



Hinckley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION

12 MARCH 2020

WARDS AFFECTED: ALL WARDS

S106 CONTRIBUTIONS UPDATE

Report of Director (Environment and Planning)

1. PURPOSE OF REPORT

- 1.1 To update Scrutiny Commission on S106 contributions received and spent in the 2019 calendar year.
- 1.2 To update members on secured contributions for 2019, contributions currently held and contributions successfully requested for 2019.
- 1.3 To update members of any contributions nearing clawback.
- 1.4 To update members of legislation changes

2. RECOMMENDATION

- 2.1 That the report be noted.

3. BACKGROUND TO THE REPORT

- 3.1 When implementing certain types of planning permissions (most notably major residential schemes), developers are required to make financial contributions towards providing or improving local infrastructure. These contributions are used to mitigate the impact of the development on local community facilities and can be requested where they are supported by planning policies and meet the three tests in Regulation 122 of the CIL Regs 2010. Examples of contributions levied by the Council include the improvement of local parks (play and open space), police contributions and health facilities.
- 3.2 Table 1, below, sets out a summary of the financial contributions secured by planning permissions during 2019 for which HBBC are responsible to collect, where upon triggers have been met. Table 2 gives a summary of financial contributions secured for services for which Leicestershire County Council is responsible. Table 3 provides a summary of the total financial contributions that have been received and available

to spend on relevant projects, in accordance with the relevant S106 agreement. In all cases previous years figures have also been included for comparison.

Table 1: HBBC approximate value of s106 contributions secured (not yet received) by planning permissions issued during 2019:

	2017	2018	2019	TOTALS
Affordable Housing Commuted Sum	-	-	£1,187,227	£1,187,227
Off site open space (capital and maintenance)	£ 412,334	£ 129,085	£424,358	£965,777
On site open space (maintenance)	£ 188,121	£2,070,791	£403,991	£2,662,903
Health facilities/improvements	£ 281,050	£ 490,782	£223,973	£995,805
Police infrastructure	£ 112,966	£ 277,483	-	£390,449
Public Realm	£ 258,500	£ 305,000	-	£563,500
Community Facilities	-	£ 402,247	-	£ 402,247
National Forest	-	-	£7,700	£7,700
Total	£1,252,971	£3,675,388	£2,247,249	£7,175,608

Note: No police contributions have been requested for 2019

Table 2: Leicestershire County Council value (approximate) of s106 contributions secured, (not yet received) through planning permissions for 2017, 2018 & 2019.

	2017	2018	2019	TOTALS
Education (approx. due to methodology & includes new school for £4,035,000.00 2018 Hinckley West Application)	£ 2,900,202	£6,677,221	£1,484,941	£11,062,364
Bus service contribution (approx. Max)	-	£ 750,000	-	£ 750,000
Bus pass contribution	£ 21,000	£ 171,465	£194,580	£387,045
Bus stop improvements contribution	£ 188,122	-	£11,900	£200,022
Civic amenities	£ 17,336	£ 42,101	£11,144	£70,581
Highways contributions*	£ 281,050	£ 780,554	£225,250	£1,286,854
Library	£ 11,473	£ 25,650	£6,605	£43,728
Public right of way	-	£ 13,355	-	£13,355

contribution				
Pedestrian connectivity/ safe route to School	-	£ 140,810	-	£140,810
Travel Pack / Plan /Monitoring	-	£ 62,260	£35,756	£98,016
Traffic Regulation Order	-	-	£15,000	£15,000
Total	£ 3,419,183	£8,663,416	£1,985,176	£14,067,775

Note: LCC obligations are approximate based on all dwellings being 2 bed+.

*Does not include highway infrastructure secured through Section 278 Agreements.

