Salford City Council
Supplementary Planning Document

Education Contributions

Draft for consultation – May 2013
Contents

1 - Introduction 2
2 - Background: the need to seek contributions towards education provision 4
3 - Planning policy context 8
4 - School capacity and the basis for requiring contributions 10
5 - Threshold, exemptions, and the need for pre-application engagement 13
6 - Approach to seeking developer contributions – policies 15
7 - Viability 23
8 - Implementation 25
9 - Monitoring and review 28
Annex A – plan of primary pupil planning areas within Salford 29
Annex B – worked example of the calculation of the standard financial contribution 30
1 Introduction

1.1 Salford City Council is preparing this education contributions supplementary planning document (SPD) in order to provide additional guidance on the city council’s approach to seeking contributions towards education infrastructure provision from new housing development within the city. Saved policy DEV5 of the Salford unitary development plan (UDP) provides the policy basis for requiring such contributions.

1.2 Salford is facing a significant increase in the demand for primary school places, and this demand is projected to continue to increase in future years. There is insufficient capacity within existing schools to meet this requirement, and the city council will therefore need to create additional pupil places to meet its statutory obligations in this regard. This will require significant capital investment in the expansion of existing schools and may require the establishment of new schools.

1.3 The education contributions SPD will provide guidance on the city council’s approach to raising financial contributions via planning obligations under section 106 of the Town and Country Planning Act 1990 (as amended). The contributions raised will be directed to funding works associated with addressing the increased pressure on existing school provision that a development will generate.

1.4 This approach will ensure that new housing development makes a proportionate contribution to meeting the additional requirement for education provision that it will generate.

1.5 The SPD will expand on the saved policies of the UDP, and will specifically supplement the following saved policies:
- DEV5 – planning conditions and obligations
- ST1 – sustainable urban neighbourhoods

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

Consultation on the draft education contributions SPD

1.7 The city council invites comments from stakeholders and consultees on the draft education contributions SPD. Comments should be received by the city council no later than 4.30pm on Friday 5 July 2013 in order for them to be taken into account in informing the final version of the SPD that the city council will adopt.

1.8 Comments may be submitted by the following means:
- Via the city council’s website at http://www.salford.gov.uk/educationspd
• By email to plans.consultation@salford.gov.uk
• By post to:
  
  Education Contributions SPD consultation
  Spatial Planning
  Salford Civic Centre
  Chorley Road
  Swinton
  M27 5BY

1.9 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

Previous consultation that has informed the preparation of the education contributions SPD

1.10 Between December 2012 and January 2013, the city council sought the views of stakeholders and consultees on its intention to prepare an education contributions SPD. The city council issued a scoping consultation document which set out the scope and principles of the proposed approach, and sought views on this.

1.11 Responses to this scoping consultation were received from ten organisations and individuals. 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 and can be accessed via the city council’s website at http://www.salford.gov.uk/educationspd

Sustainability appraisal and strategic environmental assessment

1.12 The education contributions SPD has been screened for the need to undertake a sustainability appraisal and strategic environmental assessment and it has been determined that assessments are not required.

1.13 The determination statement can be viewed on the city council’s website at http://www.salford.gov.uk/educationspd
2 Background: the need to seek contributions towards education provision

2.1 Salford is currently facing a significant increase in the demand for school places at the primary school level. There are a range of factors underpinning this, but it is likely that the increase in Salford’s birth rate over recent years is a key factor. The increase in demand for school places is creating very significant pressures at the primary school level, where many schools are either full or approaching capacity. The issue is citywide in its scope, and 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.

2.2 Many education authorities across the country are currently facing an increased demand for primary school places, particularly in large urban areas where the increase in the birth rate has been most pronounced. Between 2001 and 2011, the birth rate in England increased by 22%, representing the largest increase since the 1950s. Projections published by the Department for Education suggest that nationally there will be an additional 800,000 children aged 11 or under in state education by 2020. This would represent an increase of a fifth in England’s primary population in less than a decade, to its highest level since the early 1970s.

2.3 Salford City Council derives its primary pupil projections from GP-registration data, enabling the city council to project the number of pupils that will require places in future years with significant confidence. The most recent projections identify that there will be a requirement for approximately 4,500 additional primary pupil places within Salford by 2018/19.

