

SUBJECT:	SECTION 106 AND CIL CONTRIBUTIONS UPDATE
DIRECTORATE:	COMMUNITIES AND ENVIRONMENT
REPORT AUTHOR:	NICOLA COLLINS, HERITAGE & 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 2023.

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 the 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 February 2023 outlining the section 106 agreement amounts for the preceding year up to December 2022.
- 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 2023 up to and including December 2023 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 2023 to Dec 2023

Site	Affordable Housing	Local Green Infrastructure	Playing Fields	Education	Highway Works	NHS	CIL
Tanners Lane				0	0	22,000.00 Heart of Lincoln or Brayford Medical	0
471-480 High Street Care Home	120,346.00	2,712.00	1,163.00	0	0	3,318.16 Portland, Brant Road or Springcliffe Medical	0
Former Wildlife PH Woodfield Avenue	0	8,293.00	3,211.00	0	0	10,617.75 Birchwood or Woodland Medical	0
Former Golden Cross PH High Street	0	0	0	0	0	12,925.00 Heart of Lincoln, Brayford, Springcliffe or Abbey Medical	0

Land at Hermit Street	0	0	0	0	0	6,957.50 Heart of Lincoln, Brayford, Springcliffe or Abbey Medical	0
Steep Hill	0	0	0	0	0	0	7910.94
Mill Road	0	0	0	0	0	0	3094.70
Yarborough Road	0	0	0	0	0	0	11,720.77
Longdales Road	0	0	0	0	0	0	2849.64
Wragby Road	0	0	0	0	0	0	9800.00
Yarborough Road	0	0	0	0	0	0	4338.26
Albion Crescent	0	0	0	0	0	0	4394.97
Castle Street	0	0	0	0	0	0	1185.22
Total	120,346.00	11,005.00	4,374.00	0	0	55,817.00	45,294.50

- 4.3 The table illustrates what developer contributions have been requested, in accordance with the 3 tests. 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 major schemes proposed included qualifying development for the purposes of CIL, but 8 separate minor developments attracted a CIL charge, as shown above.
- 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 the period from development that has already commenced and met the trigger for payment.
- 4.6 **S106 and CIL Contributions Received Jan 2023 to Dec 2023**

Site	Affordable Housing	Local Green Infrastructure	Playing Fields	Education	NHS	CIL
Greetwell Close	£0	£6,564.00	£2,542.00	£0	£6,380.00	N/A (apartments)
Hermit Street	100% on site	£0	£0	£0	£6,957.50	N/A (affordable housing)
Former Monson Arms Retail Unit	N/A	N/A	N/A	N/A	N/A	22,400.00
Queen Street Dwelling	N/A	N/A	N/A	N/A	N/A	790.50
Wragby Road Dwelling	N/A	N/A	N/A	N/A	N/A	9800.00

Longdales Road Dwelling	N/A	N/A	N/A	N/A	N/A	2849.64
Woodstock Street Dwelling	N/A	N/A	N/A	N/A	N/A	8754.00
Yarborough Road Dwelling	N/A	N/A	N/A	N/A	N/A	1100.00
Castle Street Dwelling	N/A	N/A	N/A	N/A	N/A	1185.22
Mill Road 2 Dwellings	N/A	N/A	N/A	N/A	N/A	3094.70
Total	0	£6,564.00	£2,542.00	0	£13,337.50	49,974.06

S106 Spend Breakdown During 2023.

- 4.7 There were no projects that had section 106 monies allocated to them during 2023. However, there is work ongoing to prepare potential schemes for the £76,076.00 in the pot for Local Green Infrastructure and £233,660.00 in the pot for Strategic Playing Fields. Projects must be allocated in the following way:

4.8

Site	Playing Fields	Local Green Infrastructure	Expenditure date	Allocation
Westbrooke Road	£24,824.00	£14,936.00	June 2028	Boultham Park or within 1 mile of site
Wolsey Way	£12,452.00	£8,734.00	March 2030	Spend within Glebe Ward
Romangate	£154,085	On site	March 2030	Spend within locality of site
Riseholme Road	£29,636.00	Spent	March 2030	Within COLC area
Rookery Lane	£12,662.00	Spent	March 2031	Within COLC area
Albion Close	Spent	£9,521.00	February 2026	Within COLC area
St Botolph's Crescent	Spent	£6,900	May 2027	Within COLC area
Rear of 40 High Street	Spent	£3,668.00	July 2028	Queens Park play area
Moorland Avenue	Spent	£32,317.00	June 2029	Within COLC area

- 4.9 Appended to this report is the section 106 group's 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/)

- 4.10 The next annual report will be presented to this committee in approximately 12 months.

5. Resource Implications

- 5.1 The financial implications are contained within this report.

5.2 Legal Implications including Procurement Rules

There are no direct legal implications as a result of this report.

5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

This report has no direct effect on equality in itself, but through measurement of service performance we are constantly able to review the quality of services for all recipients.

6. Recommendation

6.1 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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