Salford City Council

Draft Supplementary Planning Document
Planning Obligations

January 2019
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1. Introduction

1.1 This document is a proposed revision of the existing Planning Obligations Supplementary Planning Document (SPD) that was adopted by Salford City Council in June 2015. The SPD is being updated for three main reasons:

- To reflect changing national policy and legislation
- To respond to the latest information on development viability in Salford
- To provide additional guidance on the implementation of local policies on planning obligations in light of experience in applying the existing SPD

Planning obligations and this document

1.2 Planning obligations are used in order to mitigate the impacts of new development and to ensure that it is acceptable in planning terms. Planning obligations can be secured to support the delivery of a wide range of infrastructure, services and facilities, such as the provision of affordable housing, the enhancement of open space, the delivery of transport improvements, or the expansion of schools to create additional places.

1.3 Planning obligations are secured through a legal agreement entered into under section 106 of the Town and Country Planning Act 1990 (s106). They may only constitute a reason for granting planning permission for a development where they meet the following tests:

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.

1.4 This Planning Obligations Supplementary Planning Document (SPD) sets out the city council’s policies relating to planning obligations that are supplementary to existing development plan policies.

1.5 A key principle underpinning the approach to securing planning obligations is the need to have regard to development viability. The cumulative impact of all financial requirements when taken together with other policy requirements should not compromise development viability across the city. The policy approach has been informed by a strategic assessment of viability. The requirements for affordable housing vary by area, reflecting the variation in development viability which exists across the city.

1.6 The SPD specifically supplements the following saved Unitary Development Plan (UDP) policies, although other development plan policies may also be relevant for individual developments:

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1 Regulation 122(2) of the Community Infrastructure Levy Regulations 2010
2 Salford City Council (January 2019) Salford Revised Draft Local Plan Strategic Assessment of Viability
• DEV5 – Planning conditions and obligations
• ST5 – Transport networks
• DES3 – Design of public space
• H1 – Provision of new housing development
• H4 – Affordable housing
• H8 – Open space provision associated with new housing development
• EHC3 – Provision and improvement of health and community facilities
• A8 – Impact of development on the highway network
• CH3 – Works within conservation areas
• CH7 – Manchester, Bolton and Bury Canal
• R2 – Provision of recreation land and facilities

1.7 Whilst the SPD does not form part of the development plan, it will be an important material consideration in the determination of planning applications.

Main changes in this draft SPD

1.8 The overall approach in this draft SPD is similar to that in the existing adopted SPD. This reflects the successful way in which the existing SPD has been implemented, and the way in which it has helped to ensure that the impacts of new development are satisfactorily mitigated.

1.9 The main changes in this draft SPD are as follows:

• Informed by a new strategic viability assessment
• Updated to reflect new/revised national planning policy and guidance, including an expectation that all viability assessments will be made public
• Shortened some text to improve readability and remove duplication
• Added new policies on the artificial splitting of sites and reduced planning obligations
• Revised the affordable housing requirements, including separate new policies on build to rent developments and the application of the vacant building credit
• Amended thresholds in some policies:
  o For affordable housing, in the case of residential sites over 1 hectare the policy now applies to any number of dwellings rather than 11 or more
  o For education contributions, the policy now applies to all schemes involving a net increase of 10 or more dwellings rather than 11 or more houses
  o For open space, transport and public realm, the policies now apply to all schemes involving a net increase of 10 or more dwellings rather than 11 or more

Consultation on this draft SPD

3 Salford City Council (January 2019) Salford Revised Draft Local Plan Strategic Assessment of Viability
1.10 The city council invites comments from stakeholders and consultees on this Draft Planning Obligations SPD. Comments should be received by the city council no later than 4.30pm on Friday 22 March 2019 in order for them to be taken into account in informing the final version of the SPD that the city council will adopt.

1.11 Comments may be submitted by the following means:
- By email to plans.consultation@salford.gov.uk
- By post to: Planning Obligations SPD consultation, Spatial Planning, Salford City Council, Civic Centre, Chorley Road, Swinton, M27 5BY
- By hand to: Salford Civic Centre main reception, Chorley Road, Swinton, Salford

1.12 If you have any questions regarding this consultation, please contact the city council by telephone on 0161 793 3782, or by email at plans.consultation@salford.gov.uk

1.13 It should be noted that the policies within this draft SPD will only be applied for the purposes of decision making upon any future adoption of the document. In advance of this, the existing approach to planning obligations as set out within the adopted Planning Obligations SPD will continue to be applied.

1.14 This draft SPD has been written on the assumption that the Government implements its proposed changes to planning obligations that were published in October 2018. In particular, the Government has signalled its intention to lift the restriction on the pooling of planning obligations (i.e. the number of planning obligations that can contribute to the same infrastructure project), and to make clear that local authorities can seek a fee from applicants towards monitoring planning obligations. In December 2018, it published draft regulations to implement these changes.

Previous consultation that has informed the preparation of this draft SPD

1.15 Between March and April 2018 the city council sought the views of stakeholders and consultees on its intention to undertake a review of the current Planning Obligations SPD. The city council issued a scoping consultation letter which set out the intention to undertake a review of the SPD, and welcomed both general comments and responses to a number of specific issues.

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4 Ministry of Housing, Communities and Local Government (October 2018) Government response to supporting housing delivery through developer contributions: A summary of consultation responses and the Government’s view on the way forward
5 Ibid, paragraphs 25 and 53
6 Ministry of Housing, Communities and Local Government (December 2018) Reforming developer contributions: Technical consultation on draft regulations
1.16 Responses to this scoping consultation were received from 13 organisations. These responses have been used to inform the production of this draft SPD. Details of the scoping consultation, together with the representations received and the city council’s response to these is set out in the consultation statement which is published alongside this draft SPD\(^7\).

**Sustainability appraisal and strategic environmental assessment**

1.17 The review of the Planning Obligations SPD has been screened for the need to undertake a sustainability appraisal and strategic environmental assessment, and it has been determined that such assessments are not required.

1.18 The determination statement can be viewed on the [Review of Planning Obligations SPD webpage](#) on city council’s website.

\(^7\) Salford City Council (January 2019) *Planning Obligations SPD – Consultation Statement*
2. Planning obligations and the need for this document

Introduction

2.1 When determining a planning application for new development, the city council has to weigh a broad range of considerations to assess if the development would be acceptable. One of those considerations is whether the development would generate a need for new or improved infrastructure, services or facilities, without which the development may be unacceptable.

2.2 Planning obligations are one mechanism for ensuring that any such need is met. Planning obligations can be used to secure new or improved infrastructure, services and facilities, and where appropriate their maintenance, to ensure that new development is acceptable. The new or improved facilities may either be provided directly by the developer, or a financial contribution may be paid to the city council, which will arrange for the necessary investment to be made. Planning obligations can be secured to support the delivery of a wide range of infrastructure, such as the provision of affordable housing, the improvement of open space, the delivery of transport improvements, or the expansion of schools to create additional places.

Legislative context

2.3 Section 106 of the Town and Country Planning Act 1990 provides the mechanism for planning obligations to be secured from development. The Community Infrastructure Levy (CIL) Regulations 2010 (as amended) set out additional legislation on the use of planning obligations.

2.4 Regulation 122 of the CIL Regulations defines that for a planning obligation to be taken into consideration in granting planning permission, it must be:

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.

2.5 Regulation 123 of the CIL Regulations currently places limitations on the pooling of planning obligations. It effectively provides that since 6 April 2015 no more than five separate planning obligations may be entered into which provide for the funding or provision of an infrastructure project, or for the funding or provision of a type of infrastructure. For the purposes of this pooling restriction, the limit of five planning obligations is applied retrospectively to all obligations signed by an authority after 6 April 2010.
2.6 The Government has recently indicated its intention to lift these pooling restrictions, and it is anticipated that this will occur during 2019\(^8\). This SPD has been written on the basis that there will be no pooling restrictions by the time of its adoption.

National policy context

2.7 The National Planning Policy Framework (NPPF)\(^9\) identifies that local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. It highlights that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition (paragraph 54).

2.8 The NPPF sets a presumption that up-to-date policies on planning obligations should apply, and says that it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision-maker, and such assessments should reflect the approach in national guidance and be made publicly available (paragraph 57).

2.9 The national Planning Practice Guidance (PPG) provides further advice on planning obligations and viability. It sets out a clear expectation that viability assessments should be made publicly available other than in exceptional circumstances. It also states that an “existing use value plus” (EUV+) approach should be taken to land value assumptions in viability assessments, which is based on the existing use value of the land plus a suitable premium for the landowner.

Development plan

2.10 The Planning Obligations SPD supplements the following saved policies of the Unitary Development Plan (UDP), although other development plan policies may also be relevant for individual developments:

- **Policy DEV5 – Planning conditions and obligations** identifies that development that would have an adverse impact on any interests of acknowledged importance or would result in a material increase in the need or demand for infrastructure, services, facilities, and/or maintenance, will only be granted planning permission subject to planning conditions or planning obligations that would ensure adequate mitigation measures are put in place.

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\(^8\) Ministry of Housing, Communities and Local Government (October 2018) *Government response to supporting housing delivery through developer contributions: A summary of consultation responses and the Government’s view on the way forward*, paragraph 25

\(^9\) Ministry for Housing, Communities and Local Government (July 2018) *National Planning Policy Framework*
Policy ST5 – Transport networks identifies that transport networks will be maintained and improved through a combination of measures, including the protection and extension of the network of pedestrian and cycling routes, the expansion and improvement of the public transport system, the maintenance and improvement of the highway network, and the provision of new road infrastructure where this will support the city’s economic regeneration.

Policy DES3 – Design of public space sets out a series of design criteria for development which includes the provision of, or works to, public space.

Policy H1 – Provision of new housing development identifies that all new housing development will be required to contribute towards the provision of a balanced mix of dwellings within the local area in terms of size, type, tenure and affordability. The policy also identifies that new housing development will where necessary be required to make an adequate contribution to local infrastructure and facilities required to support the development.

Policy H4 – Affordable housing identifies that in areas where there is a demonstrable lack of affordable housing to meet local needs, developers will be required to provide an element of affordable housing of appropriate types on all residential sites over 1 hectare or in housing developments of 25 or more dwellings.

Policy H8 – Open space provision associated with new housing development identifies the requirements in relation to open space provision associated with new housing development, and states that planning permission for housing development will only be granted where adequate and appropriate provision is made for formal and informal open space and its maintenance over a twenty year period. The policy identifies that the open space should be provided either as part of the development or through an equivalent financial contribution based on a standard cost per bed space for both capital and maintenance.

Policy EHC3 – Provision and improvement of health and community facilities relates to the provision and improvement of health and community facilities, and identifies that where a significant expansion of facilities is proposed on a site that does not currently enjoy good accessibility by a range of means of transport, contributions or improvements to pedestrian, cycling and/or public transport facilities and services may be sought.

Policy A8 – Impact of development on the highway network identifies that development will not be permitted where it would have an unacceptable impact on the highway network. The reasoned justification identifies that it will be important that development proposals incorporate sufficient measures to ensure that they will have
no unacceptable impact on the highway network. It identifies that planning obligations will be used where appropriate to ensure that any proposed mitigation or improvement measures are implemented.

- **Policy CH3 – Works within conservation areas** seeks to preserve and enhance the character and appearance of conservation areas. The reasoned justification identifies that the city council will seek to enter into planning obligations with developers to secure improvements to the public realm of conservation areas, to ensure that the overall impact of development on an area’s character and appearance is positive.

- **Policy CH7 – Manchester, Bolton and Bury Canal** identifies that where the restoration or improvement of the canal or towpath is necessary to enable development to proceed satisfactorily, or where the development would benefit directly from the restoration or improvement, contributions will be sought with a view to securing such restoration or improvement.

- **Policy R2 – Provision of recreation land and facilities** identifies the recreation standards which are applied for the purposes of saved UDP Policy H8 in terms of identifying the requirements in relation to open space provision associated with new housing development.
3. Approach to securing planning obligations

Summary of overall approach

3.1 The nature of planning obligations, and the legislative requirements which govern their use, means that each obligation needs to be considered individually having regard to the site-specific circumstances of a development proposal. Notwithstanding this, it is possible to identify common issues that are likely to arise from the majority of development schemes, and for which planning obligations may be required to mitigate the impacts.

3.2 The city council’s approach to securing planning obligations is therefore based around the following priorities, which derive clearly from the saved policies of the Salford Unitary Development Plan (UDP):

- **Affordable housing**: New housing development will be required to contribute to a balanced mix of dwellings within the local area in terms of tenure and affordability. Where there is a demonstrable lack of affordable housing developers will be required to provide an element of affordable housing to meet local housing needs, and this will be secured via a planning obligation.

- **Open space**: New housing development will create additional demand for open space facilities, and therefore appropriate provision for formal and informal open space will be required, together with its ongoing maintenance. In some instances the most effective means of achieving this will be through providing some open space on-site. In other instances a financial contribution will be sought towards off-site provision.

- **Education**: New housing development will generate an additional requirement for school places. A developer contribution will therefore be sought towards the expansion of primary schools within the city in order to accommodate the additional requirement for pupil places. In certain instances where there are no opportunities to expand existing schools within the surrounding area, a developer may be required to set aside land for a school.