2.4 It is important to highlight that these projections do not take account of any additional requirement for pupil places that will be generated by new housing development within the city. Salford’s strategic housing land availability assessment identifies that over the period 2011 – 2028 there is sufficient land supply to accommodate around 24,000 net additional dwellings within the city. It is clear that this level of

---

1 See for example the annual report of the Office of the Schools Adjudicator (September 2011 – August 2012) http://media.education.gov.uk/assets/files/pdf/o/annual%20report%202012%20final%20version_001.pdf
2 “Capital funding for new school places” – National Audit Office (March 2013).
4 “Strategic housing land availability assessment 2011 - 2028” – Salford City Council (February 2012).
5 Reflecting gross additions minus demolitions/reductions plus net windfalls, based on sites assessed as being deliverable/developable.
additional housing development will create significant further pressure in terms of the requirement for school places.

2.5 The chart below identifies the historic trend in the number of primary pupils on roll within Salford state-funded schools over the period from 1981 onwards, and the forecast number of primary pupil places that will be required in future years based on the number of pre-school children resident within Salford as derived from GP-registration data.

**Number of primary pupils on roll in Salford state-funded schools – trend and forecast**

2.6 Over recent years, the city council has been able to absorb some of the additional demand for primary pupil places through capacity in existing schools. Due to the decline in the number of primary pupils on roll in Salford over the period 1997 to 2009 there was some residual surplus capacity within existing schools which enabled the requirement for additional pupil places to be met. As the requirement has continued to grow, it has however become increasingly challenging to meet the demand for primary pupil places within existing school accommodation.

2.7 For the September 2011 intake the city council had to create an additional 350 Reception places and 130 places in Years 1 and 2 to meet the requirement for places. For the September 2012 intake, the city council had to create an additional 755 places in schools across the city. To date, this has largely been achieved through the re-use of space within existing school buildings (i.e. through converting non-classroom space into classrooms). It has also involved the installation of temporary classrooms at a number of schools. Many of these options for creating additional capacity have however now been exhausted.
2.8 The city council is therefore currently developing a programme of actions to ensure that sufficient additional primary places are created to meet future requirements. The primary schools provision programme will set out a range of interventions to create the required level of additional places over the period to 2020. The options being appraised include:
- bringing back all available space in existing school buildings to create additional classrooms;
- extending school buildings on their existing site;
- re-commissioning disused schools including those vacated through the building schools for the future programme;
- using under-utilised space within secondary schools to create thru-schools to accommodate older primary year cohorts (e.g. Years 5 and 6);
- acquisition of buildings / land adjacent to existing schools in order to extend the capacity of existing schools; and
- use of other buildings / land in the city council's ownership to create new schools.

2.9 In response to the shortage of pupil places nationally, central government has made financial allocations to those local authorities facing the greatest pressure on pupil places via basic need funding. Salford City Council received £4.8m from the government's 2011/12 basic need funding allocation, and received a further £5.5m from the 2012/13 allocation. In March 2013 the government announced the 2013/14 and 2014/15 basic need funding allocations, through which Salford will receive a total of £9.18m. Whilst these funding allocations have to date supported the city council in meeting the costs associated with bringing existing space within schools back into use, it is clear that they will not be sufficient to fund the capital investment necessary to meet future requirements, in terms of the extension of existing schools or the establishment of new schools.

Approach to seeking contributions

2.10 Salford has not previously sought contributions from housing development towards education provision. The planning obligations SPD which the city council adopted in March 2007 sets out a formula-based approach to the calculation of contributions for a range of infrastructure types (open space, public realm and infrastructure, construction training and climate change). Education contributions were not included within the scope of this document as at the time Salford was managing an excess of surplus places as a result of the downward trend in the number of pupils on roll at both the primary and secondary levels.

---

6 “Planning obligations supplementary planning document” – Salford City Council (March 2007).
2.11 The principle of local authorities requiring financial contributions from new housing development towards education provision via the mechanism of planning obligations under s106 of the Town and Country Planning Act 1990 (as amended) is however well established. Even where authorities have adopted a community infrastructure levy charging schedule, contributions towards education provision can continue to be sought via planning obligation where they meet the statutory tests set out in regulation 122 of the Community Infrastructure Regulations 2010 and are not set out in a ‘regulation 123 list’.

2.12 The education contributions SPD will ensure that new housing development makes a proportionate contribution to the additional requirement for pupil places that it will generate. It will sit alongside Salford’s adopted planning obligations SPD, and provide guidance on the city council’s approach to requiring developer contributions towards education provision from new housing development.

