

Report to Cabinet

Subject: S106 Contributions 2019/20

Date: 10 September 2020

Author: Assistant Director - Finance

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 S106 Contributions 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.
 - 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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2 Proposal

2.1 Summary of Current Agreements

2.1.1 Contributions spent on projects in 2019/20

Site	Application Reference	S106 Contribution received	Amount Spent	Provision/Project Funded
Bradstone Drive off Spring Lane	2014/0740	2017	£42,639	Westdale Lane Surgery. Extension to practice, providing 4 No. additional consultation rooms.
Ashwater Drive Mapperley	2010/1022	2017	£133,331	Westdale Lane Surgery Extension to practice, providing 4 No. additional consultation rooms.
Land Off Cavendish Road, Carlton	2014/0559	2017	£23,863	Westdale Lane Surgery Extension to practice, providing 4 No. additional consultation rooms.
Spring Lane Mapperley	2007/0748	2014	£16,304	Gedling Country Park Projects including seating area and viewing platforms
7-9 Chapel Lane	2007/0623	2010	£35,298	Affordable Housing - Burton Road Development
Spring Lane Mapperley	2007/0748	2014	£106,876	Affordable Housing - Burton Road Development
Total			£358,311	

2.1.2 Capital Contributions held as at 31 March 2020

The contributions through a S106 agreement usually have a clause stating the timeframe in which the contribution is to be spent by. 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 repayment period is usually 10 years however these clauses can vary.

The Healthcare contributions detailed in the table below totalling £658,537 are for the provision of Health Centres in the location of the developments and will fund projects delivered by the Clinical Commissioning Group (CCG). Development Control are in liaison with the CCG about the development of future projects.

S106 Capital Contributions as at 31 March 2020

Site	Application Reference	S106 Received	Contributions Held	Provision	Deadline to be spent by
Spring Lane	2007/0748	2014	£25,124 £123,502	Affordable Housing Open Space	2024
Land at Wighay Road	2014/0950	2016	£94,822 £560,567 £21,741	Open Space Affordable Housing Healthcare	2026
Land at Stockings Farm	2010/0437	2016	£435,232	Healthcare	2026
Bradstone Drive, off Spring Lane	2014/0740	2017	£23,903	Healthcare	2028
Land North of Papplewick Lane, Linby	2013/1406	2017	£37,346	Healthcare	2027
Land Off Cavendish Road	2014/0559	2017	£35,243	Open Space	2027
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
Land West of Westhouse Farm	2014/0238	2020	£111,237	Healthcare	2030
Teal Close	2013/0546	2019	£29,078	Healthcare	2029
Land Between Main St and Hollinwood	2012/0941	2019	£99,536	Open Space	2029
Total			£1,841,417		

The total amount of S106 contributions allocated to specific schemes in the Gedling 2020/21 capital programme is £170,500. The schemes are as follows:

- Burton Road £12,000 – Spring Lane, Affordable Housing contribution
- Gedling Country Park Projects, including Seating Area £123,500 – Spring Lane, Open Space contribution
- Lambley Lane Changing Rooms £35,000 – Cavendish Road, Open Space contribution

2.1.3 Revenue Contributions for Maintenance

The table below shows the revenue contributions received by the Council as at 31 March 2020. The majority of the revenue contributions are for the ongoing maintenance works on the open spaces sites that the Council has adopted. 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	Used 2019/20	Balance Remaining	Last Payment Due
Spring Lane	2006	£5,689	£569	£2,844	2024/25
Park Road, Bestwood	2006	£66,024	£0	£17,880	2020/21
Edison Way, Arnold	2007	£52,125	£5,213	£10,425	2021/22
Downham Close, Arnold	2008	£8,253	£825	£4,126	2024/25
Emerys Road	2008	£18,837	£2,316	£0	2019/20
Brooklands Drive	2008	£14,428	£1,445	£2,864	2021/22
Arnold View Primary School	2009	£24,744	£2,474	£14,847	2025/26
Burton Road, Gedling	2009	£7,678	£763	£3,819	2024/25
188-194 Mapperley Plains	2016	£19,035	£1,904	£11,421	2025/26
333-339 Mapperley Plains	2016	£24,088	£2,409	£14,453	2025/26
Spring Lane	2017	£110,575	£11,058	£77,403	2026/27
Teal Close	2018	£2,550	£0	£2,550	2027/28
Total		£354,026	£28,976	£162,632	