- **Transport**: New development will place additional pressure on existing transport networks within the city, and may in turn generate a requirement for improvements to transport infrastructure and services. Planning obligations will be one mechanism used in order to secure the provision of necessary transport works and improvements.

- **Public realm**: New development may generate a requirement for investment in the public realm, where a development will generate intensified use of the public realm, or to provide a high quality setting for new development and ensure its positive integration within the
urban form. Planning obligations may therefore be sought in order to secure the provision or improvement of the public realm.

- **Other contributions**: There may be instances where a development would result in a material increase in the need or demand for other types of infrastructure or services. In these cases the city council will negotiate with a developer on a case by case basis having regard to site-specific circumstances, and planning obligations may be the mechanism for securing provision.

3.3 The policies within this document and their reasoned justification provide supplementary guidance on when planning obligations will be required, and the nature of these requirements.

**Responding to the latest evidence**

3.4 The policies in this SPD on open space and education use financial formulae for calculating the typical scale of contribution that would be appropriate. The city council publishes annual updates of the relevant cost information, usually around March each year, to ensure that any financial contributions accurately reflect the costs of provision involved.

3.5 The policy on education is based around the number of children of primary school age that would be expected to occupy the proposed development. Demographic changes can result in these pupil yields changing over time. The city council will publish new data as it becomes available, and amend the application of the policy accordingly if required.

3.6 The city council will monitor changes in the viability of development. If any such changes are significant, then this is likely to prompt a review of this SPD.

**Definitions**

3.7 The definitions below apply to all relevant policies in this SPD.

3.8 **A dwelling** is defined as a self-contained unit of residential accommodation. Self-containment is where all of the rooms (including the kitchen, bathroom and toilet) in a household’s accommodation are behind a single door and are not shared with other households. Non-self-contained household spaces at the same address are collectively counted as one or more dwellings, based on the extent to which they share facilities.

3.9 The definition of a **house** includes:

a) Self-contained residential accommodation with direct access from the ground floor and no adjoining accommodation either above or below, such as detached, semi-detached, terraced, townhouse and mews dwellings;

b) Other forms of self-contained residential accommodation that would have a similar function to the above in category (a), having regard to the size and layout of their internal and external space, particularly in
terms of the likelihood of them being occupied by households with children.

3.10 **A bed space** is defined as the number of bedrooms within a dwelling, plus one. For example, a two bedroom dwelling has three bed spaces, and a four bedroom dwelling has five bed spaces. Bed spaces represent the number of people that could reasonably be expected to occupy a dwelling, and therefore its likely impact on the need for facilities such as open space. Studio apartments and bedrooms in non-self-contained accommodation are considered to have two bed spaces, unless it can be clearly demonstrated that they are incapable of satisfactorily accommodating more than one person. The exception to this is student accommodation, where it will be assumed that each bedroom has one bed space unless it has been designed to accommodate more people.

**Thresholds**

3.11 Planning obligations are used to address the unacceptable impacts of proposed developments, and hence their use may be appropriate for developments of all types and size.

3.12 Minimum thresholds (in terms of the number of dwellings proposed, amount of floorspace and/or site size) are used in this SPD for the policies on affordable housing, open space, education, transport and public realm, as it will be appropriate for all developments above those thresholds to make a suitable contribution given the scale of the impacts that they are likely to have.

3.13 A threshold of 10 dwellings is used for open space, education, transport and public realm. The thresholds for affordable housing are: all developments providing 25 or more dwellings, and all residential sites over 1 hectare irrespective of the number of dwellings. These affordable housing thresholds are based on saved UDP Policy H4.

3.14 For non-residential developments, a threshold of 1,000 square metres is used for transport and public realm.

3.15 It may also be appropriate for smaller developments to make contributions in relation to these and other requirements, and this need will be determined on a case by case basis. Affordable housing will not be sought for residential developments of fewer than 10 dwellings or the site has an area of less than 0.5 hectares in accordance with paragraph 63 NPPF, although the city council would strongly encourage such provision.
Artificial splitting of sites

Policy OB1  Artificial splitting of sites

Where there is evidence that a site or a development has been artificially split in order to avoid policy requirements by being below any relevant size/dwelling threshold, the council will consider whether it would be appropriate to apply the policy requirements to each of the smaller sites individually irrespective of their size/number of dwellings in order to secure planning obligations in accordance with this supplementary planning document. In determining whether separate sites should be aggregated to form a single site for the purposes of applying this policy, the city council will consider:

1)  Existing and previous land ownership;
2)  Whether the areas of land could be considered to be a single site for planning purposes; and
3)  Whether the development should be treated as a single development.

The city council will consider each application on the facts as a matter of planning judgement.

Reasoned justification

3.16  The use of thresholds helps to provide clarity for developers regarding likely planning obligation requirements whilst maintaining flexibility for smaller sites. It is important that this flexibility is not abused by developers who artificially split their sites in order to fall below any threshold and hence potentially reduce or avoid appropriate planning obligations. This is particularly important in relation to affordable housing, given the relatively large size threshold.

Area-based requirements

3.17  The requirements of this SPD apply equally to all areas of Salford, except in the case of affordable housing. The affordable housing policy sets different requirements in different areas of the city (shown on a map in Policy OB3), based on the local housing market and financial viability.

Existing buildings

3.18  All references in this SPD to the number of dwellings or number of bed spaces in a residential development apply to the net change in dwellings/bed spaces; that is, the number of dwellings/beds spaces proposed in the development minus any that currently exist on the site and would be lost for example due to demolition, conversion or change of use. Where there is a relatively short time period between the demolition of dwellings and their replacement, as would be expected as part of a regeneration scheme, it will
be appropriate for the demolitions to be deducted in calculating the net increase. In circumstances where a longer time period has elapsed between demolition and redevelopment, there is unlikely to be a case for deducting previous demolitions in calculating the net increase.

3.19 Similarly, all references in this SPD to the amount of non-residential floorspace in a development apply to the net change in floorspace. Where the development involves the loss of one use of floorspace and its replacement with another type of floorspace, then regard will be had to the varying impacts that the different uses might have.

3.20 The approach to the vacant building credit is set out in Policy OB5 in the affordable housing chapter of this SPD.

Outline applications

3.21 Several of the policies in this SPD are directly related to the number of dwellings, houses, bed spaces and/or non-principal bedrooms that will be provided in a development. For an outline planning application, it is possible that some or even all of these may not be known, as the number and/or type of dwellings may be amongst the reserved matters.

3.22 In such circumstances, it will still be necessary to ensure that the development makes appropriate provision for infrastructure, services and facilities in accordance with the policies of this SPD. The preferred approach will be to include the relevant cost formulae in the s106 agreement, so that there is a clear commitment to providing appropriate contributions to priorities such as open space and education. Those contributions can then be calculated at the reserved matters stage once the number, type and/or size of dwellings is known, without having to amend the agreement.

Starter homes exception sites

3.23 National planning practice guidance states that starter homes on starter homes exception sites should not be required to make affordable housing or tariff-style section 106 contributions, but that planning obligations should be sought from any market housing on such sites10. This approach will be followed in the application of this SPD.

Delivering wider benefits

3.24 The city council will seek to maximise the benefits that are delivered through planning obligations, whilst ensuring that such obligations meet the legal tests set out in paragraph 2.4 of this SPD. As part of this, the city council will have regard to existing plans and strategies when determining the most appropriate way to spend financial contributions or agreeing off-site works. This will include area-based regeneration strategies, green infrastructure and

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10 Paragraph 31 of the Planning obligations section (Reference ID: 23b-031-20161116) and paragraph 12 of the Starter Homes section (Reference ID: 55-012-20150318)
greenspace strategies, biodiversity action plans, school investment programmes, and transport delivery plans. Regard will also be had to opportunities to bring different funding streams together in order to further enhance the benefits of investment. This will help to better mitigate the impacts and meet the needs of new developments, as well as delivering wider advantages for local communities.

Pre-application engagement

3.25 Applicants are strongly encouraged to engage in pre-application discussions with the city council in order to determine the nature and scale of contributions that will be required, prior to submitting a planning application. This will ensure that the determination of applications is not unnecessarily delayed. Details of the process for engaging with the city council at the pre-application stage are set out on our website at http://www.salford.gov.uk/preapplicationadvice
4. Viability appraisals and reduced planning obligations

Viability assessment of the SPD

4.1 This SPD has been informed by an assessment of the viability of residential development within Salford\(^\text{11}\). The purpose of the viability assessment is to ensure that the cumulative impact of the affordable housing and other planning obligation requirements, when taken together with other local and national policies and standards, should not compromise the viability of a typical scheme. It is a strategic assessment of viability across the city and is based on the appraisal of a number of example development typologies, which have been assessed across defined residential value areas.

4.2 It is recognised that the economics of individual schemes will vary, reflecting site-specific conditions. Where there are significant site abnormals, it is possible that the required level of affordable housing provision and other developer contributions could compromise development viability. In such instances, the city council will enter into negotiations with developers to consider whether there is a justifiable case for a reduction in the scale of contributions.

4.3 The strategic viability assessment conducted by the city council relates exclusively to residential development. There would be no value in undertaking an assessment of viability for non-residential development, as where a contribution is required this will be negotiated on a case by case basis, and viability will be a legitimate consideration informing these negotiations.

Viability appraisals and reduced planning obligations

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<td>Development will be permitted with reduced planning obligations compared to policy requirements only where:</td>
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<td>1) The applicant has submitted a viability appraisal that reflects the recommended approach in national planning guidance and provides a clear explanation for any assumptions that deviate from those used in the city council’s latest strategic viability;</td>
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<tr>
<td>2) The value of the planning obligations has been maximised having regard to likely viability;</td>
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<td>3) A clawback mechanism has been incorporated into a legal agreement, where appropriate, to ensure that additional mitigation is provided if</td>
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\(^{11}\) Salford City Council (January 2019) Salford Revised Draft Local Plan Strategic Assessment of Viability
final development viability is better than anticipated in the viability assessment; and

4) The benefits of the development outweigh the lack of full mitigation for its impacts, having regard to other material considerations.

Where a viability appraisal is submitted by an applicant in order to justify a reduced contribution, it and any revisions to it will be published prior to the determination of the planning application unless there are exceptional circumstances. Where such exceptional circumstances exist, an executive summary that includes sufficient information to enable the public to fully understand the main inputs and conclusions of the appraisal must be provided and published.

Reasoned justification

4.4 Where a developer considers that there are site-specific issues which mean that the cumulative effect of policy requirements and planning obligations would compromise development viability in relation to a particular scheme, the city council will enter into negotiations to determine whether a reduced contribution would be appropriate and, if so, the scale and nature of that reduction. In such circumstances, the developer will be required to provide the city council with appropriate evidence of the likely impact of the proposed planning obligation(s) on the viability of their development. The scope of the viability evidence that needs to be submitted is set out within the city council’s planning obligations proforma statement. Further advice on viability appraisals is set out later in this section and in the national Planning Practice Guidance.

4.5 In reviewing the viability evidence, the city council will take a view on the applicant’s case as a whole. There will be instances where certain planning obligations are fundamental in order to mitigate the impact of a development, and therefore even where a viability assessment demonstrates that a scheme is unable to support any obligations, this does not necessarily mean that these requirements can be waived. In such instances the city council may therefore refuse a planning application where a development would generate unacceptable impacts which could not be effectively mitigated and which are not outweighed by the benefits of the development.

4.6 Where a developer intends to submit viability evidence as the basis for seeking to negotiate a reduced contribution, this evidence should be received prior to validation of the planning application unless otherwise agreed at the pre-application stage. Where evidence is submitted following validation, this will only be accepted where the applicant agrees to an appropriate extension of time for the determination of the planning application, given that the timescales associated with the independent assessment of such evidence and subsequent negotiation may otherwise compromise the city council’s ability to meet the application determination deadline. Any delays resulting from discussions about development viability will not be an appropriate justification for applicants not properly engaging in other relevant discussions about planning obligations, such as whether affordable housing can be provided on a site.
4.7 Where the city council accepts the applicant’s case for a reduced contribution, the city council will need to take a view on the prioritisation of the various contributions, having regard to the impact on development viability as a whole.

**Viability appraisals**

4.8 The ‘Viability’ section of the national Planning Practice Guidance (PPG) establishes a series of key principles that developers should have regard to in the preparation of viability evidence. All viability appraisals will be expected to comply with these principles.

4.9 The city council will seek independent advice to review any viability evidence that is submitted by applicants. The costs associated with this will be met by the applicant.

4.10 It is expected that developers should have regard to the scale of policy requirements and planning obligations when acquiring land as part of their due diligence, and therefore where a developer has clearly overpaid for a site this will not be accepted as a justification for negotiating a reduced contribution. The PPG is clear that: "Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan"\(^\text{12}\). In particular, the city council will expect viability appraisals to use the ‘existing use value plus’ (EUV+) approach set out in the PPG\(^\text{13}\), based on the existing use value of the land plus a suitable premium for the landowner.