---

7 Regulation 123 of the Community Infrastructure Levy Regulations 2010.
3 Planning policy context

Development plan

3.1 The education contributions SPD will supplement the following saved policies of Salford’s unitary development plan:

- DEV5 – planning conditions and obligations

  The policy 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. The reasoned justification confirms that the potential scope of planning obligations may include the provision and improvement of social, community and other local facilities. Education provision would clearly fall within this definition.

- ST1 – sustainable urban neighbourhoods

  The policy identifies that development will be required to contribute towards the creation and maintenance of sustainable urban neighbourhoods. The reasoned justification confirms that accessible local facilities are an important component in achieving this.

National policy context

3.2 The national planning policy framework (NPPF) identifies that one of twelve overarching principles that should underpin both plan-making and decision taking is the need to take account of and support local strategies to improve health, social and cultural wellbeing for all, and deliver sufficient community and cultural facilities and services to meet local needs (paragraph 17).

3.3 Paragraph 74 of the NPPF confirms that the government attaches great importance to ensuring that a sufficient choice of school places is available to meet the needs of existing and new communities. It identifies that local planning authorities should take a proactive, positive and collaborative approach to meeting this requirement, and to development that will widen choice in education. In delivering this, it identifies that authorities should give great weight to the need to create, expand or alter schools.

---

8 “City of Salford unitary development plan 2004 – 2016: saved policies” – Salford City Council (April 2012).

9 “National planning policy framework” – Department for Communities and Local Government (March 2012).
3.4 In relation to plan-making, paragraph 153 of the NPPF identifies that supplementary planning documents should be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development.

3.5 In relation to viability, paragraphs 173 – 174 of the NPPF make clear that the sites and scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. It also identifies that authorities should assess the likely cumulative impact on development viability of all existing and proposed local standards and policies when taken together with nationally required standards, and that this cumulative impact should not put implementation of the plan at risk and should facilitate development throughout the economic cycle.

3.6 The emphasis on deliverability is further strengthened by recent government statements and consultations. The ministerial statement ‘Planning for growth’\(^{10}\) identified that in order to ensure that development can go ahead, authorities should reconsider at developers’ request existing section 106 agreements that currently render schemes unviable, and where possible modify those obligations to allow development to proceed, provided that this continues to ensure that the development remains acceptable in planning terms.

\(^{10}\) “Written ministerial statement: planning for growth” – the Minister of State for Decentralisation (the Rt Hon Greg Clark MP), (23 March 2011).
School capacity and the basis for requiring contributions

4.1 Over recent years Salford has faced a significant increase in the demand for school places at the primary school level. As a result of this, the majority of primary schools within the city are already at capacity, and where there is some limited existing capacity this is focused within particular year group cohorts.

4.2 On the basis of existing capacity, there are currently 18,565 primary pupil places within state-funded primary schools within Salford\(^{11}\). Of these 2,652 places are at Reception level.

4.3 The city council derives its primary pupil projections from GP-registration data of pre-school age children, enabling it to project the number of pupils that will require places in future years with significant confidence. For the purposes of primary pupil place planning, the city council divides the city into 12 pupil planning areas (PPAs) which broadly reflect established catchment areas for primary schools. The plan at Annex A identifies the distribution of the 12 PPAs across the city.

4.4 The 2012-based pupil projections identify that for the September 2013 intake there will be a requirement for 19,029 primary pupil places citywide, of which 2,931 places will be required at Reception level. The table below summarises the 2012-based citywide pupil projections for future years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Requirement for Reception places</th>
<th>Requirement for pupil places across all 7 primary year cohorts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>2,931</td>
<td>19,029</td>
</tr>
<tr>
<td>2014/15</td>
<td>3,065</td>
<td>19,857</td>
</tr>
<tr>
<td>2015/16</td>
<td>3,151</td>
<td>20,613</td>
</tr>
<tr>
<td>2016/17</td>
<td>3,261</td>
<td>21,302</td>
</tr>
<tr>
<td>2017/18</td>
<td>3,355</td>
<td>22,022</td>
</tr>
<tr>
<td>2018/19</td>
<td>3,449</td>
<td>22,600</td>
</tr>
</tbody>
</table>

4.5 The tables within the background document on school capacity\(^{12}\) provide a breakdown of the pupil place projections across each of the

---

\(^{11}\) As at February 2013. This includes all state-funded schools educating primary age children, but does not include special educational needs (SEN) schools.

