

SUBJECT:	SECTION 106 AND CIL CONTRIBUTIONS UPDATE
DIRECTORATE:	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, secured and spent in the last 12 months to December 2022

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, student accommodation or affordable housing developments.

3. Background

- 3.1 A report was last brought before this committee in March 2022 outlining the section 106 agreement amounts for the preceding year up to December 2021.
- 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 most 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 2025 objectives and initiatives.

- 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. Details

- 4.1 The following table illustrates section 106 contributions and CIL secured for 2022 up to and including December 2022 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 local plan policies.

4.2 S106 and CIL Required from New Planning Applications Jan 2022 to Dec 2022

Site	Affordable Housing	Local Green Infrastructure	Playing Fields	Education	Highway Works	NHS	CIL
Lindum Terrace Apartments	101,890.00	5,418.00	13,992.00	0	0	12,650.00 Abbey or Minster or Lindum Medical Practices	
Oddfellows Hall Apartments	109,890.00	13,363.00	5,175.00	0	0	0	0
471-480 High Street Care Home	0	0	0	0	0	28,707.25	0
Firth Road Student Accom.	0	0	0	0	0	161,150.00	0

Boundary Stree Dwelling	N/A	N/A	N/A	N/A	N/A	3,325.00
De Wint Court	N/A	N/A	N/A	N/A	35,392.50	
Total	0	0	0	0	35,392.50	24,643.00

4.6 S106 Spend Breakdown During 2022. What was spent and where

Spend location	What was provided	Amount allocated	S106 development spend was allocated from
Arboretum recreation area	New piece of play equipment	37,218.00	Ingleby Crescent
Total		37,218.00	

4.7 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 \(n-kesteven.gov.uk\)](#)

4.8 The next annual report will be presented to this committee in approximately 12 months

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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