



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

Education Contributions Supplementary Planning Document

Consultation Draft

August 2023

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1. Overview

Introduction

- 1.1. Supplementary Planning Documents (SPDs) are enabled by the Planning and Compulsory Purchase Act 2004 (as amended under the Localism Act 2011). This Supplementary Planning Document (SPD) sets out our approach to seeking developer contributions towards education. It has been prepared in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 and the National Planning Policy Framework 2019. It is also based on a robust and up-to-date evidence base.
- 1.2. Planning obligations are also known as developer contributions. They are secured in conjunction with a related planning permission under section 106 of the Town and Country Planning Act 1990 (as amended). They allow local authorities to secure the delivery of services or facilities needed as a result of new development. Contributions to infrastructure are delivered by way of physical works on or off-site. They can also be made through land transfer or by providing financial contributions. Obligations can also be secured through Unilateral Undertakings by developers.
- 1.3. We have a statutory duty to make sure there are sufficient school places within the borough to meet the educational needs of the population. Stockport faces significant challenges in the provision of sufficient pupil places. This is due to a number of factors, including:
 - Growing population caused by increased housing development and inward migration.
 - Condition issues within the school estate.
 - A growing cohort of children with specialised and complex needs.
- 1.4. To support the supply of school places, Stockport Council and local schools receive grants from central government. However, these are not enough to address all the needs described above. Where the development of new homes creates an unacceptable impact on pupil places in schools, we will seek contributions to ensure adequate provision of education infrastructure. This SPD provides clarity on how and when we will seek developer contributions to support expanded and/or new educational facilities.

Consultation

- 1.5. This SPD is being prepared following the processes set out in our Statement of Community Involvement and the Town and Country Planning (Local Planning) (England) Regulations 2012. These set out that a draft SPD must be:
- Screened to determine whether Strategic Environmental Assessment is required.
 - Made available for public consultation for a 4-week minimum period (maximum 6 weeks).
 - Be made available as an online copy and have hard copies available at the council's main reception and all libraries across the borough.
- 1.6. The public consultation on this draft SPD will take place between Wednesday 13th September to Wednesday 25th October. The Council's preferred way to respond is through Citizen Space. Here the document can be read in full, and comments can be provided: <https://consultation.stockport.gov.uk/planning/draft-education-contributions-spd>
- 1.7. Alternatively, the document can be downloaded from the Council's website: <https://www.stockport.gov.uk/supplementary-planning-documents-and-guidance/consultation-on-our-draft-education-contributions-spd>
- 1.8. The plan is also available to view on deposit at the following locations during staffed hours:
- Stockport Council Main Reception, Stopford House, Piccadilly, Stockport, SK1 3XE (Mon – Thu 8.30am to 5pm, Fri 8.30am to 4.30pm)
 - All libraries across Stockport. All locations and opening times can be found here: <https://www.stockport.gov.uk/opening-times-libraries>
- 1.9. The draft SPD has been subject to a Strategic Environmental Assessment (SEA) and a Habitat Regulations Assessment (HRA) screening. These screening assessments have determined that a full SEA and Appropriate Assessment are not required. These screening opinions will be published alongside the draft SPD and will also be subject to public consultation. Before this screening opinion is confirmed

as final, it will also first require feedback from the three designated consultation bodies. These are Historic England, Natural England, and the Environment Agency.

- 1.10. If there is a major change to the purpose and content of the SPD, the SEA and HRA screening process will be refreshed.
- 1.11. Following the consultation period, all responses received will be taken into consideration. A consultation statement will be prepared to outline any key issues highlighted through the consultation and how these have been addressed. Before active use, the final document will require approval for adoption by the council's cabinet.

Status of the document

- 1.12. Once adopted, the SPD will be a material consideration in planning decisions. If development proposals do not comply, the SPD may be used as a reason for the refusal of planning permission.
- 1.13. In May 2022, the government announced details of a new Infrastructure Levy (IL) as part of the Levelling Up and Regeneration Bill. The Levy will introduce a new mandatory charge on development based on a percentage of the final gross development value above a set threshold. Further details on the Levy are awaited and will be used to inform a revised approach to securing developer contributions in Stockport, taking into account local infrastructure needs and viability.
- 1.14. As the details of the Levy are not yet finalised, we will continue to use s106 to secure developer contributions towards education provision. Additionally, we will also secure other developer contributions as described in the borough's development plan and other SPDs.