4.11 Viability appraisals must be based on up-to-date evidence, with an appropriate breakdown of costs, which reflect local market circumstances and the specifics of the proposed development. For example, the use of published development cost averages will often not be appropriate, even where they purport to relate to Greater Manchester or the North West, as in practice these are typically higher than the actual costs of developments in Salford.

4.12 All viability appraisals should be produced by a relevant qualified professional, who should be instructed on the basis of conducting an independent assessment with no incentive for reducing the scale of planning obligations.

**Transparency**

4.13 Good information on how planning obligations have been agreed and used is essential to maintaining public confidence in the planning system.

4.14 Where planning obligations do not accord with all of the policy requirements in this SPD, it is important that local communities can understand fully why a reduced contribution is considered necessary and appropriate. The publication of viability appraisals is a key aspect of this. The PPG is clear that:

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\(^\text{12}\) Paragraph 018 of the Viability section of the Planning Practice Guidance (10-018-20180724)

\(^\text{13}\) Paragraph 013 of the Viability section of the Planning Practice Guidance (10-013-20180724)
“Any viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances”\(^{14}\).

4.15 The city council will apply a presumption that all viability assessments submitted as part of the planning application process, or in relation to clawback (see below), will be published. In accordance with the above advice in the PPG, the city council will only depart from this presumption where this would create a genuinely exceptional problem for the applicant that is highly unlikely to apply to other developments and clearly outweighs the benefits of publishing the full viability assessment.

4.16 The city council produces quarterly reports on planning obligation income and expenditure, which are published on its website\(^{15}\). This helps to ensure that people can understand the scale of financial contributions, and how and where they are being spent.

**Clawback mechanism**

4.17 Where the city council accepts an applicant’s case for a reduced contribution, it will typically require the applicant to enter into a legal agreement which would require the developer to make a financial contribution in the event that the viability of a scheme improves subsequent to the undertaking of the initial viability appraisal. It may be that in the period between the point of an application’s submission and the completion of a development (which will typically be a number of years for larger schemes), the viability of a scheme improves. This could be due to a range of variables, such as a reduction in construction costs, or an increase in sales values.

4.18 In such instances, it will be appropriate that a developer submits an updated viability appraisal in order to demonstrate whether the scheme could have supported an increased developer contribution (addressing both affordable housing and other planning obligations where relevant). The city council will agree via negotiation with a developer the appropriate trigger points for the submission of updated viability evidence. In relation to a large scheme, or one that will be constructed in a series of defined phases, it will typically be appropriate to require the submission of an updated viability appraisal at one or more points over the course of development.

4.19 The city council will enter into a legal agreement with a developer in relation to the clawback mechanism, which defines the process for the submission of updated viability evidence and the mechanism for the recovery of any financial contributions. The developer will be liable to pay any fees incurred by the city council in relation to the independent financial appraisal of the viability evidence, and to pay any fees incurred associated with the preparation of the legal agreement.

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\(^{14}\) Paragraph 021 of the Viability section of the Planning Practice Guidance (10-021-20180724)

4.20 In calculating the maximum value of any clawback that may be payable, regard will be had to the full scale of affordable housing and other planning obligation requirements that would normally apply as set out within this SPD.

4.21 The city council will direct any developer contributions secured via the clawback mechanism in accordance with the policies of this SPD.
5. Affordable housing

Affordable housing requirements in new development

Policy OB3 Affordable housing

Minimum affordable housing requirements
All developments that provide 25 or more net additional dwellings, or are on a site of 1 hectare or more in size and provide any number of dwellings, shall deliver at least 20% of those dwellings as affordable housing. Within the areas listed in the following table (and shown in Figure 1 at the end of this policy), such developments shall deliver a higher minimum affordable housing requirement in accordance with that table.

<table>
<thead>
<tr>
<th>Residential value area</th>
<th>Dwelling type</th>
<th>Minimum proportion of affordable housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium</td>
<td>Houses and mid-density apartments</td>
<td>50%</td>
</tr>
<tr>
<td>High</td>
<td>Houses</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>Mid-density apartments</td>
<td>35%</td>
</tr>
<tr>
<td>Mid/high</td>
<td>Houses</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Mid-density apartments</td>
<td>25%</td>
</tr>
</tbody>
</table>

For the purposes of this table, mid-density apartment schemes are those comprising fewer than six storeys.

All minimum affordable housing requirements shall be rounded to the nearest full dwelling once the relevant proportion has been applied.

Where there is evidence that a site or development has been artificially split in order to avoid policy requirements by being below the dwelling or site size threshold identified above, in accordance with Policy PC1 the city council will consider whether it would be appropriate to apply the policy requirements to each of the smaller sites individually irrespective of their number of dwellings or site area in order to secure the delivery of affordable housing in accordance with this policy.

Green Belt land is not covered by the value areas, as new housing development within the Green Belt that is in excess of the thresholds in this policy will by definition be inappropriate. If exceptional circumstances exist to justify such development in the Green Belt, then the proportion of dwellings that are affordable must be maximised. The Greater Manchester Spatial Framework removes three sites in Salford from the Green Belt and allocates them for housing. It specifies the minimum affordable requirements for each site, and the relevant value areas for those sites are shown in Figure 1 below.

A reduced proportion of affordable housing from the above requirements may be considered acceptable only where:
1) It has been clearly demonstrated that all practicable options have been exhausted for delivering the minimum affordable housing requirement, including by partnering with registered providers and accommodating affordable homes financed through various sources such as Homes England, investment funds and commuted sums from other sites; and

2) The requirements of criteria 1-4 in Policy OB2 have been met.

The provision of affordable housing at higher levels than the minimum requirements of this policy will be strongly supported.

**Tenure of new affordable housing**

New affordable housing provision shall deliver the following mix of tenures to ensure that there is a diverse range of new affordable homes that meets the nature of the need within Salford:

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Proportion of the affordable homes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social rented</td>
<td>37.5%</td>
</tr>
<tr>
<td>Affordable rented</td>
<td>37.5%</td>
</tr>
<tr>
<td>Shared ownership</td>
<td>25%</td>
</tr>
</tbody>
</table>

A different affordable housing tenure mix from the table above may be acceptable where there is clear evidence this would help to better meet specifically identified local needs and address site-specific circumstances. The identification of any such need will be informed by discussions with the city council, and registered providers where they are to manage the affordable housing, having regard to the:

A) Choice based lettings data from Salford Home Search;
B) Characteristics of the households likely to be allocated to the affordable dwellings;
C) Existing supply of affordable housing in the local area, including the size and type;
D) Characteristics of the site;
E) Scale of the proposed development;
F) Level of local house prices and incomes; and
G) Financial viability of the proposed scheme.

**Type and size**

Given that there is a demonstrable need for all types (houses and apartments) and sizes (bedrooms and floorspace) of affordable housing, in the first instance the city council will expect that the affordable dwellings shall reflect the dwelling mix across the development as a whole.

A different mix of types and sizes may be appropriate on an individual site where there is clear evidence that this would help to better meet specifically

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16 Salford Home Search allows those who are eligible and registered as having a need for affordable housing to make a ‘bid’ for affordable properties when they become available for letting. Data that Salford Home Search provide includes the number of bid per property by size, type and location.
identified local needs and address site-specific circumstances. The identification of any such need will be informed by discussions with the city council, and registered providers where they are to manage the affordable housing, and having regard to criteria A-G of this policy.

**On-site and off-site provision**
The mechanism for providing the affordable housing shall be agreed with the city council, having regard to local factors and the desirability of delivering mixed communities. In some circumstances this will mean that on-site provision is most appropriate, whereas in other circumstances off-site provision or the payment of a commuted sum may enable the more effective delivery of affordable housing to meet local needs. The value of any commuted sum will be calculated on the basis of the above table, or any subsequent update in a supplementary planning document, and spent having regard to the latest evidence of need.

**Design**
Within mixed-tenure developments, the appearance of the affordable dwellings shall be indistinguishable from the open market dwellings and shall normally be “pepper-potted”.

Small clusters of up to ten affordable dwellings will typically be acceptable given the practicalities of managing and maintaining units, although larger clusters may be appropriate where:

1. A high proportion of units are affordable; or
2. An identified Registered Provider considers that larger clusters are required to ensure the efficient and effective management of the affordable housing.

All affordable housing shall be designed and built to appropriate and agreed standards.

**Delivery**
The provision of affordable housing will be secured through a section 106 agreement. This will specify the timing of the delivery of any dwellings and/or payment of commuted sums.

Where a registered provider is involved, the developer shall, unless otherwise agreed, build the dwellings to the specification of the registered provider and sell them to the registered provider at an agreed discount on the sale price. This discount will be based on the projected rental income and the registered provider's borrowing limits, taking into account location, property type, number of bedrooms, and tenure to be provided.

**Engagement**
Early involvement of the city council and registered providers in site discussions and design is strongly encouraged, preferably at the pre-application stage, in order to ensure that affordable housing provision will meet relevant requirements and standards.
Definitions
Affordable housing is defined in Annex 2 of the 2018 National Planning Policy Framework (NPPF).

Affordable housing shall include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

The requirement for affordable housing set out in this policy applies to all types of self-contained residential development including retirement dwellings, and also to co-living developments. In build to rent developments, affordable housing shall be provided in accordance with Policy OB4. Other housing that is not in the form of individual units of self-contained accommodation, as may be seen for example in care homes and nursing homes, will not be required to provide affordable housing.

Reasoned justification

5.1 Housing affordability in Salford is worsening and is a major challenge for many households. Housing costs can place significant pressures on household finances, particularly for those on low incomes or in insecure employment. Significantly increasing the supply of affordable housing is therefore a key priority, and a vital component of delivering a fairer Salford.
5.2 In recent years, Salford has been very successful at attracting large levels of new residential development, but there has been widespread public concern about the low proportion of affordable homes that have been delivered in private sector developments and, in particular, the large number of schemes that have provided no affordable housing at all.

5.3 As of 31 March 2018, there were 5,867 households on the housing register seeking affordable housing in Salford, with the vast majority of these being in priority need. Using the methodology in the national planning practice guidance, the 2019 Greater Manchester Strategic Housing Market Assessment identifies a need for 613 affordable homes per annum in Salford if the backlog of need were to be addressed over the next five years.

5.4 Criterion 1 of saved UDP policy H1 ‘Provision of new housing development' states that all new housing development will be required to contribute towards the provision of a balanced mix of dwellings within the local area in terms of size, type, tenure and affordability.

5.5 Saved UDP policy H4 ‘Affordable housing’ states that:

“In areas where there is a demonstrable lack of affordable housing to meet local needs, developers will be required, by negotiation with the city council, to provide an element of affordable housing, of appropriate types, on all residential sites over 1 hectare, irrespective of the number of dwellings, or in housing developments of 25 or more dwellings.”

5.6 Given the identified level of need and the fundamental right of people to have access to a decent home at a cost they can afford, the city council will negotiate the provision of affordable housing in all residential schemes that are above the thresholds set out in saved UDP policy H4. This will be vital to ensuring that inclusive communities are achieved and housing needs are met.

5.7 In light of the affordability challenges that residents face and having regard to development viability, the city council considers that at least 20% of new dwellings in schemes above the relevant thresholds should be in the form of affordable housing wherever possible (including in build to rent (see Policy OB4)). This will help to deliver a continued supply of new affordable homes to meet the substantial need that has been identified, whilst also supporting diverse neighbourhoods and enabling households of varying means to stay within or close to their community.

5.8 Government policy states that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, as part of the overall affordable housing contribution from the site. Having regard to the characteristics of households in need and the existing tenure mix, taking such an approach in Salford would significantly prejudice the ability to meet affordable housing needs in the city and hence is not appropriate. Instead, the tenure mix of the affordable housing should typically be three-quarters for rent (evenly split between social rent and affordable rent).
and one-quarter for shared ownership. Other forms of affordable home ownership will typically only be appropriate where viability is especially challenging. This approach will help to ensure that there is a diverse range of new affordable homes coming forward in the city to meet a variety of needs whilst being targeted particularly at the high proportion of households in need who are unable to afford any model of home ownership. It will also support the delivery of criterion 1 of saved UDP policy H1 relating to contributing to a balanced mix of dwellings in the local area.

5.9 The strategic viability assessment that has been produced by the city council suggests that delivering 20% affordable housing for some types of residential development in some parts of the city may be very challenging. This is based on a range of assumptions that may vary on individual sites, with some developments being more viable and some less viable than indicated in the assessment depending on factors such as the specific site characteristics, the funding model and tendering process for the development, and the market conditions at the time. This variability in viability, both between sites and over time, means that it is appropriate that the assessment is the starting point rather than the only determinant of the affordable housing policy.

5.10 The use of a minimum figure of at least 20% across Salford helps to clarify the expectation that developments above the saved UDP thresholds will make an appropriate contribution to meeting a range of housing needs including those requiring affordable homes. Where viability is more challenging, there may still be opportunities to achieve the 20% figure, including by attracting funding from third parties such as registered providers and through the use of affordable housing tenures that require lower subsidies. Nevertheless, there will be situations where it is appropriate to reduce or even waive the affordable housing requirement, and/or agree an affordable housing tenure mix with higher levels of affordable home ownership than would normally be appropriate, due to the specific circumstances of the development and where the benefits of providing new homes outweigh the lack of compliance with the affordable housing policy requirements. The approach that will be taken in relation to the negotiation of reduced contributions is set out in Policy OB2 of this SPD.

