



# Land West of Lytton Way

## Education Note

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### 1 Introduction

- 1.1 This note provides a response to the issues raised in relation to the planning obligations sought for primary school provision to mitigate demand for the proposed development of Land West of Lytton Way (“the proposed development”) (LPA ref: 19/00474/FPM), Appeal reference APP/K1935/W/20/3255692.
- 1.2 Stevenage Borough Council’s (SBC) Statement of Case (SoC) cites four reasons for refusing planning permission for the proposed development. This note addresses Refusal Reason 3 ‘Impact of the appeal proposal on Infrastructure and mitigation’.
- 1.3 SBC is the local planning authority in this case, however Hertfordshire County Council (HCC) is the education authority responsible for ensuring there are sufficient levels of education provision available to meet the needs of residents. HCC has sought a planning obligation toward primary school places in relation to the proposed development. This request is set out within Appendix 3 of SBC’s SoC. SBC has confirmed they support HCC’s position.
- 1.4 Hill Residential Ltd (“the Appellant“) question the level of financial contribution sought and the basis upon which it has been calculated .

### 2 HCC Primary School Financial Contribution Request

- 2.1 HCC has requested a financial contribution of £1,670,732 to be paid towards primary school provision places. The Council has not provided any information as to the child yields per dwellings or tenure type. We have therefore assessed child yield based on the information provided – this is calculated on the basis of the new school proposed at SG1 including a nursery therefore the Form of Entry (FE) calculations proposed by HCC also include nursery provision, 450 places in total rather than 420.
- 2.2 We estimate that this request is on the basis of 81 primary school (and nursery) children expected to live within the 576 residential units proposed (20 studios have been discounted from the assessment as HCC considers they are not expected to accommodate children of school age, so the relevant number of units for modelling is 556). This equates to a cost of £3,005 per applicable unit (£1,670,732/556).
- 2.3 We question the basis of this request as we do not agree that the request meets all three tests set out within Regulation 122 of the CIL Regulations 2010 (As Amended) and paragraph 56 of the NPPF. In their Statement of Case, HCC states “the level of contribution is proportional to the number of children arising from it [the development] and is therefore fairly and reasonably related in scale and kind to the development” (paragraph 3.14 within Appendix 3 to SBC’s SoC).
- 2.4 HCC has not provided its modelling, they have provided the outputs of the model, presented as number of formed of entry. In this case 0.36 FE of demand. The calculation of the financial contribution is based on the national per pupil benchmark cost for new schools £20,508 per



## Note continued

place, plus an additional proportional amount to account for land costs for the new school delivered within SG1 – a total of £9,584.

- 2.5 In its submission HCC cites the Hertfordshire Demographic Model as the basis of the calculation of 0.36 FE or 81 children. That equates to 15 children per 100 dwellings (ie  $(81/552)*100$ ) 'A Guide to the Hertfordshire Demographic Model' has been provided as an Appendix to HCC's submission (See Appendix D of Appendix 3 to SBC's SoC). This document is a methodology statement that sets out details of the sources used in the model and the various ways the model can be applied. However, without seeing the model itself, it is not possible to understand how HCC has applied the model, what assumptions have been used or to review the outputs.
- 2.6 We have requested sight of the modelling from HCC, however this request has not been met.
- 2.7 On this basis we have reviewed the outputs of this modelling and the resulting financial contributions sought from other recent schemes determined within the area.

### SG1

- 2.8 SG1 is the development within Stevenage Town Centre which will deliver the new primary school to be funded by financial contributions from this scheme and neighbouring schemes including the proposed development. By email, dated 30<sup>th</sup> September 2020 (attached at Annex 1 of this note), HCC requested £2,220,807 towards the new town centre 2FE Primary School. This application was heard at planning committee on 20<sup>th</sup> October 2020 (Ref. 19/00743/FPM)
- 2.9 This scheme would deliver 1,867 units (1,470 units if considered without studios as these are discounted for the purposed of child yield assessment). The output of the modelling reported in the Planning Committee Report (dated 20<sup>th</sup> October 2020) and set out within the consultation response from HHC (dated 22<sup>nd</sup> July 2020) found that this scheme would result in the requirement for 0.49 FE, which we estimate to equate to 103 primary school aged children. That equates to 7 children per 100 dwellings (ie  $(103/1,470)*100$ ). The financial contribution sought was £2,220,807 which equates to £1,510 per unit ( $£2,220,807/1,470$ ).

