

SUBJECT:	SECTION 106 AND CIL CONTRIBUTIONS UPDATE
DIRECTORATE:	DIRECTORATE OF COMMUNITIES AND ENVIRONMENT
REPORT AUTHOR:	NICOLA COLLINS, HERITAGE AND PLANNING ENFORCEMENT TEAM LEADER

1. Purpose of Report

- 1.1 To provide the annual update on section 106 agreements and Community Infrastructure Levy (CIL) that has been collected and secured in the last 24 months to December 2020.

2. Executive Summary

- 2.1 Section 106 agreements are routinely drafted, where specific quantifiable need is identified, to require developers to contribute to vital infrastructure in accordance with local plan policies. This is to mitigate the impact of that development and make that development sustainable in planning terms. The contributions are usually in the form of a commuted sum, calculated on a pro-rata basis depending on the size of the development.
- 2.2 These contributions are collected by the City Council to enhance current provision or provide new provision of affordable housing (AH), education facilities (ED), health facilities (NHS), local highway improvements (HFI), playing fields (PF) and local green infrastructure (LGI) (including children's play space), where these things are required, but cannot be provided on the site.
- 2.3 A community infrastructure levy is also collected from qualifying development, in addition to section 106, for secondary education provision and the Lincoln eastern bypass. CIL is not collected from apartment developments or affordable housing developments.

3. Background

- 3.1 A report was last brought before this committee in January 2019 outlining the section 106 agreement amounts for the year up to December 2018. Due to the lockdown period during the Covid-19 pandemic has meant that no report was presented during 2020 and so this report covers 2019 and 2020.
- 3.2 The administration of the section 106 process is strictly regulated by the Town and Country Planning Act 1990. The resulting section 106 agreements are retained securely by the City Council and officers ensure that payments are received in accordance with the terms in the agreement. Once the commuted sum is received it is the responsibility of the City Council to utilise the sum in accordance with the terms of the agreement.
- 3.3 In the majority of cases, sums are requested for specific infrastructure because there are three tests that must be satisfied to collect developer contributions; they must be

directly related to the development, fairly and reasonable related in scale and kind and necessary to make the development acceptable in planning terms. This often determines where the contributions are allocated to. Officers do not determine the allocation of these monies. The projects that the contributions go towards have been identified by and/or agreed with portfolio holders in line with relevant Vision 2020, and now Vision 2025, objectives and initiatives. For example, a development on Breedon Drive could have a section 106 agreement outlining sums required for the local primary school, the local medical practice, local highway works (such as junction alterations to the site entrance), Yarborough Leisure Centre for playing field improvements (as the closest playing field facility within the ownership of the City Council) and Nene Road play area improvements (as the closest children's play area within the ownership of the City Council).

- 3.4 The purpose of the commuted sum is to mitigate the impact the new development will have on existing facilities. The allocation of commuted sums is closely monitored on a quarterly basis by the section 106 group. This is a group of officers from the respective directorates who administer the various services the commuted sums are collected for. The group identify what has come in, what has been spent, where it is spent, ensuring that it is spent in the right place (as outlined in the section 106 agreement) and that it is spent before the deadline to return the sum to the developer.
- 3.5 The section 106 group then report to the Remarkable Place Vision Group on a quarterly basis, as many of the service areas affected by section 106 contributions are within the Directorate of Communities and Environment.
- 3.6 Education and highway contributions go directly to the County Council and health facility contributions go directly to the NHS, so the role of the group in these instances is to ensure the correct administration. Those organisations determine themselves where the commuted sum is required when they respond to the consultation on the planning application, the City Council do not determine where these monies will be allocated, but the County and NHS will need to justify why they are requesting sums and demonstrate an impact on their existing facilities in order to meet the three tests.

4. Main body of report

4.1 The following table illustrates section 106 contributions and CIL secured for 2019 and 2020 up to and including December 2020 as a result of new planning applications submitted during that period. Where applicable, information is provided on what the contribution is being collected for, in accordance with the local plan.