Table 3: Contributions held by HBBC and available to spend;

	2017	2018	2019
Total for play and open space (on and off site provision & maintenance)	£1,541,207	£1,380,128	£1,409,023
Off-site affordable housing commuted sums	£ 502,508	£ 265,508	£541,141
Health facilities	£ 602,713	£ 405,470	£352,548
Police infrastructure	£ 130,411	£ 90,200	£99,227
Town Centres infrastructure/Public Realm	£ 167,300	£ 167,300	£168,832
Canal & River Trust	£ 51,673	£ 51,673	£51,673
Arriva Bus Service enhancement 7/7A	-	£ 107,912	-
National Forest	-	-	£12,804
Leicestershire County Council	-	£ 19,959	£48,459
Total	£2,995,812	£2,488,150	£ 2,683,707

- 3.3 The Finance section reconciles the information on a 3 monthly reconciliation. A monthly aged debt report is forwarded to the planning service so outstanding contributions can be chased.
- 3.4 Regular discussions also continue to take place with relevant bodies i.e. Parish Councils; Police and West Leicestershire Clinical Commissioning Group (CCG) where necessary to identify projects in their areas to assist in ensuring that contributions are spent promptly within timescales.
- 3.5 Draft section 106 agreements are checked to ensure obligations can be successfully implemented in the future.
- 3.6 Table 4 below shows contributions totalling £280,442 that are nearing clawback dates. Specific dates for each contribution are detailed in the table. £155,121 is to be spent in 2020 and £125,321 in 2021. Each Parish Council/organisation has been informed of these timescales and the associated risks if not spent as part of their quarterly email updates.

Table 4: Contributions to be spent by December 2021

Parish/ Body	Application Site	Total Contribution secured	Amount left to spend	Clawback date	Update on spend as of January 2020
Health (West Leicestershire CCG)	DWH & Bellway The Greens (T179) 10/00661/OUT	£266,107	£18,017	15/05/2020	£18k remaining to spend. West Leicestershire CCG aware of this and risk of losing if not spent
Canal & River Trust	Taylor Wimpey Greyhound stadium 12/00341/FUL (T164)	£51,674	£51,674	09/07/2020	Waiting for works to be approved, commence and be completed prior to clawback date. Canal & River Trust have been informed of the risk that they will lose the contribution if works are not completed in the timeframe.
Burbage Parish Council	Bellway Workhouse Lane 13/00147/FUL (T151)	£53,191	£13,446	13/07/2020	The next play & open space project is being worked on by Burbage Parish Council.. The Parish Council is well aware of the clawback date.
Burbage Parish Council	DWH Three Pots 13/00094/FUL (T53)	£44,100	£44,100	20/11/2020	Burbage Parish Council is currently working towards a scheme for the play and open space contribution to be spent on. They are fully aware of the clawback dates. Request should be received March 2020
Public Realm - HBBC	14/01066/FUL Hawley Road (T175)	£88,171	£27,884	1/12/2020	Team aware of clawback date and risks. Looking to use contribution towards some small improvements in line with the public realm masterplan and the Hinckley Town Centre Area Action Plan.
Affordable Housing Commuted Sum - HBBC	13/00725/FUL St Marys Vicarage (T180)	£252,649	£90,149	06/04/2021	In hand with Affordable Housing and Enabling Officer to possibly go towards Middlefield Lane properties. Estimated spend Autumn 2020.
Bagworth Parish Council	Land South of Maynard (T3) 12/00127/FUL	£69,630	£1,000	18/05/2021	Bagworth Parish Council are aware, awaiting for confirmation of what the play and open space contribution will be spent on
Ratby Parish Council	15/00065/FUL 166 Station Road Ratby Westleigh (T236)	£25,093	£25,093	03/10/2021	The Parish Council is aware and is looking at what project they would like to use the contribution towards
Groby Parish Council	The Brant (T122) 14/00502/FUL	£17,825	£9,079	08/12/2021	The Parish Council have been specifically made aware in latest update December 2019 for the play and open space contribution
Total			£280,442		

