



<b>Service Delivery Committee</b>	<b>Tuesday, 11 September 2018</b>	<b>Matter for Information and Decision</b>
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**Report Title:** **Section 106 Open Space, Sport and Recreation Contributions (March - September 2018)**

**Report Author(s):** **Emma Brackenbury (Planning Policy Officer)**

<b>Purpose of Report:</b>	<p>This report is to inform Members of the latest position regarding projects that could be funded through financial off site Section 106 Open Space, Sport and Recreation Contributions.</p> <p>The report also clarifies the mechanism that is in place in relation to the identification of open space, sport and recreation infrastructure requirements and the identification of S106 funding.</p>
<b>Report Summary:</b>	<p>This report builds on the Section 106 Open Space, Sport and Recreation Contributions report that was noted by Members at Service Delivery Committee on 20 March 2018. It provides an up to date list of potential open space, sport and recreation infrastructure requirements which could be funded through Section 106 Contributions.</p> <p>All projects notified to Officers since the previous Service Delivery Committee have been assessed by the Council's Section 106 Officer Working Group and those which comply with the three Community Infrastructure Levy (CIL) tests, have been added to the list.</p>
<b>Recommendation(s):</b>	<p><b>A. That the list of potential open space, sport and recreation infrastructure requirements (as set out at Appendix 1) be noted; and</b></p> <p><b>B. That the projects will be progressed in line with the Council's Capital Programme process be noted.</b></p>
<b>Responsible Strategic Director, Head of Service and Officer Contact(s):</b>	<p>Stephen Hinds (Director of Finance &amp; Transformation) (0116) 257 2681 <a href="mailto:stephen.hinds@oadby-wigston.gov.uk">stephen.hinds@oadby-wigston.gov.uk</a></p> <p>Adrian Thorpe (Head of Planning, Development and Regeneration) (0116) 257 2645 <a href="mailto:adrian.thorpe@oadby-wigston.gov.uk">adrian.thorpe@oadby-wigston.gov.uk</a></p> <p>Jamie Carr (Planning Policy Team Leader) (0116) 257 2652 <a href="mailto:jamie.carr@oadby-wigston.gov.uk">jamie.carr@oadby-wigston.gov.uk</a></p> <p>Emma Brackenbury (Planning Policy Officer) (0116) 257 2668 <a href="mailto:emma.brackenbury@oadby-wigston.gov.uk">emma.brackenbury@oadby-wigston.gov.uk</a></p>
<b>Corporate Priorities:</b>	<p>Balanced Economic Development (CP3) Green &amp; Safe Places (CP4)</p>

<b>Vision and Values:</b>	Customer Focus (V5)
<b>Report Implications:-</b>	
Legal:	There are no implications arising from this report.
Financial:	The financial implications are contained in the report and stated any schemes which are approved will be added to the capital programme.
Corporate Risk Management:	Economy/Regeneration (CR9)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
<b>Statutory Officers' Comments:-</b>	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
<b>Consultees:</b>	None.
<b>Background Papers:</b>	<a href="#">Developer Contributions Supplementary Planning Document (2011) (accessible at Developer Contributions Supplementary Planning Document - Oadby and Wigston Borough Council)</a>
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. Current Section 106 Projects (Fully Funded)</li> <li>2. Current Section 106 (Funding Partially Allocated)</li> <li>3. Current Section 106 Projects (Funding Not Allocated)</li> <li>4. Completed Section 106 Projects (Since Last Report)</li> </ol>

## 1. Section 106 Projects

- 1.1 The Council has in place a Developer Contributions Supplementary Planning Document. This Supplementary Planning Document enables the Council to negotiate a range of financial contributions, including those towards off site infrastructure relating to open space, sport and recreation when granting planning permission for new housing developments of 11 or more dwellings, where provision is not made on site. The specific details of the financial contribution are set out in the Section 106 Agreement that accompanies the planning permission. The financial contribution normally includes both a capital and revenue element.
- 1.2 There are several key 'rules' that the Council must abide by when accruing and spending the financial contributions based on the Legislation relating to Section 106 Agreements:
- The contribution(s) must be spent on infrastructure that is necessary to mitigate the impact of the new development; directly related to the development; and, reasonable in scale and kind;
  - The Council should identify what the financial contribution will be spent on at the time of negotiating the Section 106 Agreement;