### Former BHS Store (BHS)

- 2.10 BHS is the development within Stevenage Town Centre - financial contributions were also requested to mitigate the impact of the new homes and contribute towards the funding of the new school at SG1. By email, dated 27<sup>th</sup> July 2020 (Annex 2 of this note), HCC requested £417,683 towards the new town centre 2FE Primary School. This application was heard at planning committee on 4<sup>th</sup> November 2020 (Ref. 19/00647/FPM).
- 2.11 This scheme would deliver 249 qualifying units (250 including studio). The output of the modelling reported in the Planning Committee Report (dated 20<sup>th</sup> October 2020) and set out within the consultation response from HHC (dated 22<sup>nd</sup> July 2020) found that this scheme would result in the requirement for 0.09 FE which we calculate equates to 20 primary school aged children. That equates to 8 children per 100 dwellings (ie  $(20/249)*100$ ) The financial contribution sought was £417,683 which equates to £1,677 per unit ( $£417,683/249$ ).



## Note continued

### *Summary of Comparison*

- 2.12 The Appellant raised these discrepancies and the approach in writing to SBC on 13<sup>th</sup> November 2020. A meeting was held with HCC and SBC to discuss the issues on 20<sup>th</sup> November. The Appellant wrote to HCC with further questions regarding the approach on 2<sup>nd</sup> February 2021. HCC responded in writing on 12<sup>th</sup> February 2021. Annex 3 of this note includes the email exchanges.
- 2.13 Comparing these schemes, to the proposed development illustrates the overall child yield and financial obligation requested per unit is far higher compared to these other schemes.
- 2.14 The per unit cost for primary education is £3,005 per unit compared to £1,510 - £1,677 for SG1 and BHS respectively.
- 2.15 HCC states that the SG1 and BHS applications were “*responded to at an earlier time*”, although it is actually noted that consideration of the applications at committee took place after HCC had written to Hill on 5<sup>th</sup> October – SG1 was considered on the 20<sup>th</sup> October and BHS on 4<sup>th</sup> November. Indeed, the HCC request in relation to SG1 is dated 30<sup>th</sup> September 2020.
- 2.16 HCC also states that:
- “One of the main factors in the pupil yield calculations is the proposed development mix. The mix we have been provided with for Land West of Lytton Way is significantly different from those proposed at the SG1 and BHS sites. The Land West of Lytton Way development is proposed to build 9% affordable rented units. Furthermore, over 50% of the units are proposed to be 2+ bedrooms in size of which 16% of them are 3-bedroom units. These characteristics will generate more children than those for developments with less affordable rented units and smaller units (in terms of the number of bedrooms).”*
- 2.17 The fundamental principle to be considered here is the need to deliver primary school places for children living with these developments (meeting the “related in scale” test) therefore these schemes have been considered in the context of the number of children likely to live within them. A per unit child yield has been calculated to compare the schemes.
- 2.18 The per unit yield for both SG1 and BHS are similar, ranging from 0.07 primary aged pupils per unit in SG1 to 0.08 per unit in BHS. For the proposed development the per unit child yield for is double this level at 0.15 primary aged pupils per unit. BHS is expected to have a quarter the number of children living within its homes compared to the proposed development, despite delivering just under half the numbers. It is appreciated that BHS does not include the delivery of any 3-bedroom units, which may account for a slightly lower yield proportionately, but not to the level observed.
- 2.19 Whereas SG1 is expected to have 103 primary aged children compared to 81 within the proposed development despite delivering almost three times as many units.



## Note continued

Table 1: Summary of Comparison

<i>Variable</i>	<i>LWLW</i>	<i>SG1</i>	<i>BHS</i>
Units (exc. Studios)	556	1,470	249
Financial Obligation	£1,670,732	£2,220,807	£417,683
Cost per unit	£3,005	£1,510	£1,677
FE	0.36	0.49	0.09
Children	81	103	20
Child Yield per unit	0.15	0.07	0.08

2.20 As set out above the comparison between these schemes was raised with HCC. Their response as to why these figures differed was due to the housing mix (percentage of family sized units) and the timings that the assessments were undertaken – indicating that the modelling yields different conclusions depending on when it was undertaken.

