

PLACES SCRUTINY PANEL

14 March 2013

SECTION 106 FINANCIAL UPDATE

Joint Report of the Strategic Director for Resources
and the Operational Director for Places

STRATEGIC AIM:	All
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1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to inform the Places Scrutiny Panel about latest position on Section 106 (Planning Obligations) matters. The report summarises the current S106 balances and the purposes as stated in the agreements and includes information on the contributions agreed, those received from developers and an overview of projects where S106 funding will be applied.

2. RECOMMENDATIONS

2.1 **That the Places Scrutiny Panel note the latest position on Section 106 Agreements and that future monitoring reports will be included in Capital monitoring reports presented to Cabinet on a quarterly basis.**

3. REASONS FOR THE RECOMMENDATIONS

3.1 To inform Members on the S106 Agreements that have been completed and the progress of the delivery of a number of S106 funded projects.

4. BACKGROUND

4.1 Planning legislation, Section 106 of the Town and Country Planning Act 1990, sets out that development should pay for the social and physical infrastructure to support and facilitate a development. It would not be fair to expect a developer to contribute towards existing service deficiencies such as a shortage of school places or library facilities, or repairs to the highway, where no additional need would arise from the development. However, it would be fair to expect them to contribute to limiting the impact of their own development on the local area.

4.2 In addition it is not unreasonable for communities to identify those areas where there are weaknesses in social and physical infrastructure to which contributions could be sought from new development, provided that the contribution relates in scale and kind to the

development. For example, affordable housing, open space and local environmental improvements.

4.3 The legislation places three tests into law on the use of planning obligations. Since 6 April 2010, in determining an application, it has been unlawful to take into account a planning obligation that does not meet all three tests, which are that the obligation is:

- (a) necessary to make the development acceptable in planning terms;
- (b) directly related to the development; and
- (c) fairly and reasonably related in scale and kind to the development

This is reinforced in paragraph 204 of the NPPF.

4.4 This report summarises the Council's progress on securing, monitoring and implementing planning obligations through Section 106 Agreements.

5. DEVELOPER CONTRIBUTIONS AGREED

5.1 Over recent years significant contributions have been negotiated and secured from developments across the county. The payment points for contributions vary and are set out in agreements with trigger points ranging for example from the start of development, occupation of numbers units or opening of supermarkets. These trigger points are monitored to arrange timely payments.

5.2 The Planning team are currently in the process of implementing a new software system which will include the recording and management of Agreements. The system will facilitate more self-service information being made available on line including improve web pages for Section 106 Agreements and project information. This will be going live from 1 April and the web pages will be developed thereafter.

5.3 In the interim the following information provides a summary of the current position on Agreements. The key points to note are that:

- The total value of S106 agreements that have been successfully completed is £11,301,513 across 112 agreements.
- Contributions totalling £1,644,665 have been received, which are either committed to projects, have already been spent or are part of a pooled contribution arrangement in accordance with policy.
- Expected contributions of £9,656,848 have not yet been received due to trigger points not yet being reached.
- During the year (to date) there have been 13 agreements completed totalling £412,954 in value.
- Contributions received during the year total £48,690.

- 5.4 The table below gives a breakdown of the contributions by purpose. These contribution headings are set out as contained within the Council's policy for Planning Obligations and Developer Contributions, which is a Supplementary Planning Document in the Local Plan and was adopted by full Council in June 2010. It has been since the adoption of this SPD that developer contributions have been more specifically sought for some of these elements of community infrastructure with contributions being pooled towards a larger scheme.

	Agreed prior to 31/03/12	Agreed 2012/13	Total
	£	£	£
Recreation, sport and leisure	1,905,024.56	62,727.80	1,967,752.36
Children and young people's service	1,832,549.31	145,961.45	1,978,510.76
Fire and Rescue Service	71,515.20	2,125.00	73,640.20
Police, crime and disorder	852,101.94	29,895.36	881,997.30
Adult social services	425,000.00	47,844.00	472,844.00
Library service	265,545.73	7,325.48	272,871.21
Museum & archive service	57,511.27	1,751.29	59,262.56
Highways & transportation	1,962,405.74	13,000.00	1,975,405.74
Health service	595,670.63	16,812.34	612,482.97
Civic waste amenity & recycling	339,963.25	9,602.65	349,565.90
Miscellaneous	2,344,000.00	66,000.00	2,410,000.00
Monitoring fees	237,271.01	9,908.78	247,179.79
	10,888,558.64	412,954.15	11,301,512.79

- 5.5 A list of the individual agreements making up the total amount can be found at Appendix A. This has been ordered by value as opposed to date to bring into focus the larger values of contributions relating to the scale of the development.
- 5.6 The value of largest agreement is £7.678m for the development of sustainable urban expansion area north of Oakham. Other significant agreements to note are Anglian Water at £909k; the extension of the Tesco superstore on South Street at £479k; land at Uppingham Road, Oakham at £750k; and the largest value agreement in 2012/13 which is the development of the Timberyard, Pinfold Lane, North Luffenham at £252k.
- 5.7 The table below shows how much of the total funding has been allocated to schemes to date and what is available for future allocation

