## ACTION TAKEN BY CABINET MEMBER (EXECUTIVE FUNCTION)

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**Summary**

The Draft SPD sets out an approach to securing appropriate contributions through S106 Agreements towards skills, employment, training and enterprise initiatives and the mechanisms (Local Employment Agreements as legal obligations) for delivering them. S106 contributions secured through this SPD will be independent from and additional to contributions towards Barnet’s Community Infrastructure Levy. This Report seeks approval of the Draft SPD for a six week period of public consultation.

**Officer Contributors**

Assistant Director for Strategic Planning & Regeneration
Principal Planning Policy Officer

**Status (public or exempt)**

Public

**Wards affected**

All

**Enclosures**

Appendix A: Delivering Skills, Employment, Enterprise and Training from Development through S106

**Reason for exemption from call-in (if appropriate)**

Not Applicable

**Key decision**

No

Contact for further information: Rita Brar -Principal Planning (Policy): 020 8359 4177
1. RELEVANT PREVIOUS DECISIONS

1.1 Cabinet, 18 April 2013 (Decision item 7) approved the Supplementary Planning Document on Planning Obligations from Developments for adoption.

1.2 Cabinet Resources Committee, 28 February 2013 (Decision item 16) approved that the Council progress towards adopting a Community Infrastructure Levy.

1.3 Council, 11 September 2012 (Decision item 4.1) approved the Local Plan Core Strategy and Development Management Policies for adoption.

1.4 Cabinet, 20 June 2012 (Decision item 6) approved the Barnet Skills, Employment and Enterprise Action Plan.

2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

2.1 All three strategic objectives in the Corporate Plan 2013 - 2014 are embedded within the draft SPD on Delivering Skills, Employment, Enterprise and Training from Development through S106.

In promoting responsible growth, development and success across the borough it ensures :-

- continued success of Barnet as a London suburb by securing opportunities through Local Employment Agreements for residents and businesses to access employment and training arising from Barnet’s growth.

In supporting families and individuals it ensures :-

- formal obligations between new developments and education institutions which generate opportunities for young people through apprenticeships and work experience.

- formal obligations between new developments and the Council’s Jobs Brokerage Programme to support registered unemployed residents in accessing new employment opportunities.

In improving satisfaction of residents and businesses with Barnet as a place to live, work and study it ensures :-

- Local residents benefit from prior notification of vacancies arising from a development and that the developer is obliged to consider local businesses as local suppliers.

2.2 The draft SPD has been produced within the framework of the Skills, Employment and Enterprise Plan 2012 – 2015 which sets out initiatives...
identified by the Council and its partners to address worklessness and help support Barnet’s economy.

3. RISK MANAGEMENT ISSUES

3.1 Following introduction of Barnet’s Community Infrastructure Levy (CIL) in May 2013 the scope for securing S106 contributions has become more limited. This was clarified by the Planning Obligations SPD in April 2013.

3.2 This draft SPD applies to residential development of 25 units or more, large new commercial floorspace over 1,000m², or other development which generates 20 or more Full Time Equivalent jobs. The draft SPD also requires contributions from development of employment space which reduces levels of employment uses and impacts negatively on the local economy. Viability is a key consideration in securing the objectives of the draft SPD and the Council has no intention of making development unviable. It will therefore require the developer to justify any inability to deliver the requirements of the draft SPD.

3.3 The draft SPD ensures that developers will, through a S106 Agreement, be obliged to produce a Local Employment Agreement (LEA) or where this is not possible a commuted sum. The introduction of LEA provides a legal obligation between the Council and the developer for securing contributions from development to employment, skills, training and enterprise initiatives.

4. EQUALITIES AND DIVERSITY ISSUES

4.1 The draft SPD implements policy set out in the Local Plan Core Strategy which has been subject to an Equalities Impact Assessment (EqIA).

4.2 The draft SPD contributes to the delivery of the Skills, Employment and Enterprise Plan an objective of which is to reduce the numbers of young people aged 16 to 24 who are categorised as Not in Employment, Education or Training (NEET). Males and white British young people are overrepresented as NEETs. Vulnerable groups such as children leaving care and young mothers are more likely to be NEET.

4.3 Targeted support funded through S106 Agreements or through the use of LEAs is expected to increase employment opportunities for young people and reduce inequalities.

4.4 The draft SPD will be subject to public consultation and the responses will be considered before adoption of the final document.
5. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

5.1 The cost of preparing this SPD is included in the Strategic Planning Core Fee budget for 2013/14. The cost of managing the Local Employment Agreements as well as commuted sums collected will be met by Strategic Planning and Regeneration.

5.2 During the 2012/13 financial year the Council negotiated and secured £51,000 towards Skills and Employment Contributions from two major planning applications at Adastra House and the former Furnitureland site in North Finchley.