2.21 However, this rationale does not carry as the housing mix between the comparable schemes does not differ substantially as shown in Table 2 below. Without access to the modelling, it is not possible to interrogate what is driving the differences further. It is, of course, absolute numbers that generate children, not a percentage split. SG1 provides 894 more dwellings than the Appeal site, yet it only yields an additional 22 primary aged children. That equates to those 894 dwellings yielding just 2.5 children per 100 dwellings (ie  $(22/894)*100$ ).

Table 2: Housing Mix

<i>Unit size</i>	<i>LWLW</i>		<i>SG1</i>		<i>BHS</i>	
	<i>Number</i>	<i>Split</i>	<i>Number</i>	<i>Split</i>	<i>Number</i>	<i>Split</i>
S	20	-	397	-	-	-
1b	249	45%	910	62%	129	52%
2b	257	46%	461	31%	120	48%
3b	50	9%	99	7%	-	-
Total	576		1,867		249	
Total excl, studios	556		1,470		249	

2.22 In their correspondence HCC allege that the affordable rented homes at the Appeal site affect the yields and are why a higher yield is produced (the other sites not providing affordable homes). If the yield for SG1 of 7 children per 100 dwellings is applied to the market dwellings in the Appeal site, that generates a need for 35 places (ie  $(504/100)*7$ ). That means that the affordable element of 52 dwellings is generating a need for 46 places (ie  $81-35$ ), which equates to a child yield of 88 pupils per 100 dwellings (ie  $(46/52)*100$ ).



## Note continued

- 2.23 We note that HCC's Pupil Yield Survey 2021 (See Appendix E of Appendix 3 to SBC's SoC) includes yields per 100 dwellings based on 3 typologies, the third of which is Flats Only (see Table 6 page 84). That identifies a child yield of 8.2 primary school places per 100 dwellings.
- 2.24 In addition, these schemes were all considered by planning committee between October and November 2020 with consultation responses received from HCC setting out the financial obligations on the 30<sup>th</sup> September 2020 for SG1 and 27<sup>th</sup> July 2020 for BHS. Therefore, the assumption that the modelling approach differs does not seem logical.
- 2.25 It is vital that developers have some level of certainty in relation to the planning obligations being sought. The lack of transparency in the details of the model used to calculate these requests is unacceptable.

### 3 Conclusion

- 3.1 On the basis of the analysis undertaken above, the requested contribution is not proportionate nor reasonable in scale and kind given it is more than double the rate requested of other nearby developments. It is not justified given that access to the model and understanding of the application of child yields is not forthcoming and hence it is not possible to interrogate or accurately assess the model outputs. In order for the financial obligation sought to be considered to be fairly and reasonably related in scale and kind to the development, the financial contribution sought should be more aligned with requests from other schemes.
- 3.2 The 0.07 per unit yield from SG1 could be applied as this scheme is more similar as it includes family sized accommodation – which would equate to a contribution of £804,427.
- 3.3 However, below we set out an approach based on 0.08 per unit as that is included within HCC's Pupil Yield methodology (Appendix E of Appendix 3 to SBC's SoC) at Table 6.
- 3.4 On that basis the financial contribution would be revised to £907,676:
- $0.08 * 556 \text{ units} = 44 \text{ children of primary school age (and nursery) – 10\% of new school}$
  - $44 * £20,508 = £902,352$
  - Land costs of  $£53,245 * 10\% = £5,206$
  - Total contribution  $£902,352 + £5,324 = £907,558$
- 3.5 A S106 agreement will be submitted ahead of the Hearing making provision for Primary Education, with the inspector asked to consider the issue and whether or not it meets the tests of CIL Regulation 122. No issue is taken with the timings of the triggers proposed by HCC in Appendix 3 to SBC's SoC, should a contribution be deemed necessary, justified and proportionate.



## Annex 1

**From:** Xavier Preston  
**Sent:** 30 Sep 2020 17:04:28 +0000  
**To:** James Chettleburgh  
**Cc:** Antony Proietti  
**Subject:** [External] SG1 Triggers for S106.