\(^{12}\) “Education contributions supplementary planning document: background document on cost per primary pupil place and school capacity” – Salford City Council (April 2013).
12 PPAs. These clearly demonstrate that the issue of capacity is citywide in its scope across all of the PPAs. Whilst in some PPAs there is some existing capacity within the higher year group cohorts, all areas have capacity issues within the lower year group cohorts. This is particularly the case in Reception, and Years 1, 2 and 3. It is also clear that any remaining capacity which does exist in the higher year group cohorts will be taken up in the short term as the year group cohorts move up through the school system.

4.6 In addition to the pupil place requirement identified via the pupil projections, the city council also needs to maintain a 5% surplus of places. This is to allow sufficient flexibility for in-year movement and admissions, provide a buffer in the event that the actual requirement for places exceeds pupil forecasts, and to provide a degree of parental choice. The identified requirement for pupil places must therefore be increased by 5% to allow for a working surplus.

4.7 It is important to highlight that the pupil projections do not take account of any additional requirement for pupil places that will be generated by new housing development within the city. It is therefore clear that the requirement for primary pupil places arising from new housing development cannot be accommodated within existing school capacity. Development that results in a net increase in the number of dwellings within the city would therefore result in a material increase in the demand for primary school places that cannot be met by existing facilities.

4.8 The city council is currently developing a programme of actions to ensure that sufficient additional primary places are created to meet future requirements. The primary schools provision programme will set out a range of interventions to create the required level of additional places over the period to 2020. This intervention will however only meet the requirement identified through the pupil projections (plus the 5% surplus), based on the requirements of the city’s existing households.

4.9 New housing development will therefore introduce an additional requirement for primary pupil places, which it will not be possible to accommodate without contributions from developers.

4.10 Given that the issues of capacity are citywide in scope across all 12 PPAs, the city council considers it appropriate to seek contributions from new housing development across the city as a whole. Whilst the interventions that the city council delivers to meet the requirement arising from pupil projections may create a degree of localised capacity in the short term, this is to accommodate the projected future requirement for places arising from existing households within the local area. It would not therefore be appropriate for this short term capacity to be used by a developer as a basis for not making a proportionate
contribution towards the additional requirement for pupil places that their scheme will generate.

4.11 Such an approach would absorb capacity designed to address future pupil projections arising from existing households, resulting in an overall shortfall of primary pupil places. It would also result in a first-come first-served approach whereby the first developer to obtain consent within an area would absorb any spare capacity, whilst subsequent developers would be required to make a contribution. Given the extent and scope of the primary pupil place shortage within Salford, it would be inequitable for this capacity to be used up by earlier developers as the basis for not making a proportionate contribution.

4.12 Similarly, where new education infrastructure (e.g. a new classroom) is necessitated by the impact of one development scheme, it would not be appropriate for developers of subsequent schemes within the local area to use any remaining capacity within this infrastructure as a basis for not making a proportionate contribution towards the additional requirement for pupil places that their scheme will generate, if this would result in a future shortfall of places.

4.13 On this basis the city council will seek contributions from all new housing development (that meets the defined threshold) across the city as a whole.

4.14 The city council considers that this approach complies with the statutory tests for planning obligations as set out within regulation 122 of the Community Infrastructure Levy Regulations 2010.
5 Threshold, exemptions, and the need for pre-application engagement

Threshold

The city council will seek contributions from all new housing development within Salford that would result in a net increase of 10 or more houses.

5.1 The threshold for seeking contributions has been set at this level on the basis that the scale of any financial contribution from schemes below this threshold will be limited. In the context of the restrictions on pooling planning obligations as set out in regulation 123 of the Community Infrastructure Levy Regulations 2010, the city council would have limited scope to pool these smaller contributions in a meaningful way in order to deliver new education infrastructure.

5.2 The threshold relates to the net increase in the number of dwellings in the form of houses. Net increase in this context refers to the increase having regard to any demolition of houses that may form part of a redevelopment scheme. Where there is a relatively short time period between the demolition of houses 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 the demolitions in calculating the net increase as the pupil rolls of local schools will have adjusted accordingly over time.