6. LEGAL ISSUES

6.1 The Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012 provide guidance on Local Plan preparation and adoption. Following adoption the SPD will form part of Barnet's Local Plan.

7. CONSTITUTIONAL POWERS

7.1 Constitution, Part 3 (Responsibility for Functions), Section 3 (Responsibilities of the Executive) details that adoption of SPD is a Cabinet responsibility. Approval of the draft SPD is a decision for the Cabinet Member for Planning and Regulatory Services.

8. BACKGROUND INFORMATION

8.1 This draft SPD on Delivering Skills, Employment, Enterprise and Training (SEET) from Development through S106 has been prepared to supplement policies of the Core Strategy, Development Management Policies and the London Plan. S106 Planning Obligations can help deliver more comprehensive off-site mitigation to make a development more acceptable.

8.2 The draft SPD applies to development that generates new jobs through construction and / or proposed use as well as developments that involve the loss of employment space and require planning permission. These developments include housing schemes of 25 units or more, large new commercial floorspace over 1,000m$^2$, or other development which generates 20 or more Full Time Equivalent jobs.

8.3 The SPD introduces Local Employment Agreements as a legal mechanism for managing development related job opportunities. The LEA focuses on six employment and skills areas such as: progression into employment for long term and short term unemployed,
apprenticeships, work experience, academic site visits and academic workshops. By working with developers within an agreed framework ie the LEA the Council can ensure that Barnet’s residents are in a better position to access job opportunities arising from new development.

8.4 The LEA is expected to cover the following:

- **Forecasting of job opportunities** – enabling job ready local candidates to be matched to opportunities
- **Notification of job vacancies** – advance warning to Council of vacancies on new development enabling local job seekers to apply.
- **Local labour target** – developer to agree 30% of construction vacancies are filled by local residents and use LEA to determine local targets for new jobs arising from development
- **Jobs brokerage and skills training** – developer links with Barnet’s Job Brokerage Programme in matching skills, vacancies and candidates with focus on supporting registered unemployed residents.
- **Apprenticeships and work experience** – requires developer to deliver fully-funded apprenticeships and support local education providers in terms of work experience, site visits and workshops.
- **Use of local suppliers** – requires developer to consider Barnet based firms in subcontracts or component supply list.
- **Delivery of specific LEA targets** – requires developer to deliver specific targets for the six identified employment and skills areas through a monitoring framework. These outputs are calculated on the basis of Homes and Community Agency benchmarks for development schemes.

8.5 The draft SPD recognises that there will be exceptional circumstances where a developer is unable to deliver local access to jobs through a LEA. Such circumstances could include where specialised employment is generated. In such cases a commuted sum will be required to generate new employment opportunities. The draft SPD sets out formula for calculating such commuted sums for end use jobs and construction jobs associated with the development.

8.6 The draft SPD will supersede the 2007 Affordable Housing SPD which encourages developers of affordable housing to utilise the Notting Hill Housing Trust - Construction Training Initiative to help train unemployed residents with construction skills. The SPD on affordable housing will be revised in 2014/15.

8.7 Another important role for the draft SEET SPD is to support the Local Plan’s approach for safeguarding existing employment space that is capable of meeting modern business needs and to mitigate any loss of such space. The draft SPD sets out the main factors to consider in calculating contributions in mitigating loss of employment space. Calculations are based on the employment potential of the land and costs for supporting a person into work.
The draft SPD acknowledges that in some instances a net loss of employment space may have a beneficial effect if the loss is balanced by improvements in the quality and format of accommodation which supports small to medium enterprises such as flexible and affordable workspace or small and affordable shop units in major retail developments.

Where financial contributions are agreed the funds will be retained specifically for employment, skills, training and enterprise support and initiatives delivered by the Council and its partners as set out in the Section 106 agreement. These initiatives are highlighted in the Skills, Employment and Enterprise Plan.

The draft SPD will be subject to a six week period of public consultation. Adoption is expected in September 2014. Following adoption the SPD will become a material consideration in housing schemes of 25 units or more, large new commercial floorspace over 1,000m$^2$, or other development which generates 20 or more Full Time Equivalent jobs.

**LIST OF BACKGROUND PAPERS**

9.1 Barnet's Local Plan September 2013
9.2 Planning Obligations SPD, April 2013
9.3 CIL Charging Schedule May 2013
9.4 Anyone wanting to inspect these papers should contact Rita Brar on 020 8359 4177.

**DECISION OF THE CABINET MEMBER(S)**

I authorise the following action

That the consultation draft SPD on Delivering Skills, Employment, Enterprise and Training from Development through S106 (attached at Appendix A) is approved for consultation for 6 weeks, any required changes are made and then the final version of the document is referred to the Cabinet for agreement for adoption.

Signed Councillor Joanna Tambourides

Cabinet Member for Planning and Regulatory Services

Date 3 February 201