Hi James

HCC has undertaken further work to consider when the SG1 triggers for payment of financial contributions towards the new Stevenage Town Centre primary school (located at the SG1 development) are required.

As a reminder, HCC applies the following triggers to new primary school provision:

- **10% of the primary education contribution sufficiently in advance of the transfer of the school site in order to undertake pre-construction work (this is normally prior to commencement of development)**
- **60% of the primary education contribution 18 months prior to the primary school opening (this is the point of transfer of the school site)**
- **30% of the primary education contribution on opening of the primary school**

HCC considers that these triggers are reasonable. They already provide a degree of leniency and flexibility as the developer is not required to pay all their contributions before the work is undertaken (e.g. 30% of the contributions are paid at the point the building of the school is completed). HCC is therefore already having to forward fund a significant element of the scheme with the associated and additional financial burden. Asking the county council to take on a greater amount of financial forward funding is not reasonable and detrimental to the public purse.

The triggers above have been applied to the SG1 development, with regard to other developments within the town centre and build-up of primary education yield to be mitigated by the new primary school across the wider area.

HCC normally opens primary schools when 0.5FE of primary yield has arisen and by September, ready for the academic year. Based on the outcomes of the latest pupil yield modelling the new Stevenage town centre primary school will need to be open by September 2024.

Previously in our responses to the SG1 application, we have used Figure A below. This build-out rate does not include studio flats, due to their negligible impact on child yield. However, we have included Figure B below with the studio flats added back in (in detail for Phase 1, and averaged out for the remainder of the application).

The triggers referred to in the rest of the email are based on Figure B (e.g. the total number of dwellings for which permission is sought). This is solely for the avoidance of doubt when it comes to monitoring the future build out of the scheme and the consideration of the triggers detailed below. This has no impact on when the payment will be sought as the triggers are based on fixed dates relating to the opening of the new town centre primary school.

Figure A: Trajectory without studio flats

Figure B: Trajectory with studio flats

Year	Overall (1470 to enter)
2020	0
2021	300
2022	307
2023	100
2024	100
2025	100
2026	100
2027	100
2028	100
2029	100
2030	100
2031	63

Year	Overall (1867 to enter)
2020	0
2021	376
2022	384
2023	127
2024	127
2025	127
2026	127
2027	127
2028	127
2029	127
2030	127
2031	91

A September 2024 school opening based on Figure B, would be **970 dwellings**.

Working back 18 months (how long it takes to build a school) the school site would need to be transferred to HCC by start of 2023 e.g. **770 dwellings** (e.g. Figure B, adding back the studio flats). It is reasonable for contributions to be triggered at this point in time in order to fund the building of the school (although as already stated above we are not requiring the developer to pay all the build costs at this point in time, allowing them to delay paying the balance of their primary education contributions for 18 months).

Prior to receiving the school site and starting construction the county council will need to undertake work in terms of design and working towards a planning application. It is reasonable to seek contributions towards this work (10% of the overall contribution). In this instance, this work is likely to start 6 months in advance of receiving the school site and therefore the county council considers it reasonable for contributions to be triggered by mid-2022 (e.g. **570 dwellings**).

Applying the revised total primary education contribution for SG1, of **£2,220,807**, (indexation to be applied as of 1Q2020, BCIS All in TPI), to these triggers would require the following level of contributions to be paid at the following triggers:

- 10% (**£222,081**) prior to the occupation of 570 dwellings
- 60% (**£1,332,484**) prior to the occupation of 770 dwellings
- 30% (**£666,242**) prior to the occupation of 970 dwellings

**TOTAL PRIMARY EDUCATION CONTRIBUTION OF £2,220,807** (indexation to be applied as of 1Q2020, BCIS All in TPI)

HCC consider that these triggers, in addition to being reasonable, broadly meet the request from the applicant. Significant financial contributions have now been moved from previously being required in Phase 1 of the development (e.g. the second trigger point is now 770 dwellings, which is after the completion of the 760 dwellings proposed for Phase 1 of the development) and only the relatively minor contribution of £222,081 is now needing to be paid within Phase 1. In addition to being a relatively low amount the county council has also moved this trigger back from requiring on commencement of development to it being triggered on 570 dwellings (3/4 of the way through Phase 1).