5.3 The city council will also take into account the full extent of the site area and neighbouring sites, to ensure that housing sites are not developed in an incremental manner in order to remain below the defined threshold for when contributions will be sought.

Exemptions

Financial contributions 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)

5.4 In order to inform the approach set out in this SPD, the city council assessed the number of primary pupils resident within recent housing developments within the city. The assessment demonstrated that the
average primary pupil yield from dwellings in the form of apartments within the city is typically minimal\(^{13}\). On this basis, contributions will not be sought in relation to dwellings in the form of apartments.

5.5 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. This approach is reflected in Policy EC1 of this SPD via the approach to calculating the primary pupil yield factor on the basis of the number of non-principal bedrooms within a house.

5.6 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.

**Pre-application engagement**

5.7 Where a development would meet the defined threshold for seeking contributions towards education provision, developers are strongly encouraged to engage with the city council at the pre-application stage. This will enable the city council to assess the impact of the additional requirement for primary pupil places, and identify whether there exist opportunities to expand capacity at existing schools within the catchment.

5.8 The need for early engagement will be particularly important for larger schemes which would result in a significant requirement for additional pupil places, as in these situations the city council may require the setting aside of land for the provision of a new school, as set out in Policy EC2 of this SPD.

\(^{13}\)“Education contributions supplementary planning document: background document on primary pupil yield methodology and evidence base” – Salford City Council (April 2013).
6 Approach to seeking developer contributions towards education provision

6.1 As set out in Policy EC1, in the majority of instances the city council will apply a standard approach to the calculation of the financial contribution towards education provision that will be sought from new housing development. The financial contribution secured via this mechanism will enable the city council to fund the capital infrastructure works associated with addressing the increased pressure on school provision that the development will generate. Expenditure of contributions will be directed to school facilities within the catchment of the contributing development.

6.2 In applying the policies of this SPD, 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 facilities or new schools where necessary.

6.3 There will however be certain instances where there is no scope to expand existing schools within an area, and there are no suitable alternatives available to the city council to create additional places within an area. In these circumstances, the city council will enter into negotiation with the developer in order to ensure that appropriate provision for the pupil place requirement that will arise from the development can be made. This may require the developer to set aside land to accommodate a new school and make an appropriate financial contribution towards funding its delivery.

6.4 As identified in Section 4 above, the city council will seek contributions from all new housing development (that meets the defined threshold) towards meeting the requirement for additional pupil places that will be generated.

6.5 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.
Policy EC1

Calculation of standard financial contribution

New housing development that would result in a net increase of 10 or more houses 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 \times \text{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 0.13 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>House Type</th>
<th>Calculation (non-principal bedrooms) \times 0.13</th>
<th>Primary pupil yield factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-bed house</td>
<td>(1 – 1) \times 0.13</td>
<td>0</td>
</tr>
<tr>
<td>2-bed house</td>
<td>(2 – 1) \times 0.13</td>
<td>0.13</td>
</tr>
<tr>
<td>3-bed house</td>
<td>(3 – 1) \times 0.13</td>
<td>0.26</td>
</tr>
<tr>
<td>4-bed house</td>
<td>(4 – 1) \times 0.13</td>
<td>0.39</td>
</tr>
<tr>
<td>5-bed house</td>
<td>(5 – 1) \times 0.13</td>
<td>0.52</td>
</tr>
<tr>
<td>6-bed house</td>
<td>(6 – 1) \times 0.13</td>
<td>0.65</td>
</tr>
<tr>
<td>Etc.</td>
<td></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.

There may be instances where the city council will need to seek contributions over and above the standard cost per primary pupil place, where there are site specific issues that mean the application of the standard cost factor would be insufficient to meet the actual cost of providing the required number of additional places.
Reasoned justification

6.6 This policy sets out the standard approach to the calculation of the financial contribution towards education provision that will be sought from new housing development that meets the defined threshold. It uses a formula-based approach to calculation that ensures consistency in its approach and will ensure that new housing development makes a proportionate contribution to the additional requirement for primary pupil places that it will generate. This approach will contribute to ensuring that the requirement is fairly and reasonably related in scale and kind to the development.

6.7 For the purposes of applying this policy, 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.

Primary pupil yield factor

6.8 In defining the primary pupil yield factor, the city council has assessed the number of primary pupils resident within recent housing developments within the city. 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 has been derived is set out in full in the background document on the primary pupil yield methodology and evidence base.