Total of agreed S106 contributions	£11.300m
Approved usage:	
S106 funding allocated for schemes in 2012/13 (see paragraph 6.2 below)	(£0.177m)
S106 contributions received allocated to schemes	(£1.467m)
Adult Soccer	(£0.627m)
Martial Arts Centre	(£0.030m)
Ashwell Business Park	(£0.200m)
Total available for future allocation	£8.799m

6. DEVELOPER CONTRIBUTIONS ACCOUNT

6.1 Contributions received are held in a ring fenced account and released for the agreed and appropriate infrastructure improvements at the appropriate time. The latest figures regarding actual S106 contributions collected during the year and actual allocations made during the year for the financial year 2012/13 are set out below:

	Hooby Lane Bond	Commutated Sums	S106	Total Balances for 2012/13
Balance of amounts held at 1 April 2012 (audited accounts)	£92,053	£397,621	£565,803	£1,055,477
Total received during the year	£0	£0	£48,690	£48,690
Total expenditure (committed to projects) during the year	£0	(£28,800)	(£177,787)	(£206,587)
Estimated Balance of amounts held at 31 March 2013	£92,053	£368,821	£436,706	£897,580

6.2 The individual schemes where S106 funds have been applied in 2012/13 are:

Scheme	Amount
Oakham Bypass	£9,937
103, Burley Road Extension	£95,528
Traffic Calming	£38,595
Ketton Surgery Development	£16,038
Play Equipment for Ketton parish Council	£6,353
Management of Play Area at Catmose	£10,000
Monitoring Fees	£1,336
Total	£177,787

6.3 In addition to these, commitment has been made for expenditure from expected developer contributions, where agreements have been completed but payment trigger points not yet reached. A profile of the expected developer contributions and commitments will be included in the 2012/13 outturn report.

7. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Medium	Members should be kept informed of agreements successfully completed and kept informed on progress on schemes funded by S106 on a timely basis.
Viability	High	Developer contributions make a scheme acceptable in planning terms by funding essential community infrastructure and mitigate the impact of the development which without would otherwise be unacceptable in planning terms
Finance	Medium	It is important Members are advised regularly and in a timely manner of the position in relation to revenue and capital.
Profile	High	Providing transparency on the account and agreements contributes towards managing this risk.
Equality and Diversity	Low	EIA assessments were undertaken as part of the developer contributions policy being adopted

Background Papers :

All completed Section 106 Agreements
Planning Obligations & Developer Contributions SPD

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A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

