

## **Report to Cabinet**

**Subject:** S106 Contributions 2018/19

**Date:** 27 June 2019

**Author:** Deputy Chief Executive and Director of Finance

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### **Wards Affected**

Borough-wide

### **Purpose**

The purpose of this report is to provide Members with an update on the S106 contributions that the Council has received and the contributions that have been agreed through the planning process but have yet to be received.

### **Recommendations:**

#### **That Members:**

- note the contents of the annual report.

### **Key Decision**

This is not a key decision.

### **Background**

- 1.1 Members will be aware that the Council can secure S106 financial contributions through the planning process to be spent on specific infrastructure, such as the provision and maintenance of open space, contributions towards capital projects such as play areas, contributions towards healthcare provision and affordable housing contributions.
  - 1.2 This report details the money that has been received for S106 contributions, what the contributions have been spent on, what contributions have yet to be allocated to a scheme, information on revenue maintenance contributions and details of any contributions due as part of the planning process.
  - 1.3 S106 contributions agreed for education, libraries and highways projects are paid direct to Nottinghamshire County Council.
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### 1.3 Summary of Current Agreements

#### 1.3.1 Contributions Spent on Projects in 2018/19

Site	Application Reference	S106 received	Amount Spent	Provision/Project Funded
Mapperley Plains School Site	2007/0106	2010	£100,992	Affordable Housing - Burton Road Development
7-9 Chapel Lane	2007/0623	2010	£16,324	Affordable Housing - Burton Road Development
Howbeck Road	2012/0476	2016	£74,800	Open Space – Arnot Hill Park Play Area
Spring Lane	2007/0748	2014	£3,048	Open Space – Gedling Country Park
<b>Total</b>			<b>£195,164</b>	

#### 1.3.2 Capital Contributions held as at 31 March 2019

The contributions received through a S106 agreement usually include a clause stating the timeframe in which the contribution must be spent. Currently we have no S106 contributions which have exceeded the timeframe and plans are in place to ensure that the contributions are spent prior to the repayment dates set. In the majority of S106 agreements the payback period is usually 10 years however these clauses can range between 5 – 10 years.

The Healthcare contributions detailed in the table below totalling £718,055 are for the provision of Health Centres in the location of the developments and will be transferred to the Clinical Commissioning Group (CCG) upon completion of projects. Development Control are in liaison with the CCG about the development of projects. An extension to the Westdale Lane Surgery in Gedling is planned for delivery in 2019/20, which will use Healthcare S106 Contributions from the development sites at Ashwater Drive, Bradstone Drive off Spring Lane and Cavendish Road.

S106 Contributions as at 31 March 2019

Site	Application Reference	S106 Received	Contributions Held	Provision	Deadline to be spent by
7-9 Chapel Lane	2007/0623	Aug-10	£35,298	Affordable Housing	Aug-20
Spring Lane	2007/0748	Apr-14	£132,000	Affordable Housing	Apr-24
			£139,617	Open Space	
Land at Wighay Road	2014/0950	2016	£94,822	Open Space	2026
			£560,567	Affordable Housing	
			£21,741	Healthcare	
Ashwater Drive	2010/1022	2017	£133,331	Healthcare	2022
Land at Stockings Farm	2010/0437	2016	£435,232	Healthcare	2026
Bradstone Drive, off Spring Lane	2014/0740	2017	£66,542	Healthcare	2027
Land North of Papplewick Lane, Linby	2013/1406	2017	£37,346	Healthcare	2027
Land off Cavendish Road	2014/0559	2017	£23,863	Healthcare	2027
			£35,243	Open Space	
Land North of Papplewick Lane, Linby	2013/1406	2018	£215,568	Affordable Housing	2028
Land south of Woodchurch Road	2018/0911	2018	£28,518	Open Space	2028
<b>Total</b>			<b>£1,959,688</b>		

The total amount of S106 contributions allocated to specific schemes in the Gedling 2019/20 capital programme is £221,100. The schemes are as follows:

- Affordable Housing Projects £154,300 – 7-9 Chapel Lane and Spring Lane, Affordable Housing contributions;
- Gedling Country Park £31,800 – Spring Lane, Open Space contribution;
- Lambley Lane Changing Room and Pitch £35,000 – Cavendish Road, Open Space Contribution.

### 1.3.3 Revenue Contributions for Maintenance

The table below shows the revenue contributions received by the Council as at 31 March 2019. The majority of the revenue contributions are for the ongoing maintenance works on the open spaces sites that the Council has adopted. One scheme (Park Road, Bestwood) is being used to fund a healthcare project within Bestwood Village. The revenue contributions are usually secured for a 10 year period and are drawn down annually from the date the sites are adopted, unless they are being used for a specific project.

