

Report to Leader of the Council

Subject: Transfer of S106 Developer Contributions for Play Area Development Projects

Date: 6th August 2025

Author: CIL and Section 106 Monitoring Officer

Wards Affected

Bestwood St Albans Ward

Purpose

The purpose of this report is:

1. To seek approval to transfer part of the Play Area Capital Contribution received through the Section 106 Agreement dated 21st March 2019 to Bestwood Village Parish Council to expend on capital projects which meet the requirements of the Section 106 Agreement;
2. To establish by virement the capital programme budgets for the delivery of Play Area projects by the Parish Council, to be funded by Section 106 Developer Contributions.

Key Decision

This is not a key decision as it does not impact all wards in the borough and the financial implications are below £500,000.

Recommendation(s)

To approve:

- 1) the transfer up to £29,663.15 of the Play Area Capital Contribution from the Section 106 Agreement dated 21st March 2019 in relation to the Planning Permission 2014/0238 – Land West of Westhouse Farm, Moor Road, Bestwood, Nottinghamshire, to be spent in accordance with Schedule One of the above Section 106 Agreement.

2) the establishment, by virement, of the capital programme budgets for delivery of Play Area projects to be funded by Section 106 Developer Contributions as detailed in Recommendation 1.

1 Background

- 1.1 Planning obligations are taken forward through legal agreements, principally known as Section 106 Agreements made under Section 106 of the Town and Country Planning Act 1990 (as amended). They are usually negotiated and entered into between the local planning authority, the developer /applicant and all parties with a legal interest in the development site.
- 1.2 Where necessary, Section 106 Agreements can require the developer to make an off-site financial contribution in lieu of suitable on-site provision for infrastructure such as Open Space or Play Equipment. Any financial contribution is then expended in accordance with the terms of the relevant Section 106 Agreement.
- 1.3 Gedling Borough Council, in its capacity as the Local Planning Authority, have secured various Section 106 Contributions, a full report of which can be viewed publicly on the Council's Infrastructure Funding Statement on the [Gedling Borough Council website](#). These contributions are typically restricted in terms of how they may be spent, whether that be a certain distance from the centre of the development from which they were collected or on the improvement of a specific area or type of infrastructure.
- 1.4 Instances may arise where it is appropriate for the Local Planning Authority to transfer Section 106 Contributions to other Organisations, such as the County Council or Local Parish Councils, to expend in accordance with the terms and obligations of the Section 106 Agreements if Gedling Borough Council are not able to do so. This may be due to a lack of land under Gedling Borough Councils ownership, or to ensure that the monies are expended in a timely manner. Where Section 106 Contributions are not expended within a certain timeframe, typically 10 years from collection, the developer can request that the relevant monies, including any indexation, are re-paid by the Local Planning Authority.
- 1.5 The Play Area Contribution which is listed in the above Recommendation has been collected and held in accordance with the relevant Section 106 Agreement. The local Parish Council that functions within the parish where the development has taken place have submitted a project to Gedling Borough Council which meets the requirements of the Section 106 Agreement. As Gedling Borough Council do not have any projects identified for these

Contributions at this time, it is recommended that the monies are transferred to the relevant Local Parish Council to be expended in accordance with the relevant Section 106 Agreement.

- 1.6 Bestwood Village Parish Council have requested Section 106 Contributions for the enhancement of the play area located at 'The Square' public open space in Bestwood Village. The works include the upgrading of current equipment, the installation of new equipment, repairing surfacing and improved landscaping. The total contribution requested is £29,663.15.
- 1.7 GBC have collected a capital contribution of £164,831 towards Play Areas through the Section 106 Agreement dated the 21st March 2019, in relation to the development Land West of Westhouse Farm. The Play Area contribution requires that the capital contribution is used towards the provision of and/or improvement of play areas/informal sports facilities within a 2km radius of the centre of the development.
- 1.8 The project submitted by Bestwood Village Parish Council has been assessed in consultation with Gedling Borough Councils PASC Team and the project is deemed to meet the requirements of the relevant Section 106 Agreements by improving Play Area facilities within 2km of the development from where the financial contribution was collected. Gedling Borough Councils PASC Team have confirmed that they do not currently have any projects identified for the contribution and as such raise no objection to the monies being passed to the Parish Council in this instance.

2 Proposal

- 2.1 It is proposed that the following Section 106 (S106) Play Area developer contribution be transferred to Bestwood Village Parish Council to be spent on capital projects which satisfy the requirements of the S106 agreement, as follows:
 - £29,663.15 from the Section 106 Agreement dated 21st March 2019, 2014/0238 – Land West of Westhouse Farm to Bestwood Village Parish Council.
- 2.2 It is proposed that the Leader approves the establishment, by virement, of the capital programme budgets for delivery of Play Area projects by the Parish Council as detailed in paragraph 2.1 to be funded by Section 106 Contributions.

3 Alternative Options

- 3.1 Gedling Borough Council could not transfer the Section 106 Contribution to Bestwood Village Parish Council however, if the Council does not spend the financial contribution in accordance with the obligations and timescales within

the relevant agreements this could result in the contribution having to be repaid back to the developer.

4 Financial Implications

- 4.1 The council has received the following Section 106 Contribution: £164,831 Play Area Capital Contribution in relation to the development 2014/0238 – Land West of Westhouse Farm. The contribution received must be spent on the provision of and/or improvement of play areas/informal sports facilities within a 2km radius of the centre of the development.
- 4.2 The proposed transfer of the contributions to Bestwood Parish Council for the delivery of capital projects as detailed by the Parish Council, which is deemed in compliance with the terms and obligations of the relevant Section 106 Agreement, requires the establishment of the capital programme budgets.
- 4.3 Failure to ensure that Section 106 Contributions are spent in accordance with the relevant Section 106 Agreements in a timely manner could result in the contributions, including any indexation, having to be repaid back to the developer.

5 Legal Implications

- 5.1 Monies can be passed to the relevant parishes provided the funds are spent in compliance with the relevant schedules of the Section 106 Agreements. Given that the Parish Councils are not parties to the original Section 106 Agreements an appropriate contract between the Parish Council and Gedling Borough Council to ensure any transferred monies are spent in accordance with the Section 106 Agreement will be required.

6 Equalities Implications

- 6.1 There are no equalities implications arising from this report. Equalities impacts should be assessed as part of any proposed project at each site.

7 Carbon Reduction/Environmental Sustainability Implications

- 7.1 The delivery of new Play Areas through Section 106 Contributions can help contribute to carbon reduction in the borough. Increasing opportunities for health and wellbeing and improving a sense of place are key themes set out in the Council's golden thread.

8 Appendices

- 8.1 DEVELOPER CONTRIBUTIONS Commitment Request Form 1 - The Square

9 Background Papers

- 9.1 Section 106 Agreement dated 21st March 2019.

10 Reasons for Recommendations

- 10.1 To ensure the expenditure of funds on the provision of play areas in accordance with planning obligations detailed in the Section 106 Agreement dated the 21st March 2019.

Statutory Officer approval

Approved by:

Date:

On behalf of the Chief Financial Officer

Approved by:

Date:

On behalf of the Monitoring Officer