2. Policy context

National Planning Policy Framework

- 2.1. The revised National Planning Policy Framework (NPPF) came into force in July 2021. This document sets out the government's planning policies for England and how these are expected to be applied. The NPPF is a material planning consideration of significant weight. This means it must be taken into account, where it is relevant, in deciding planning applications and appeals.
- 2.2. Paragraph 95 of the NPPF (2021) refers directly to education provision, highlighting the importance of schools in promoting healthy and safe communities. It states:
"It is important that a sufficient choice of school places is available to meet the needs of existing and new communities. Local planning authorities should take a proactive, positive and collaborative approach to meeting this requirement, and to development that will widen choice in education. They should:
 - a) *give great weight to the need to create, expand or alter schools through the preparation of plans and decisions on applications; and*
 - b) *work with school promoters, delivery partners and statutory bodies to identify and resolve key planning issues before applications are submitted."*
- 2.3. For further information on the NPPF and any emerging policy updates, visit the NPPF website at: <https://www.gov.uk/guidance/national-planning-policy-framework>.

Planning Practice Guidance

- 2.4. Planning Practice Guidance (PPG) adds further context to the NPPF. In September 2019, the PPG updated its guidance on planning obligations towards education. It sets out that contributions needed for education should be based on known pupil yields from housing developments. It also sets out that existing or planned/committed school capacity should be considered to identify where additional capacity is required.
- 2.5. In November 2019, the PPG also updated its guidance on healthy and safe communities. To encourage the creation of these communities, the PPG explains how plan-makers should assess the need and demand for school places and how plans should allocate land for education.

- 2.6. For further information on the PPG and guidance updates, please visit:
<https://www.gov.uk/government/collections/planning-practice-guidance>.

Department for Education Guidance

- 2.7. The Department for Education (DfE) oversees children's services and education in England. Local authorities are responsible for making sure there are enough school places available in their area. The DfE provides Basic Need capital grant funding which supports local authorities in meeting this statutory duty.
- 2.8. In August 2023, the DfE published its guidance 'Securing Developer Contributions for Education'. This document acknowledges that housing development should mitigate its impact on infrastructure relating to education. The guidance recommends that developer contributions should be sought for a range of school places, where need arises. This includes places for early years, primary, secondary and those with special educational needs and disabilities (SEND).
- 2.9. At the same time, the DfE also published its guidance on 'Estimating Pupil Yield from Housing Development'. This sets out the recommended approach to calculating pupil yield from housing development for the purposes of securing developer contributions.
- 2.10. Alongside this, the Pupil Yield Dashboard was also published. This data comprises all developments in England that have 10 or more dwellings that were started and completed between 2008 and 2022. From this data, pupil yield figures have been provided at each local authority level. The guidance recommends that these figures can act as baseline pupil yield factors which local authorities can choose to adopt, supplement and update over time. Alternatively authorities can produce bespoke local pupil yield evidence.
- 2.11. For more information on the DfE's guidance and updates, please visit:
<https://www.gov.uk/government/publications/delivering-schools-to-support-housing-growth>

Local Policy and Practice

- 2.12. Within Stockport, the current adopted development plan comprises:
- Stockport Core Strategy (2011)

- Stockport Unitary Development Plan Review (May 2006) Saved Policies (2011)
- Stockport Unitary Development Plan Proposals Map (2006)
- Greater Manchester Joint Waste Development Plan Document (2012)
- Greater Manchester Joint Minerals Development Plan Document (2013)
- Adopted Neighbourhood Plans.

2.13. The Core Strategy was adopted in March 2011 and is currently the principal document that sets the framework for securing developer contributions. For more information on the adopted plan and any emerging plans, please visit:

<https://www.stockport.gov.uk/development-plan>.

2.14. The Core Strategy contains localised policies but remains consistent with national policy. In the same way the NPPF prioritises sustainable development, **Core Policy CS1 – Overarching Principles: Sustainable Development – Addressing Inequalities and Climate Change** highlights the importance of achieving economic, social and environmental objectives.

