

Scrutiny Committee



Report of Head of Planning

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S106 Planning Obligations Monitoring Report 2017/2018

Recommendation

To receive an update on the S106 planning obligations 2017/18 and to provide any feedback to the Cabinet member for planning.

Purpose of Report

1. This report aims to provide councillors with a summary of financial sums secured, received and spent in relation to Section 106 agreements for the financial year 2017/18.

Strategic Objectives

2. The section 106 monies contribute to our objective to invest in the district's future by creating the right conditions for economic growth so that businesses, residents and workers can prosper by directly addressing matters in our control that fetter growth, such as housing supply and provision of affordable housing. We will work with partners to seek to overcome infrastructure bottlenecks that impact adversely on business competitiveness.

Background

3. Planning obligations under Section 106 of the Town and Country Planning Act 1990 are commonly known as S106 agreements. They provide a formal legal mechanism to secure measures that help make development proposals

acceptable in planning terms. Since the council implemented the Community Infrastructure Levy (CIL) Charging Schedule; 1 April 2016, Section 106 agreements have to be considered in the context of CIL to avoid 'double dipping'. To address this, a S106 Supplementary Planning Document was published and effective from 1 April 2016 to compliment CIL.

4. Under S106 agreements developers and landowners are legally obliged to make the required contributions. The agreement sets out the obligations on the developer in terms of what contributions are to be made and at what stage (triggers) of the development they are required. For the council, the agreement sets out what the contribution is to be spent on and the timeframe for it to be delivered.
5. Under S106 agreements developers are normally required to notify the council when they reach key stages of a development and in response, where these stages trigger a financial obligation, we will invoice for the due amount (index linked).
6. The signing of an agreement does not guarantee the funds. As S106 agreements are to mitigate impacts of development they are only paid if a development occurs and the triggers have been reached. A proportion of planning permissions are never implemented. As a result a proportion of expected contributions agreed never come to fruition. Where a development does proceed contributions will be paid at key stages such as a certain level of occupation, e.g. the 50th dwelling. On large developments these triggers may not occur for several years, which impact on infrastructure delivery.

Monies secured and received

7. During the financial year 2017/18, a total of £52,782,441.19 (£41,284,870 OCC, £11,497,517.19 SODC) was secured in S106 agreements from new development, see Appendix 1 for a breakdown. The collection and spending of County Council contributions is not monitored by us.
8. A total of £1,447,374.51 was collected during the 2017/18 financial year from sites such as
 - Former Cement Works, Land at Kiln Lane Chinnor
 - Hithercroft Industrial Estate, Wallingford
 - Siareys Yard Station Road, Chinnor
 - Thame Service Station 67-68 Park Street, Thame
 - Land North of London Road, Wheatley
 - Land East of Thame Park Road, Thame
9. The table below shows the total sums received by infrastructure type (including monitoring fees).

Infrastructure type	S106 Amount Received (£)
Affordable housing	430,786.60
Car parks	10,450.82
Cemetery	2,348.81
Community Buildings	60,229.62
Countryside	21,238.86

Facilities ¹	268,021.55
Indoor Sport	28,603.40
Monitoring Fee	10,820.97
Open Space	63,214.97
Outdoor Sport	154,058.58
Play Areas	25,651.13
Police	37,447.17
Public Art	43,062.96
Public Transport	63,420.45
Safety and Security	11,720.64
Social and Healthcare	51,318.74
Street Signage	54,209.00
Waste Facilities	110,777.78
Grand Total	1,447,374.51

S106 Monies spent

10. Upon receipt of S106 funds third parties identified in the S106, including towns and parishes are informed about the receipt of monies. We also publish and provide towns and parishes with six-monthly reports on the S106 funds we are holding. Third parties need to apply for the monies and will need to provide supporting documents, such as quotes for work and evidence of all of the funding required. The application form and supporting information is set out on our website. For leisure projects e.g. pitches, pavilions and sports halls we encourage third parties to discuss with our Leisure Service. Our Equalities officer also provides feedback to third parties to encourage inclusion within their project. Third parties, and sometimes parishes, will be asked to enter into a legal agreement to ensure the monies are spent properly and in accordance with the s106 agreement. The processing time spent for the money transfer depends on the complexity and cost of the project and the terms of the S106, e.g. whether the money has been secured for a specific project, organisation or is not specific.
11. A total of £50,336.37 was spent/allocated during the 2017/18 financial year. These funds were spent/allocated from obligations secured across several financial years. The projects that were funded/allocated are:
 - Chinnor towards the provision of a football playing pitch (£10,000)
 - Chinnor towards provision of public art (£5,500)
 - Goring towards improvements to Gardiner Pavilion & surroundings (£28,305.27)
 - Thame towards the town's Sports Facilities Strategy (£6,531.10)
12. S106 contributions for the maintenance of waste facilities and street signage were transferred to the relevant council revenue budgets.

Conclusion

¹ Includes financial contribution towards upgrading existing local community facilities in Wallingford (Unit 158 Hithercroft Ind. Estate) and £113,686.99 towards community facility in Thame (Land East of Thame Park Road).

13. In summary, we can conclude the following:

- A robust S106 monitoring system is successfully in place, and is constantly monitored for effectiveness
- S106 agreements are being regularly monitored and infrastructure funding is being received and spent.
- Data is available on the website which increases transparency and enables town and parishes to easily access information.
- Annual reports will continue to be produced to report on the S106 monies secured, received and spent.

14. The Cabinet Member for Planning, welcomes any feedback on our S106 monitoring.

Appendix 1

Breakdown of SODC and OCC S106 contributions April 2017 to end March 2018

Infrastructure type	SODC	OCC
Affordable housing	682,311.00	
Allotments	3,000.00	
Community Buildings	285,825.00	
Countryside	1,883,400.00	
Highways		5,292,232.00
Indoor Sport	3,201,206.00	
Inspection	1,000.00	
Legal Costs	3,000.00	
Local Libraries		137,102.00
Maintenance	3,967,944.00	
Monitoring Fee	64,632.12	427,461.00
Open Space	149,160.00	
Outdoor Sport	400,442.00	
Play Areas	36,160.00	
Police	48,268.00	
Primary Education		19,216,472.00
Public Art	392,652.00	
Public Transport		4,343,166.00
Right of Way		234,695.00
Road Infrastructure		834,444.00
Secondary Education		9,985,382.00
Social and Healthcare	29,353.00	225,640.00
Spec. Educ. Needs		579,280.00
Street Signage	67,000.71	
Waste Facilities	282,217.36	
Grand Total	11,497,571.19	41,284,870.00