Application Reference	Date of Agreement	Site	Parish	Agreement Value
FUL/2006/0920	17/09/2007	Sunnyside Cottage Ratts Lane	Braunston	£200.00
FUL/2008/0018	19/10/2010	Orchard House, Cold Overton Lane	Whissendine	£200.00
FUL/2008/0594	07/12/2010	Land adjacent to Barleythorpe Hall	Barleythorpe	£200.00
FUL/2007/0152	21/11/2007	Land Off Back Lane	Barrowden	£400.00
FUL/2008/0251	24/10/2008	Land Adjacent to Pinfold Lane	North Luffenham	£400.00
FUL/2004/0396	06/11/2006	Land at Barleythorpe Stud Main Road	Barleythorpe	£500.00
FUL/2006/0553	17/01/2007	Land to North of Main Street	Market Overton	£500.00
FUL/2006/1137	30/11/2007	Wing Water Works	Wing	£500.00
FUL/2006/1013	12/02/2007	The Walled Garden, Stamford Road	Barnsdale	£600.00
FUL/2008/1027	25/08/2009	Co-Op Burley Road	Oakham	£600.00
FUL/2005/0032	15/03/2007	Land to the North of Seaton Road	Uppingham	£601.00
FUL/2005/0783	05/04/2007	Wing Water Treatment Works	Wing	£1,000.00
APP/2006/0724	17/08/2012	Land at Tixover Lane	Ketton	£1,000.00
APP/2010/1201	09/07/2012	Rutland Caravan & Camping Park, Park Lane	Greetham	£2,000.00
APP/2010/1159	05/04/2011	Barnsdale Hall Hotel	Barnsdale	£3,147.00
FUL/2007/0440	20/09/2007	Plots 5-8 The Hey Back Road	Barrowden	£4,200.00
F/1992/0481	01/04/2004	Land North of Stamford Road	Essendine	£5,000.00
FUL/2009/0053	22/03/2010	Rear of 37 Dean Street	Oakham	£5,000.00
FUL/2010/0363	16/07/2010	26 High Street East	Uppingham	£5,200.00
APP/2011/0591	11/04/2012	Hilltop Cottage, Casterton Lane	Pickworth	£5,360.15
APP/2011/0122	16/08/2011	32 Braunston Road	Oakham	£5,384.48
APP/2010/1249	04/07/2011	41 Main Street	Whissendine	£5,799.55
FUL/2008/0701	25/03/2010	42-42a High Street East	Uppingham	£6,168.00
FUL/2008/0271	18/05/2010	Kingfisher Pub, 9 Uppingham Road	Preston	£6,200.00
APP/2011/0411	21/03/2012	The Hall, 56 High Street East	Uppingham	£6,375.00
APP/2011/0594	28/05/2012	8 Clatterpot Lane	Cottesmore	£6,468.77
APP/2012/0720	05/02/2013	Relating to land at 3 Bottom Lane, Manor Barn	Bisbrooke	£6,666.03
APP/2011/0332	08/09/2011	9 Barrowden Road	Ketton	£6,739.33
APP/2010/1286	02/11/2011	1 Oakham Road	Langham	£7,170.76
MIN/2004/1051	24/03/2006	Land Adjacent to Greetham Quarry	Greetham	£7,351.74
APP/2011/0048	12/10/2011	Land Adjacent to 1 Church Street	Braunston	£7,640.00
APP/2012/0105	27/09/2012	3 Bottom Lane	Bisbrooke	£7,790.31
APP/2011/0029	23/07/2012	8 The Old Mill, Holygate Road	Ridlington	£8,063.80
APP/2011/0573	22/05/2012	48a Well Street	Langham	£8,187.34
FUL/2008/0571	17/12/2008	Uppingham School	Uppingham	£9,200.00
FUL/2008/0960	25/05/2010	Land to the west of Barnsdale Lodge Hotel, The Avenue	Exton	£9,200.00
FUL/2006/1068	12/02/2007	17 Burley Road	Oakham	£10,000.00
FUL/2007/0140	22/12/2009	Land At Main Road	Barleythorpe	£10,000.00
FUL/2008/0848	10/05/2010	Land Adjacent to 15/17 Goal Street	Oakham	£10,400.00
APP/2010/1192	18/08/2011	64 Burley Road	Langham	£10,441.30
APP/2010/1094	01/03/2011	Withy Cottage, 20 Geeston Road	Ketton	£10,609.11
FUL/2008/0369	09/07/2009	Land at Barleythorpe Stud Main Road	Barleythorpe	£10,702.00
APP/2010/1221	21/04/2011	The Paddock, Lyndon Road	Hambelton	£11,507.57
FUL/2010/0688	14/06/2011	Manor Farm, Station Road	Whissendine	£14,000.00
FUL/2004/1271	06/08/2007	Land off Beckworth Grove	Empingham	£14,500.00
APP/2010/1170	01/08/2012	Lands End Way Roundabout (Pub)	Oakham	£15,000.00
APP/2011/0200	12/10/2011	Grange Farm Uppingham Road	Oakham	£15,333.45
FUL/2010/1199	14/03/2011	Land off Essendine Road	Ryhall	£15,500.00
FUL/2003/0140	01/09/2004	South Witham Quarry, Witham Road	Thistleton	£17,328.00
FUL/2010/0669	01/11/2010	Land at 130 Braunston Road	Oakham	£23,380.00
APP/2012/0712	07/01/2013	Chapel Farm, Cottesmore Road.	Cottesmore	£24,422.00
APP/2010/1216	05/09/2012	Lands End Way Roundabout (Hotel)	Oakham	£26,648.00
FUL/2006/0714	28/12/2006	4-6 Church Street	Oakham	£30,000.00
FUL/2009/0920	23/11/2009	Land's End Land's End Way	Oakham	£30,000.00
FUL/2004/0250	04/02/2005	Land Off South Street	Oakham	£35,000.00
FUL/2006/0204	30/07/2007	Uppingham Gate Ayston Road	Uppingham	£35,000.00
APP/2011/0791	17/12/2012	Land at The Chestnuts	Hambelton	£49,341.19
Total of agreements: £0 to £50,000				£570,125.88
APP/2010/0853	25/03/2011	Land Off Empingham Road	Ketton	£50,082.91
APP/2000/0684	10/09/2002	Land off Stapleford Road	Whissendine	£50,602.00
FUL/2004/0475	24/05/2005	Land to the South Side of North Street East	Uppingham	£70,000.00
OUT/2008/0344	18/06/2009	Vale of Catmose College Cold Overton Road	Oakham	£73,420.00
APP/2010/1066	10/08/2011	Vale of Catmose College Cold Overton Road	Oakham	£78,126.00
MIN/2003/0309	31/03/2005	Hooby Lane Quarry	Stretton	£100,000.00
Total of agreements: £50,001 to £100,000				£422,230.91
OUT/2003/1181	06/11/2006	Land West of Lands End Link Road	Oakham	£100,500.00
FUL/2003/0944	23/09/2008	Rutland Care Village	Oakham	£140,000.00
APP/2008/0228	31/12/2012	The Timberyard, Pinfold Lane	North Luffenham	£252,006.56
FUL/2010/0388	15/03/2011	Tesco Superstore, 96 South Street	Oakham	£479,400.00
OUT/2010/0954	30/06/2011	Land at Uppingham Road	Oakham	£750,055.44
FUL/2005/0782	05/04/2007	Land at Western End of Rutland Reservoir	Empingham	£909,506.00
OUT/2009/1306	11/07/2011	Land to the North of Oakham	Oakham	£7,677,688.00
Total of agreements: £100,001 and over				£10,309,156.00
Total of agreements				£11,301,512.79