Given that we are not building a bit of school for each phase of the SG1 development it is not reasonable or practical to have triggers on a per phase basis. Hence the triggers as set out above are in terms of the total SG1 development.

The county council has reconsidered its position in light of the revised information and as requested, in this instance, has adopted a flexible approach to the triggers in order that the impact of the financial contributions are reduced as far as possible. However, the triggers do result in a significant financial burden on the county council in terms of needing to forward fund the building of the school. For this reason it is considered that the triggers cannot be moved back any further and are considered to be a reasonable approach.

I trust that this is of assistance to resolving this matter.

Kind regards,



**Xavier Preston**  
**Senior Planning Officer | Growth and Infrastructure Unit | Environment and Infrastructure**

**Hertfordshire County Council**

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## Annex 2

**From:** Xavier Preston  
**Sent:** 27 Jul 2020 18:04:17 +0000  
**To:** Rebecca Elliott  
**Subject:** [External] Primary education update: Stevenage Full Planning Application, 250 dwellings, 7 The Forum, Stevenage Town Centre, SG1 1ES - 19/00647/FPM

Hi Rebecca,

I am writing in respect of revised planning obligations sought towards primary education.

HCC has undertaken updated pupil yield modelling, therefore the below is an update to the previous response sent for this application dated 25 February 2020. As a result of the revised modelling, the outputs of the primary pupil yield modelling for this application show that the primary FE for this application has been revised to 0.09FE.

Contributions have been calculated based on the following development mix and build trajectory (We note that there is to be one studio apartment, studios are seen as having negligible or no pupil yield, therefore has been omitted from the modelling exercise below);

<b>Development Mix by Tenure and Size</b>					
<b>HOUSES</b>			<b>FLATS</b>		
Number of bedrooms	A) Open Market	B) Affordable (Social Rent)	Number of bedrooms	A) Open Market	B) Affordable (Social Rent)
1	0	0	1	129	0
2	0	0	2	120	0
3	0	0	3	0	0
4+	0	0	4+	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>249</b>	<b>0</b>

  

Year	Overall (249 to enter)
2020	75
2021	75
2022	75
2023	24

Please note that if any of this information was to change (e.g. to the mix, type, tenure or build rates) then the contributions may also need to be amended. Therefore please notify us of any future amendments in order for us to re-calculate the planning obligations accordingly.

Based on the information to date, for the housing and tenure mix as set out above, we would seek financial contributions towards the following projects:

- **Primary Education** - proportional contribution towards a new 2FE primary school in Stevenage Town Centre as set out in the below (indexation to be applied as of 1Q2020, BCIS All in TPI);

### **Primary Education**

HCC can confirm that there is insufficient primary education capacity in the area.

-  
Given that there is insufficient spare primary education capacity in the area, HCC are seeking a primary education contribution from this development.

HCC is seeking primary education contributions from new developments in Stevenage and the surrounding area towards the new primary school on the site in Stevenage Town Centre depicted within the SG1 planning application on the current Southgate Car Park and surrounding garage blocks. The new school will provide the necessary capacity to mitigate the new demand for primary school places arising from this development and the surrounding areas. The school will be a 2FE school with a nursery provision.

The costs for the school are based on the DfE scorecard costs for a new-build 2FE primary school. The DfE scorecard costs can be found at the following link –

<https://www.gov.uk/government/statistics/local-authority-school-places-scorecards-2019>.

Therefore the total remediation and construction costs are **£9,228,600 (indexation to be applied as of 1Q2020 (BCIS All in TPI))**.

Based on the development mix set out above, the forms of entry of primary aged pupils modelled to arise from the development (based on the Hertfordshire Demographic Model) is 0.09 FE. Using the DfE scorecard values, a new 2FE primary school costs £9,228,600 (1Q2020BCIS). Therefore, 0.09FE equates to a contribution of **£415,287** (0.09FE = 4.5% of the capacity of a 2FE primary school, 4.5% of £9,228,600 = £415,287 ) (indexation to be applied as of 1Q2020 (BCIS All in TPI)).