5.11 The strategic viability assessment indicates that viability is sufficiently strong in some parts of Salford to support more than 20% affordable housing in new residential developments. These are the areas with the highest house prices in the city, and hence where affordable housing is especially important if a diverse range of people are to be able to access a suitable home within them. Hence, it is appropriate to set higher minimum requirements than 20% in such areas in order to deliver sustainable communities and maximise the provision of new affordable homes to address the identified need within Salford. In some of these areas, separate requirements are set for schemes comprising houses and schemes comprising apartments, given that the strategic viability assessment demonstrates that there are significant differences between them in terms of their viability and therefore their scope to support affordable housing. Where a scheme as a whole exceeds the thresholds for when the policy applies, and comprises both houses and apartments, the relevant
affordable requirements will be applied proportionately to the houses and the apartments.

5.12 There is a demonstrable affordable housing need across the city for houses and apartments, and properties ranging from one bedroom to four bedrooms or more. It is considered impracticable and potentially undeliverable for each individual development to make provision to meet all of the varied needs that have been identified. Therefore, the approach set out in the policy is that where affordable housing is required, the starting point is that the type and size of the affordable dwellings should reflect the development as a whole. Given that new developments across the city when taken on a cumulative basis will provide a full range of types and sizes, this approach will ensure that new developments will be making provision that contributes towards meeting the identified affordable housing need for different property types and sizes.

5.13 The city council strongly encourages developers to bring forward affordable housing in partnership with registered providers (RPs) of affordable housing. Early engagement between the city council, RP and developer is also encouraged given the complexity of providing affordable housing. This will be particularly important for high density apartment schemes where there may be specific management issues for RPs associated with the integration of affordable dwellings in such schemes.

5.14 On-site provision of affordable housing will often be the most suitable approach, but off-site provision or a financial contribution of broadly equivalent value may be more appropriate in some circumstances, for example if this would better help to meet local affordable housing needs. Where a financial contribution is considered acceptable, the approximate cost of on-site provision to the developer will be established and the developer will pay this value to the city council. The cost to a developer of providing affordable housing is different by tenure, and so account will be taken of the tenure mix that would normally be sought on-site when calculating the value of the financial contribution. In addition, the city council will have regard to information from RPs active in the city in relation to the discounts they would normally need off the open market sales value to be able to manage properties.

5.15 Where a financial contribution has been agreed the city council will expect the developer to enter into a s106 agreement which will set out details including the timing of the payment and the point at which it is calculated, and the timescale within which it will be used. Any payment received will be held in a ring-fenced account and will be used to support affordable housing delivery. Having regard to this, amongst other things, financial contributions towards affordable housing will be used by the city council in the following ways:

- Financial support for the provision of sub-market rental properties, including those at lower than affordable rents, meeting local housing need, including provision through Derive (which is the local authority housing company);
- Assembly of land to support affordable housing delivery;
• Gap funding for affordable housing provision by RPs;
• Funding to support city council approved affordable housing intermediate products, including shared ownership and shared equity; and
• Any suitable means to support affordable housing in line with the objectives of the Salford housing strategy (or equivalent).

5.16 Although the affordable housing requirements in this policy only apply to developments above the thresholds in saved UDP policy H4, the delivery of affordable housing on smaller schemes is strongly encouraged. The city council will work in partnership with registered providers, Homes England, developers and landowners to maximise opportunities for affordable housing delivery across Salford.

Affordable housing in build to rent schemes

Policy OB4 Build to rent

Build to rent housing within developments that provide 25 or more net additional dwellings, or are on a site of 1 hectare or more in size and provide any number of dwellings, shall ensure that a minimum of 20% of the build to rent dwellings are in the form of affordable private rent and are:

1) At a rent that is at least 20% less than the private market rent (inclusive of service charges) for an equivalent dwelling;
2) Maintained as affordable private rent in perpetuity;
3) Distributed throughout the development and physically indistinguishable from the market rent homes in terms of quality and size; and
4) Occupied by eligible households having regard to household income levels and local rent levels.

For the purposes of this policy, housing only qualifies as build to rent if:

a) The whole development is under common ownership and management control for the long term;
b) The operator offers tenancies of three or more years to all tenants, with tenants having the option to terminate at one month’s notice, after the first six months, without a break fee being payable.

The change of affordable private rent dwellings to another tenure will be permitted only where:

A) It is clearly impracticable to retain the dwellings in affordable private rent, for example because the build to rent development is being converted to owner-occupation; and
B) The full value of the subsidy for the affordable private rent dwellings is paid as a commuted sum to the city council for reinvestment in the provision of affordable housing.

**Reasoned justification**

5.17 Build to rent is purpose-built housing where typically all of the dwellings are rented, professionally managed and in single ownership, and can comprise either houses or flats. Over recent years the city council has granted planning permission for a significant number of build to rent schemes, particularly in City Centre Salford and Salford Quays. Many of these schemes are currently under construction, with further schemes continuing to be proposed, demonstrating the demand for build to rent developments in Salford.

5.18 As with other private developments, build to rent schemes will need to make appropriate provision for affordable housing, helping to deliver more inclusive communities and a fairer Salford. This will typically be in the form of affordable private rent, but the provision of, or financial contributions towards, social rent, affordable rent or shared ownership will also be appropriate where it is of at least a commensurate financial value.

5.19 The scale of affordable housing provision required for build to rent schemes is consistent with the approach set out in the ‘Build to rent’ section of the Government’s Planning Practice Guidance.

**Vacant building credit**

**Policy OB5  Vacant building credit**

**Vacant building credit**

In accordance with the stated purpose of the vacant building credit, the credit will only be applied where it would support the reuse or redevelopment of buildings that would otherwise lie vacant. Consequently, it will not be applied where any of the following apply:

a) The vacant building has been abandoned;

b) The building has been made vacant for the sole purpose of redevelopment;

c) The building was occupied at the time the planning application was submitted;

d) The building is covered by an extant or recently expired planning permission for a similar development;

e) The site is protected for an alternative land use; or

f) The building is a temporary structure or of a secondary nature such as a shed or outbuilding.

For the avoidance of doubt, the building must be in existence at the time the planning application is approved, and the vacant building credit will not be
applied to buildings that have already been demolished irrespective of how recent that demolition may have been.

Where the affordable housing contribution is reduced as a result of the application of the vacant building credit, the provision of rented accommodation rather than affordable home ownership will be prioritised for the remaining contribution, reflecting the need within Salford.

Reasoned justification

5.20 The NPPF states that the affordable housing contribution due from a development should be reduced where vacant buildings are being reused or redeveloped, in order to support the reuse of brownfield land. This reduction should be equivalent to the existing gross floorspace of the existing buildings, but does not apply to vacant buildings that have been abandoned\textsuperscript{17}. The ‘Planning obligations’ section of the national Planning Practice Guidance (PPG) provides advice on the implementation of the credit.

5.21 It is important that the vacant building credit is not used as a way of reducing or removing legitimate affordable housing requirements. The PPG reinforces that the credit should not be applied to abandoned buildings, but also explains that it may be appropriate for local planning authorities to consider other issues such as whether the building has been made vacant deliberately for the purposes of redevelopment\textsuperscript{18}.

5.22 Vacant buildings can provide opportunities for positive temporary uses such as community functions or artistic activities. The city council does not want these temporary uses to be discouraged due to fears about the vacant building credit being lost. Hence, where the city council has agreed that the vacant building credit should be applied, any genuinely temporary use of the building in the interim that does not delay development will not void this.

\textsuperscript{17} Ministry of Housing, Communities and Local Government (July 2018) National Planning Policy Framework, paragraph 63 and footnote 28

\textsuperscript{18} Paragraph 023 of the Planning obligations section of the Planning Practice Guidance (23b-023-20160519)
6. Open space

Open space contributions from new housing development

Policy OB6  Open space contributions

New housing development that would result in a net increase of 10 or more dwellings and which includes no on-site provision of open space will be expected to make a financial contribution towards the provision or improvement of off-site open space as follows:

- House: £1,555 per bed space (at 2018/19 financial year prices)
- Apartment (and other forms of accommodation which are not encompassed within the definition of a house): £1,123 per bed space (at 2018/19 financial year prices)

Where a development does provide open space on-site, a calculation of the value of this facility will be made. Where the value of the on-site provision falls below the scale of the formula-based financial contribution (as set out above) and the proposed development would not meet the recreation standards set out in the saved UDP policies, payment of the balance will be required via a financial contribution towards off-site provision.

Whether open space is provided on-site or whether a contribution is made towards off-site provision, the developer will be required to ensure that the open space will be appropriately maintained in the long term.

For the purposes of this policy, a bed space is defined as the number of bedrooms within a dwelling, plus one.

The open space cost per bed space will be published annually by the city council. The most up to date published cost at the point of an application’s determination will be used for the purposes of calculating the financial requirement.

Reasoned justification

6.1 The provision of high quality open space facilities is a vital element of successful residential areas. New housing development creates additional demand for such facilities, and it is therefore important that this is satisfied either through the provision of new facilities or the improvement of existing ones.

6.2 Saved Unitary Development Plan (UDP) policy H8 ‘Open space provision associated with new housing development’ requires new housing development to make adequate and appropriate provision for formal and informal open space, and its maintenance over a twenty year period. It identifies that the amount of open space to be provided associated with new housing development will be calculated having regard to the aim of achieving
the standards set out in saved UDP policy R2 ‘Provision of recreation land and facilities’. Policy R2 identifies standards relating to four types of open space provision:

- A full range of youth and adult facilities in each service delivery area;
- A minimum proportion of 0.92 hectares of high quality managed sports pitches per 1,000 population\(^{19}\);
- A minimum of 0.25 hectares of equipped children’s playspace per 1,000 population; and
- Amenity open space to a standard reasonably related in scale and kind to the development it serves and sufficient to meet the need for casual children’s play space.

6.3 In addition to these standards, the policy also identifies walking distance standards, relating to the accessibility of households to equipped children’s playspace and to neighbourhood and district parks.

6.4 In some instances the most effective means of meeting the need generated by a development will be through providing an area of open space on-site within a development scheme. In other situations, it may be more effective to provide or improve open space facilities within the surrounding area.

6.5 Where a development does not provide any open space on-site, a financial contribution will be sought towards off-site provision. Equally, where a development does provide some open space on-site, subject to the nature and value of this provision, it may be that a proportionate financial contribution towards off-site provision will be required in addition. Such financial contributions will be secured via planning obligation. In order to calculate the appropriate scale of contribution that each new development will generate, the costs of providing open space have been calculated on a per bed space basis.

6.6 The policy identifies that a bed space is defined as the number of bedrooms within a dwelling, plus one. For example, a two bedroom dwelling has three bed spaces, and a four bedroom dwelling has five bed spaces. Bed spaces represent the number of people that could reasonably be expected to occupy a dwelling, and therefore its likely impact on the need for open space. Studio apartments are considered to have two bed spaces, given that they will normally be designed to enable occupation by up to two persons.

6.7 The policy applies to all types of housing, including other forms of accommodation which are not encompassed within the definition of a house. It therefore applies to specialist forms of accommodation, recognising that such development will typically generate a requirement for open space provision. In calculating the number of bed spaces within specialist forms of

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\(^{19}\) In relation to this standard, saved UDP policy R2 identified a minimum proportion of 0.73 hectares of high quality managed sports pitches per 1,000 population. The requirement was however subsequently revised upwards on the basis of the ‘Playing pitch and outdoor sports assessment report’ (Knight, Kavanagh and Page on behalf of Salford City Council (December 2007)), which updated the local sports pitch standard to 0.92 hectares per 1,000 population.
accommodation, the city council will have regard to the nature of proposed use and occupation. For example, in relation to student accommodation where each bedroom is designed for occupation by one student, each student bedroom will be counted as one bed space unless it has been designed to accommodate more people. In relation to retirement living accommodation, where each unit is designed for occupation by up to two persons, each unit will be counted as two bed spaces.

6.8 The costs of delivering each of the types of open space provision have been informed by data published by Sport England on the costs of delivering new sports facilities, and by empirical data collated by the city council on the costs associated with recent investment in open space across the city. A detailed explanation is set out at Annex A. This identifies that the proportionate cost (capital and maintenance) associated with meeting all of these standards would equate to £1,555 per capita (i.e. per bed space) for the year 2018/19.

6.9 It is recognised that the open space needs of different types of dwelling will vary. Houses can be expected to generate a requirement for each of the four types of provision (children’s playspace, sports pitches, amenity space, and youth and adult facilities), and therefore the £1,555 per capita figure is appropriate in this context. There will however typically be a reduced requirement for equipped children’s playspace associated with the development of apartments. The evidence base which was assembled in order to inform the education contribution demonstrates that the average primary pupil yield from dwellings in the form of apartments within the city is minimal. On this basis, it is not considered that a contribution towards equipped children’s playspace can be justified from apartments or other forms of accommodation which are unlikely to be occupied by households with children. Removing this from the calculation, the proportionate cost (capital and maintenance) to be applied in relation to apartments (and other forms of accommodation which are not encompassed within the definition of a house) would be £1,123 per capita (i.e. per bed space).

