

## BOROUGH OF KETTERING

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<b>Report Originator</b>	Head of Development Services	Fwd Plan Ref No: -	
<b>Wards Affected</b>	All	27 January 2016	
<b>Title</b>	<b>A BOROUGH WIDE RENEWABLES FUND SUPPLEMENTARY PLANNING DOCUMENT</b>		

### **1. PURPOSE OF REPORT**

To inform Members of the Council's resolution to create a Borough Wide Renewables Fund; and to agree a Supplementary Planning Document for consultation to help guide the management of this fund.

### **2. INFORMATION**

2.1 A report was presented to the meeting of the Council's Executive Committee on 9 September 2015, seeking agreement to establish a Borough Wide Community Fund resourced from contributions from renewable energy installations. Members resolved to agree the funding scheme, on the basis of three guiding principles, and that the Planning Policy Committee "take soundings, develop, and approve a Supplementary Planning Document setting out this approach to the Renewables Fund, to be applied to the Borough of Kettering." (Minute No. 15.EX.23 refers).

2.2 The three agreed guiding principles are detailed below:

#### **Guiding Principle 1 – Funding Held in Trust**

That Kettering Borough Council holds the Renewable Fund in trust and redistributes the funds on a transparent and equitable basis across the Borough, in line with all three guiding principles.

#### **Guiding Principle 2 – Radius**

That priority for allocating the funds is based on a radius around the installation, the radius was set at 2 miles.

#### **Guiding Principle 3 - Prioritisation**

That any renewable installation bids from within 2 miles of the installation have priority status for the allocation of funding.

2.3 The percentage allocation for the distribution of the funds was agreed at the following rates:

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	<b>Exclusive to radius (%)</b>	<b>Available to the rest of the Borough and the radius (%)</b>
<b>1<sup>st</sup> payment</b>	70%	30%
<b>2<sup>nd</sup> payment</b>	50%	50%
<b>3<sup>rd</sup> payment</b>	30%	70%
<b>4<sup>th</sup> payment and ongoing</b>	10%	90%

2.4 The application of the three guiding principles, at the rates identified, are considered to provide the following benefits:

- it recognises that the number and size of renewable developments within the Borough is of a Borough scale, and should be dealt with accordingly
- it focuses on the radius rather than Town/Parish boundary, which means it really is those most affected that are prioritised for benefit
- a clear priority is given to areas closest to the installations, whilst ensuring that the fund is available to the wider communities should bids fail to add up to 100% of the resources available
- it recognises that after a while the law of diminishing returns will inevitably apply to a narrow geographical area, allowing funds to be distributed wider
- they embrace both one-off lump sum contributions and annual contributions over a defined time period

### **Bid Criteria**

2.5 A series of criteria by which to assess bids to the Borough Wide Community Fund have also been set. These are provided below:

- a. **Environmental and wildlife projects** – especially those involving improvements to communal land
- b. **Sustainability** – projects that promote or deliver sustainable development
- c. **Children and young people** – especially projects focused on improving access to activities and services, and where young people play a key role in the decision-making
- d. **Vulnerable people** – especially projects involving increased access to services and facilities for people with disabilities, the homeless and the elderly
- e. **Town centre regeneration** – particularly those projects that bring forward environmental improvements
- f. **Community run projects** – that improve health, education, reduce crime levels, create jobs, or improve housing and the physical environment
- g. **Community buildings** – projects that maintain buildings widely used by the community
- h. **Heritage** – projects that celebrate and protect local heritage
- i. **N.b.** - where a Town or Parish Council has, in the past, already negotiated a deal with any one installation, that Council will be excluded from bidding into this scheme

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2.6 If the values of the bids for funding outweigh available resources, a scoring system will be used to assess the applications, and allocate the funding. Where necessary, factors to be given extra weight will include:

- Other funding/ leverage raised by the applicant
- Established need through community consultation and involvement in the bidding process
- Projects that promote or deliver sustainable development
- Evidence of alignment to the impact of growth in the Borough

2.7 It is important to stress these new principles would not be applied retrospectively to community funds already agreed. Also of note during discussions was that some funding agreements can represent a sizeable contribution to the Borough's communities. Some flexibility within the renewables fund scheme would therefore bring with it benefits to optimise investment from the funding stream.

2.8 Both Dorset and Cornwall County Councils support their local communities in securing benefits in the form of funding payments from renewable energy developments, and advise to ensure contributions the community receives are binding. The Councils also provide support to groups negotiating for the community fund.

### **Supplementary Planning Document**

2.9 Planning Practice Guidance (PPG), the Government document that helps in the interpretation of the National Planning Policy Framework (NPPF) explains that "Supplementary planning documents should be prepared only where necessary and in line with paragraph 153 of the National Planning Policy Framework." Paragraph 153 of the NPPF says that "Supplementary planning documents should be used where they can..... aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development."

2.10 The Town and Country Planning (Local Planning) (England) Regulations 2012 provide the legislative framework for the preparation of local plans and supplementary planning documents. Part 4 of the Regulations state that supplementary planning documents must contain a reasoned justification, and must not conflict with the adopted development plan. Part 5 provides further requirements the Council should adhere to in progressing the preparation and adoption of a supplementary planning document.

2.11 In terms of a reasoned justification for the supplementary planning document, the Executive Committee has reflected on the benefits of establishing a Borough Wide Renewables Fund, recognising the scale of renewable development in the Borough, and that agreeing a clear and reasoned set of criteria will help to prioritise investing the available funds more rigorously. In terms of the potential of conflict with the development plan, the ability to secure community funds from

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renewables is outside of the planning decision making process, and must have no bearing on the development plan or the decision to grant planning permission.

2.12 Finally, a draft Borough Wide Renewables Fund Supplementary Planning Document is being prepared, along with any Strategic Environmental Assessment considerations. These will be available at Committee. The Supplementary Planning Document will be based upon the principles agreed at Executive Committee.

### **3. CONSULTATION AND CUSTOMER IMPACT**

3.1 The draft Borough Wide Renewables Fund will be subject to public consultation for 4 weeks. A copy of the draft SPD will be posted on the Borough Council website. In addition, all Town and Parish Councils will be consulted, along with an e-mail notification sent to all those on the Council's Planning Policy Consultation Database. Once the consultation ends, officers will consider all responses, before presenting a summary report of the results of consultation to Members for consideration. If the SPD is to be adopted, the Council's constitution requires that the SPD be reported to Full Council for adoption.

### **4. POLICY IMPLICATIONS**

4.1 Once adopted by Full Council, the SPD guiding principles will be used to assist in the appropriate distribution of contributions from the development of Renewable Energy providers.

### **5. USE OF RESOURCES**

5.1 The preparation of the Borough Wide Renewables Fund SPD and public consultation will be met within the existing Development Services Planning Policy budget.

### **6. RECOMMENDATION**

That Members agree the Kettering Borough Wide Renewables Fund Supplementary Planning Document for public consultation.

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Previous Reports/Minutes:

Title of Document: Executive Committee - A Borough Wide Renewables Fund  
Date: 9<sup>th</sup> September 2015

Title of Document: Executive Committee – Energy Installations: Community Fund  
Management  
Date: 18<sup>th</sup> March 2015

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