2.15. Furthermore, the Core Strategy emphasises the need for accessible and good-quality community facilities through **Core Policy CS5 – Access to Services**.

2.16. The Core Strategy also makes specific references to education provision in **Development Management Policy AS-2 – Improving Indoor Sports, Community and Education Facilities and their Accessibility**, with paragraph 3.185 stating:

“What we’re going to do or require:

Sufficient indoor sports, community (including health care facilities) and education facilities will provide:

1. *Modernised secondary schools with improvements to the building stock condition through various means including new development, redevelopment, extension and refurbishment as resources permit;*
2. *A modernised and expanded Stockport College Campus in the Town Centre;*
3. *Sufficient life long learning and Special Education Needs facilities;*
4. *A comprehensive network of childcare provision, infant and primary schools;*

5. *Education and community facilities that are well located to serve the relevant population and comply with PPS4 and any subsequent replacement or amendment, with particular reference to PPS4 Policy EC10: Determining Planning Applications for Economic Development (which applies to uses including public and community uses); ...”.*

School Sufficiency Investment Plan

- 2.17. As a Local Authority, we have a statutory responsibility to commission sufficient school places. The School Sufficiency Investment Plan is a document which is published annually and sets out how Stockport Council will carry out this duty. To read the 2023 plan, visit:
<https://democracy.stockport.gov.uk/documents/s214014/School%20Investment%20Plan%20-%20Main%20Report.pdf>
- 2.18. A fundamental requirement for any local authority wanting to assure sufficiency is that its schools hold surplus school places. Surplus places need to be held by schools to absorb margins of error in pupil forecasting and inward migration. This is especially important in Stockport as it is a popular destination and home to hundreds of new families each year. Stockport also provides residence to children displaced or seeking asylum or refuge. Stockport aims to achieve and hold between 6-8% surplus places in schools across the borough, and this is set out in the Schools Sufficiency Investment Plan.
- 2.19. Schools are finding it increasingly difficult to hold surplus places due to a combination of pupil funding and parental preference for schools other than their local school. The 2023 School Sufficiency Investment Plan predicts Stockport will face a shortfall of places in the secondary sector which at its peak will equate to 200 Year 7 places. We recognise that we must work with our partner schools and academies, to plan together to assess and address any shortfalls.

Mainstream Sufficiency Strategy

- 2.20. The forthcoming Mainstream Sufficiency Strategy will set out how Stockport Council will carry out its responsibility to ensure there are sufficient mainstream primary and secondary school places in the borough. ‘Mainstream’ refers to pupils who are supported in class by having their needs met by a class teacher or teaching assistant. This strategy will remain live and will reflect Stockport’s short, medium,

and longer-term mainstream sufficiency needs. As such it will be updated and refreshed annually.

SEND Sufficiency Strategy

- 2.21. The forthcoming SEND Sufficiency Strategy will set out how we will ensure there are enough school places for children and young people with Special Educational Needs and Disabilities (SEND). This covers the ages 0 to 25 in line with SEND legislation and with our ambition for early intervention and planning. The SEND Sufficiency Strategy will cover the period from 2022 until 2027 and will be reviewed annually and updated as needed.

3. How and where S106 Contributions will be used

Types of infrastructure

- 3.1. Developer contributions will be sought for the following types of education provision:
- Early years
 - Primary
 - Secondary
 - Post-16
 - Special Schools/ Alternative Provision
- 3.2. Contributions towards education infrastructure will be invested in the local area to ensure a sufficient supply of school places in line with our statutory requirements. This will typically be through the physical expansion of existing schools in the area. However, investment may also be made which does not expand the physical size of a local school(s) but facilitates the creation of additional school places through other means. This could include works to improve the condition of buildings to bring them back into use, or by remodelling/repurposing existing space.
- 3.3. The sustainable operation of mainstream schools is dependent upon admitting a sufficient number of pupils. Primary provision should have a minimum of 2 forms of entry which equates to 14 classes including the reception class. Secondary provision should have a minimum of 4 forms which equates to 20 classes for years 7 to 11. Expanding existing schools presents a great opportunity to secure the long-term future of education provision and use land in a sustainable way. Therefore we will aim to expand existing primary and secondary schools in half form or full form entry to support sustainable growth.
- 3.4. Where it is not feasible to expand facilities on an existing nearby school site, alternative sites for provision will be considered, either for:
- The expansion of an existing school that is slightly further away but can help provide additional pupil places with the same or adjacent place planning area; or
 - The expansion of an existing school onto an additional site; or