It is expected that proportionate land costs are also applied. HCC is clear that, given the allocation for education use within the adopted local plan, this land should be valued as education use rather than residential. This is consistent with the approach which has been successfully adopted on other development sites within the county.

Although the SG1 application has not yet been determined, the most recent example and proposed rate within the SG1 application we have of valuing land for educational use valued the land at approximately £35,000 per acre (so approximately £86,450 per hectare, £25,000 x 2.47).

The school site in question is 0.6159 hectares, therefore, the value of the land is £53,245 (£86,450 x 0.6159). Therefore, with 0.05FE of the 2FE school arising from this development, 4.5% of the land costs are apportioned to this development which is £2,396.

Therefore the level of primary education contributions which are sought from the development is **£415,287 + £2,396 = £417,683**.

## CIL

This development is situated within Stevenage's CIL Zone 1 and as such must pay the appropriate CIL charge. Notwithstanding this, we reserve the right to seek Community Infrastructure Levy contributions towards the provision of infrastructure through the appropriate channels.

Kind Regards,



**Xavier Preston**  
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## Annex 3

## Colin Campbell

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**From:** Antony Proietti <Antony.Proietti@hertfordshire.gov.uk>  
**Sent:** 12 February 2021 13:16  
**To:** Colin Campbell  
**Cc:** Terry Gamble; Oliver Mealey; Xavier Preston; Gemma Fitzpatrick  
**Subject:** RE: 19/00474/FPM - land west of Lytton Way, Stevenage WITHOUT PREJUDICE

Dear Colin

In order to calculate child yield for a development HCC uses the relevant methodology applicable at that point in time. It is not an uncommon position that the base information which informs the methodology will need to be updated, in order that the most relevant and appropriate information is being used. Revisions to the child yield methodology, due to the updating of the base information, may lead to a development having different levels of yield arising from it when compared to another development site.

The response that HCC provided on the 5<sup>th</sup> October 2020 to the Land West of Lytton Way site is based on the current pupil yield methodology. A guide to the Hertfordshire Demographic Model, which was used to calculate the pupil yield likely to arise from this development, can be found at the following link (<https://www.hertfordshire.gov.uk/media-library/documents/about-the-council/consultations/environment/2021-guide-to-the-demographic-model.pdf>). This document provides an explanation how the Model works and therefore the factors which resulted in the level of child yield being generated for the Land West of Lytton Way site (as set out in the 5<sup>th</sup> October 2020 response).

Both the SG1 and BHS applications, referred to in your email, were responded to at an earlier point in time, and therefore had a previous iteration of the methodology applied to them. This is why the level of pupil yield is different for those developments to that calculated for the Land West of Lytton Way site.

A further example of the pupil yield methodology changing over time is in respect to the previous response HCC provided to the Land West of Lytton Way site on 29<sup>th</sup> November 2019. Based on the methodology used at that time 194 primary and nursery places were calculated as arising from the development, which is significantly more than that arising when using the current methodology and yield provided in the October 2020 response. Given that HCC is only able to apply its current methodology this has resulted in the yield arising from the Land West of Lytton Way site to significantly decrease in the response provided in October 2020. It would be equally as unreasonable to continue to be applying the methodology from November 2019 to calculate the yield arising from this development as it would be to apply the, now outdated, methodology that was used for calculating the yield for the SG1 and BHS sites to this development.

One of the main factors in the pupil yield calculations is the proposed development mix. The mix we have been provided with for Land West of Lytton Way is significantly different from those proposed at the SG1 and BHS sites. The Land West of Lytton Way development is proposed to build 9% affordable rented units. Furthermore, over 50% of the units are proposed to be 2+ bedrooms in size of which 16% of them are 3 bedroom units. These characteristics will generate more children than those for developments with less affordable rented units and smaller units (in terms of the number of bedrooms).

Finally, another matter which it would be useful to have your view on is the trigger for payment of the education contribution as I hope that we may reach agreement on this. As a starting point, if you can please let me know what triggers you consider reasonable that would be useful (on the basis that we reach agreement on the level of contribution or the Inspector considers that the HCC contribution is reasonable through the appeal).