6.10 It should be noted that this approach does not calculate a separate financial contribution towards parks as there is no defined standard from which to quantify the provision of parks on a per capita basis. These figures are therefore likely to underestimate the actual cost of open space requirement that new housing will generate, however no additional contribution over and above the requirement set out in Policy OB6 will be sought in this regard. It will however be appropriate for financial contributions to be directed to parks, recognising that this will often be the most appropriate place for open space facilities to be located.

6.11 In the absence of evidence which justifies a more substantive change in costs, the open space cost per bed space will be increased annually in line with inflation. This will be undertaken by applying the Retail Prices Index (all items) annual percentage change to the value of the cost. The revised cost

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20 Salford City Council (June 2015) Planning obligations SPD: background document on primary pupil yield methodology and evidence base
will be published annually by the city council. The most up to date published cost at the point of an application’s determination will be used for the purpose of calculating the financial requirement.

**Maintenance**

6.12 Whether open space is provided on-site, or a financial contribution is secured towards its off-site provision, the developer will need to ensure that the long term maintenance of the open space is effectively provided for.

6.13 Where open space is to be provided on-site, the city council’s preference will generally be to assume management responsibility for any new open space. This is in order to provide a consistent and reliable approach to maintenance that is clearly accountable to the local community, recognising that where a developer has put private management arrangements in place and issues have arisen, the city council has often needed to intervene to rectify any issues that could not otherwise be resolved.

6.14 Where the city council assumes management responsibility for new open space, the developer will therefore be required to make a financial contribution towards the maintenance costs over a twenty year period. The appropriate contribution will be calculated having regard to the maintenance element of the published open space costs that applies to the particular type of open space which is being provided.

6.15 Where the city council does not assume management responsibility for new open space, the developer should ensure that its ongoing maintenance is provided for in the form of a management company or trust that is responsible for the upkeep of the open space in perpetuity to the satisfaction of the city council. In these circumstances, a covenant will be required to ensure that the area is available as public open space, together with an agreed specification for maintenance and management to ensure that the open space is properly cared for.

6.16 Where a financial contribution is secured towards the off-site provision of open space, a sum to cover its maintenance over a twenty year period is factored in to the value of the open space contribution set out within the policy.

**How contributions will be spent**

6.17 Financial contributions raised will be directed towards funding the capital costs associated with the provision or improvement of open space facilities, and towards the ongoing maintenance of those facilities which have been subject to provision or improvement.

6.18 Contributions may be directed towards a specific project that is named within the planning obligation agreement, or towards a type of open space in order to provide more flexibility in how the open space needs of the development are met. Other sources of funding from the city council or other organisations
may also be directed towards a project where appropriate, helping to maximise the benefits of developer contributions.

6.19 Whilst the scale of the financial contribution has been calculated having regard to the four types of open space facility as derived from the UDP policy (children’s playspace, sports pitches, amenity space, and youth and adult facilities), it would not be realistic to direct each individual contribution towards all of these four types. Such an approach would typically result in a small contribution towards each type, which would be insufficient to deliver any single facility. It would therefore be contingent on awaiting a number of contributions of a sufficient scale to be secured within the surrounding area which could be pooled together towards delivering a facility. This could mean that contributions are not spent until a number of years after a development is complete, resulting in a deficit of local provision in the interim. In order to maximise the effectiveness of any investment and to minimise any delay between a development’s completion and the provision or improvement of an open space facility, each contribution will therefore typically be directed towards funding a single facility type, having regard to the priority schemes locally. Whilst an individual contribution may be directed towards only one facility type, over time contributions will be directed towards the full range of open space facilities in the context of addressing any deficits in local provision.

6.20 Contributions may be directed towards the provision or improvement of a range of open space facilities, including:

- The full range of youth and adult facilities, such as bowling greens, tennis courts, all weather pitches, skateboard and wheeled facilities, basketball courts
- High quality managed sports pitches, including football, rugby and cricket, and associated changing facilities
- Equipped children’s playspace
- Amenity open space
- Natural greenspace
- Parks
- Allotments

6.21 Contributions may also be directed towards access improvements to such open space facilities, focused on their immediate vicinity. This will help to minimise potential barriers to residents of a development enjoying such facilities, and hence increase the effectiveness of off-site open space provision in meeting the needs generated by the development.

6.22 In relation to maintenance, it will generally only be appropriate for contributions to be directed towards the ongoing maintenance of those facilities which have been subject to provision or improvement via developer contributions, or where open space investment has been forward funded utilising public funding in advance of development coming forward.

**Calculating the value of on-site provision**
6.23 In calculating the value of any on-site open space provision, the city council will have regard to the quantity, quality and location of the provision. The quantity will be calculated as a proportion of the relevant local standard based on the total number of bed spaces within the development. The quality will be specific to the type of open space being provided, but the space must have a clear recreation function and be appropriately located within the site. The value of any land set-aside for open space provision will not be included for the purposes of the calculation.
7. Education

Education contributions from new housing development

Policy OB7  Education contributions

New residential development that would result in a net increase of 10 or more dwellings will be expected to make a financial contribution towards education provision on the basis of the following calculation:

Financial contribution per house = primary pupil yield factor x cost per primary pupil place

Primary pupil yield factor
This is calculated according to the number of non-principal bedrooms within a house. Each non-principal bedroom is expected to generate a requirement for 0.11 primary pupil places. The number of non-principal bedrooms within a house is the total number of bedrooms minus one. The primary pupil yield factor for houses is set out in the table below.

<table>
<thead>
<tr>
<th>Calculation (non-principal bedrooms) x 0.11</th>
<th>Primary pupil yield factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-bed house</td>
<td>0</td>
</tr>
<tr>
<td>2-bed house</td>
<td>0.11</td>
</tr>
<tr>
<td>3-bed house</td>
<td>0.22</td>
</tr>
<tr>
<td>4-bed house</td>
<td>0.33</td>
</tr>
<tr>
<td>5-bed house</td>
<td>0.44</td>
</tr>
<tr>
<td>6-bed house</td>
<td>0.55</td>
</tr>
<tr>
<td>And so on</td>
<td></td>
</tr>
</tbody>
</table>

Cost per primary pupil place
This cost will be published annually by the city council, to reflect the average capital cost of creating an additional primary school place through new-build construction / extension. The most up to date published cost at the point of an application’s determination will be used for the purpose of calculating the financial requirement. As of 2018/2019 financial year, the cost is £10,295 per primary pupil place.

Exemptions
Financial contributions towards education provision will not be sought from the following types of accommodation:

- Apartments
- One-bedroom houses
- Non-family units (e.g. sheltered housing, student housing, residential institutions, houses in multiple occupation)

Reasoned justification
7.1 Over recent years, Salford has faced a significant increase in the demand for primary school places, and pupil projections indicate that this increase will be sustained. The growth in demand for school places is creating significant pressures at the primary school level, where the majority of schools across the city are already full or approaching capacity. Whilst there are some areas of the city where the shortage of primary places is more acute, it is an issue facing all of the city’s neighbourhoods.

7.2 In order to fulfil its statutory duty to provide school places, the city council has had to direct significant investment towards the creation of additional primary school places. This has been achieved through a range of measures, including bringing back all available space within existing school buildings to create additional classrooms, extending school buildings on their existing site, and where necessary through the expansion of existing schools via split-site solutions using land within the city council’s ownership for the erection of new school buildings.

7.3 In response to the shortage of pupil places nationally, central government has made financial allocations to those authorities facing the greatest pressure on pupil places via basic need funding. Whilst these funding allocations have to date supported the city council’s primary school programme, it is clear that they will not be sufficient to fund the large-scale capital investment necessary to meet future requirements.

7.4 Expansion of the city’s primary school estate will be needed in order to accommodate the requirement for pupil places that new homes will generate. It is therefore appropriate that new housing development contributes towards meeting the demand for additional pupil places that it will lead to. In the majority of instances the city council will apply a formula-based approach to calculate the financial contribution towards education provision that will be sought from new housing development.

Primary pupil yield factor

7.5 In order to inform the approach to requiring an education contribution, the city council assessed the number of primary pupils resident within recent housing developments within the city. This led to a primary pupil yield factor being calculated. The assessment demonstrated that the average primary pupil yield from dwellings in the form of apartments within the city is minimal\(^{21}\). On this basis, contributions are not currently being sought in relation to dwellings in the form of apartments. However, the most recent monitoring suggests that primary pupil yields have increased for both houses and apartments in recent years, and if this continues then it may be necessary in a future review of this SPD to raise the primary pupil yield factor for houses and expand the scope of the policy to include apartments.

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\(^{21}\) Salford City Council (June 2015) Planning obligations SPD: background document on primary pupil yield methodology and evidence base
7.6 The primary pupil yield factor provides the basis for calculating the average number of primary pupils that a new housing development can be expected to generate. It therefore forms the basis of the approach to calculating a proportionate contribution from new development. The methodology for how the primary pupil yield factor was derived is set out in full in the background document on the primary pupil yield methodology and evidence base. 

7.7 One-bedroom houses are exempt as they should not typically result in a primary pupil yield, as they do not allow for separate sleeping accommodation for a parent and child. Whilst there may be particular circumstances where a family is occupying a one-bedroom house, this is considered to be exceptional and contributions will not therefore be sought in relation to one-bedroom houses.

7.8 Non-family units will not typically result in a primary pupil yield. Whilst there may be exceptions to this (for example, student housing that includes units designed specifically for occupation by students with children), such cases are exceptional and therefore contributions will not be sought in relation to non-family units.

Cost per primary pupil place

7.9 The cost factor that the city council will apply for the 2018/19 financial year is **£10,295 per primary pupil place**. This is derived from the Education Funding Agency’s contractors’ framework rates, as set out within cost guidance published by the Department for Education, adjusted for inflation. Additional detail on how this cost has been derived is set out in a separate report. The cost factor will be published annually by the city council, to reflect the average capital cost of creating an additional primary school place through new-build construction / extension. The most up to date published cost at the point of an application’s determination will be used for the purpose of calculating the financial requirement.

Application of calculation

7.10 The calculation will be applied to all dwellings in the form of houses within a development (excluding one-bedroom houses), as all tenures will lead to additional primary pupil place demand. Notwithstanding that securing affordable housing is an important policy objective, the city council will seek contributions regardless of tenure in order that new development makes appropriate provision for the requirement it will generate. In calculating the scale of contributions that development can support, the viability assessment which underpins the policy approach has been undertaken on this basis.

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22 Ibid
23 Salford City Council (March 2018) Planning Obligations Supplementary Planning Document: background document on cost updates
24 Salford City Council (January 2019) Salford Revised Draft Local Plan Strategic Assessment of Viability
7.11 A worked example of the how the formula-based calculation set out in this policy would be applied for a large scheme comprising a range of dwelling types is set out at Annex C.

7.12 In order to fully meet the additional requirement for primary pupil places that a development will generate, there may be circumstances where it is appropriate for the city council to agree a contribution that is either higher or lower than the standard calculation where there is clear evidence to justify departing from this. Such instances will be exceptional however, and the calculation set out within the policy will be the most appropriate mechanism for calculating the financial contribution in the majority of instances.

7.13 In line with saved policy DEV5 of the UDP, the city council considers that where a development would result in a material increase in the requirement for additional pupil places but the developer fails to make appropriate provision as set out in this SPD, this would justify the refusal of planning permission.

How contributions will be spent

7.14 Financial contributions will be directed to funding the capital infrastructure works associated with addressing the increased pressure on school provision that a development will generate. Other sources of funding from the city council or other organisations may also be directed towards a project where appropriate, and therefore developers may only provide a proportion of the total investment required to deliver the project.

7.15 Contributions may be directed towards a range of projects, including for example:

- Investment in expanding or converting existing school facilities, including classroom space and non-teaching facilities necessary to accommodate additional children (for example assembly space and catering facilities);
- Construction of new school buildings, or conversion of existing buildings into schools;
- Improvement and expansion of playground and playing field facilities necessary to accommodate additional children;
- Acquisition of land or buildings to accommodate school facilities; and
- Transport works around a school to enhance accessibility for residents of the development and mitigate the impacts of additional pupils, such as new/improved pedestrian crossings and parking management.

7.16 The city council will seek to minimise the capital cost to developers as far as practicable, by seeking to expand existing schools in the first instance, and by utilising the city council’s land assets to accommodate additional school place provision and facilities where necessary.

7.17 Expenditure will be directed to state-funded schools within the catchment of the contributing development. This will typically be within the pupil planning
area within which the development lies. In certain circumstances it may be appropriate for contributions to be directed to facilities within an adjacent pupil planning area, where a development scheme would result in additional pressure on these facilities.

7.18 Contributions will only be directed to the one-off capital infrastructure costs associated with addressing the increased pressure on school facilities. Contributions will not be used to fund school revenue expenditure. There is therefore no double-counting in terms of the use of contributions and the education grant funding that the city council receives from central government.

7.19 The city council will in the first instance seek to direct investment associated with increasing the number of pupil places towards strengthening Salford’s established education base. The expansion of existing schools will therefore be the city council’s first preference where practicable. Where the only option available is the establishment of a new school, the city council will seek to work with developers to ensure that the establishment of any new school complements existing education provision across the city.