- For the provision of an entirely new school.
- 3.5. A new school may need to be subsidised until it has sufficient pupils to make it operate on a financially viable basis. Therefore the appropriate timing of delivery is crucial and will be negotiated to best meet the needs of pupils.
- 3.6. In line with DfE guidance, contributions may also be used to provide temporary solutions to meet education needs where it is not possible to open a permanent new school at the point of need. However, the permanent provision of additional school places will still have to be funded to mitigate the impact of a development.
- 3.7. For SEND provision, we will identify projects and direct funds appropriately to meet the expected increase in need. Contributions may be pooled towards an additional teaching space in a special school or SEND unit at a mainstream school. They could also be utilised for school building alterations that increase a mainstream school's capacity to cater for children with special needs.

Planning areas

- 3.8. Stockport is divided into a number of pupil planning areas at the primary and secondary levels. These areas cover a group of schools within the local authority, which are used to assess current and future pupil demand for school place provision. Currently, there are twelve primary planning areas and four secondary planning areas, and we plan for sufficient pupil places within these areas. The planning areas may be altered over time and therefore for the purposes of this SPD, the most up-to-date planning areas will be used.
- 3.9. The primary planning areas are:
- Bramhall Primary Planning Area
 - Brinnington Primary Planning Area
 - Cheadle Hulme Primary Planning Area
 - Edgeley Primary Planning Area
 - Hazel Grove Primary Planning Area
 - Heaton Primary Planning Area
 - Kingsway Primary Planning Area

- Marple Primary Planning Area
- Reddish Primary Planning Area
- Stockport Primary Planning Area
- Werneth Primary Planning Area

3.10. The secondary planning areas are:

- North secondary
- East secondary
- South secondary
- West secondary

4. Methodology for calculating financial contributions

4.1. This section sets out the methodology for calculating financial contributions to education provision that we will use in Stockport. It is set out in the following three sections:

- **Thresholds** – sets out the type of developments, typically based on their size, that will be assessed for their impact on education provision.
- **Pupil yields** – outlines the number of pupils expected to be yielded from different residential typologies. Pupil yields for all types of education provision in Stockport are provided.
- **Cost estimates** – provides estimated costs associated with providing additional education infrastructure in Stockport.

Thresholds

- 4.2. We will seek developer contributions from developments that yield pupils where there is insufficient existing capacity in local schools. They will also be sought where existing capacity is due to be taken up by pupils from other housing developments, or feeder schools. The scale of these contributions will be calculated in line with the estimated impacts on education provision. They will take into account other planning proposals in the local area. Example calculations showing how this will be worked out are included at Appendix 1 to this document.
- 4.3. Applications for schemes with less than 10 residential units will typically be exempt from providing developer contributions. However, if the combined effects with other nearby housing sites create unacceptable impacts on education provision, contributions may still be required.
- 4.4. We will not seek developer contributions towards education from the following:
- sheltered accommodation.
 - Non-family homes such as homes specifically designed for older people and holiday accommodation.
- 4.5. All major planning applications of 10 or more residential units will be assessed by the relevant council officers. The assessment will establish whether they will have an unacceptable impact on education provision in their place planning area. Where

a development is close to the boundary of multiple pupil planning areas, the assessment will include a review of the adjacent areas. In these instances, officers will make a judgement about where the financial contributions will be spent.