Cost per primary pupil place

6.9 On 1 October 2012 the Department for Education published baseline design standards for schools and associated cost information. The updated costs were derived from a review undertaken by the Education Funding Agency which sought to reduce school construction costs through efficiency savings. The review identified a suite of standardised drawings and specifications which could be applied across a wide range of educational facilities. The government is applying these

---

14 "Education contributions supplementary planning document: background document on primary pupil yield methodology and evidence base" – Salford City Council (April 2013).
standard costs as ceilings for the Priority School Building Programme and for the Targeted Basic Need Programme\textsuperscript{15}.

6.10 The cost factor that the city council will apply for the 2013/14 financial year is \textbf{£9,165 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\textsuperscript{16}. This reflects the capital cost of creating new build floorspace (new schools or new build extensions to existing schools) and includes building costs, site costs, professional fees, fixtures, fittings and equipment, ICT infrastructure and ICT hardware, together with technical adviser / project management fees. Additional detail on how this cost has been derived is set out in the background document on the cost per primary pupil place\textsuperscript{17}.

6.11 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.

6.12 There may be instances where the city council will need to seek contributions over and above this standard cost factor. The standard cost per primary pupil place represents a baseline cost associated with the erection of modular classroom units on an unconstrained site. Where there are particular site constraints associated with the expansion of an existing school or the provision of a new school which require a bespoke approach to design and construction, the costs associated with creating additional pupil places will necessarily be greater than the standard cost factor. In circumstances where this represents the only available option to expand school capacity within the catchment of the development, the city council will seek to negotiate a higher level of contribution from developers to reflect the actual cost of providing the additional number of pupil places that will be generated.

**Application of calculation**

6.13 The calculation will be applied to all dwellings in the form of houses within a development. It will therefore be applied equally to private tenure dwellings and to all forms of affordable tenure dwellings.

\textsuperscript{15} “Targeted Basic Need Programme – information on conditions of funding and making an application” – Department for Education (March 2013), \url{http://media.education.gov.uk/assets/files/pdf/t/tbn%20information%20note.pdf} (accessed on 11 March 2013).

\textsuperscript{16} Ibid.

\textsuperscript{17} “Education contributions supplementary planning document: background document on cost per primary pupil place and school capacity” – Salford City Council (April 2013).
6.14 Affordable tenure dwellings will generate a primary pupil yield, and will therefore require provision for additional primary pupil places to be made. 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.

6.15 A worked example of the how the standard calculation set out in this policy would be applied for a large scheme comprising a range of dwelling types is set out at Annex B.

**Policy EC2**

**Approach where the city council will require the setting aside of land and the provision of a new school**

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 developers to secure the setting aside of land to accommodate a school. The city council will also require a financial contribution from the developer towards the provision of the school, where any available funding from external sources would be insufficient to fund its construction.

In such instances, the total value of the contribution is likely to exceed the value of the standard financial contribution as set out in Policy EC1.

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 where possible be located within the site of the development scheme itself, but where this is not practicable it should be located no more than a 1 mile walking distance from any of the dwellings on the development it is primarily intended to serve;
3. Be located to minimise the impacts of associated traffic and car parking on the surrounding area; and
4. Be consistent with other national and local planning policies.

Where land is to be set aside and a school provided, 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.
Reasoned justification

6.16 In the majority of instances, the standard approach to raising financial contributions as set out in Policy EC1 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.

6.17 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 new school).

6.18 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 to accommodate a new school.

6.19 The city council will also require a financial contribution from the developer towards the provision of the new school, where any available funding from external sources would be insufficient to fund its construction. The developer may want to explore potential available funding sources, including central government or school providers. However where this would be insufficient to fund the construction cost of the new school the city council will seek to negotiate the balance of the cost from developer contributions in order to ensure that resources are available to ensure delivery of the school.

6.20 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.

6.21 It is recognised that in such instances, the total value of the contribution is likely to exceed the value of the standard financial contribution as set out in Policy EC1. This cost will however need to be borne by the development, recognising that there are no alternative means of meeting the requirement for additional pupil places that the development would generate. Where a developer considers the cumulative impact of this taken together with other policy requirements would threaten the viability of the development, the city council will negotiate with the developer in order to prioritise contributions.
6.22 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 minimum site sizes identified in the policy are derived from the guidance within Building Bulletin 99\textsuperscript{18} which is considered to represent best practice in relation to primary school space standards. The site should also be accessible to the development it is primarily intended to serve. It should be located as close as possible to the development it serves, and should be no more than a 1 mile walking distance from any of the dwellings on the development. This is 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.