- 3.7 Last year £340,929 was reported to be spent within an approximately 2 year period. The amount set out above for 2020/21 has been reduced which is the result of the improvements put in place and the continuous working together with Parishes, Town Councils and external bodies where contributions are held on their behalf.
- 3.8 A total of £275,278 Section 106 contributions were successfully released in 2019 towards new equipment and improvements for play & open spaces areas and associated maintenance within the Borough.
- 3.9 A total of £244,876 contributions which are held by HBBC on behalf of other bodies were successfully released in 2019. Broken down these are;
- £166,536 to West Leicestershire CCG for improvements/equipment to Burbage Tilton Road Surgery, Hollycroft Surgery, Hinckley Centre Surgery and Earl Shilton Heath Lane Surgery
 - £72,412 was released for the Arriva Bus Service in Burbage for the enhancement of bus service 7/7A to serve the Sketchley Brook development until July 2019
 - £5,928 was released to the Police for a crime prevention project to support residents in fear or have been victims of crime.
- 4.0 New legislation namely the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 came into effect on 1st September 2019 and introduced a few changes. The changes relevant to Hinckley and Bosworth Borough Council as a non-CIL Charging authority are as follows:
- Regulation 123 (Further limitations on use of planning obligations) has been deleted so there is no limit as to the number of planning obligations that could be used to fund a single infrastructure project which means that pooling restrictions have been removed. Previously only five contributions could be asked for one infrastructure project;
 - Regulation 122 (Limitation on use of planning obligations) has been amended to make clear that subject to certain conditions a local planning authority is allowed to include a monitoring fee in agreements under section 106.
- 4.1 Regulation 9 Annual Infrastructure Funding Statements and CIL Rate Summary introduces Part 10A (Reporting and monitoring on CIL and planning obligations) Regulation 121A requires Local Authorities that receive developer contributions to publish an Annual Infrastructure Funding Statement which must state the following:
- A statement of infrastructure projects or types of infrastructure which the Council intends will be wholly or partly funded by S106; and
 - A report about planning obligations, in relation to the previous financial year which includes:
 - Amount of money to be provided under any planning obligations entered in to;
 - Total amount of money received;
 - Total amount of money received before the previous financial year which has not been allocated;
 - Summary of non-monetary contributions in relation to affordable housing (units);
 - Total amount of money received which was allocated but not spent;
 - Total amount of money which was spent by the Council (including those transferred to another party – parish council etc);

- Total amount of money which was allocated by the Council and not spent; and
 - The total amount of money during any year which was retained at the end of the last financial year and where that money has been allocated for the longer term maintenance.
- 4.2 The first Annual Infrastructure Funding Statement must be published on the Council's website by 31st December 2020 and then published annually thereafter.
- 4.3 Planning obligations collected by Leicestershire County Council such as education, highways, civic amenity and libraries will be reported by Leicestershire County Council and not Hinckley and Bosworth Borough Council.
- 5. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES
- 5.1 This report is to be taken in open session.
- 6. FINANCIAL IMPLICATIONS [CS]
- 6.1 The financial aspects are covered in the main body of the report, however members should be aware that should contributions not being spent within the period of time set out in agreements, developers have the option to clawback the funding. This will be reported in the Council's Infrastructure Funding Statement as required by Government annually.
- 7. LEGAL IMPLICATIONS [MR]
- 7.1 Set out in the report
- 8. CORPORATE PLAN IMPLICATIONS
- 8.1 This report contributes to Aim 1 of the Corporate Plan – Creating a vibrant place to work and live.
- 9. CONSULTATION
- 9.1 None required.
- 10. RISK IMPLICATIONS
- 10.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 10.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. Reporting systems and databases are continuously reconciled so that they align to assist in eliminating risks. The risks associated with work have been identified, assessed and that controls are in place to manage them effectively. Regular reports of contributions held are provided to each Parish on regular bases to also eliminate risk of clawbacks.

11. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 11.1 The effective monitoring of S106 contributions and engagement with Parish Councils and Neighbourhood Plan Groups allows local communities to identify and prioritise improvements to local facilities and infrastructure.

12. CORPORATE IMPLICATIONS

- 12.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Procurement implications
 - Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector
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Background papers: None

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