spiking and slitting; scarification; application of earthworm suppressant; rolling; verti-cutting; loam top-dressing; line marking.

This cost model is clearly designed to provide an 'A1' pitch maintenance regime for every natural turf pitch which, whilst justifiable for the quality of pitches required / expected at the FA's National Football Centre at St George's Park near Burton-on-Trent, would be unviable for the vast majority of public pitches provided and maintained by local authorities.

The Council currently applies a levy of **£0.75 per m<sup>2</sup> per annum** for pitch maintenance, which over 25 years equates to **£18.75 per m<sup>2</sup>**. Although this sum only represents approximately 40% - 45% of the 'ideal' maintenance expenditure recommended by Sport England, it is nonetheless considered to be a fair level of expectation to levy from developers as their contribution to pitch maintenance costs.

The 25-year period reflects Sport England's recommended maintenance model. Additionally, 25 years is generally acknowledged as being the length of time attributable to a 'generation'.

Based on **19.0m<sup>2</sup> per person**, the relative maintenance levies would be:

Pitch Maintenance / Management Costs	Based On £0.75 Per m <sup>2</sup> Per Annum	Levy Per Person (Based
10-year maintenance model	£7.50	<b>£142.50</b>
25-year maintenance model	£18.75	<b>£356.25</b>



Combining the pitch development and maintenance costs produces the following options:

Pitch Development Maintenance Levy	Pitch Development Costs Per Person (Minimum)	Pitch Development Costs Per Person (Maximum)	Pitch Maintenance Levy	Overall Levy Per Person (Minimum)	Overall Levy Per Person (Maximum)
10-year maintenance	£132.79	£185.26	£142.50	<b>£275.29</b>	<b>£327.76</b>
25-year maintenance	£132.79	£185.26	£356.25	<b>£489.04</b>	<b>£541.51</b>

The minimum and maximum figures for the respective maintenance periods above represent between **25.1% - 49.0%** uplift over the existing 10 year-based levy, and **122.3% - 146.1%** uplift over the existing levy.

A minimum 10-year maintenance period will be sought, with a levy based on the minimum recommended level – i.e., **in the region of £275.29 per person.**

### Caveats

There may be certain circumstances whereby the Council may wish to consider a lower level of levy in respect of Outdoor Sports Facilities. These are:

- Where a site may have had planning permission (outline or full) granted previously, with a S106 levy attached based on the old level (i.e., £220 per person), but development did not commence within the prescribed period, and therefore the permission lapsed. If a re-application is made, the Council will consider whether it defines the levy at the new rate.
- Where a site is in a Sub-Area which already has a sufficient supply of grass pitches to meet the likely demand created by the projected increased population, the Council may wish to consider levying a smaller sum towards grass pitch provision. Currently, all Sub-Areas do have a requirement for some addition pitch provision, which varies from sport to sport. This will change over time, as new developments come on-stream, and new green infrastructure is developed. The greatest concentration of grass pitches is currently within the Central Sub-Area, but this reflects the fact that the Sub-Area also contains the largest percentage of the population.
- The economic viability of a development will be the key driver in negotiations regarding section 106 contributions. Where the viability of a scheme is reduced because of, e.g., high remediation costs as a result of abnormal ground conditions, then the amount of available money for commuted sums may need to be redefined, or provision is made for a management company to adopt the open space and the maintenance costs are deducted from the overall contribution.



## River Mease

Please refer to the Council's website<sup>19</sup> for the latest update regarding the River Mease Developer Contribution Scheme.

It is a requirement of legislation for development not to affect the integrity of the River Mease Special Area of Conservation. Historically this has been achieved through developer contribution schemes, known as DCS1 and DCS2.

## Transport

Derbyshire County Council, as Highway Authority, may seek contributions towards highway improvements, greenways, public transport, low emission vehicle infrastructure or towards a travel plan. This will be on a site-by-site basis. Please refer to the Derbyshire County Council's Developer Contribution Protocol for further information.

## Waste

Please refer to Derbyshire County Council's Developer Contribution Protocol for any proposals for developer contributions towards Household Waste Recycling Centres.

## Library Services

Please refer to Derbyshire County Council's Developer Contribution Protocol for any proposals for developer contributions towards library services.

It should be noted however that each development is different and therefore not all the contributions identified within the County Council's Developer Contributions Protocol would apply to every development.

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<sup>19</sup> [River Mease update - November 2020 | South Derbyshire District Council](#)



## Appendix 1: Contributions Summary

The table below sets out a summary of the developer contributions required for new residential developments in South Derbyshire. The rates will be updated on an annual basis using the latest RPI figures that are available at the start of each financial year.

Type of Contribution	Requirement (see below for further detail)
Affordable Housing	30% of development on a site-by-site basis
Biodiversity	A DEFRA metric may be requested for major applications
Built Facilities	£145.02 per person
Cemeteries	£128.16 per person
Education	Please refer to Derbyshire County Council's Developer Contribution Protocol
Healthcare	Refer to Section Two for the formula for calculation.
Monitoring Fees	Refer to Section One for the calculation
National Forest	Refer to Section Two for further information
Open Space	£1,412.22 per person
Outdoor Sports Facilities	£275.29 per person
River Mease	Refer to Section Two for information
Transport	This will be on a site-by-site basis. Please refer to Derbyshire County Council's Developer Contribution Protocol
Waste	This will be on a site-by-site basis. Please refer to Derbyshire County Council's Developer Contribution Protocol
Libraries	This will be on a site-by-site basis. Please refer to Derbyshire County Council's Developer Contribution Protocol
Broadband	The County Council will not expect fibre-based broadband to be provided to make a development acceptable in planning terms, however developers should look to provide for NGA broadband infrastructure services as an integral part of the development scheme at the outset. This will support the Government's targets for the availability of full fibre and 5G networks. Please refer to Derbyshire County Council's Developer Contribution Protocol
Other contributions	In some cases, development may result in a need for other mitigating actions, and these will be assessed on a case-by-case basis. Such requirements may relate but not be limited to Flood and Water Management, Biodiversity, Archaeology and the Historic Environment, Landscape Character improvements and Canals and Waterways.



County Council monitoring fees	Outlined in the County Council's Developer Contributions Protocol Chapter 7
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## Appendix 2: Planning Obligations Procedure