6.23 Where land is to be set aside and a new school provided, the city council will work with the developer to ensure that the school is complete and operational at an appropriate stage with regard to the phasing of the development. It will normally be appropriate to use a planning condition requiring that the school is available for use once a certain proportion of the dwellings on site have been completed. Conditioning the completion and delivery of the school in this way will be necessary in order to ensure that sufficient pupil places are available to meet the demand arising as the development is built out. Given the shortage of primary places across the city, the city council will typically require the school to be complete and operational within the early phases of development, as there will necessarily be limited, if any, capacity within existing schools to accommodate the pupil place requirement that the development will generate.

\begin{center}
Policy EC3
\end{center}

\textbf{Administration of planning obligations}

Developers should pay all reasonable expenses incurred by the city council in drawing up and administering legal agreements.

Where financial contributions are to be secured via planning obligation, an additional charge of 2.5% of the value of the contribution will be added to the total cost to cover the administrative costs associated with monitoring, collection and expenditure of financial receipts.

\textbf{Reasoned justification}

6.24 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.

6.25 The city council will incur additional costs when administering financial contributions, in relation to the monitoring, collection and expenditure of financial receipts. It is therefore reasonable to expect developers to cover these costs.
7 Viability

7.1 The NPPF identifies that authorities should assess the likely cumulative impacts on development viability of all existing and proposed local standards and policies, when added to nationally required standards.

7.2 In requiring additional financial contributions towards education provision, the city council is mindful that this requirement must not compromise the viability of development within the city. When adopted, the education contributions SPD will sit alongside the city council’s existing requirements in relation to the provision of affordable housing, and the financial requirements set out in the planning obligations SPD, together with any other relevant site-specific requirements.

7.3 The city council undertook an assessment of development viability in February 2012 as part of its affordable housing economic viability assessment. This made an allowance of £5,000 per dwelling to reflect planning obligations (excluding any affordable housing contribution) and the potential for a future community infrastructure levy charge. The outcome of applying this cost per dwelling demonstrated that it did not result in a significant impact on scheme viability overall. For the majority of scheme types appraised, there was still a surplus at completion. Whilst it did result in a deficit at completion for schemes within the low value market area, and for the mid-density apartment scheme typology within the mid/low value market area, the viability appraisals identified that in current market conditions these schemes were negative in viability terms in any case, even without the £5,000 per dwelling allowance.

7.4 The application of the standard cost calculation set out in policy EC1 of this SPD would result in a contribution towards education provision of £2,383 for a 3-bedroom house, and £3,574 for a 4-bedroom house (as at 2013/14 financial year costs). Taken together with the standard financial requirements of the adopted planning obligations SPD, £5,000 per dwelling is considered an appropriate proxy for the cumulative impact of the city council’s standard financial requirements via planning obligations (excluding any affordable housing contribution). Furthermore, it must be recognised that education contributions will not be sought from dwellings in the form of apartments due to their minimal pupil yield, and therefore in relation to schemes comprising exclusively of apartments the application of this SPD will not result in any additional impact on viability.

7.5 The application of the requirements set out in this SPD when taken together with the cumulative impact of other policy requirements is

---

19 “Affordable housing economic viability assessment” - Salford City Council (February 2012).
20 Ibid, paragraph 5.5.
therefore not considered to result in an unacceptable impact on scheme viability overall.

**Negotiation of reduced contributions**

7.6 Where developers consider 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 with developers to agree a reduced contribution where appropriate. 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. Where the evidence demonstrates that the cumulative impact would be make a scheme unviable, 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.

---

21 “Planning obligations proforma statement” – Salford City Council
[http://www.salford.gov.uk/d/Planning_obligations_pro_forma_statement.doc](http://www.salford.gov.uk/d/Planning_obligations_pro_forma_statement.doc)
8 Implementation

How contributions will be secured

8.1 Financial contributions and the setting aside of land will be secured via planning obligation, under s106 of the Town and Country Planning Act 1990 (as amended).

8.2 As set out in Policy EC1, for the purposes of calculating the standard financial contribution, 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.

