



Policy, Finance and Development Committee	Tuesday, 11 June 2019	Matter for Information
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Report Title: **Section 106 Open Space, Sport and Recreation Contributions (September 2018 – May 2019)**

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

Purpose of Report:	<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>
Report Summary:	<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 11 September 2018. It provides an up to date list of potential CIL compliant open space, sport and recreation infrastructure projects which could be funded through relevant 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 Community Infrastructure Levy (CIL) regulations, have been added to the list.</p>
Recommendation(s):	<p>A. Members note the current position regarding potential and current CIL compliant open space, sport and recreation infrastructure projects (as set out at Appendices 1-4 t this report); and</p> <p>B. Members note that the projects will be progressed in line with the Council's Capital Programme process.</p>
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	<p>Stephen Hinds (Deputy Chief Executive) (0116) 257 2681 stephen.hinds@oadby-wigston.gov.uk</p> <p>Adrian Thorpe (Head of Built Environment) (0116) 257 2645 adrian.thorpe@oadby-wigston.gov.uk</p> <p>Jamie Carr (Planning Policy Manager) (0116) 257 2652 jamie.carr@oadby-wigston.gov.uk</p> <p>Emma Brackenbury (Planning Policy Officer) (0116) 257 2668 emma.brackenbury@oadby-wigston.gov.uk</p>
Corporate Objectives:	Building, Protecting and Empowering Communities (CO1)

Vision and Values:	"A Stronger Borough Together" (Vision) Innovation (V4) Customer Focus (V5)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	The financial implications are contained in the report and any schemes which are subsequently approved will be added to the capital programme.
Corporate Risk Management:	Effective Utilisation of Assets / Buildings (CR5) 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.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	<ul style="list-style-type: none"> • Developer Contributions Supplementary Planning Document (2019) (accessible at Developer Contributions Supplementary Planning Document - Oadby and Wigston Borough Council)
Appendices:	<ol style="list-style-type: none"> 1. Current Section 106 Projects (Fully Funded) 2. Current Section 106 (Funding Partially Allocated) 3. Current Section 106 Projects (Funding Not Allocated) 4. Completed Section 106 Projects (Since Last Report)

1. Section 106 Projects

- 1.1 The Council has in place a Developer Contributions Supplementary Planning Document. This Supplementary Planning Document (SPD) 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 a financial contribution is set out in a 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 a financial contribution. These 'rules' are based on the Legislation, Guidance and Regulations relating to Section 106 Agreements. 'Rules' include but are not limited to;

- 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 project; 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 projects that are CIL compliant. This list will then be taken into account by the Council when negotiating financial contributions with developers and / or applicants. In the negotiations, the Council will work with the developer and / or applicant 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 proposed new 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 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 Delivery Update report.
- 1.7 Members are invited to suggest additional open space, sport and recreation infrastructure projects to add to the list at any time by email to 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 consideration at a subsequent meeting of this Committee.
- 1.8 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.
- 1.9 Once the capital element of a S106 Agreement has been spent, the revenue element is transferred into the Council's revenue budget, to ensure that the Council can maintain

the additional piece(s) of infrastructure for a period (usually) of 20 years. A list of the completed projects since the last report is at **Appendix 4**.

- 1.10 It should also be noted that in addition to **Appendix 1 to 3**, the Council also has an Infrastructure Delivery Plan (IDP) that 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.