The table above shows that there was £28,976 was used to fund revenue expenditure in 2019/20. There is £162,632 of revenue contributions remaining which will be drawn down until 2027/28.

2.1.4 Contributions Due

The following contributions have been agreed through the planning process and the developments have started as at 31 March 2020.

Site	Application Reference	Amount Due	Provision	Money Due
Land north of Papplewick Lane, Linby	2013/1406	£106,654 (RPI Index Linked)	Healthcare	Next instalment due on 1 st 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 st occupation of up to 25% of the total dwellings
Bradstone Drive, Spring Lane	2014/0740	£82,650 (RPI Index Linked) - £66,542.47 paid	Healthcare	3 instalments paid, remaining due on occupation of 150 th 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	instalment due before the occupation of the 549 th 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,
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 nd 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)	Due before 50% of the development is occupied
Land at Langley Lane, Gedling	2012/1335	25 x £1,000 annual instalments – 4 received	Biodiversity	Annually
Teal Close, Netherfield	2013/0546	£200,000 (RPI Index Linked) - £111,237 paid	Primary Healthcare	Due before 50% of the development is occupied
Beeston Close, Bestwood	2017/0194	£46,921	Open Space (Off- site capital and maintenance contribution)	50% due prior to the occupation of the Dwellings
Land South of Woodchurch Road, Bestwood	2018/0911	£40,419	Open Space (Off- site capital and maintenance contribution)	Paid prior to commencement of development.
Land at Wood Lane, Gedling	2018/0577	£24,837	Open Space (Off- site capital and maintenance contribution)	Prior to the occupation of the 4th dwelling.
Mill Field Close	2015/0424	£63,637	Open Space (Off- site capital and maintenance contribution)	Due before 50% of the development is occupied
Total		£2,359,042		

2.1.5 As detailed in paragraph 5.2 below, the Council will publish the required S106 information as part of its annual infrastructure statement on the website by 31 December 2020.

3 Alternative Options

- 3.1 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.

4 Financial Implications

- 4.1 As detailed in the report.

5 Legal Implications

- 5.1 Planning obligations are covered by Section 106 of the Town and Country Planning Act 1990 and known as Section 106 agreements. By law, planning obligations can only be required where they are necessary to make the development acceptable in planning terms; directly related to the development; and fairly and reasonably related in scale and in kind to the development. Payments can be made in the form of a capital or revenue contribution, as a lump sum or phased payments, due on defined dates or triggered as the development progresses. Local planning authorities are required to use the funding in accordance with the terms of the individual Section 106 agreement and if not spent by the date specified in the agreement must be returned to the developer.
- 5.2 A local planning authority that has received developer contributions (section 106 planning obligations or Community Infrastructure Levy) must now publish an annual infrastructure funding statement online under the Community Infrastructure Levy Regulations 2010. The first such statement must be published before 31 December 2020 and thereafter annually no later than 31 December.

6 Equalities Implications

- 6.1 None arising directly from this report.

7 Carbon Reduction/Environmental Sustainability Implications

- 7.1 None arising directly from this report.

8 Appendices

- 8.1 None

9 Background Papers

- 9.1 None

10 Reasons for Recommendations

10.1 To ensure Members are informed of the S106 Contributions.

Statutory Officer Approval

Approved by: Chief Financial Officer
Date: 26 August 2020

Approved by: Monitoring Officer
Date: 26 August 2020