8.3 All financial contributions will be index linked (using the Retail Prices Index – all items) to the date of the Planning and Transportation Regulatory Panel. Where there is clear evidence that the costs of relevant works / services have increased or decreased (having regard to the most up to date cost data published by the city council), then any financial contributions sought through planning obligations may be adjusted accordingly.

Approach to phasing of payments

8.4 In most instances the following approach to the phasing of payments will be 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.

8.5 Where a developer considers that this approach to phasing 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 the requirement for school infrastructure to be in place prior to the occupation of the dwellings, and the need for the city council to forward fund investment in new infrastructure in this regard.

8.6 Where land is to be set aside and a school provided, the approach to securing the completion and delivery of the school with regard to the development scheme phasing will be negotiated on a case by case basis, as set out within Policy EC2 and its reasoned justification.

How contributions will be spent

8.7 Financial contributions raised via this SPD will be directed to funding the capital infrastructure works associated with addressing the
increased pressure on existing school provision that a development will generate.

8.8 This could include:
- 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 schools, or conversion of existing buildings in other uses into new schools;
- Improvement and expansion of playground and playing field facilities necessary to accommodate additional children; and
- Acquisition of land or buildings to accommodate school facilities.

8.9 Expenditure will be directed to school facilities 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 lies close to an area boundary and would result in additional pressure on these facilities.

8.10 In taking this approach, the city council will give certainty to developers that their financial contribution will be directed to school facilities within the catchment of their development scheme. This will also ensure that the approach complies with the statutory requirement for planning obligations to be directly related to the contributing development.

8.11 Contributions will only be directed to the one-off capital infrastructure costs associated with addressing the increased pressure on existing 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.

8.12 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.

Community infrastructure levy and the pooling of planning obligations

8.13 The city council has not yet commenced formal preparation of a community infrastructure levy charging schedule. The city council does however recognise the effect of regulation 123 of the community infrastructure levy regulations which will limit the number of planning
obligations that the city council can pool towards any single project or type of infrastructure to a maximum of five. It is considered that the education contributions SPD can effectively operate within this context, recognising that no more than five obligations will be pooled towards any individual school infrastructure project.
9 Monitoring and review

9.1 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. These include:

- **Capacity** – the city council will publish updated details on capacity and pupil projections on an annual basis. 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.
- **Cost information** – as set out in the reasoned justification to Policy EC1, the city council will publish annually the standard cost of providing a primary pupil place to be used in the calculation of the standard financial contribution. This will reflect up to date assumptions regarding standard build costs, locally adjusted for Salford.
- **Pupil yield** – 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 need to be undertaken via a formal review of the SPD.

9.2 The city council will report annually on the financial contributions raised towards education provision via this SPD and their expenditure, as part of the city council’s monitoring of s106 receipts and expenditure.

9.3 It will also be important that the city council keeps under review the capacity at the secondary school level to accommodate the future requirement for places. Whilst there is currently sufficient surplus capacity at the secondary school level, as the recent increase in the size of the primary level cohorts moves through the educational system, there may be future pressures at the secondary level. The city council will keep this position under review, as to whether there will be a need to review this SPD and seek contributions in relation to secondary level provision.
Annex A – plan of primary pupil planning areas within Salford

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 B – worked example of the calculation of the standard financial contribution, as set out in Policy EC1

**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 pupil places</th>
<th>Contribution (£9,165 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>0.13</td>
<td>24 x 0.13</td>
<td>3.12</td>
<td>£28,595</td>
</tr>
<tr>
<td>48 x 3-bedroom houses</td>
<td>0.26</td>
<td>48 x 0.26</td>
<td>12.48</td>
<td>£114,379</td>
</tr>
<tr>
<td>52 x 4-bedroom houses</td>
<td>0.39</td>
<td>52 x 0.39</td>
<td>20.28</td>
<td>£185,866</td>
</tr>
<tr>
<td>16 x 5-bedroom houses</td>
<td>0.52</td>
<td>16 x 0.52</td>
<td>8.32</td>
<td>£76,253</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>44.20</strong></td>
<td><strong>£405,093</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 **44.20** primary pupil places.

Applying the per pupil place cost (£9,165 for 2013/14 financial year) this would result in the requirement for a developer contribution of **£405,093** towards education provision.

Applying the additional 2.5% administrative charge would result in a total contribution of **£415,220**.