Setting aside land for school provision

**Policy OB8  Setting aside land for school provision**

Where it is not practicable for the city council to expand capacity within existing schools sufficient to accommodate the additional requirement for pupil places that will be generated by a development, and there are no alternative solutions available in this regard, the city council will negotiate with the developer to secure the setting aside of land to accommodate a school.

Land set aside for schools should:

1) Be of sufficient size to accommodate the school facilities, including appropriate provision for outdoor recreation space. A one-form entry primary school will typically require a site of 1 hectare, and a two-form entry primary school will typically require a site of 2 hectares;

2) Be accessible to the development it is primarily intended to serve, and the wider catchment. The school site should be located so that it can effectively serve its catchment having regard to maximising accessibility by sustainable modes of transport. The school site should typically be located no more than a 1 mile walking distance from any of the dwellings on the development it is primarily intended to serve; and

3) Be located to minimise the impacts of associated traffic and car parking on the surrounding area.

Where land is to be set aside for a school, the school should be operational at a sufficiently early stage in the phasing of the overall development in order to ensure that the demand for school places can be satisfactorily accommodated.
The financial contribution set out in Policy OB7 will be reduced accordingly to reflect the cost of setting aside the land. Where the value of the land to be set aside falls below the value of the financial contribution as set out in Policy OB7, the developer will be expected to pay the remaining balance of the contribution towards the delivery of the school.

Reasoned justification

7.20 In the majority of instances, the approach to raising financial contributions as set out in Policy OB7 will be the most appropriate mechanism for a developer to make a proportionate contribution to the requirement for additional pupil places that their development will generate. The financial contribution secured will enable the city council to fund the capital infrastructure works associated with addressing the increased pressure on existing school provision that the development will generate.

7.21 There will however be certain instances where there is no scope to expand existing schools within an area (i.e. where schools occupy constrained sites), and there are no suitable alternatives available to the city council (for example, where there are no land or property assets within the city council’s ownership which would be suitable to accommodate a school).

7.22 Where there are no options available to the city council to provide additional pupil places within an area, the city council will enter into negotiation with the developer in order to ensure that appropriate provision is made for the pupil place requirement that the development will generate. In such circumstances, the developer will be required to set aside land for the provision of a school.

7.23 This situation is more likely to arise in relation to larger development schemes, given that such developments will generate a significant requirement for additional pupil places which may not be able to be met through expanding existing schools. This may require liaison with more than one developer or landowner.

7.24 Where land is to be set aside for a school, the city council will need to ensure that this is of an appropriate size and location. The land will need to be of a sufficient size to accommodate a school and its associated outdoor recreation space. The site sizes identified in the policy are derived from the guidance within Building Bulletin 99 which is considered to represent best practice in relation to primary school space standards, and will provide some flexibility for future expansion. The site should also be accessible to the catchment it is intended to serve. It should typically be located no more than a 1 mile walking distance from any of the dwellings on the development it is primarily intended to serve, so as to enable households to access the school by walking and minimise the number of car-based trips associated with school drop-off and pick-up.

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The financial contribution set out in Policy OB7 will be reduced accordingly to reflect the cost of setting aside the land. Where the value of the land to be set aside falls below the value of the financial contribution as set out in Policy OB7, the developer will be expected to pay the remaining balance of the contribution towards the delivery of the school. This will ensure an equitable approach so that the setting aside of land does not result in the overall value of a developer’s contribution being below what would typically be sought via Policy OB7. Conversely, where the value of the land exceeds the value of the financial contribution that would be sought via Policy OB7, the developer will be expected to set aside the land at no additional cost to the city council. In such instances, the setting aside of a site for a school will by definition be necessary to make the development acceptable in planning terms, and therefore it would not be appropriate for the city council to have to make a payment to the developer for the setting aside of a part of their development site, given that the need for the school arises from the need generated by the development itself.
8. Transport

Transport contributions from development

<table>
<thead>
<tr>
<th>Policy OB9  Transport contributions</th>
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<tbody>
<tr>
<td>The city council will seek a financial contribution towards the provision or improvement of transport infrastructure or services on a case by case basis from relevant developments comprising 10 or more dwellings, or 1,000 square metres or more of non-residential floorspace. The appropriate scale of any contribution will be negotiated having regard to site-specific circumstances.</td>
</tr>
</tbody>
</table>

Reasoned justification

8.1 New development will place additional pressure on existing transport networks within the city, and may in turn generate a requirement for improvements to transport infrastructure and services. Increasing levels of congestion will act as a barrier to the city’s future growth, and therefore it is important that all new development maximises its potential to encourage sustainable travel patterns. A development may require specific transport works to be undertaken in order to make the scheme acceptable in planning terms. It is therefore appropriate that planning obligations are utilised as a mechanism to secure developer contributions towards these works.

8.2 A standard formula has not been defined for calculating the scale of any transport contribution that is required, as this will vary on a site-specific basis depending on the scale, location and accessibility of the development. The strategic viability appraisal assumes an average contribution of £200 per bed space for transport, but the appropriate contribution for an individual development could be considerably higher or lower. The appropriate contribution for non-residential development will vary depending on the use.

8.3 Planning applications for development likely to give rise to significant transport implications will be accompanied by a transport statement, or a transport assessment and travel plan. The city council’s validation checklist identifies the thresholds for when transport assessments and transport statements will be required. The mitigation measures identified as necessary to make a development acceptable in planning terms will typically be secured via planning obligation.

8.4 Where development requires the construction of new highways or works adjacent to or on existing highways, this is typically secured via planning condition and the provisions within the Highways Act 1980. As such, these works are controlled by an alternative process and do not need to be secured via planning obligation. Additional information on the relevant provisions of the Highways Act 1980 and the associated fees that the city council will apply are set out in Annex D.
How contributions will be spent

8.5 Contributions may be directed towards a range of projects, including for example:

- Rail station improvements;
- Improvements or extension to the Metrolink network;
- Provision of new public transport services, or increased frequency of existing services;
- Measures to reduce travel demand, for example through travel planning and demand management, and the associated monitoring of travel plans;
- Subsidised travel passes for residents of new development;
- Parking management measures, such as a resident permit holder parking scheme, where a new development would result in an unacceptable impact in terms of demand for on-street parking; and
- The provision or improvement of the following transport infrastructure:
  - Bus stop facilities;
  - Metrolink stop facilities;
  - Footbridges;
  - Pedestrian routes, including pedestrian crossings;
  - Cycle routes, including toucan crossings;
  - Cycle facilities, including storage and changing facilities;
  - Equestrian routes, including Pegasus crossings.

8.6 Other sources of funding from the city council or other organisations may also be directed towards a project where appropriate, with the developer providing a proportion of the total cost.
9. Public realm

Public realm contributions from development

<table>
<thead>
<tr>
<th>Policy OB10</th>
<th>Public realm contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The city council will seek a financial contribution towards the provision or improvement of public realm on a case by case basis from relevant developments comprising 10 or more dwellings, or 1,000 square metres or more of non-residential floorspace. The appropriate scale of any contribution will be negotiated having regard to site-specific circumstances. Where a contribution towards the provision or improvement of public realm is required, a contribution towards its maintenance over a twenty year period will also be secured.</td>
</tr>
</tbody>
</table>

Reasoned justification

9.1 National policy highlights the importance of planning positively for the achievement of high quality and inclusive design for all development, including individual buildings, public and private spaces26. The design and quality of the public realm is central to creating successful places, in terms of providing the space for movement, interaction and activity, as well as defining the setting and relationship between surrounding buildings. A high quality and well-designed public realm can also serve to promote sustainable transport choices, by encouraging walking and cycling, and facilitating access to public transport hubs and services.

9.2 Saved policy DEV5 of the Unitary Development Plan provides the basis for the city council to seek contributions towards the provision or improvement of the public realm. There will be instances where new development will require improvement to the surrounding public realm in terms of providing a setting for the development that ensures its positive integration within the urban form, as well as facilitating access to and movement around the development. In other instances, a development may generate a requirement for an improvement to the public realm within the vicinity of the development, where that development will generate intensified use of the public realm. The requirement for improvement to the public realm can therefore extend beyond those areas that directly adjoin a development.

9.3 Not all developments will require an improvement to the public realm to make them acceptable in planning terms, and therefore a public realm contribution will not be sought in all instances. Similarly, it is not appropriate to define a standard formula for calculating the scale of any public realm contribution that is required, as this will vary on a site-specific basis depending on the scale and location of the development. The strategic viability appraisal assumes an

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26 Ministry of Housing, Communities and Local Government (July 2018) National Planning Policy Framework, paragraph 127
average contribution of £550 per bed space for public realm for apartment schemes, but the appropriate contribution for an individual development could be considerably higher or lower, and contributions may be required from schemes of houses.

9.4 Where a contribution towards the provision or improvement of public realm is secured, it will be important that a contribution towards its future maintenance is also obtained in order to ensure that the infrastructure can be managed to a high standard that ensures its longevity.

9.5 Whilst it is not possible to define all instances where a public realm contribution is likely to be sought, development within the vicinity of the following locations is likely to generate a requirement for investment in the public realm, given the additional pressures on the public realm that development will generate:

- **Irwell River Park** – a new urban river park which is transforming an 8km stretch of the Irwell from The Meadow to Salford Quays. Irwell River Park is improving pedestrian and cycle connections both along and across the river corridor, and provides a valuable recreation resource for those who live and work within the area.
- **City Centre Salford and Salford Quays** – high quality public realm is central to underpinning the economic and social resurgence of these areas, and strengthening their economic vitality, environmental quality and ability to attract substantial housing and commercial investment.
- **Bridgewater Canal** – the Bridgewater Canal is being transformed with new towpaths and public spaces, to create a valuable recreation resource and visitor destination.
- **Town and local centres** – a high quality public realm is an important element of a successful centre, through improving its attractiveness to retailers and shoppers as well as providing valuable civic space for activity and community interaction.
- **Manchester, Bolton and Bury Canal** – the city council supports the restoration of the Manchester, Bolton and Bury Canal, and it will be appropriate for development along the line of the canal to contribute towards its use as a green transport and recreation corridor, or the restoration of the canal.

9.6 Contributions may be directed towards a wide range of projects, including for example:

- Environmental enhancements;
- Footpath, footway or cycleway improvements;
- Footbridges;
- Tree planting, landscaping and other green infrastructure;
- Provision / improvement of public space, such as public squares;
- Signage and interpretation boards;
- Street lighting;
- Pedestrian prioritisation; and
• Street furniture.

9.7 In relation to maintenance, it will generally only be appropriate for contributions to be directed towards the ongoing maintenance of those facilities which have been subject to provision or improvement via developer contributions, or where public realm investment has been forward funded utilising public funding in advance of development coming forward.
10. Other site-specific planning obligations

10.1 There may be instances where a development would result in a material increase in the need or demand for other types of infrastructure or services which are not specifically addressed within this document, and where provision is required in order to make the development acceptable in planning terms. In these cases, the city council will negotiate with a developer on a case by case basis having regard to site-specific circumstances, and planning obligations may be the mechanism for securing provision.

10.2 The potential scope of site-specific planning obligations is very wide and may include a diverse range of infrastructure and services. Examples of other types of site-specific planning obligations which could be required include:

- Off-site provision of suitable replacement recreation land or facilities, where a development would involve the loss of existing recreation land or facilities (as required by saved UDP policy R1)
- Ecological mitigation or compensatory measures, where development would result in a negative impact on biodiversity and habitats
- Flood defence infrastructure, where a development would be at a significant risk of flooding
- Sustainable Drainage Systems (SuDS), where these are necessary to make a development acceptable in planning terms and cannot be provided on-site
- Pollution or air quality mitigation measures, where development would result in an unacceptable impact
- Works that would result in a positive impact on an identified heritage asset, to mitigate adverse impacts of a development on the local historic environment
- Provision or improvement of community facilities, where development would create or exacerbate a shortage

10.3 In addition, Salford’s Local Plan may identify site-specific infrastructure requirements that will be required to facilitate delivery of the sites it allocates for development.
11. Implementation

11.1 Where a s106 legal agreement is required, draft heads of terms setting out the type and extent of planning obligations should be submitted with the planning application. A planning obligation proforma statement\textsuperscript{27} is available on the city council’s website and should be submitted alongside any planning application that would meet the thresholds defined within this document.

Provision of works by a developer

11.2 In certain instances, the best means of addressing the impact of a development may be for a developer to deliver infrastructure works themselves as an alternative to making a financial contribution towards off-site provision. For example, a developer may undertake public realm improvements and subject to the nature of such works, there may be no requirement for a separate financial contribution towards off-site public realm improvements in order to mitigate the impact of the development.

11.3 Where a developer considers that they can satisfactorily address the impact of a development by delivering infrastructure works themselves, they should discuss their proposals with the city council at an early stage prior to the submission of an application. The city council will consider whether the scope of the works would be appropriate to address the impact of the development. Any works will need to be implemented to an agreed standard, having regard to the quantity, quality and location of the provision.