Site	Date Recd	Original Amount	Annual Payment 2018/19	Balance S106	Last Payment Due
Spring Lane	Oct-06	£5,689	£569	£3,413	2024/25
Park Road, Bestwood	2006	£66,024	£9,248	£17,880	2018/19
Edison Way, Arnold	2007	£52,125	£5,213	£15,638	2021/22
Downham Close, Arnold	Mar-08	£8,252	£825	£4,952	2024/25
Emerys Road	Oct-08	£18,836	£2,360	£2,316	2019/20
Brooklands Drive	Oct-08	£14,428	£1,445	£4,310	2021/22
Arnold View Primary School	Jul-09	£24,744	£2,474	£17,321	2025/26
Burton Road, Gedling	Nov-09	£7,678	£763	£4,582	2024/25
188-194 Mapperley Plains	2016	£19,035	£1,904	£13,325	2025/26
333-339 Mapperley Plains	2016	£24,088	£2,409	£16,862	2025/26
Spring Lane	2017	£110,575	£11,058	£88,460	2026/27
Teal Close, Netherfield	2018	£2,548	£0	£2,548	2027/28
<b>Total</b>		<b>£354,022</b>	<b>£38,268</b>	<b>£191,608</b>	

The table above shows that there was £38,268 was used to fund revenue expenditure in 2018/19. Of this £29,020 was for the maintenance of open spaces and £9,248 was for the Bestwood Health Project. There is £191,608 of revenue contributions remaining which will be used by 2027/28.

#### 1.3.4 Contributions Due

The following contributions have been agreed through the planning process and the developments have started as at 31 March 2019.

<b>Site</b>	<b>Application Reference</b>	<b>Amount Due</b>	<b>Provision</b>	<b>Money Due</b>
Land north of Papplewick Lane, Linby	2013/1406	£106,654 (RPI Index Linked)	Healthcare	Next instalment due on 1 <sup>st</sup> occupation of up to 25% of the total dwellings
		£385,906 (RPI Index Linked)	Open Space (maintenance)	Only payable on transfer of open space to the Council
		£584,432 (RPI Index Linked)	Affordable Housing	Next instalment due on 1 <sup>st</sup> occupation of up to 25% of the total dwellings
Bradstone Drive, off Spring Lane	2014/0740	£16,108 (RPI Index Linked)	Healthcare	Due on occupation of 150 <sup>th</sup> dwelling
		£233,510 (RPI Index Linked)	Open space (maintenance)	Only payable on transfer of open space to the Council
Land at Chase Farm	2015/1376	£525,000	Healthcare	1 <sup>st</sup> instalment due before the occupation of the 549 <sup>th</sup> Dwelling.
147 Main Street, Woodborough	2013/0252	£11,434 (RPI Index Linked)	Open Space (Off-site capital and maintenance contribution)	Payable before occupation of second dwelling,

Site	Application Reference	Amount Due	Provision	Note
Vale Road, Colwick	2008/0287	£56,013 (RPI Index Linked)	Open Space (Off-site capital and maintenance contribution)	To pay before or forthwith after occupation of the 22 <sup>nd</sup> dwelling.
Dark Lane, Calverton	2012/1503	£68,400 (RPI Index Linked)	Healthcare	50% due prior to first occupation of the development  Remaining due prior to occupation of 50% of the development
		£86,009 (RPI Index Linked)	Open Space (Off-site capital and maintenance contribution)	Not to cause or permit occupation of more than 50% of the development.
Land at Langley Lane, Gedling	2012/1335	£21,000 21 x £1,000 instalments	Biodiversity	Next instalment due September 2019.
Teal Close, Netherfield	2013/0546	£200,000 (RPI Index Linked)	Primary Healthcare	50% due prior to first occupation of the development
Beeston Close, Bestwood	2017/0194	£46,922	Open Space (Off-site capital and maintenance contribution)	50% due prior to the occupation of the Dwellings
Land at South of 64 Woodchurch Road, Bestwood	2018/0911	£40,419	Open Space (Off-site capital and maintenance contribution)	Paid prior to commencement of development.
<b>Total</b>		<b>£2,381,807</b>		

### **Alternative Options**

- 3 Failure to identify and deliver on the S106 schemes would mean that the contributions including RPI would have to be paid back to the developer.

### **Financial Implications**

- 4 As detailed in the report.

### **Appendices**

- 5 None

### **Background Papers**

- 6 None

### **Reasons for Recommendations**

- 7 To ensure Members are informed of the S106 Contributions.