

Report of the Director of City Strategy

Updated Commuted Sum Payments for Open Space in New Developments

Summary

1. This report seeks Members approval to update and republish the commuted sum payments contained within Guidance Note 'Commuted Sum Payments for Open Space in New Developments – A Guide for Developers'
2. It also seeks approval in future to amend published figures annually without Members approval, subject to them being based on the building inflation trades data from the Royal Institute of Chartered Surveyors (RICS) 'Building Costs Information Service all in Tender Price Index'. A minor change to the Guidance Note wording is required for this to happen.
3. No other changes to the policy or Guidance Note are proposed and the updated commuted sum payments will remain an interim basis for decision making in development management, until the Local Development Framework is sufficiently advanced to be used for deciding planning applications.

Background

4. Policy L1c - Provision of New Open Space in Development (attached as Annex A) was approved for development management purposes by Members in April 2005, as part of the 4th Set of Changes to the City of York Local Plan. This policy outlines that in certain circumstances, a commuted sum payment may be acceptable instead of on-site provision. However, the policy does not specify the amount of commuted sum payment in monetary form.
5. The Guidance Note 'Commuted Sum Payment Figures for Open Space in New Developments – A Guide for Developers' was produced by Officers and agreed by Planning Committee in April 2007 to assist Development Management officers in applying policy L1c of the City of York Local Plan. It aims to provide a consistent and transparent approach towards commuted sum payments for off site provision. The guide is provided as Annex B.

6. Since 2007 approximately £250k per annum has been received in S106 payments (although some of this amount related to planning consents approved before 2007). These payments have contributed to the improvement in quantity, quality, and accessibility of play grounds (children's and teenager facilities), open spaces (formal parks and gardens, allotments and general amenity land) and sports pitches (football, cricket, tennis and bowls facilities) across the City. In many cases this money has supported or helped obtain other funding streams - examples are; Lottery, Football Foundation and Playbuilder.
7. The Guidance Note included a set of robust commuted sum figures for children's equipped open space, informal open space and outdoor sports facilities. These were based on a sample of actual schemes undertaken within the City of York, in 2005/6 and 2006/7 involving children's equipped play space, amenity open space and outdoor sports pitches.
8. Although Officers have used updated figures in negotiations with developers, the overall published figures which form the starting point for discussion have not been updated to date.
9. Using the RICS 'Building Costs Information Service all in Tender Price Index' the base line figures in the approved Guidance Note would be as set out in Table 1 below. This reflects the reduction in building costs arising from the recession. Table 1 also shows the previous figures for comparison purposes. The figures have been rounded to allow for a consistent payment per bedroom.

Table 1: Existing and proposed commuted sum payment figures

No of bedrooms in a single dwelling	Children's equipped Play Space (£)		Informal Amenity Open Space (£)		Outdoor Sports Facilities (£)	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
1	£N/A	£N/A	£149	£141	£211	£199
2	£522	£492	£298	£282	£422	£398
3	£1044	£984	£447	£423	£633	£597
4	£1566	£1476	£596	£564	£844	£796
5+	£2088	£1968	£745	£705	£1055	£995

10. To allow the Council's approach to be responsive to market conditions, it would be beneficial to allow the figures to be updated annually in line with the RICS 'Building Costs Information Service all in Tender Price Index'. This would clearly need to be reflected in the Guidance Note itself.

Consultation

11. Consultation previously took place on the draft Guidance Note between November 2005 and January 2006, prior to it being approved by Members for Development Management purposes. Given that the

proposed changes are factual rather than policy changes, no public consultation is proposed.

Options

12. There are two options for Members to consider:
 - Option 1: Approve the updated set of commuted sum payment figures to be incorporated in the approved Guidance Note, together with automatic updating and clarified text;
 - Option 2: To instruct Officers to take an alternative approach.

Analysis

13. Option 1 would be based on robust up to date figures, reflecting current market conditions and inflation. Consequently, this would give a degree of robustness and clarity to the Council's approach towards requiring commuted sum payments towards open space, and would strengthen the Council's case at planning appeals, by quoting figures approved by Members.
14. However, if Option 2 were to be agreed by Members, it could result in commuted sum payment figures which weren't in line with current market conditions and inflation. This would risk our commuted sum figures being open to challenge by developers and applicants through the planning application and appeal process.
15. Based on the above considerations, Officers believe that Option 1 above would be the most appropriate option to take at this stage and in future the figures will be updated automatically in line with the Council's approach as set out above.

Corporate Priorities

16. The option outlined above accords with the following Corporate Strategy Priorities:
 - Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces;
 - Improve the health and lifestyles of people who live in York, in particular among groups whose levels of health are the poorest.

Implications

17. The following implications have been assessed.
 - **Financial** – *Proposal would give certainty, clarity and accountability to the amount of money the Council receives from commuted sum payments for open space.*
 - **Human Resources (HR)** - *None*

- **Equalities** - None
- **Legal** – The proposal has been agreed by Legal Services
- **Crime and Disorder** - None
- **Information Technology (IT)** - None
- **Property** - None
- **Other** - None

Risk Management

18. There are no known risks in this proposal.

Recommendations

19. Members are asked to:
- (i) Approve the revised commuted sum payment figures highlighted in Table 1 of this Report;
- Reason: To update the open space commuted sum payments in line with current market conditions.
- (ii) Instruct Officers to annually update the commuted sum payment figures in the Guidance Note, in line with the RICS 'Building Costs Information Service all in Tender Price Index'.
- Reason: To ensure that the commuted sum payment figures are updated regularly in line with current market conditions

Contact Details

Author:		Chief Officer Responsible for the report:		
<i>John Roberts Assistant Development Officer City Development (01904) 551464.</i>		<i>Richard Wood Assistant Director for Strategic Planning and Transport</i>		
		Report Approved	<input checked="" type="checkbox"/>	Date 8/4/11
Specialist Implications Officer(s) <i>List information for all</i>				
<i>Legal Services Name Martin Blythe Title: Senior Assistant Solicitor Tel No. 551044</i>		<i>Parks and Open Spaces Name: Dave Meigh Title: Head of Parks and Open Spaces Tel No. 553386</i>		
Wards Affected: <i>List wards or tick box to indicate all</i>				All <input checked="" type="checkbox"/>
For further information please contact the author of the report				

Background Papers:

- City of York Local Plan (4th Set of Changes) – April 2005;
- Royal Institute of Chartered Surveyors (RICS) 'Building Costs Information Service all in Tender Price Index'

Annexes:

(A) Policy L1c (Provision of New Open Space in Development);

(B) Commuted Sum Payment Figures for Open Space in New Developments
– A Guide for Developers