4.2 S106 and CIL required from new planning applications Jan 2019 to Dec 2020

Site	AH	LGI	PF	ED	HFI	NHS	CIL
Boultham Park Diary	100% on site	£8,370 to be spent within a 3-mile radius of the site	£8,371	n/a	n/a	£14,652 Boultham Park Road Practice	Social housing exemption
Boultham Park Road	100% on site	n/a	n/a	n/a	£10,000 crossing improvements to pedestrian	n/a	Social housing exemption

					crossing near the site		
Riseholme Road	100% on site	£20,7880 to be spent within a 3-mile radius of the site	£29,636	£45,105 Ermine Academy	n/a	£21,175 Minster Medical Practice	Social housing exemption
49-51 West Parade (Route 3 Cars)	£211,120	n/a	n/a	n/a	n/a	n/a	Apartments exempt
De Wint Court	100% on site	n/a	n/a	n/a	n/a	£35,393 Boutham Medical Practice	Apartments exempt
Wolsey Way	25% on site	£8,734	£12,452	£22,552	n/a	n/a	Application pre-dates CIL
431-434 High Street (Golden Cross)	Student accommodation	n/a	n/a	n/a	n/a	£12,925 either Brayford, Portland, Heath, Abbey or Brant Road Medical Practice	Exempt
Windmill Pine	Student accommodation	n/a	n/a	n/a	n/a	£30,855 Portland Medical Practice	Exempt
Rookery Lane	100%	£32,701	£12,662	n/a	n/a	n/a	Social housing exemption
Total	£211,120	£70,593	£63,121	£67,657	£10,000	£115,000	

4.3 The table illustrates where the developer contributions have been collected for, in accordance with the 3 tests, if that has already been confirmed through section 106 negotiations. Where the amount is unallocated, it must be spent within proximity to the site of the development, which will be informed using City Council play and playing field strategies. None of the planning applications proposed included qualifying development for the purposes of CIL and so no CIL is required from these developments.

4.4 Receipt of commuted sums is dependent on whether the planning permission is implemented on site. If the scheme is not developed, the negotiated section 106 will not become liable for payment and so the sums outlined in the table may never be received. There is therefore no guarantee that sums negotiated as part of section 106 agreements during the planning application process will be received. If the planning permission expires then the section 106 falls away.

4.5 The following table illustrates the s106 and CIL contributions received during that period from development that has already commenced and met the trigger for payment.

S106 and CIL contributions received Jan 2019 to Dec 2020

4.6

Site	AH	LGI	PF	ED	HFI	NHS	CIL
Former Moorland School		£32,317	£46,072	£110,453			exempt
Westbrooke Road phase 3		£15,023 Boultham Park Lake	£21,417 Birchwood Leisure Centre 3G pitch				£31,826
Ingleby Crescent		£37,218	£61,859 Yarborough Leisure Centre AWP	£229,322 Lincoln Castle Academy and Monks Abbey Primary			exempt
Land adj to Boultham Medical Practice					£10,000 Pedestrian crossing improvements on Boultham Park Road		exempt
Former Allotment Riseholme Road		£20,788 within 3 miles of the site	£29,636	£45,105 Ermine Academy		£21,175 Minster Medical Practice	exempt
Westbrooke Road phase 4		£13,101 Boultham Park Lake	£18,678 Birchwood Leisure Centre 3G pitch				£33,571
Total		£118,447	£177,662	£384,880	£10,000	£21,175	£65,397

4.7 The table illustrates what monies have been received during the period and where they were allocated to, within the section 106 agreement. Other projects that have been funded during this period, from monies already received prior to 2019, include replacement playing field goals across the City and the tennis court fencing at Boultham Park. Strategic ongoing projects that s106 will contribute to this year include further monies for the Boultham Park lake restoration and the improvement of Whitton's Park. This latter project will utilise monies received following the development of the E2V site, which must be spent on play space in the west of the City by November 2023.

4.8 Members requested sight of the section 106 allocations policy following the last update. Appended to this report is the section 106 Terms of Reference document that officers adhere to and the following is a link to the supplementary planning document

that supports the developer contributions policies within the Central Lincolnshire Local Plan and determines when and what section 106 and CIL can be collected for [Supplementary Planning Documents and Guidance Notes | Central Lincolnshire \(n-kesteven.gov.uk\)](https://www.central-lincolnshire.gov.uk/Supplementary-Planning-Documents-and-Guidance-Notes)

4.9 The next annual report will be presented to this committee in early 2022

5. Recommendation

5.1 That Members note the contents of the report

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

1

List of Background Papers:

None

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