- The Council can only 'pool' financial contributions arising from a maximum of 5 separate S106 Agreements towards a single item of open space, sport and recreation infrastructure; and
- The Council must spend the financial contribution within the timeframe set out in the S106 Agreement (usually 5 years, unless otherwise stated).

- 1.3 In order to ensure that the Council meets these rules, a Section 106 Officer Working Group has been established and is tasked with regularly reviewing the Council's position to ensure that all matters relating to the pooling and spending of financial contributions is done so in accordance with the appropriate Legislation.
- 1.4 It is particularly important that the Council has in place a 'current' list of potential open space, sport and recreation infrastructure requirements that is required to mitigate the impact of the new development. This list will then be taken into account by Development Control Officers when negotiating financial contributions with developers. In their negotiations, they will work with the developer to identify the most relevant infrastructure project(s) on the list that a financial contribution could relate to in order to mitigate the impact of the development. Where possible and appropriate, an infrastructure project with some funding already allocated to it will be given a higher priority.
- 1.5 The current list of Section 106 projects that are fully funded through Section 106 Contributions is attached at **Appendix 1**. The current list of projects where funding is being compiled through Section 106 Contributions is at **Appendix 2**. Any project where currently no funding is available through Section 106 Contributions is at **Appendix 3**. These lists will be reported to this Committee every 6 months. The projects are listed in no priority order. The list sets out; the project; the estimated total cost; the amount of S106 funding currently allocated to it; and, the current stage of implementation.
- 1.6 Please note that the new pavilion at Horsewell Lane is being partially funded by Section 106 Contributions, it has not been included in the projects list as it is reported separately. For the latest updates on Horsewell Lane, please see the Facilities Service Update report.
- 1.7 Please note that the provision of Adult Fitness Equipment at Uplands Park has been removed from **Appendix 3**, Projects where Funding is Currently Not Allocated. This project has become a priority for the Council and as funding is not currently available through Section 106, it will be funded via the Council's Capital Programme.
- 1.8 Members are invited to suggest additional open space, sport and recreation infrastructure requirements to add to the list at any time by email to [planningpolicy@oadby-wigston.gov.uk](mailto:planningpolicy@oadby-wigston.gov.uk). Requests may arise, for example, through the Residents Forums. The request will then be considered by the Section 106 Officer Working Group to ensure that it meets the necessary rules associated with S106 funding. If it meets the rules it will be added to the list, for Member approval.
- 1.9 It is important to clarify that once a project is added to the list, it cannot be delivered until the necessary funding has been identified in line with the process explained earlier. Due to this, it may take several years to fully accrue all of the funding required to deliver the project. As explained in paragraph 1.2, the Council is able to pool financial contributions arising from a maximum of 5 separate developer contributions (sometimes referred to as 'planning obligations') towards a single item of open space, sport and recreation infrastructure. Should an infrastructure project become more urgent during this period, then it will need to be removed from the list and considered through the Council's Capital Programme process.
- 1.10 Once the capital element of a S106 Agreement has been spent, the revenue element is transferred into the Council revenue budget, to account for the additional cost to the

Council of maintaining additional infrastructure. A list of the completed projects since the last report is at **Appendix 4**.

- 1.11 It should also be noted that in addition to **Appendix 1 to 3**, the Council also has an Infrastructure Delivery Plan (IDP) that also has a live list of strategic and larger local infrastructure projects. Also the Council's Playing Pitch Strategy (PPS) has a number of projects included. Whilst not all of these projects in the IDP and PPS will come forwards via S106 and not all relate to open space, sport and recreation, where they do they tend to form larger, more strategic projects that may require larger sums of money from various sources of funding.