Large scale developments

- 4.6. Large scale major housing sites of around 200 to 1,300 dwellings that are clustered in the same or nearby planning areas, may require additional primary infrastructure to support them. The scale of the infrastructure needed will depend on whether existing schools can be expanded. It will also depend on what other housing developments in the area may be coming on forward in the short-medium term future. Additional infrastructure may include:
- Additional forms of entry
 - A new primary school
 - A split site school campus.
- 4.7. Housing developments of around 1,300 dwellings or more may require a two-form entry primary school. However, this is dependent on house types and the capacity of local schools. New schools will be required to have a 6-8% surplus capacity in line with our operational requirements as set in the School Sufficiency Investment Plan.
- 4.8. Due to land availability in Stockport, is not anticipated that a single development will be large enough on its own to trigger the need for a new secondary school. However, the cumulative pupil yield of a number of separate developments may result in the need for a new secondary school. In this case, developer contributions will be sought from all relevant developments. Those contributions pooled together will enable the provision of a new secondary school.
- 4.9. In addition, a parcel of land may need to be reserved within a proposed development to enable the school to come forward. Each relevant development will be expected to contribute a pro-rata financial contribution in proportion to the number of children it is expected to generate. For the development that would be providing the land, the value of that land would be taken into account when determining its financial contribution.
- 4.10. For outline planning applications, developer contributions towards education will be estimated using a formula set out within the legal agreement. When full details of

the scheme are known, a further assessment will be undertaken. This will take into consideration up-to-date pupil yield and build cost estimates.

- 4.11. There may be instances where an application is close to our borough boundary which may have implications for education provision in adjoining areas. Where relevant, those authorities will be consulted as part of the application process. Similarly, there may be applications outside of Stockport's boundary that may have an impact on our education provision. In these instances, we will assess the likely impact and respond accordingly.

Pupil yields

- 4.12. DfE's guidance 'Securing Developer Contributions for Education' sets out that evidence of pupil yield from housing developments should be based on up-to-date evidence from previous local housing developments. The supplementary guidance titled 'Estimating Pupil Yield from Housing Development' goes on to acknowledge that there are multiple ways in which local authorities estimate pupil yield from housing.
- 4.13. In August 2023, DfE published pupil yield data for all local authorities in England which links data on housing developments to pupil data. This is known as the 'Pupil Yield Dashboard'. The purpose of publishing this data was to reduce inconsistencies and improve the baseline data available to local authorities. The guidance makes clear that local authorities can choose to adopt, supplement and update this data over time. Alternatively, local authorities can produce bespoke pupil yield data.
- 4.14. Given that the DfE's pupil yield evidence is the most up-to-date data currently available, this will be used to calculate the estimated number of pupils to arise from new housing development. However, in line with DfE guidance, we will update pupil yields when this is refreshed. This will also be updated where more evidence is gathered locally.
- 4.15. DfE's guidance on delivery schools to support housing growth and the 'Pupil Yield Dashboard' can be found here:
<https://www.gov.uk/government/publications/delivering-schools-to-support-housing-growth>

Cost estimates

- 4.16. We will aim to expand primary and secondary schools in half forms or full forms of entry to support sustainable growth. Viability for mainstream schools is dependent upon admitting a sufficient number of pupils. To provide a sustainable, broad and balanced curriculum, there is a presumption that primary provision should have a minimum of 2 forms (420 pupils in total), and secondary provision have a minimum of 4 forms (600 pupils in total). Expanding existing schools presents a great opportunity to secure the long-term future of education provisions.
- 4.17. Where there is available capacity in a pupil planning area to accommodate some of the children and young people generated by a housing development, a proportional contribution will be sought.
- 4.18. We use the most recent cost estimates outlined in the local authority school places scorecards (or such update or other Department for Education (DfE) recognised report as may replace or supersede it). This is published yearly by the DfE, usually in June. The costs outlined in this SPD were published on 29 June 2023. These up-to-date costs can be found here: <https://explore-education-statistics.service.gov.uk/find-statistics/local-authority-school-places-scorecards>.
- 4.19. SEND costs are based on information from the National Cost Benchmarking Study, uplifted with ONS inflation data (or such update or other Department for Education (DfE) recognised report as may replace or supersede it). See the most recent version of the study here: <https://ebdog.org.uk/article/cost-of-school-buildings-national-benchmarking-study-2021-22-now-available-and-2022-23-submissions-now-requested/>.
- 4.20. We have assumed that the cost for an early years place will be the same as a primary pupil place. Similarly, we have assumed that the cost for a 16-18 pupil place is the same as a secondary pupil place.
- 4.21. Construction inflation is currently high, so the detailed figures are indicative only. The cost of a new school or extensions to an existing school will vary depending on size, location and facilities.
- 4.22. These costs will be used as the starting point for estimating the costs of provision. There may be some schools within Stockport that have difficult site circumstances