Kind regards,



**Antony Proietti**  
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**From:** Colin Campbell <ColinCampbell@hill.co.uk>  
**Sent:** 02 February 2021 11:29  
**To:** Antony Proietti <Antony.Proietti@hertfordshire.gov.uk>  
**Cc:** Xavier Preston <Xavier.Preston@hertfordshire.gov.uk>; Terry Gamble <TerryGamble@hill.co.uk>; Oliver Mealey <OliverMealey@hill.co.uk>  
**Subject:** FW: 19/00474/FPM - land west of Lytton Way, Stevenage WITHOUT PREJUDICE

Antony

Following our meeting with yourselves and SBC, we have been reviewing the information in your email and also information in the public domain regarding other planning applications. This email is on a Without Prejudice basis and its purpose is seek to understand HCC's position and the basis for the calculations and the requested S106 contribution towards Primary Education.

SBC has recently resolved to grant permission on sites at BHS (19/00647/FPM) and SG1 (19/00647/FPM) and HCC sought contributions towards Primary Education.

**BHS (19/00647/FPM)**

The application comprises 250 open market dwellings, of which 249 are for apartments and 1 is a studio. HCC's model, as we understand it, does not generate any child yield from studios, so only the 1 and 2 bed apartments generate an impact to be mitigated. The development comprises 129 x 1 Bed and 120 x 2 bed.

HCC has requested (27<sup>th</sup> July 2020) £417,683 towards Primary Education. That response states that the child yield equates to 0.09FE. The response does not give details as to how that has been arrived at, but based on 1FE = 210 pupils, we estimate that the pupil yield is 19 (ie 210 \* 0.09). The Child yield is 0.08 per dwelling.

The requested contribution equates to £1,677.44 per qualifying dwelling.

**SG1 (19/00647/FPM)**

HCC has requested (22<sup>nd</sup> July 2020) £2,220,807 towards Primary Education. The request is based on 1,470 open market dwellings, of which 910 x 1Bed, 461 x 2 bed and 99 x 3 beds.

The response states that the child yield equates to 0.49FE. The response does not give details as to how that has been arrived at, but based on 1FE = 210 pupils, we estimate that the pupil yield is 103 (ie 210 \* 0.49). The Child yield is 0.07 per dwelling.

The requested contribution equates to £1,510.75 per qualifying dwelling.

**Lytton Way (19/00474/FPM)**

HCC's request dated 5<sup>th</sup> October 2020 is based on 556 dwellings, of which 52 are affordable. 249 x 1Bed, 257 x 2 bed and 50 x 3 beds.

HCC has requested £1,670,732 towards Primary Education. That response states that the child yield equates to 0.36FE. The response does not give details as to how that has been arrived at, but based on 1FE = 210 pupils, we estimate that the pupil yield is 76 (ie 210 \* 0.36). The Child yield equates to 0.14 per dwelling.

The requested contribution equates to £3,004.91 per dwelling.

Applying the SG1 and BHS Child Yields to Lytton Way would imply a pupil generation figure of between 39 and 42, rather than 76.

We would be grateful for an explanation as to the factors which result in a Child Yield used at Lytton Way being double that of SG1 and almost double that of BHS.

regards

Colin

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**Head of Planning**  
**07714 739085**



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**From:** Antony Proietti <[Antony.Proietti@hertfordshire.gov.uk](mailto:Antony.Proietti@hertfordshire.gov.uk)>  
**Sent:** 05 October 2020 13:55

**To:** Gemma Fitzpatrick <[Gemma.Fitzpatrick@stevenage.gov.uk](mailto:Gemma.Fitzpatrick@stevenage.gov.uk)>  
**Cc:** Xavier Preston <[Xavier.Preston@hertfordshire.gov.uk](mailto:Xavier.Preston@hertfordshire.gov.uk)>  
**Subject:** [External] 19/00474/FPM - land west of Lytton Way, Stevenage

Dear Gemma

Please find below a revised response to the development at Land west of Lytton Way, Stevenage (19/00474/FPM), based on an updated development mix provided.

SBC is now a CIL charging authority, therefore previous S106 contributions sought for youth, library, waste, early years education (nurse provision is included within the primary education contributions below) and secondary education contributions would now fall under CIL and therefore no longer be requested (but could be funded through future CIL bids).