11.4 Where a developer undertakes open space or public realm works and the city council is to assume responsibility for the future management of the space, the developer will be required to make a financial contribution towards its ongoing maintenance in accordance with the approach set out in policies OB6 and OB10 of this SPD. In exceptional circumstances where the city council does not assume management responsibility, the developer will be required to make effective provision for the ongoing long term maintenance of the space and this will typically be secured via a covenant.

11.5 For certain types of planning obligation, it will also be appropriate for the developer to fund the costs of monitoring, and in such cases a monitoring fee will be added to the value of any financial contribution accordingly. For example, this could include the costs of monitoring performance against a travel plan, or measuring the effects of a development on air quality.

Unilateral undertakings

11.6 In certain instances, where only the applicant needs to be bound by a planning obligation and not the city council, it may be appropriate for a developer to make a unilateral undertaking in relation to the delivery of planning obligations. This represents an alternative mechanism to negotiating

\textsuperscript{27} Salford City Council (undated) Planning obligations proforma statement https://www.salford.gov.uk/planning-building-and-regeneration/apply-for-planning-permission/
a s106 agreement. Resolving planning obligations through unilateral undertakings can offer advantages in terms of time, cost and resourcing to both the city council and the developer. Where a developer is considering making a unilateral undertaking, it should seek the views of the city council as to the appropriateness of the proposed approach and the relevant projects which funding is to be directed towards.

Approach to phasing of payments and works

11.7 In many instances of residential development, the following schedule of payments will be considered appropriate:

- 25% of the total contribution upon completion of the first dwelling;
- A further 50% of the total contribution upon completion of 50% of the dwellings; and
- The balance of the total contribution upon completion of 75% of the dwellings.

11.8 An alternative approach is typically required for apartment schemes, as all of the dwellings may be completed at the same time. In this situation, the phasing of payments will be linked to construction stages and first occupation.

11.9 In relation to the non-residential component of any development, contributions will usually be required in full within 7 days of the commencement of development.

11.10 Where it is agreed that a developer will deliver infrastructure works themselves as an alternative to making a financial contribution, trigger points for the delivery of such works will be agreed between the city council and the developer on a case by case basis.

11.11 Where a developer considers that this approach to the phasing of payments would compromise the deliverability of a scheme, the city council will negotiate with developers and seek to agree an alternative approach to phasing that has regard to the particular cashflow issues of the development scheme. In negotiating an alternative approach, the city council will however need to have regard to whether there is a requirement for infrastructure to be in place prior to occupation of the development. For example, in relation to education provision, where there is no existing capacity within an area it may be that school expansion would need to be completed prior to occupation of the dwellings in order to ensure that there are sufficient school places available.

Forward funding of infrastructure and services

11.12 Where a planning obligation involves a financial contribution from a developer, it may be necessary for the city council to spend that money on the infrastructure scheme or service provision prior to the contribution being received from the developer. For example, this may be required in order for
the infrastructure to be available before the development is operational, or because the availability of match-funding is time-limited.

11.13 In these circumstances, the city council will not accept any renegotiation of the planning obligation to reduce the contribution that has effectively been spent. The payment of that contribution will be used to reimburse the city council for its forward funding of the infrastructure or services, which could include for example repaying borrowing that has been incurred as a result. This reimbursement will continue to be deemed necessary for the development to be acceptable, irrespective of the time that has elapsed since the city council has incurred the expenditure.

**Index linking of financial contributions**

11.14 For the purposes of calculating the value of the open space and education contributions, the associated cost factors will be republished annually to ensure that the calculation reflects the most up to date costs. In the absence of evidence which justifies a more substantive change in costs, they will be increased annually in line with inflation. This will be undertaken by applying the Retail Prices Index (all items) annual percentage change to the value of the open space cost per bed space (as identified in Policy OB6) and to the cost per primary pupil place (as identified in Policy OB7). The revised costs will be published annually by the city council. The most up to date published cost at the point of an application’s determination will be used for the purpose of calculating the scale of each contribution.

11.15 All financial contributions will be index linked (using the Retail Prices Index – all items) to the date of the determination of the planning application by the city council. If the index is negative then it will be treated as being zero, to avoid creating potential funding gaps.

**Non-payment**

11.16 The city council will monitor planning obligations to ensure compliance. Interest will be charged on late payments. Delivery of obligations will be required in line with trigger points in the legal agreements.

**Unspent contributions**

11.17 Legal agreements will specify timeframes for planning obligations to be delivered on-site or off-site or for the spending of monies secured through planning obligations. If money has not been spent by the end of the relevant contribution period, the city council may need to negotiate an extension. Otherwise, it will make provision to refund the contribution upon request. It is unreasonable for the city council to hold money in perpetuity, but for some projects a longer timeframe may be appropriate.

**Costs to be met by the developer**
11.18 All reasonable legal fees incurred by the city council in preparing a legal agreement will be recovered in full from the developer, and the city council will not enter into negotiations on planning obligations until there is a commitment to this from the developer.

11.19 A developer may submit financial viability evidence in order to demonstrate that the cumulative impact of all policy requirements would compromise development viability, and that the contribution should be reduced or waived accordingly. In such instances, the submitted viability evidence will be subject to independent financial appraisal for which the city council incurs a charge. It is therefore appropriate that the city council should recover these costs from the developer.

11.20 Similarly, where a developer seeks to undertake works as a payment in kind as an alternative to providing a financial contribution, the developer will be liable to pay any fees incurred by the city council associated with the independent financial appraisal of the value of the works proposed, and to pay any fees incurred associated with the preparation of a formal agreement to secure provision of the works.

11.21 Where a clawback mechanism is entered into between the city council and a developer, the developer will be liable to pay any fees incurred by the city council in relation to the independent financial appraisal of the viability evidence, and to pay any fees incurred associated with the preparation of the legal agreement.
12. Monitoring and review

12.1 The city council will keep under review the range of variables which would impact on the application of the SPD policies in terms of calculating the appropriate level of financial contribution. This will include the following:

- **Cost information** – as identified in the implementation section above, the city council will regularly review the cost information which underpins the open space and education contributions. In the absence of evidence which justifies a more substantive change in costs, they will be increased annually in line with inflation by applying the Retail Prices Index (all items) annual percentage change.

- **Assumptions underpinning the assessment of residential viability** – the city council will keep under review any substantive changes in variables which could impact on development viability and imply a need to undertake a review of the viability assessment and the SPD as a whole.

- **Assumptions informing the education contribution (Policy OB7)** – the city council will publish updated details on capacity and pupil projections. This will ensure that there is transparency with regard to the existing level of capacity at any point in time, in order to demonstrate the need to seek contributions from new housing development. In addition, the city council will keep under review the average primary pupil yield from recent housing completions in order to ensure that the pupil yield factor identified within the SPD presents an accurate basis for calculating the appropriate level of financial contribution. Any update to the primary pupil yield factor would be undertaken via a formal review of the SPD.

12.2 The city council will report annually on the financial contributions raised via this SPD and their expenditure, as part of the city council’s monitoring of s106 receipts and expenditure. The city council will publish information on an annual basis on the number of planning obligations secured and how they have been spent. This will be available to view on the city council’s website.
Annex A  Detailed methodology for deriving open space provision costs

A.1 The methodology for deriving the costs which form the basis of the open space contribution (Policy OB6) is set out below, and is unchanged from the Planning Obligations SPD that was adopted in June 2015. The costs used in the methodology have a 2015 base, and are then adjusted to the current year based on the RPI in each of the intervening years.

Sports pitch provision

A.2 The cost of providing a full-size sports pitch, measuring 0.77ha including safety runoff areas, is £75,000 (equating to £9.74 per square metre)\(^{28}\). The costs of providing junior pitches and mini soccer pitches are higher per square metre, at £10.58 and £13.56 respectively\(^{29}\).

A.3 Utilising the lower of these figures, to meet the standard of 0.92ha of sports pitches per 1,000 population\(^{30}\) would cost £89,608. This equates to £90 per bed space. Utilising the figures for junior or mini soccer pitches would give a figure of around £97 or £125 per bed space respectively.

A.4 Maintenance costs for sports pitches over a twenty year period are £8.48 per square metre\(^{31}\). This equates to £78,016 per 1,000 population (based on the 0.92 ha standard), or £78 per bed space.

A.5 Therefore, an average development may reasonably be expected to contribute at least £168 per bed space for the provision and maintenance of sports pitches.

Equipped children’s playspace

A.6 The standard for equipped children’s playspace set out in saved UDP policy R2 is 0.25ha per 1,000 population. The cost of providing this amount of playspace depends very much on the type of facilities included within it. These could include, for example, traditional playground areas, swings or high quality imaginative play areas aimed at younger children, or skate parks, tennis courts, basketball courts, youth shelters, and multi-use games areas (MUGAs) aimed at older children.

A.7 The average cost of providing an equipped children’s play area, measuring 0.1ha, varies from £58,650 within existing parks to £178,240 for stand-alone

\(^{29}\) Ibid.
\(^{30}\) Standard derived from: Knight, Kavanagh and Page on behalf of Salford City Council (December 2007) Playing pitch and outdoor sports assessment report
\(^{31}\) Based on average maintenance costs in Salford for this type of facility, as set out in: Salford City Council (June 2015) Planning obligations SPD: background document on cost updates, Annex A
This is based on a design including toddler and junior swings, springers, see-saw, multi-action units, slide and roundabout, together with fencing, surfacing, seats, picnic tables, litter bins and footpath link. The twenty year maintenance cost for such a facility would be £60,040.

The cost of providing a 0.078ha MUGA would be £115,000, and the twenty year maintenance cost for such a facility would be £51,143.

A typical play area, providing facilities aimed at both younger and older children, might therefore combine these two facilities and measure 0.178ha, with a capital cost of between £173,650 – £293,240 and a twenty year maintenance cost of £111,183. Utilising the lower of these figures in relation to the 0.25ha per 1,000 population standard would equate to a £243,890 capital cost and a £156,156 maintenance cost, representing a combined total of £400 per bed space.

Youth and adult facilities

Saved UDP policy R2 includes a standard for adult and youth facilities, which is the provision of a full range of such facilities within each service delivery area. The National Playing Field Association (NPFA) recommends the provision of 0.4 – 0.6ha of youth and adult facilities per 1,000 population, and this is considered to approximate to what is required to deliver a full range of facilities in each part of the city.

The table below identifies the capital costs of providing a range of different youth and adult facilities.

<table>
<thead>
<tr>
<th>Type of facility</th>
<th>Size (hectares)</th>
<th>Total cost</th>
<th>Cost per square metre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowling green</td>
<td>0.16</td>
<td>£110,000</td>
<td>£69</td>
</tr>
<tr>
<td>Tennis – 2 courts</td>
<td>0.123</td>
<td>£160,000</td>
<td>£130</td>
</tr>
<tr>
<td>Tennis – 4 courts</td>
<td>(0.234)</td>
<td>(£280,000)</td>
<td>(£120)</td>
</tr>
<tr>
<td>All-weather pitch – mini 3G</td>
<td>0.26</td>
<td>£375,000</td>
<td>£144</td>
</tr>
<tr>
<td></td>
<td>(0.09)</td>
<td>(£138,365)</td>
<td>(£154)</td>
</tr>
</tbody>
</table>

32 Based on review of schemes implemented by Salford City Council as set out in: Salford City Council (June 2015) Planning obligations SPD: background document on cost updates, Annex A
33 Based on average maintenance costs in Salford for this type of facility, as set out: Salford City Council (June 2015) Planning obligations SPD: background document on cost updates, Annex A
34 Based on review of schemes implemented by Salford City Council as set out in: Salford City Council (June 2015) Planning obligations SPD: background document on cost updates, Annex A
35 Based on average maintenance costs in Salford for this type of facility, as set out in: Salford City Council (June 2015) Planning obligations SPD: background document on cost updates, Annex A
A.12 Providing one of each type of facility (utilising the smaller of the options for both tennis and for a skateboard and wheeled facility) would have a total cost of £721,976 and a size of 0.60ha, equating to £120.33 per square metre. On the same basis, the provision of 0.4ha of youth and adult facilities per 1,000 population (thereby meeting the lower end of the NPFA standard) would have a capital cost of £481,317, or £481 per bed space.

A.13 Maintenance costs vary considerably between different types of facility, but the cost for a multi-use games area would be a representative average. This would give a maintenance cost of £66 per square metre, or £262 per bed space.

A.14 Taking the capital and maintenance costs together, this would give a total cost of £743 per bed space.

**Amenity space**

A.15 Saved UDP policy R2 requires the provision of amenity open space to a standard reasonably related in scale and kind to the development it serves and sufficient to meet the need for casual children’s play space.

A.16 The NPFA recommends a minimum of 0.4-0.5ha of informal children’s playspace per 1,000 population. Therefore, the provision of 0.4ha of amenity space for all users per 1,000 population is likely to be the minimum that is required in order to meet the policy standard.

A.17 The capital cost of providing amenity space is £17.50 per square metre\(^\text{38}\), which equates to £70,000 for an area measuring 0.4ha, or £70 per bed space. The twenty-year maintenance cost is £14.40 per square metre\(^\text{39}\), which equates to £57,600 for an area measuring 0.4ha, or £58 per bed space.