that mean the formula outlined here would not be sufficient to provide the necessary extensions to school the new children. These sites will be dealt with on a case-by-case basis after site feasibility has been undertaken. In these cases, the cost of the actual extension will be determined and applied pro-rata to the number of children being generated by the development.

4.23. Where a school or new building is to be provided on site, the developer will normally be expected to:

- Set aside sufficient, fully serviced land; and
- To construct educational facilities to the council's design and specifications at the developer's own cost.

5. Implementation

Pre-application discussions

- 5.1. We recommend that pre-application advice is sought before making a planning application. This provides an opportunity to enter into discussions with planning officers and relevant colleagues about the proposal. It also means that developer contributions that are likely to be required are made known to the developer as early as possible in the decision-making process.
- 5.2. Details of the process for engaging with planning officers at the pre-application stage can be found on our website at <https://www.stockport.gov.uk/pre-application-advice-and-guidance>.

Drafting of agreements

- 5.3. Legal agreements for developer contributions will normally be drafted by the council's Legal Services Team, or by solicitors acting on the council's behalf. Applicants will be required to pay the council's reasonable legal and professional costs in drafting and completing the agreement. Costs will need to be paid before the sealing of the legal agreement; without this planning permission will not be issued. If any work is done on a draft but it is never completed, then the applicant will still be required to cover the costs incurred.
- 5.4. To improve the speed, efficiency, and consistency of the preparation of s106 agreements, our legal team use a standard template to draft these agreements. We will continue to use this template for each S106 agreement. Clauses will only be adapted to the individual circumstances of the application where it is necessary.
- 5.5. To secure developer contributions through a legal agreement, applicants will be required to provide the following:
 - draft heads of terms
 - details of the applicant's solicitor including their undertaking and proof of title
 - proof of title of the ownership of the site
 - an undertaking to pay the council's legal fees.

- 5.6. All landowners and parties holding an interest in the land will also need to be party to the legal agreement. If the site is subject to a mortgage, the mortgagee will also need to enter into the legal agreement.
- 5.7. Applicants are advised to appoint a suitably qualified solicitor to represent their interests.

Index linking and late payment interest

- 5.8. To ensure the value of contributions are maintained in line with inflation, all financial contributions will be index linked. This means that contributions will be adjusted for inflation at the point they are negotiated and when payment is due. For phased payments, this applies to when the final payment is due. All financial contributions will be index linked using the Building Cost Information Service (BCIS) All-in-Tender Price Index. This is published by BCIS on the 1st of November each year to calculate the proportionate increase in contribution rates for the following year.
- 5.9. The agreement will set out a due date by which the payment is required to be paid. If the S106 payment is not paid by this date, the owner will be required to pay interest on the late payment. The interest will be set at the Default Interest Rate which is five percent per annum above the Bank of England Base Rate. The interest will increase daily from the due date to, and including, the date of payment.
- 5.10. Continued non-payment will result in legal action being taken, with any unpaid amounts, including interest and associated costs, being pursued. The applicant will also be required to pay the council's legal fees.

Payment of financial contributions

- 5.11. Financial contributions will be payable at specific stages in the development process, usually at the commencement of the development.
- 5.12. There may be cases in large-scale housing developments where contributions can be phased. There must be sufficient evidence to justify this, and it is the responsibility of the developer to demonstrate the benefits of phased payments. This must be agreed by the council before the signing of the legal agreement. Trigger dates will be set for phased payments and will be laid out in the legal agreement.
- 5.13. Following receipt, financial contributions will be held in interest bearing accounts. They will be individually identifiable due to each contribution being allocated a

unique finance code. The financial contributions will only be spent on increasing education provisions related to their development.