However, planning obligations are sought for this site towards primary education. This is to fund the new 2FE primary school in Stevenage town centre (which falls within the SG1 development). This area specific mitigation project is required to specifically mitigate all of the upcoming primary child yield from Stevenage town centre area developments up to its capacity of 2FE.

The Development Mix and build trajectory used for this development is as below. Studio flats have been excluded from the mix, the reasoning being that HCC considers that the pupil yield arising from studio flats is either non-existent or so small to be considered negligible. Therefore the 20 studio flats have been omitted from pupil yield calculations.

**Development Mix**

Development Mix by Tenure and Size					
HOUSES			FLATS		
Number of bedrooms	A) Open Market	B) Affordable (Social Rent)	Number of bedrooms	A) Open Market	B) Affordable (Social Rent)
1	0	0	1	223	26
2	0	0	2	241	16
3	0	0	3	40	10
4+	0	0	4+		
<b>Total</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>504</b>	<b>52</b>

  

Year	Overall (556 to enter)
2020	0
2021	0
2022	0
2023	139
2024	139
2025	139
2026	139

Please note that if any of this information was to change (e.g. to the mix, type, tenure or build rates) then the contributions may also need to be amended. Therefore please notify us of any future amendments in order for us to re-calculate the planning obligations accordingly.

Based on the information to date for the housing and tenure mix as set out above, we would seek financial contributions towards the following project:

- **Primary Education - £1,670,732** towards a new 2FE primary school in Stevenage Town Centre – Total costs for the school are £9,228,600 (indexation to be applied as of 1Q2020, BCIS All in TPI). Costs of the land for the school are to be apportioned appropriately to all those nearby sites which are also required to make contributions to the new primary school to mitigate the impacts of their developments. Therefore, the appropriate land costs are requested for this development.

### **Primary Education**

HCC can confirm that there is insufficient primary education capacity in the area.

Given that there is insufficient spare primary education capacity in the area, HCC are seeking a primary education contribution from this development.

HCC is seeking primary education contributions from new developments in the Stevenage town centre and the surrounding area towards the new primary school on the site in Stevenage Town Centre depicted within the SG1 planning application on the current Westgate Car Park and surrounding garage blocks. The new school will provide the necessary capacity to mitigate the new demand for primary school places arising from this development and the surrounding areas. The school will be a 2FE school with a nursery provision.

The recent DfE guidance (*Securing developer contributions for education*, Nov 2019) is clear that when calculating the cost of education provision the assumed cost of mainstream school places should be based on the national average costs published in the DfE school place scorecards. The DfE scorecard costs can be found at the following link – <https://www.gov.uk/government/statistics/local-authority-school-places-scorecards-2019>. Based on the DfE scorecard the cost of a new 2FE primary school (including nursery provision) is **£9,228,600**.

Based on the development mix set out above, the forms of entry of primary aged pupils (including nursery places) modelled to arise from the development (based on the Hertfordshire Demographic Model) is **0.36 FE**. This is 18% of the capacity of the new 2FE primary school (0.36FE/2FE).

Therefore, the primary education contributions (which include the cost of nursery provision at the new primary school) which are sought from this development are **£1,661,148** (£9,228,600 x 18%). These are based on costs as of 1Q2020 (BCIS All in TPI) so indexation will need to be applied from this date.

As mentioned, it is expected that proportionate land costs are also applied. HCC is clear that, given the allocation for education use within the adopted local plan, this land should be valued as education use rather than residential. This is consistent with the approach which has already been successfully adopted in other parts of the county.

Although the SG1 application has not yet been determined, the most recent example and proposed rate within the SG1 application we have of valuing land for educational use valued the land at approximately £35,000 per acre (so approximately £86,450 per hectare, £25,000 x 2.47).

The school site in question is 0.6159 hectares, therefore, the value of the land is £53,245 (£86,450 x 0.6159). Therefore 18% of the land costs are **£9,584**.

Therefore the level of primary education contributions which are sought from the development are £1,661,148 + £9,584 = **£1,670,732** (based on costs as of 1Q2020 – BICS All in TPI, indexation to be applied).

Kind regards,



**Antony Proietti**  
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