A.18 Taking the capital and maintenance costs together, this would give a total cost of £128 per bed space.

**Parks**

A.19 Saved UDP policy R2 also includes standards for accessibility to park facilities, in terms of all households being within 1,200 metres walking distance of a neighbourhood park and 3,200 metres walking distance of a district park.

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\(^{38}\) Based on review of schemes implemented by Salford City Council as set out in: Salford City Council (June 2015) *Planning obligations SPD: background document on cost updates*, Annex A

\(^{39}\) Based on average maintenance costs in Salford for this type of facility, as set out in: Salford City Council (June 2015) *Planning obligations SPD: background document on cost updates*, Annex A
A.20 There is no defined standard from which to quantify the provision of parks on a per capita basis and therefore it is not possible to identify an associated cost of provision per bed space. It is however recognised that some of the identified facility types could be provided within parks.

Summary and adjustment for inflation

A.21 The table below summarises these costs per bed space and calculates the total for 2015 accordingly. The totals are then adjusted for inflation, using the Retail Price Index (RPI) 12-month rate for January each year. These RPI figures were 1.3% in January 2016, 2.6% in January 2017, and 4.0% in January 2018.
<table>
<thead>
<tr>
<th>Type of facility</th>
<th>Cost of provision per m²</th>
<th>Provision standard (hectares per 1,000 population)</th>
<th>Cost per capita (or bed space) to achieve provision standard (i.e. (cost of provision per m² x provision standard x 10,000) / 1,000)</th>
<th>Adjustment for inflation (RPI)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Capital</td>
<td>Maintenance (over 20 year period)</td>
<td>Total 2015 (capital and maintenance)</td>
<td>2016</td>
</tr>
<tr>
<td>Youth and adult facilities</td>
<td>£120.33</td>
<td>£65.57</td>
<td>£481</td>
<td>£743</td>
</tr>
<tr>
<td>Sports pitches</td>
<td>£9.74</td>
<td>£8.48</td>
<td>£90</td>
<td>£168</td>
</tr>
<tr>
<td>Equipped children’s playspace</td>
<td>£97.56</td>
<td>£62.46</td>
<td>£244</td>
<td>£400</td>
</tr>
<tr>
<td>Amenity space</td>
<td>£17.50</td>
<td>£14.40</td>
<td>£70</td>
<td>£128</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>£1,439</strong></td>
<td><strong>£1,458</strong></td>
</tr>
</tbody>
</table>


B Derived from: Knight, Kavanagh and Page on behalf of Salford City Council (December 2007) *Playing pitch and outdoor sports assessment report*

Annex B  Plan of primary pupil planning areas

1 Little Hulton and Walkden
2 Boothstown, Worsley and Ellenbrook
3 Irlam and Cadishead
4 North Swinton
5 South Swinton
6 North Eccles
7 South Eccles
8 Claremont
9 Weaste and Langworthy
10 Broughton and Kersal
11 Ordsall
12 Border
### Annex C  Worked example of the calculation of the education contribution

#### Worked example

A development scheme comprising a total of 160 dwellings, with the following mix of dwelling types proposed:

- **Apartments**
  - 6 x 1-bedroom apartments
  - 12 x 2-bedroom apartments
  - 2 x 3-bedroom apartments

- **Houses**
  - 24 x 2-bedroom houses
  - 48 x 3-bedroom houses
  - 52 x 4-bedroom houses
  - 16 x 5-bedroom houses

<table>
<thead>
<tr>
<th>Dwelling type</th>
<th>Pupil yield factor</th>
<th>Calculation</th>
<th>Number of primary pupil places</th>
<th>Contribution (£10,295 per primary pupil place)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 x 1-bedroom apartments</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Exempt</td>
</tr>
<tr>
<td>12 x 2-bedroom apartments</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Exempt</td>
</tr>
<tr>
<td>2 x 3-bedroom apartments</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Exempt</td>
</tr>
<tr>
<td>24 x 2-bedroom houses</td>
<td>0.11</td>
<td>24 x 0.11</td>
<td>2.64</td>
<td>£27,179</td>
</tr>
<tr>
<td>48 x 3-bedroom houses</td>
<td>0.22</td>
<td>48 x 0.22</td>
<td>10.56</td>
<td>£108,715</td>
</tr>
<tr>
<td>52 x 4-bedroom houses</td>
<td>0.33</td>
<td>52 x 0.33</td>
<td>17.16</td>
<td>£176,662</td>
</tr>
<tr>
<td>16 x 5-bedroom houses</td>
<td>0.44</td>
<td>16 x 0.44</td>
<td>7.04</td>
<td>£72,477</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>37.40</strong></td>
<td><strong>£385,033</strong></td>
</tr>
</tbody>
</table>

On the basis of applying the pupil yield factors, the development would be expected to generate a requirement for an additional **37.40** primary pupil places.

Applying the per pupil place cost (£10,295 for 2018/19 financial year) this would result in the requirement for a developer contribution of **£385,033** towards education provision.
Annex D  Developer guidance on provision of highway improvement works and associated fees

Delivering obligations for highway improvements

D.1 The construction and improvement of highways in connection with development are normally controlled by planning conditions and provisions in the Highways Act 1980 and are therefore outside the scope of planning obligations. A summary of the city council’s approach to securing highway infrastructure works associated with new development is set out below.

D.2 The two key provisions within the Highways Act 1980 relating to the implementation of highway infrastructure works associated with new development are Section 38 and Section 278. A Section 38 (S38) Agreement applies to new highway infrastructure works. A Section 278 (S278) Agreement is for highway works adjacent to or on existing highways.

D.3 For Section 38 Agreements, and where appropriate for Section 278 Agreements (Highways Act 1980), the requirement will be for the developer to implement the approved highway infrastructure works, which will then be adopted by the city council once they are in an adoptable condition.

D.4 Where such agreements are used, development must not commence until:

1) the development has entered into a bond with an approved surety for an amount, based on the estimated cost of the adoptable highway infrastructure works, to ensure that the city council’s position is protected should the developer default in any way with regard to the works; and
2) the developer has received written approval of the submitted detailed engineering drawings, setting out the highway infrastructure works; and
3) the developer has paid a fee to cover the city council’s costs incurred in designing the works (applies to S278 Agreements only), approving the drawings, supervising the adoptable highway infrastructure works, and administration of the Agreement.

D.5 Planning conditions or obligations will normally require that the development not be occupied until the adoptable highway infrastructure works are implemented by the developer and completed to the point that the city council or its agent can issue a S38 Part 1 Certificate (Certificate of Substantial Completion). However, where developments are phased, they may be occupied in accordance with an agreed phasing plan, subject to the necessary highway works for each phase being completed.

D.6 The adoptable highway infrastructure works should be maintained by the developer, at their expense, for a minimum period of 12 months following the issue of the S38 Part 2 Certificate and/or the S278 Certificate of Completion.
D.7  After this period, the S38 Final Certificate and/or the S278 Maintenance Certificate will be issued and the city council will adopt the highway infrastructure works as maintainable at public expense, subject to:

a. any defects being remedied to the satisfaction of the city council; and
b. sewers beneath the adoptable highway infrastructure works being adopted by United Utilities PLC.

Materials

D.8  All materials proposed for use on the highway network require city council Highway Network Management prior approval. Where appropriate these shall be subject to HAPAS approval (or other nationally recognised testing and trial procedures).

D.9  Materials (paving etc) shall be from a readily available source so that repair timescales of 28 days can be achieved. Areas subject to enhanced materials, and products which carry additional inspection/maintenance liability, shall where appropriate require a calculated commuted sum for future maintenance.

Section 38 and 278 fees

D.10 The city council’s total fee for drawing approval, inspection of the works and administration of the Agreement will be calculated as a proportion of the value of the cost of the adoptable highway infrastructure works. Currently these are:

- Section 38 Agreements:
  o for developments with an estimated cost of adoptable highway infrastructure works up to £25,000, the minimum standard supervision fee is £3,000.
  o for developments with an estimated cost of adoptable works over £25,000, the standard supervision fee will be calculated at 8% of the estimated cost of adoptable highway infrastructure works.

- Section 278 Agreements:
  o The city council (as the highway authority) has the right to design and construct the works on behalf of the developer, because the works are on or adjacent to the adopted highway. Therefore, fees will be calculated on an individual basis, dependent on the works involved.
  o Where the City Council (as Highway Authority) does not undertake its right to design and construct the works, a fee figure of 8% shall be charged against the estimated cost of the works.

Works on the motorway network
D.11 For works on the motorway network, developers will need to enter into a S278 Agreement with the Highways Agency, which is the highway authority for the motorway and trunk road network in England (there are currently no trunk roads within Salford). Early discussion with the Highway Agency is therefore advised where a development could potentially affect the motorway network.

Traffic Signal Schemes – S278 Agreements and Commuted Sums

D.12 Following the creation of the Greater Manchester Combined Authority (GMCA) on 1 April 2011 the ownership of all traffic signal assets in Greater Manchester transferred to GMCA. The maintenance and operational running costs are the responsibility of GMCA and this is funded by a central levy. The Greater Manchester Combined Authority Order statutorily delegates to the GMCA several key functions related to the installation, upgrading, maintenance and management of traffic signals on local highway authority roads. The Local Authority Protocols prescribe that Transport for Greater Manchester (TfGM) will undertake this work.

D.13 Under the agreed Traffic Signals Protocols between the GMCA, TfGM, the TfGM Committee, and the Association of Greater Manchester Authorities (AGMA) Local Highway Authorities, the GMCA has the power to enter into agreements under S278 of the Highways Act 1980 to obtain third party funding for the installation, maintenance and operating costs of signal controlled junctions and crossings.

D.14 For works that will impact on an existing traffic signal junction/crossing or where a new installation is proposed, developers will need to enter into a S278 agreement with GMCA. Early discussion with Transport for Greater Manchester is therefore advised.

Developer’s responsibilities and commuted sums

1) Where a new development, which is not funded and promoted by the local authority, requires traffic signal work to be carried out on the existing (publicly maintained) highway it will be necessary to enter into an agreement with GMCA. It will not be acceptable to describe a development as promoted by the local authority to avoid the need for a S278 agreement with GMCA and the required commuted sums.

2) If a planning application is approved on the understanding that a new or modified traffic signal installation must be provided at the developer’s expense then the developer will be required to covenant with GMCA and TfGM to pay the following sums:
   a) the design costs for the signal scheme;
   b) the costs incurred by TfGM for carrying out the works. This includes the supply and installation of the traffic signal equipment, utility connections and management fees;
   c) TfGM's legal fees for the preparation of the S278 agreement; and
d) a commuted sum for the 15 year maintenance and running costs of the traffic signal installation. This includes the first line maintenance of the signals using the TfGM Traffic Signal Maintenance Contract, the mains electricity charges, the communications between the remote site and the UTC in-station and the in house costs of ongoing signal management.

e) these responsibilities exist for all developer led traffic signal schemes within the AGMA Local Highway Authorities where design work has commenced after 1 April 2011.

3) The commuted sum, as of 1st December 2012, is as follows:

a) for new signal junctions: £3,300 per year over 15 years = £49,500.

b) for new signal crossings (puffin, toucan and pegasus): £1,650 per year over 15 years = £24,750.

c) where an existing site is modified, for example by adding pedestrian facilities, an additional approach arm or converting a pelican to a puffin, then the proportional increase in the value of the asset is calculated and used to determine what proportion of the normal commuted sum is payable.

d) the costs for the signal installation, the legal fees and the commuted sums are all payable in advance by the developer to GMCA at the time when the S278 agreement between the developer and GMCA is signed. If there is no payment forthcoming then the procurement of traffic signal equipment will not commence.

4) Other costs that apply under the S278 agreement:

a) the design costs will be agreed in advance based on a general arrangement layout agreed between the city council and TfGM.

b) the actual total installation costs payable will depend on the size and complexity of the installation and will be agreed before any installation works are commenced.

c) the final decision on the need for a commuted sum to be payable rests with TfGM on behalf of the GMCA.

d) so that a S278 agreement can be processed the legal section of TfGM will need the name and address of the developers solicitor at an early stage of the scheme development.

Traffic Regulation Order (TRO) fees

D.15 A Traffic Regulation Order is a legal order, enforceable by law, which allows the highway authority to regulate the speed, movement and parking of vehicles, and regulate pedestrian movement.

D.16 If the highway infrastructure works result in the introduction of a new TRO, or the amendment of an existing TRO, a fee of £4,000-£6,000 (2018/9 financial year prices) will be required to cover the city council’s costs in introducing or amending the TRO.

Licensing
D.17 Some developments will require licensing in accordance with Highways Act 1980 and NRSWA 1991. It will be incumbent on developers to ensure that appropriate highway licensing arrangements (both temporary and permanent) are in place.

Further information

D.18 Further information can be obtained from Urban Vision’s Highways Group, which provides highway services on behalf of the city council.

Highways Group
Salford Civic Centre
Chorley Road
Swinton
Salford
M27 5AW

T: 0161 779 4894
W: [http://www.salford.gov.uk/living/streets/roadenquiries/roadadoption](http://www.salford.gov.uk/living/streets/roadenquiries/roadadoption)