- 5.14. Individual legal agreements will specify the timeframes for financial contributions to be spent. The standard period for this will be 10 years from the date of receipt to the point at which it is spent, as recommended by the DfE guidance. For some planning applications, particularly those that are outline or phased, a longer timeframe may be appropriate. If monies remain unspent by the end of the relevant contribution period, they will be refunded upon request only.
- 5.15. Where we decide to forward-fund school places in advance of financial contributions being received, the applicant will be liable to cover the monies spent, including interest, fees, and expenses, as well as the principal sum.

Transfer of land

- 5.16. On large residential developments, where a new school is required on-site, or where an existing school is to be extended, there may be the option for the developer to build the facilities themselves, to our design. This will depend on the specific details of the development and may include the transfer of land to the council, in addition to the build. In such cases, developers will be required to pay our legal fees in respect of the land transfer.
- 5.17. In cases where a developer chooses to retain responsibility of the land, they will be bound to keep hold of it and maintain it to a specification agreed with Stockport Council in perpetuity.

Viability and overage

- 5.18. We recognise that the developer contributions we seek towards education should not undermine the deliverability of the development. However, in line with paragraph 58 of the NPPF, where planning applications have complied with the policies in the development plan, they will be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the reason for the non-compliance. In these instances, developers will be expected to provide a viability assessment at their own cost.
- 5.19. Where an applicant intends to submit a viability assessment to negotiate a reduced contribution, this must be received before the validation of the planning application.

Where evidence is submitted following validation, without prior agreement, this may not be accepted.

- 5.20. In reviewing the viability evidence, we will take a view of the applicant's case as a whole. However, it is expected that applicants should have regard to the scale of policy requirements and developer contributions when acquiring land as part of their due diligence. Therefore where an applicant has overpaid for a site this will not be accepted as a justification for negotiating a reduced contribution.
- 5.21. We will employ an independent valuer to undertake an assessment of viability appraisals for all planning applications where viability is an issue. The viability appraisal will be undertaken by the applicant and submitted to us and the independent valuer. The applicant will cover the costs of both the viability appraisal and the independent valuer's fees.
- 5.22. Where we accept an applicant's case for a reduced contribution, the legal agreement may include an overage clause. This will capture any uplift in profit at the time that the development is built out. A further viability appraisal must be submitted towards the end of the development. In the case of phased developments, a further viability assessment will be required at agreed points throughout the development. The purpose of this is to show the actual costs and values for the development. If the new appraisal shows a higher profit level than the allowance in the original assessment, then that uplift is to be shared equally between the council and the applicant. The shared value will be up to the value of the policy compliant contributions for that scheme. The legal agreement will define the process for the submission of an updated viability appraisal and the mechanism for the recovery of any financial contributions. The applicant will be liable to cover the costs associated with the updated viability appraisal.

6. Monitoring and reporting

- 6.1. We will monitor compliance with legal agreements, to ensure payment of financial and/or delivery of non-financial contributions. The allocation and expenditure of developer contributions, together with the progress of works to increase school places will be monitored.
- 6.2. Developers entering into agreements are required to pay a monitoring fee to cover costs incurred in monitoring developer contributions. The fee will depend on the nature and complexity of the contribution being monitored. All monitoring fees will be subject to indexation and payable at the commencement of the development.
- 6.3. If developers fail to comply, we will enforce developer contributions through the relevant legal channels once all reasonable approaches have been exhausted. In such cases, we will seek to retrieve the costs of taking action against the developer that is in breach of its legal agreement.
- 6.4. We are required to publish information on monies received and spent relating to new developments secured through s106 agreements. This information is published in a document known as an Infrastructure Funding Statement and can be found on our website at <https://www.stockport.gov.uk/infrastructure-funding-statement-ifs>.

Appendix 1. Worked examples

Example 1. 250 unit scheme with 40% affordable housing. Market housing comprises a mix of 2, 3 and 4+ bed houses. Affordable housing comprises a mix of flats and houses of differing bedroom sizes.

DATE OF CALCULATIONS	Example 1
SCHEME NAME	
PLANNING REFERENCE	

	MARKET UNITS	AFFORDABLE UNITS
Flats		
1-bed		10
2-bed		20
3-bed		10
4+ bed		
Houses		
1-bed		
2-bed	50	25
3-bed	50	35
4+ bed	50	
Non-applicable units		
<i>Total units (check)</i>	<i>250</i>	

PUPIL YIELDS AND COSTS

	ESTIMATED AMOUNTS
Early years TOTAL	17.775
Estimated costs	£345,279
Primary pupils	83.49
Estimated Primary costs (expansion)	£1,621,881
Secondary pupils	44.99
Estimated Secondary Costs (expansion)	£1,201,891
16-18 pupils	11.16
16-18 Costs (expansion)	£298,229
SEND pupils	5.35
Estimated SEND specialist school costs	£442,397
ESTIMATED TOTAL COSTS	£3,909,677
<i>Total Pupils</i>	<i>162.8</i>

Example 2. 250 unit apartment scheme with 15% affordable housing. Both the market and affordable flats comprise a mix of 1, 2 and 3 bed properties.

DATE OF CALCULATIONS	Example 2
SCHEME NAME	
PLANNING REFERENCE	

	MARKET UNITS	AFFORDABLE UNITS
Flats		
1-bed	100	20
2-bed	75	10
3-bed	37	8
4+ bed		
Houses		
1-bed		
2-bed		
3-bed		
4+ bed		
Non-applicable units		
<i>Total units (check)</i>	250	

PUPIL YIELDS AND COSTS	ESTIMATED AMOUNTS
Early years TOTAL	5.715
Estimated costs	£111,014
Primary pupils	5.62
Estimated Primary costs (expansion)	£109,149
Secondary pupils	1.87
Estimated Secondary Costs (expansion)	£50,068
16-18 pupils	0.90
16-18 Costs (expansion)	£24,112
SEND pupils	0.17
Estimated SEND specialist school costs	£13,635
ESTIMATED TOTAL COSTS	£307,978
<i>Total Pupils</i>	<i>14.3</i>

Example 3. A 250 unit scheme which is all affordable. Affordable housing comprises both flats and houses in a range of sizes.

DATE OF CALCULATIONS	Example 3
SCHEME NAME	
PLANNING REFERENCE	

MARKET UNITS		AFFORDABLE UNITS
Flats		
1-bed		50
2-bed		25
3-bed		25
4+ bed		
Houses		
1-bed		10
2-bed		50
3-bed		50
4+ bed		40
Non-applicable units		
<i>Total units (check)</i>		250

PUPIL YIELDS AND COSTS

Early years TOTAL

Estimated costs

Primary pupils

Estimated Primary costs (expansion)

Secondary pupils

Estimated Secondary Costs (expansion)

16-18 pupils

16-18 Costs (expansion)

SEND pupils

Estimated SEND specialist school costs

ESTIMATED TOTAL COSTS

Total Pupils

ESTIMATED AMOUNTS	
	8.935
	£173,562
	67.83
	£1,317,598
	29.84
	£797,168
	0.39
	£10,473
	5.56
	£459,049
	£2,757,850
	112.5

Example 4. A 200 unit retirement living scheme with 50 houses that are not specifically designed for older people. The scheme is in an area with a 30% affordable housing requirement which has been applied evenly to the retirement living apartments and the houses.

DATE OF CALCULATIONS	Example 4
SCHEME NAME	
PLANNING REFERENCE	

	MARKET UNITS	AFFORDABLE UNITS
Flats		
1-bed		
2-bed		
3-bed		
4+ bed		
Houses		
1-bed		
2-bed	5	10
3-bed	20	5
4+ bed	10	
Non-applicable units	140	60
<i>Total units (check)</i>	250	

PUPIL YIELDS AND COSTS	ESTIMATED AMOUNTS
Early years TOTAL	3.794
Estimated costs	£73,698
Primary pupils	20.43
Estimated Primary costs (expansion)	£396,756
Secondary pupils	9.25
Estimated Secondary Costs (expansion)	£247,239
16-18 pupils	2.25
16-18 Costs (expansion)	£60,006
SEND pupils	1.18
Estimated SEND specialist school costs	£97,553
ESTIMATED TOTAL COSTS	£875,253
<i>Total Pupils</i>	36.9